

Ministry of Jobs, Economic Recovery and Innovation
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Ministry of Jobs, Economic Recovery and Innovation
2022/23 Estimates Summary

(in \$000's)

Estimates - Operating Budget	Restated Estimates 2021/22	Estimates 2022/23	Variance
Trade and Industry Development	25,903	28,379	2,476
Small Business and Economic Development	7,454	7,454	-
Investment and Innovation	12,063	13,029	966
Regional Development	27,391	27,391	-
Transfers to Crown Corporations and Agencies	25,640	25,640	-
Executive and Support Services	8,020	8,533	513
Northern Development Fund	500	500	-
	106,971	110,926	3,955

Variance Explanations:

Trade and Industry Development (\$2.476M increase)

- Increase attributed to a base budget lift for the Office of Mass Timber Implementation (OMTI); 18 FTEs have been funded to advance the implementation of a Mass Timber Action Plan

Investment and Innovation (\$966,000 increase)

- Increase attributed to a base budget lift for 8 incremental FTEs to implement the initiatives outlined in the Economic Plan

Executive and Support Services (\$513,000 increase)

- \$17,000 base budget lift for legal services to adjust for rate increases
- \$18,000 increase attributed to a salary growth rate of 2% included in the Ministers' Offices budgets
- \$334,000 increase for 2 incremental FTEs and operating costs related to the implementation of the Economic Plan
- \$144,000 for operating costs to increase to support an additional 18 FTEs related to OMTI to advance the implementation of the Mass Timber Action Plan

Estimates - Capital	Restated Estimates 2021/22	Estimates 2022/23	Variance
Furniture and Equipment ¹	1	3	2
	1	3	2

¹ Increase in capital budget to allow for minor unexpected capital purchases, if required.

BUDGET 2022/23 QUESTIONS AND ANSWERS

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Budget: General

1. Why has JERI's budget increased by \$3.955M in 2022/23?

JERI's 2022/23 budget of \$110.926M increased by almost \$4M from the 2021/22 restated estimates budget of \$106.971M.

Budget Increase/(Decrease) Summary	\$ 000's
Office of Mass Timber Implementation (See Q&A #4)	\$2,620
Stronger BC – Economic Plan (See Q&A #3)	\$1,300
Ministers' Offices Increase ¹	\$18
Legal Services Funding ²	\$17
Net Budget Increase	\$3,955

1. Budget assumes 2% salary growth in Minister's Offices. See Q&A #2 for more details.
2. Increase to offset budget pressures from an increase in Legal Services chargeback rates.

2. Why has the Ministers' Offices budgets increased by \$18,000 in 2022/23?

- An increase of \$18,000 was provided for a 2% growth in salaries built into the Ministers' Offices budgets.
- The Minister's Office FY23 budget increased by \$13,000 and the Minister of State's budget increased by \$5,000.
- In 2021/22, a cross Government review led by the Premier's Office and the Ministry of Finance was completed to better align budgets with staffing levels and historic spending.
- An incremental increase of \$196,000 was provided in 2021/22, and the salaries budget assumed 2% growth in the out years (\$18,000 in 2022/23).

*Any questions on the review of Ministers' Offices budgets should be directed to the Ministry of Finance.

Economic Plan

3. How much funding has been allocated to “StrongerBC, B.C.’s Economic Plan” in *Budget 2022*?

- In February 2022, Government released an Economic Plan with a vision for B.C.’s economic future: an inclusive, sustainable, and innovative economy that works for everyone. The plan charts the path to meeting two big goals — inclusive growth and clean growth — to build a strong economy that works for more people and establishes sustainability as the foundation for the economy of tomorrow.
- *Budget 2022* provides an allocation of \$50 million over the fiscal plan to deliver on New Actions in the Economic plan. This includes targeted strategies and investments under JERI to support both clean and inclusive growth.
- JERI has several new actions identified in the Economic Plan:
 - Creating a Small Business Diversity and Inclusion Action Plan and an Industrial and Manufacturing Action Plan
 - Developing a Mass Timber Action Plan (separate base funding received – See #4 below)
 - Launching a Life Sciences and Biomanufacturing Strategy and engaging on a Trade Diversification Strategy
 - Establishing Integrated Marketplaces to amplify innovation and connect local businesses with Customers
 - Establishing an ESG Centre of Excellence which will promote Environmental, Social and Governance principles for products and services.
 - Creating an Agritech Centre of Excellence
- *Budget 2022* provides a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan’s intended outcomes.
- This includes funding for 10 incremental FTE’s.
 - A \$966,000 increase was received for 8 incremental FTEs and associated operating costs in the Investment and Innovation Division.
 - A \$334,000 increase was received for corporate services support, including 2 FTEs

4. How much funding was allocated to the Office of Mass Timber Implementation in Budget 2022?

- In FY23, the Ministry received a base budget lift of \$2.620M (\$2.476 under Trade and Industry Development and \$144,000 for corporate support) for the Office of Mass Timber Implementation (OMTI).
- The funding was received to support 18 FTEs and operating costs to advance the implementation of the Mass Timber Action Plan (MTAP).
 - *Budget 2021* provided a base budget lift of \$1.27M beginning in FY23;
 - *Budget 2022* provided a further base budget lift of \$1.35M for a total budget of \$2.62M per year.
- The MTAP is a bold, carbon-friendly market transformation strategy. It combines strategic regulatory, policy and program interventions to bridge three pillars of B.C.'s economy that are typically siloed – forestry, manufacturing and land development/construction.
- The MTAP is anticipated to be released in the Spring of 2022.
- **Mass Timber Demonstration Projects**
 - As part of StrongerBC, FII received funding of \$3.0M in 2020/21 for a mass timber demonstration program, which offsets incremental costs related to the design and construction of buildings that can demonstrate mass timber building systems and construction processes
 - An additional \$2 million per year for Mass Timber Demonstration projects was allocated to FII in 2021/22 and 2022/23. This transfer is shown in the Service Plan for FII.

5. How much funding was allocated to InBC in Budget 2022?

- InBC is a \$500 million strategic investment fund focussed on a triple bottom line approach (economic, environmental and social), that will invest in small and medium-sized B.C. companies to help them scale up and reach their highest potential, while generating returns that support a growing economy.
- InBC will advance the Economic Plan by supporting low-carbon innovation and the low-carbon economy across sectors.
- There is no base operating budget for InBC. Crown operations will be funded through retained earnings, revenues from existing portfolios, and a fiscal agency loan.

- InBC Investment Corp. (InBC) is presenting a planned deficit of \$5.4 million in 2022/23, \$6.8 million in 2023/24, and \$7.1 million in 2024/25 in its Service Plan.
- Venture capital investment income is not budgeted for because the timing of distributions from venture capital portfolios is unpredictable, and it is difficult to estimate the value of a portfolio distribution until it occurs.
- Without a significant source of revenue in its budget, InBC's planned deficit largely reflects the company's planned operating expenses.

6. How much funding has been allocated towards the Quantum Algorithms Institute?

- On October 2nd, 2019 the B.C. Government announced that it will be supporting the creation of a Quantum Algorithms Institute that includes the province's network of post-secondary research institutes and industry partners.
- The B.C. Government allocated up to \$17 million over five years (\$2M in FY20, \$3M in FY21, \$4M in FY22 to FY24) to establish the Institute, with \$4 million to be provided in 2022/2023, subject to available budget appropriation and review of future funding proposals from the Quantum Algorithms Institute.
- This funding will aid in positioning B.C. to be a world leader on quantum computing.
- The independent Quantum Algorithms Institute was formally established in March 2020 and received \$2 million in 2019/20 and \$3 million in 2020/21.
- Actual 2021/22 funding will be released in the Public Accounts.

7. How much funding has been allocated towards the Other Initiatives identified within the Economic Plan?

- Supporting workers and rural communities transition into new industries (See #8).
- Working with government and business leaders from both sides of the border, through the Cascadia Innovation Corridor, to create a global model for sustainable growth.
- Developing a long-term provincial shipbuilding strategy – In 2021/22, a \$250,000 contract was entered into with the Association of B.C. Marine industries to administer an advisory committee that will develop recommendations for actions supporting a robust, resilient and innovative shipbuilding sector in B.C.
- Developing an Intellectual Property Strategy to support the growth and Innovation of B.C. companies. This is a priority in Parliamentary Secretary Bailey's mandate letter.

Government Reorganization: Transfer of Regional Development Programs

8. How has the government reorganization effective April 1, 2022 impacted JERI's budget?

- Effective April 1, 2022, the delivery of regional development programs and services and community transition services for significant economic disruptions has transferred from the Ministry of Forests to JERI.
- The transfer includes a base budget transfer of \$27.391M for Regional Development programs and an additional \$432,000 for corporate services support.
- For comparison purposes, the 2021/22 Estimates have been restated to be consistent with the presentation of the 2022/23 Estimates.
- Budget 2022 provides more than \$185 million over the next three years to bring forth coordinated and comprehensive supports to help forest workers and contractors, industry, communities, and First Nations to adapt and respond to impacts of deferrals.
- This includes connecting workers with short-term employment opportunities and education and skills training for community members. It also includes funding of partnerships with businesses and communities to assist them through the transition to create jobs through diversified economies and infrastructure projects.

StrongerBC: Previous Fiscal (2021/22)

9. What was spent on StrongerBC Programming in 2021/22?

- *Actual spending on StrongerBC programming for 2021/22 will be released through the public accounts later this year.*
- 2021/22 Budget Allocation:

Stronger BC Funding (\$ In Millions)	2021/22 Budget Allocation
a. Small & Medium Sized Business Recovery Grant and Circuit Breaker Business Relief Grant ^{1,2}	\$467.2M
b. COVID-19 Closure Relief Grant ³	\$14M
c. Stronger BC Future Leaders – Innovator Skills Initiative	\$15M
d. Digital Marketing and Skills Training ⁴	\$0.8M
e. Value Added Manufacturing (Funded through base budget)	\$0.25M
Total Funding	\$497.25M
¹ Funding of \$327.2M (\$198.2M for the Small Business Grant Program and \$129M for Circuit Breaker Grant Program) approved in JERI's <i>Budget 2021</i> letter; an additional \$140M	

approved in May 2021 to meet projected program demand of the Small Business Grant Program.

² Total allocation of \$560.2M over 2 years (\$93M spent in 2020/21, \$467.2M budgeted in 2021/22)

³ Original grant program of \$10M plus \$4M extension

⁴ Cabinet Confidences

Contract amount of \$150,000 was

proactively released (see note d below)

a) Small and Medium Sized Business Recovery Grant Program, Circuit Breaker Business Relief Grant and COVID-19 Closure Relief Grant (\$481.2M)

- As at Q3, the Ministry is forecasting an overall spend on the 3 grant programs of \$477M.
- The Small and Medium Sized Business Recovery Grant (SMSBRG) Program was approved and launched as part of StrongerBC in October 2020. The funding provides grants to enable small businesses to access professional advice and grants to support recovery for those which have been impacted by the pandemic.
- The SMSBRG program spent 93M in 2020/21 and has a 2021/22 budget of \$338.2M, for a total allocation of \$431.2M over 2 years.
- The Circuit Breaker Business Relief Grant's provided restaurants, bars, breweries, wineries, gyms and fitness centres, and short term accommodation providers impacted by the March 30, 2021, provincial health orders and the subsequent travel restrictions with up to \$20,000 in one-time funding to help with expenses like rent, insurance, employee wages, maintenance and utilities and other unexpected costs resulting from the restrictions such as the purchase of perishable goods.
- The 2021/22 budget for the Circuit Breaker Business Relief grant is \$129M. JERI has approval to reallocate any underspend to the SMSBRG program.
- On December 23, 2021, the \$10M COVID-19 Closure Relief Grant program was announced to support businesses that had to close due to the December 22, 2021 Provincial Health Officer Orders.
- On January 19, 2022, the Province allocated an additional \$4M to extend the grant and double supports for eligible businesses that have been ordered to remain temporarily closed until February 16, 2022.
- Eligible businesses (bars, nightclubs and lounges that do not serve full meals and event venues that were required to close) were eligible for up to \$20,000 in total funding.
- Eligible fitness facilities could receive the original 4 week temporary closure grant of up to \$10,000.

b) StrongerBC Future Leaders Program – Innovator Skills Initiative (\$15M)

- Budget 2021 provided \$15 million in funding to Innovate BC to expand the Innovator Skills Initiative program as part of the StrongerBC Future Leaders Program.
- The funding expands the existing program to include non-student youth who have completed industry-approved certification or training.
- The program will fund a portion of the internship costs for under-represented youth, creating over 3,000 job placements for youth in a high-opportunity sector with higher-than-average wages.

c) Digital Marketing and Skills Training (\$800,000):

- \$800,000 in Stronger BC funding was allocated to engage with businesses on their demand for digital skills, and conduct a labour market study identifying workplace needs and gaps.
- Through an open competitive process, in 2021/22 a \$150,000 contract with Deloitte was entered into to prepare an industry study to identify digital skills gaps and barriers to technology adoption companies across BC.

d) Value Added Manufacturing – Research (\$0.25M provided from Base Budget)

- \$250,000 was allocated from JERI's base budget for a BC supply chain resiliency and value-added manufacturing project. The project will focus on key BC manufacturing and related strategic supply chains, and emerging value-added manufacturing opportunities.
- In September 2021, a contract of \$237,000 was awarded to Price Waterhouse Cooper after an open competitive process.

Other:

10. What is/has been the budget impact of the change in the Asia Trade and Investment Representative model?

This decision was made to allow the Ministry to provide more trade and investment programming support and diversify our trade and investment opportunities across Asia. The transition is made possible by the partnership with Global Affairs Canada and BC is benefiting from a closer relationship with the many new resources added by Global Affairs Canada in Asia in recent years.

BC's new co-located positions in Asia are already strengthening our relationship with the many trade resources of Global Affairs Canada. Our new representatives supported efforts of BC and Canada to source and secure COVID-19 related supplies from Asia. We re-directed efforts of the headquarters team, utilized low-cost temporary assignments in-market, and relied on Global Affairs Canada to provide interim supports for BC businesses. We expect service levels to increase as more international trade resumes in the months ahead.



February 25, 2022

Honourable Ravi Kahlon
Minister of Jobs, Economic Recovery and Innovation
Parliament Buildings
Victoria, British Columbia V8V 1X4

Dear Minister Kahlon:

Thank you for agreeing to serve British Columbians as Minister of Jobs, Economic Recovery and Innovation.

In this past year, as a member of Cabinet, your work has contributed to this government's efforts to support British Columbians as they face the impacts of COVID-19. People throughout the province continue to work together to stay safe and rebuild their lives and communities from the effects of the pandemic. Our government remains committed to getting through the pandemic and its after effects by building on this resilience and focusing on what matters most to people.

British Columbians voted for a government focused on their priorities: providing better health care for people and families, delivering affordability and security in our communities, and investing in good jobs and livelihoods in a clean-energy future.

I expect you –with support of your ministry – to focus on the commitments detailed in our platform, *Working for You*, along with the following foundational principles:

- **Putting people first:** Since 2017, our government has focused on making decisions to meet people's needs. That focus drove our work in our first term and will continue to be our priority. British Columbians are counting on the government to keep them safe and to build an economic recovery that works for everyone, not just those at the top. Keeping people at the centre of everything we do means protecting and enhancing the public services people rely on and working to make life more affordable for everyone.

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- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. The unanimous passage of the *Declaration on the Rights of Indigenous Peoples Act* was a significant step forward in this journey. True reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move toward self-determination. Our government – and every ministry – must remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation.
- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government, and their lives. Our government has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every ministry has a role in this work. While our caucus elected a record number of women, more work remains to address gender equity. Delivering on our commitments to address racial discrimination will require a commitment by all of government to ensure increased IBPOC (Indigenous, Black and People of Colour) representation within the public service, including in government appointments. Our efforts to address systemic discrimination must also inform policy and budget decisions by reviewing all decisions through a Gender-Based Analysis Plus (GBA+) lens.
- **A better future through fighting climate change:** In 2018, our government launched our CleanBC climate action plan. CleanBC puts British Columbia on the path to a cleaner, better future by building a low-carbon economy with new clean-energy jobs and opportunities, protecting our air, land and water and supporting communities to prepare for climate impacts. It is every Minister's responsibility to ensure your ministry's work continues to achieve CleanBC's goals.
- **A strong, sustainable economy that works for everyone:** We will continue our work to support British Columbians through the pandemic and the economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. Our plan will train the workforce of tomorrow, help businesses hire and grow and invest in the infrastructure needed to build our province.

The pandemic has reminded us that we're strongest when we work together. Delivering on our commitments to people will require a coordinated effort with your cabinet and caucus colleagues, supported by the skilled professionals in the public service. You will also support your cabinet colleagues to do their work, particularly where commitments cross ministry lines.

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British Columbians expect their elected representatives to work together to advance the broader public good despite their partisan perspectives. That means seeking out, fostering, and championing good ideas, regardless of their origin. I expect you to reach out to elected members from all parties as you deliver on your mandate. Further, you will build thoughtful and sustained relationships through public and stakeholder engagement plans that connect with people to incorporate their perspectives early in the policy development process. These plans must include measurable outcomes and ensure active dialogue and ongoing outreach in your ministry's actions and priorities.

Over the course of our mandate, I expect you will make progress on the following items:

- Support people and businesses in the recovery from the COVID-19 pandemic by continuing to deliver initiatives that will directly support small businesses and build an inclusive economic recovery across BC.
- Work across ministries to lead the development and coordinate implementation of an industrial and manufacturing strategy that generates cleaner, more innovative, value-added economic activity across BC, while supporting our commitments to reconciliation and CleanBC.
- With support from the Minister of Energy, Mines and Low Carbon Innovation, boost BC as a global exporter of climate solutions by investing in BC-based carbon capture and storage and other low carbon technologies.
- Support the work of the Minister of State for Trade on special projects to support economic development, trade and innovation in areas such as BC's shipbuilding sector, aerospace and forest sector innovation.
- Support BC shipyards to build capacity and become increasingly competitive with investments to support more shipbuilding, refit, repair, and maintenance here in BC.
- Capitalize on the potential of BC's aerospace industry by expanding support for BC companies to integrate into global supply chains and access new markets.
- Launch a strategic investment fund to support our government's objective of building a more innovative low carbon economy by investing in high-potential BC businesses to help them scale up and grow here.
- Lead the Office of Mass Timber Implementation and, with support from the Minister of Forests, advance the mass timber action plan.

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- With support from the Minister of Advanced Education and Skills Training, work with BC's Innovation Commissioner to lead investment in innovation clusters, with a focus on emerging industries where BC companies have developed the early lead – such as life sciences, emergency management technology, engineered wood, clean tech, artificial intelligence, and quantum and virtual reality technologies.
- Support the work of the Minister of Agriculture and Food to move forward with the recommendations of the Food Security Task Force and develop a new Regenerative Agricultural Network, which will create jobs for workers, opportunities for farmers and greater food security by bringing together natural systems of production with agri-technologies that enhance production.

To assist you in meeting the commitments we have made to British Columbians, you are assigned a Parliamentary Secretary for Technology and Innovation. You will work closely together and ensure your Parliamentary Secretary receives appropriate support to deliver on the following priorities, outlined in the mandate letter issued to them:

- Develop an intellectual property strategy to support more innovation and commercialization by BC companies, including a First Patent Program.
- Help more people from underrepresented groups get their first job in the tech sector, while simultaneously helping BC-based tech companies hire and grow, by increasing the number of Innovator Skills Initiative Grants and prioritizing placements for women, Indigenous people, people of colour and others currently underrepresented in BC's tech sector.
- Help more innovative BC businesses successfully scale up here by expanding the successful RevUp program that brings business owners together with experienced mentors who provide coaching and advice on growing small successful tech companies into larger ones.

You are also assigned a Parliament Secretary for Rural and Regional Development. You will work closely together and ensure your Parliamentary Secretary receives appropriate support to deliver on the following priorities, outlined in the mandate letter issued to them:

- Lead the work of Rural and Regional Development with local governments and First Nations to support and promote regional diversified economies.
- Provide the regional perspective to the work of the Ministry with a focus on implementing supports for rural, remote and First Nations communities when needed.

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- Support the Minister of Citizens' Services to deliver high-speed connectivity throughout the province with a goal of connecting all regions to the high-speed network.
- Work with the Minister of Labour to establish a Worker Training and Job Opportunity Office to maximize the impact of our economic recovery plan for workers and communities during COVID-19 and beyond – with a focus on retraining workers, supporting resource communities facing job loss, developing higher value goods, and accessing new global markets and opportunities for BC products.

Our work as a government must continually evolve to meet the changing needs of people in this province. Issues not contemplated in this letter will come forward for government action and I ask you to bring such matters forward for consideration by the Planning and Priorities Committee of cabinet, with the expectation that any proposed initiatives will be subject to the usual cabinet and Treasury Board oversight. Your ministry's priorities must reflect our government's overall strategic plan as determined by cabinet.

All cabinet members are expected to review, understand and act according to *the Members' Conflict of Interest Act* and conduct themselves with the highest level of integrity. As a minister of the Crown, your conduct will reflect not only on you, but on cabinet and our government.

You are responsible for providing strong, professional, and ethical leadership within cabinet and your ministry. You will establish a collaborative working relationship with your deputy minister and the public servants under their direction who provide the professional, non-partisan advice that is fundamental to delivering on our government's priorities. You must ensure your minister's office meets the highest standards for integrity and provides a respectful and rewarding environment for all staff.

My commitment to all British Columbians is to do my level best to make sure people's lives are better, safer, and more affordable. I believe the challenges we face can and will be overcome by working together. By way of this letter, I am expressing my faith that people can expect the same commitment from you.

Sincerely,

A handwritten signature in black ink, reading "John J. Horgan". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John Horgan
Premier



February 25, 2022

Honourable George Chow
Minister of State for Trade
Parliament Buildings
Victoria, British Columbia V8V 1X4

Dear Minister Chow:

Thank you for agreeing to serve British Columbians as Minister of State for Trade.

In this past year, as a member of Cabinet, your work has contributed to this government's efforts to support British Columbians as they face the impacts of COVID-19. People throughout the province continue to work together to stay safe and rebuild their lives and communities from the effects of the pandemic. Our government remains committed to getting through the pandemic and its after effects by building on this resilience and focusing on what matters most to people.

British Columbians voted for a government focused on their priorities: providing better health care for people and families, delivering affordability and security in our communities, and investing in good jobs and livelihoods in a clean-energy future.

I expect you –with support of your ministry – to focus on the commitments detailed in our platform, *Working for You*, along with the following foundational principles:

- **Putting people first:** Since 2017, our government has focused on making decisions to meet people's needs. That focus drove our work in our first term and will continue to be our priority. British Columbians are counting on the government to keep them safe and to build an economic recovery that works for everyone, not just those at the top. Keeping people at the centre of everything we do means protecting and enhancing the public services people rely on and working to make life more affordable for everyone.

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Parliament Buildings
Victoria

- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. The unanimous passage of the *Declaration on the Rights of Indigenous Peoples Act* was a significant step forward in this journey. True reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move toward self-determination. Our government – and every ministry – must remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation.
- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government, and their lives. Our government has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every ministry has a role in this work. While our caucus elected a record number of women, more work remains to address gender equity. Delivering on our commitments to address racial discrimination will require a commitment by all of government to ensure increased IBPOC (Indigenous, Black and People of Colour) representation within the public service, including in government appointments. Our efforts to address systemic discrimination must also inform policy and budget decisions by reviewing all decisions through a Gender-Based Analysis Plus (GBA+) lens.
- **A better future through fighting climate change:** In 2018, our government launched our CleanBC climate action plan. CleanBC puts British Columbia on the path to a cleaner, better future by building a low-carbon economy with new clean-energy jobs and opportunities, protecting our air, land and water and supporting communities to prepare for climate impacts. It is every Minister's responsibility to ensure your ministry's work continues to achieve CleanBC's goals.
- **A strong, sustainable economy that works for everyone:** We will continue our work to support British Columbians through the pandemic and the economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. Our plan will train the workforce of tomorrow, help businesses hire and grow and invest in the infrastructure needed to build our province.

The pandemic has reminded us that we're strongest when we work together. Delivering on our commitments to people will require a coordinated effort with your cabinet and caucus colleagues, supported by the skilled professionals in the public service. You will also support your cabinet colleagues to do their work, particularly where commitments cross ministry lines.

.../3

British Columbians expect their elected representatives to work together to advance the broader public good despite their partisan perspectives. That means seeking out, fostering, and championing good ideas, regardless of their origin. I expect you to reach out to elected members from all parties as you deliver on your mandate. Further, you will build thoughtful and sustained relationships through public and stakeholder engagement plans that connect with people to incorporate their perspectives early in the policy development process. These plans must include measurable outcomes and ensure active dialogue and ongoing outreach in your ministry's actions and priorities.

Over the course of our mandate, I expect you will make progress on the following items:

- Seek new strategies to expand BC's export opportunities as the province recovers from the COVID-19 pandemic, with a specific emphasis on BC's emerging clean technology and innovation sector.
- In collaboration with cabinet colleagues and with support from the Minister of Jobs, Economic Recovery and Innovation, lead work on special projects to support economic development, trade and innovation in areas such as BC's shipbuilding sector, aerospace and forest sector innovation.
- Expand BC's Export Navigator program to help more small businesses export their goods and services beyond our borders.
- Develop and implement a new BC Trade Diversification Strategy that will help BC businesses build connections in new markets, increase exports and highlight BC as a low-carbon supplier.
- Work across ministries and with the federal government to ensure British Columbia's interests are protected and advanced in trade negotiations and disputes, including the softwood lumber negotiations with the United States.
- Continue to support Forestry Innovation Investment's efforts to promote BC's manufactured wood products, including mass timber.
- Support the work of the Minister of Agriculture and Food to continue to promote BC food and agriculture exports.
- Work with the Minister of Tourism, Arts, Culture and Sport to continue the development of the Chinese Canadian Museum.

Our work as a government must continually evolve to meet the changing needs of people in this province. Issues not contemplated in this letter will come forward for government action and I ask you to bring such matters forward for consideration by the Planning and

.../4

Priorities Committee of cabinet, with the expectation that any proposed initiatives will be subject to the usual cabinet and Treasury Board oversight. Your ministry's priorities must reflect our government's overall strategic plan as determined by cabinet.

All cabinet members are expected to review, understand and act according to the *Members' Conflict of Interest Act* and conduct themselves with the highest level of integrity. As a minister of the Crown, your conduct will reflect not only on you, but on cabinet and our government.

You are responsible for providing strong, professional, and ethical leadership within cabinet and your ministry. You will establish a collaborative working relationship with your deputy minister and the public servants under their direction who provide the professional, non-partisan advice that is fundamental to delivering on our government's priorities. You must ensure your minister's office meets the highest standards for integrity and provides a respectful and rewarding environment for all staff.

My commitment to all British Columbians is to do my level best to make sure people's lives are better, safer, and more affordable. I believe the challenges we face can and will be overcome by working together. By way of this letter, I am expressing my faith that people can expect the same commitment from you.

Sincerely,

A handwritten signature in black ink, reading "John J. Horgan". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

John Horgan
Premier



November 26, 2020

Brenda Bailey, MLA
Parliamentary Secretary for Technology and Innovation
Parliament Buildings
Victoria, British Columbia V8V 1X4

Dear Parliamentary Secretary Bailey:

Thank you for agreeing to serve British Columbians as Parliamentary Secretary for Technology and Innovation, supporting the Minister of Jobs, Economic Recovery and Innovation. You are taking on this responsibility at a time when people in our province face significant challenges as a result of the global COVID-19 pandemic.

COVID-19 has turned the lives of British Columbians upside down. None of us expected to face the challenges of the past number of months, yet British Columbians have demonstrated incredible resilience, time and time again. We will get through the pandemic and its aftereffects by building on this resilience and focusing on what matters most to people.

British Columbians voted for a government focused on their priorities: fighting the COVID-19 pandemic, providing better health care for people and families, delivering affordability and security in our communities, and investing in good jobs and livelihoods in a clean-energy future.

I expect you – and the work of your ministry – to focus on the commitments detailed in our platform, *Working for You*, along with the following foundational principles:

- **Putting people first:** Since 2017, our government has focused on making decisions to meet people's needs. That focus drove our work in our first term and will continue to be our priority. British Columbians are counting on the government to keep them safe and to build an economic recovery that works for everyone, not just those at the top. Keeping people at the centre of everything we do means protecting and enhancing the public services people rely on and working to make life more affordable for everyone.
- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. The unanimous passage of the *Declaration on the Rights of Indigenous Peoples Act* was a significant step forward in this journey. True

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Office of the
Premier

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www.gov.bc.ca

Mailing Address:
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Victoria BC V8W 9E1

Location:
Parliament Buildings
Victoria

reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move toward self-determination. Our government – and every ministry – must remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation.

- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. Our government has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every ministry has a role in this work. While our caucus elected a record number of women, more work remains to address gender equity. Delivering on our commitments to address racial discrimination will require a commitment by all of government to ensure increased IBPOC (Indigenous, Black and People of Colour) representation within the public service, including in government appointments. Our efforts to address systemic discrimination must also inform policy and budget decisions by reviewing all decisions through a Gender-Based Analysis Plus (GBA+) lens.
- **A better future through fighting climate change:** In 2018, our government launched our CleanBC climate action plan. CleanBC puts British Columbia on the path to a cleaner, better future by building a low-carbon economy with new clean-energy jobs and opportunities, protecting our air, land and water and supporting communities to prepare for climate impacts. It is every Minister's responsibility to ensure your ministry's work continues to achieve CleanBC's goals.
- **A strong, sustainable economy that works for everyone:** We will continue our work to support British Columbians through the pandemic and the economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. Our plan will train the workforce of tomorrow, help businesses hire and grow and invest in the infrastructure needed to build our province.

As Parliamentary Secretary, you will assist your Minister in carrying out their duties. You may be asked to represent the Minister at public events, deliver speeches on behalf of the Minister, or act as a spokesperson for the government's position. You will reach out to stakeholders, businesses, civil society and individuals across B.C. to better understand their perspectives and bring their views to the Minister.

You are also being given special responsibility to support your Minister in specific areas within their mandate. You will work with, and be supported by, B.C.'s professional public service in this role.

Over the course of our mandate, I expect you will make progress on the following items:

- Develop an intellectual property strategy to support more innovation and commercialization by B.C. companies, including a First Patent Program.

- Help more people from underrepresented groups get their first job in the tech sector, while simultaneously helping B.C.-based tech companies hire and grow, by increasing the number of Innovator Skills Initiative Grants and prioritizing placements for women, Indigenous people, people of colour and others currently underrepresented in B.C.'s tech sector.
- Help more innovative B.C. businesses successfully scale up here by expanding the successful RevUp program that brings business owners together with experienced mentors who provide coaching and advice on growing small successful tech companies into larger ones.

Your Minister is ultimately responsible and accountable for their ministry and their mandate; thus, all key decisions will be made by them. Your role is to understand your Minister's policy goals, develop a deep understanding of the issues, participate in consultations with key stakeholders, Indigenous peoples and the broader public, in order to give your best advice to the public service as it develops options for a decision by the Minister.

You will collaborate with your Minister, Ministry and the Premier's Office to develop a workplan to guide your efforts, including detail on how the professional public service will support your work through briefings, supporting consultations, and keeping you apprised of policy development.

All members are expected to review, understand and act according to the *Members' Conflict of Interest Act* and conduct themselves with the highest level of integrity. As a Parliamentary Secretary, your conduct will reflect not only on you, but on your Minister and our government.

You are accountable for providing strong, professional and ethical leadership. I expect you to establish a positive, respectful and collaborative working relationship with your Minister, their staff and the public servants who provide the professional, non-partisan advice fundamental to delivering on our government's priorities.

My commitment to all British Columbians is to do my level best to make sure people's lives are better, safer and more affordable. I believe the challenges we face can and will be overcome by working together. By way of this letter, I am expressing my faith that people can expect the same commitment from you.

Sincerely,

A handwritten signature in black ink, reading "John I. Horgan", followed by a long horizontal flourish.

John Horgan
Premier



February 25, 2022

Roly Russell, MLA
Parliamentary Secretary for Rural and Regional Development
Parliament Buildings
Victoria, British Columbia V8V 1X4

Dear Parliamentary Secretary Russell:

Thank you for agreeing to serve British Columbians as Parliamentary Secretary for Rural and Regional Development, supporting the Minister of Jobs, Economic Recovery and Innovation.

In this past year, your work has contributed to this government's efforts to support British Columbians as they face the impacts of COVID-19. People throughout the province continue to work together to stay safe and rebuild their lives and communities from the effects of the pandemic. Our government remains committed to getting through the pandemic and its after effects by building on this resilience and focusing on what matters most to people.

British Columbians voted for a government focused on their priorities: providing better health care for people and families, delivering affordability and security in our communities, and investing in good jobs and livelihoods in a clean-energy future.

I expect you –with support of your Minister and ministry – to focus on the commitments detailed in our platform, *Working for You*, along with the following foundational principles:

- **Putting people first:** Since 2017, our government has focused on making decisions to meet people's needs. That focus drove our work in our first term and will continue to be our priority. British Columbians are counting on the government to keep them safe and to build an economic recovery that works for everyone, not just those at the top. Keeping people at the centre of everything we do means protecting and enhancing the public services people rely on and working to make life more affordable for everyone.

.../2

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Victoria

- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. The unanimous passage of the *Declaration on the Rights of Indigenous Peoples Act* was a significant step forward in this journey. True reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move toward self-determination. Our government – and every ministry – must remain focused on creating opportunities for Indigenous peoples to be full partners in our economy and providing a clear and sustainable path for everyone to work toward lasting reconciliation.
- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. Our government has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every ministry has a role in this work. While our caucus elected a record number of women, more work remains to address gender equity. Delivering on our commitments to address racial discrimination will require a commitment by all of government to ensure increased IBPOC (Indigenous, Black and People of Colour) representation within the public service, including in government appointments. Our efforts to address systemic discrimination must also inform policy and budget decisions by reviewing all decisions through a Gender-Based Analysis Plus (GBA+) lens.
- **A better future through fighting climate change:** In 2018, our government launched our CleanBC climate action plan. CleanBC puts British Columbia on the path to a cleaner, better future by building a low-carbon economy with new clean-energy jobs and opportunities, protecting our air, land and water and supporting communities to prepare for climate impacts. It is every Minister's responsibility to ensure your ministry's work continues to achieve CleanBC's goals.
- **A strong, sustainable economy that works for everyone:** We will continue our work to support British Columbians through the pandemic and the economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. Our plan will train the workforce of tomorrow, help businesses hire and grow and invest in the infrastructure needed to build our province.

As you continue your work as Parliamentary Secretary, you will also continue to assist your Minister in carrying out your Minister's duties. You will represent the Minister at public events as needed, deliver speeches on behalf of the Minister, and act as a spokesperson for the government's position. You will continue your work of reaching out to stakeholders, businesses, civil society, and individuals across BC to better understand their perspectives and bring their views to your Minister.

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I expect you to continue your support for your Minister and make progress on the following items:

- Lead the work of Rural and Regional Development with local governments and First Nations to support and promote regional diversified economies.
- Provide the regional perspective to the work of the Ministry with a focus on implementing supports for rural, remote and First Nations communities when needed.
- Support the Minister of Citizens' Services to deliver high-speed connectivity throughout the province with a goal of connecting all regions to the high-speed network.
- Work with the Minister of Labour to establish a Worker Training and Job Opportunity Office to maximize the impact of our economic recovery plan for workers and communities during COVID-19 and beyond – with a focus on retraining workers, supporting resource communities facing job loss, developing higher value goods, and accessing new global markets and opportunities for BC products.

Your Minister is ultimately responsible and accountable for your ministry and its mandate; thus, all key decisions will be made by your Minister. Your role is to understand your Minister's policy goals, develop a deep understanding of the issues, participate in consultations with key stakeholders, Indigenous peoples, and the broader public, in order to give your best advice to the public service as it develops options for a decision by your Minister.

You will collaborate with your Minister, ministry, and the Premier's Office to develop a workplan to guide your efforts, including detail on how the professional public service will support your work.

All members are expected to review, understand and act according to the *Members' Conflict of Interest Act* and conduct themselves with the highest level of integrity. As a Parliamentary Secretary, your conduct will reflect not only on you, but on your Minister and our government.

You are accountable for providing strong, professional, and ethical leadership. I expect you to establish a positive, respectful, and collaborative working relationship with your Minister, your Minister's staff and the public servants who provide the professional, non-partisan advice fundamental to delivering on our government's priorities.

My commitment to all British Columbians is to do my level best to make sure people's lives are better, safer, and more affordable. I believe the challenges we face can and will be overcome by working together. By way of this letter, I am expressing my faith that people can expect the same commitment from you.

Sincerely,

A handwritten signature in black ink, reading "John J. Horgan". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

John Horgan
Premier

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation StrongerBC Summary

Issue: StrongerBC provided more than \$1.5 billion in funding to support economic recovery and help businesses throughout the pandemic.

KEY FACTS

Background/Status:

- StrongerBC projects include 55 initiatives from across government totaling more than \$1.5 billion in expenditures.
- Some programs are still ongoing and continue to deliver benefits to people in B.C. into 2022-2023, including construction projects around B.C. communities, employment programs and community infrastructure programs (see Appendix A).
- From the last reporting, over 10,000 jobs were created and around 50,000 businesses were assisted

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Please see the table in Appendix A

Approvals:

Last Updated: February 15, 2022

Contact:

James Harvey

Associate Deputy
Minister

(250) 356-8800

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

APPENDIX A – Initial Funding Allocations FY 20/21:

Supporting B.C. Businesses		
Program	Initial Allocation FY 20/21	Key Outcomes & Notes
1. Small and Medium Business Grants (includes \$45M from Tourism taskforce) JERI	\$345.00 M	Completed Advice/Recommendations
2. Agritech Grants JERI	\$7.50 M	Completed
3. Manufacturing grants JERI	\$17.00 M	Funds expended; some projects ongoing to March 31, 2022
4. Launch Online & Digital Marketing Bootcamps JERI	\$44.00 M	Launch online completed, digital bootcamp ongoing. <ul style="list-style-type: none"> JERI provided an additional \$2.5M to the Digital Marketing Bootcamp in August 2021. 51% of Launch Online grant payments were issues to regional and IBPOC-owned businesses
5. Mass Timber Demonstration JERI	\$3.00 M	Completed
6. Supports for agricultural businesses (food hub) AFF	\$5.60 M	Completed
7. Increasing BC Food Production and Processing AFF	\$1.95 M	Completed
8. Small Farm Business Acceleration Program and Provincial Replant Program AFF	\$0.89 M	Completed <ul style="list-style-type: none"> 73% of approved applicants for the Small Farm Business Acceleration Program and Provincial

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

		Replant Program were from new entrants or women
9. On-Farm Innovation Top-Up Program AFF	\$1.60 M	Completed
10. Restoring Confidence App CITZ	\$2.00 M	Completed
11. Digitization of industrial land CITZ	\$0.70 M	Work ongoing during FY 21/22
12. Destination BC Tourism Recovery Strategy TACS	\$5.00 M	Funds expended; Work ongoing during FY 21/22
13. Tourism Taskforce Indigenous Tourism Recovery Fund TACS	\$5.00 M	Funds expended; Work ongoing during FY 21/22
Total	\$436.74 M	

Getting People Back to Work		
Program	Initial Budget Allocation in FY 20/21	Key Outcomes & Notes
14. Youth Employment Program (YEP) for Parks and Conservation Officer Service ENV	\$1.80 M	Funds expended; New funding allocated to extend the program under StrongerBC Future Leaders
15. Community Job Creation Projects - Rural opportunities and Wildfire Risk Reduction FLNRORD	\$25.00 M	Funds expended; Projects targeting completion fall 2022
16. Forest Employment Program FLNRORD	\$12.00 M	Funds expended; Some projects continuing into spring 2023
17. Recreation Sites and Trails Youth Crew Program Expansion FLNRORD	\$0.43 M	Funds expended; additional funding extended the program into 2021
18. Employment Supports for People with Disabilities and Facing Barriers SDPR	\$20.00 M	Additional projects funded Sept 2021 and March 2022
19. Targeted Training for Health and Human Services AEST	\$10.53 M	Funds expended; Training continuing throughout FY 21/22
20. Short-Term Skills Training for In-demand Jobs AEST	\$20.00 M	Funds expended; Projects will be completed by March 2022 <ul style="list-style-type: none"> This program helped almost 2,500 unemployed or precariously employed British

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

		Columbians impacted by COVID-19 with short-term skills training to upskill to access jobs and get back to work sooner
21. Micro-Credentialing AEST	\$2.00 M	Completed
22. Indigenous Community Skills Training and Education AEST	\$15.00 M	Funds expended; Training continued to be delivered in FY 21/22 <ul style="list-style-type: none"> The Indigenous Community Skills Training and Education (AEST) program was fully subscribed and served over 113 Indigenous communities and 1700+ participants
Total	\$106.76 M	

Stronger Communities		
Program	Initial Budget Allocation in FY 20/21	Key Outcomes & Notes
23. Anti-Racism Restart and Recovery AG	\$1.90 M	Funds expended; Programming continuing during FY 21/22
24. Technology and Innovation – Connectivity CITZ	\$90.00 M	Majority of projects completed by Nov 2021. Some extend to 22/23
25. Tulsequah Chief Mine Remediation EMLI	\$1.57 M	Funds expended
26. Building Innovation Fund Recapitalization EMLI	\$8.00 M	Projects delivered over 21/22 and 22/23
27. Center for Innovation and Clean Energy EMLI	\$35M	Funds expended; Since fall 2021, the centre is up and running
28. Commercial Vehicle Innovation Challenge – ARC Program EMLI	\$30.00 M	Program continued over 21/22
29. Go Electric Specialty Use Vehicle Incentive Program EMLI	\$31.00 M	Funds expended; Program continues to March 2023
30. Property Assessed Clean Energy (PACE) Roadmap and Pilot Program EMLI & ENV	\$2.00 M	Initiative is ongoing in FY 21/22 subject to TBS approval

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

31. BC Parks Stimulus Proposal – Construction Projects ENV	\$5.00 M	Funds expended; Construction continued into June 2021
32. Species and Ecosystems Conservation and Restoration ENV	\$10.21 M	Projects continued until December 2021
33. Watershed Initiative and Wetlands Projects (Watersheds BC) ENV	\$27.00 M	Funds expended; Projects continued until December 2021
34. Clean Coast, Clean Waters Initiative Fund ENV	\$14.83 M	Funds expended; Projects continued until December 2021. Top up of \$5M through StrongerBC Future Leaders <ul style="list-style-type: none"> Small Ships Tour Operators Association was issued \$3.5M in funding. The project was completed and removed 127,060 kg of marine debris from 401 sites. The project employed more than 100 crew, as well as community members from the Heiltsuk, Kitasoo/Xai'Xais, and Gitga'at First Nation
35. Recycled Plastics Manufacturing Stimulus ENV	\$5.00 M	Funds expended; completed by December 2021
36. Invasive Species Detection and Removal FLNRORD	\$12.00 M	Funds expended; Initiatives continue into spring 2022
37. Convert Underperforming Forests FLNRORD	\$5.00 M	Funds expended; Some initiatives continued to be delivered during 2021
38. Remote and Rural Road Access - Capital and Operating FLNRORD	\$8.05 M	Funds expended; Project work continued into summer 2021
39. Early Retirement Bridging Program LBR	\$10.00 M	Funding continued into spring 2021 as people hit their retirement dates
40. Childcare Spaces and Safety Grants MCFD	\$46.00 M	Funding continued to create new spaces
41. Huu-ay-aht First Nations – Anacla/Bamfield Road MIRR	\$25.70 M	Project work will continue into fall 2023

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

42. COVID-19 Community Economic Recovery Infrastructure Program MUNI	\$100.00 M	Ongoing; Projects to be completed in March 2023
43. Investing in Canada Infrastructure Program COVID-19 Resilience Infrastructure Program MUNI	\$136.54 M	Program to continue into FY 22/23
44. Tourism Dependent Communities TACS	\$19.40 M	Funds expended
45. Targeted Regional Tourism Development Initiatives TACS	\$13.60 M	Funds expended
46. Arts and Culture Resilience Plan TACS	\$35.80 M	Funds expended
47. Active Transportation – Connections, Road Widening and Maintenance TRAN	\$16.67 M	Funds expended
48. Highways Climate Change Adaptation TRAN	\$20.70 M	Funds expended
49. Regional Port Enhancement Program TRAN	\$40.00 M	Funds expended; Supports larger port expansion projects that will complete in 23/24
50. Remote and Rural Community Access Program TRAN	\$25.65 M	Projects continued into 2021 <ul style="list-style-type: none"> • 61 projects have been completed that make improvements to side roads that access communities and contribute to job opportunities locally. • Delivery of some projects have been completed by Indigenous bands/companies.
51. Air Access Grants TRAN and EMLI	\$15.75 M	Funds expended
52. Return to school funding EDUC	\$45.60 M	Completed
Total	\$ 837.97 M¹	

Better Health Care

¹. Additional funding of \$14.8M was added to the Arts and Culture Resilience Plan

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Program	Budget Allocation in FY 20/21	Key Outcomes & Notes
53. Jobs in Healthcare HLTH	\$299.99 M	Ongoing <ul style="list-style-type: none"> The funding helped support over 5,000 people to gain employment as of July 2021
54. Mental Health Support for the Workforce MMHA	\$2.00 M	Projects to be completed by March 2022
55. Youth Suicide Prevention and Life Promotion MMHA	\$2.33 M	Ongoing to March 2022 and March 2023
Total	\$304.25 M	

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Major Investments Office Activities

Issue: The Major Investments Office makes it easier for high profile proponents to advance major projects in B.C.

KEY FACTS

Background/Status:

- The Major Investments Office (MIO) helps land major private sector investments that support the B.C. economy.
 - The mandate is to streamline government processes for large investments with significant potential economic benefits.
 - MIO is focused on a small number of high value/high profile investments.
 - Functions of the MIO include:
 - Individualized “concierge” services for large investors
 - Conduit to other provincial, federal and local agencies
 - Advice/advocacy for major investors
 - Infrastructure coordination support (power, water, gas)
 - Site selection assistance
 - Investment-focused corporate initiatives (e.g., industrial land, value-added natural gas, regulatory reviews, etc.)
 - MIO also provides other ministries with consulting services including: early stage project due diligence, business case / financial reviews, and value proposition assessments.
 - MIO had success with several high profile investments in B.C. and continues to assist over a dozen clients in key sectors such as clean energy, commercial development, cleantech manufacturing, forestry value-added and more.^{-Intergovernmental Communications; Government Financial Information}
- Intergovernmental Communications; Government Financial Information
- Intergovernmental Communications; Government Financial Information
- Intergovernmental Communications; Government Financial Information
- Intergovernmental Communications; Government Financial Information

FINANCIAL IMPLICATIONS

The MIO is currently engaged with 18 prospective major investors.^{Advice/Recommendations}
Advice/Recommendations

Approvals:

[date approved] - [James Harvey, Investment and Innovation Division]
February 8, 2022 – Carla Merkel, FSB

Last Updated: February 1, 2022

Contact:

Paul Pawlowski Executive Director Major Investments Office 778-873-7037

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

STEMCELL Advanced Biologics Manufacturing Facility Project Update

Issue: General project update and anticipated project timeline extension

KEY FACTS

Background/Status:

- The Province is contributing \$22.5 million (M) over four years to STEMCELL's \$150M Advanced Biologics Manufacturing Facility (ABMF). Canada matched the Province's contribution.
- The Province paid claims totalling \$18.2M up to end of FY 20/21. Advice/Recommendations
Advice/Recommendations
- Advice/Recommendations
- The investment will allow Canada's largest biotechnology employer to develop regenerative medicine products for use in clinical trials, while creating good paying life science jobs in BC and supporting a strong, sustainable and innovative economy.
- The Contribution Agreement sets terms for ABMF design, construction, commissioning and new product development and imposes payment linked performance measures.
- Construction-related performance measures include:
 1. Major construction and capital equipment procurement and commissioning;
 2. Information technology development;
 3. Process development;
 4. Regulatory certification; and
 5. Manufacturing scale up.
- Non-construction related performance measures include:
 1. Employment creation and maintenance;
 2. Research and development spending;
 3. Training expenditures;
 4. BC-focused procurement; and
 5. Diversity and inclusion measures.
- Advice/Recommendations
- Advice/Recommendations
- Business Information; Advice/Recommendations

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Advice/Recommendations; Government Financial Information

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Approvals:

Feb. 3, 2022 - James Harvey, Innovation and Investment Division

February 12, 2022 – Brian Urquhart, CFO

Last Updated: January 31, 2022

Contact:

Paul Pawlowski Executive Director Major Investments Office (778) 873-7037

2022/23 ESTIMATES NOTE

Advice to the Minister

VENTURE CAPITAL TAX CREDIT PROGRAM

Issue: Investment through the *Small Business Venture Capital Act* (SBVCA) supports jobs and economic development throughout the province.

KEY FACTS

Background/Status:

- The Small Business Venture Capital Tax Credit de-risks investment and helps small businesses access early-stage venture capital to help start a business, commercialize ideas, and create jobs for people in every corner of the province.
- The SBVCA provides 30 per cent tax credits to B.C. resident investors who invest directly into companies or into managed funds. Under the SBVCA, the tax credit budget is \$38.5 million annually, which with a 30% tax credit can leverage investment up to \$128.3 million a year (see Appendix 1 for equity raised 2017 to 2021).
- The \$38.5 million tax credit budget is divided into five sub-budgets that support investment into specific business sectors. Over 100 businesses are registered in the program each year, and many of them qualify for registration under more than one sub-budget.
- The five sub-budgets are:
 - Business Creation -businesses less than two years old;
 - Community Diversification -outside Metro-Vancouver and the Capital Regional District;
 - Digital Media -developing interactive digital media products;
 - Clean technology -R&D in clean tech and/or manufacturing clean tech products; and
 - Equity Capital -the general category under which all the above businesses qualify, plus businesses doing manufacturing and R&D (see Appendix 2 for equity raised under each sub-budget for 2020 and 2021).
- Government Financial Information
- Government Financial Information
- 2021 was an exceptional year for venture investment in North America, with US\$300 billion invested, nearly double the amount invested in 2020. This was driven by traditional funds (e.g., pension funds) and individual investors seeking higher returns in venture investments than returns available from publicly traded stocks or bonds.

2022/23 ESTIMATES NOTE

Advice to the Minister

- The impact of increased venture investment activity is that businesses registered in the VCP were able to raise on average \$770,000 of investment in 2021. This is an increase of \$252,000 over the average amount raised in 2020. The increased investment will enable those businesses to fund more R&D tech development and commercialization activities in the months or years ahead.
- Recent examples of B.C. technology companies that raised tax credit supported investment are:
 - AbCellera Biologics Inc., a bio-technology company specializing in anti-body therapeutics had an Initial Public Offering in December 2020, raising \$555 million, more than double the previous largest IPO for a Canadian bio-tech company. On February 14, 2022, the US Food and Drug Administration approved the Eli Lilly/AbCellera Covid-19 anti-body treatment, worth US\$720 million for supplying 600,000 doses. These will be prescribed to Covid-19 patients who are at high risk from other diseases or unable/ineligible for alternative treatments.
 - D-Wave Systems Inc., the quantum computing company, announced it will seek an Initial Public Offering in the second quarter of 2022, which will see a further US\$340 million injected into D-Wave, and shares trading on the NYSE.
 - Redlen Technologies Inc., a manufacturer of cadmium zinc telluride semiconductors used in medical imaging was acquired by Japanese Global 500 company Canon for \$345 million in September 2021.
 - Loop Energy Inc., a hydrogen fuel cell manufacturer, had an Initial Public Offering in February 2021 which raised \$100 million, with shares trading on the TSX.

FINANCIAL IMPLICATIONS

The tax credit budget is the smallest amongst nine other tax credit programs under Vote 49 and is the responsibility of the Ministry of Finance.

Government Financial Information

Effective for the 2022 to 2024 calendar years, Budget 2022 increases the annual maximum venture capital tax credit from \$38.5 million to \$41 million. This increase is allocated to investments made in clean technology businesses.

Attachment: Appendix 1 – Equity Leveraged by B.C. Businesses – 2017 to 2021
Appendix 2 - Detailed Tax Credit Program Stats, 2020 and 2021

2022/23 ESTIMATES NOTE

Advice to the Minister

Approvals:

James Harvey, Associate Deputy Minister, Investment and Innovation Division

Last Updated: February 22, 2022

Contact:

Tim Lesiuk	Assistant Deputy Minister	Innovation, Technology and Investment Capital	250 216 5893
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2022/23 ESTIMATES NOTE

Advice to the Minister

Appendix 1 – Equity Raised by B.C. Businesses - 2017 to 2021

Government Financial Information

	2017	2018	2019	2020
Total Amount of Equity Raised	\$116.4 M	\$106.8 M	\$115.7 M	\$114.0 M
Total Amount of Tax Credits Claimed	\$34.9 M	\$32.0 M	\$34.7	\$34.2 M
Number of Businesses that Raised Investment	250	215	234	214

Government Financial Information

Government Financial Information

Tax Credit Budgets

Business Creation – for businesses less than two years old.

Community Diversification – for businesses located outside Metro Vancouver and the Capital Regional District.

Digital Media – for businesses developing interactive digital media products (e.g., video games).

Clean Technology – for businesses manufacturing clean-tech products or conducting R&D in clean technology.

Equity Capital – general category that includes the above plus businesses in manufacturing and R&D.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

INNOVATION COMMISSIONER

Issue: Role and Appointment Status

KEY FACTS

Background/Status:

- Dr. Gerri Sinclair was re-appointed for a second term as B.C.'s Innovation Commissioner (IC) on July 16, 2021 by Order In Council for a one-year-term.
- The role was created in 2018 and was previously occupied by Dr. Alan Winter.
- Since her appointment, Dr. Sinclair has met with key stakeholders and reviewed findings from recent tech industry recovery roundtables to advise on and help implement innovation-related initiatives as part of Government's larger COVID-19 recovery efforts.
- Over the past 12 months, the IC has met with 512 stakeholders on key issues to support her mandate of promoting innovation across all sectors of B.C. (summary table attached)
- More recently, the IC has been focused on engaging on demand-driven cleantech opportunities. She has met with 140 stakeholders in the sector, 36 of these were federal officials including the Minister of International Trade, Export Promotion, Small Business and Economic Development, and members of: ISED, PacifiCan, Global Affairs Canada and the National Research Council.
- As a result of this engagement, as part of B.C.'s new Economic Plan, a cleantech-focused Integrated Marketplace Initiative (IMI) will be launched in 2022. (see note #19)
- Dr. Sinclair provided keynote speeches at five events on various topics related to innovation including: The Rising Economy, Hydrogen Corridors in the Pacific Northwest, Superconducting Circuits and Qubits Workshop, iCubed Summit, and an ESG Panel hosted by the Business Council of B.C.
- Dr. Sinclair's term as IC ends on July 16, 2022.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The Investment and Innovation Divisional Budget is \$13.029M. The work of the Innovation Commissioner is managed within the divisional budget.

Approvals:

[date approved] – Tim Lesiuk, ITIC

February 11, 2022 – Carla Merkel, FSB

Last Updated:

Contact:

Tim Lesiuk

ADM

ITIC

778-698-4039

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Attachment – Number of Engagement Meetings by Theme

Topic	Number of Engagement Meetings
Business Incubators & Accelerators	12
Artificial Intelligence	9
Transportation	3
Investment	33
Life Sciences	16
Quantum Computing	5
Integrated Marketplace Initiative	103
General Innovation	314
Superclusters	6
Innovation in Forestry	15
Clean Technology	37
Agriculture Technology	9
Mining Technology	7
Digital Technology	18
Skills Training	33

2022 /23 ESTIMATES NOTE

Advice to the Minister

QUANTUM ALGORITHMS INSTITUTE

Issue: The B.C. Government's funding of the Quantum Algorithms Institute

KEY FACTS

Background/Status:

- The Quantum Algorithms Institute (QAI) was established on March 31, 2020 as an independent not-for-profit corporation.
- QAI was established to help grow B.C.'s quantum computing capabilities by:
 - *producing and educating highly-qualified professionals in the fields of quantum computing, basic and quantum algorithmic research;*
 - *assisting current and future industry participants in British Columbia in the field of applied quantum computing in commercializing the products of their research and development with the goal of building a vibrant industry for the benefit of all British Columbians; and*
 - *leveraging British Columbia's strengths to establish an applied quantum computing ecosystem that features broad participation, an inclusive approach to core technology and is focused on building a critical mass of talent that drives skilled job creation and economic development in the province and Canada.*
- The Institute will be based at Simon Fraser University's (SFU) Surrey campus.
- COVID-19 has delayed establishing operations in the physical space, which is now anticipated for spring 2022
- QAI is in negotiations to hire an Executive Director.
- QAI's first Annual General Meeting was held on September 29, 2021. Members of the Institute elected the Board of Directors: Brad Lackey, Microsoft, Landon Downs, 1Qbit, Paul Gulyas, IBM Canada, Helmut Katzgraber, Amazon Web Services, Stephanie Simmons, Photonic, Murray Thom, D-Wave, Dugan O'Neill, SFU, Cynthia Milton, UVic, Gail Murphy, UBC, and ADM Tim Lesiuk, B.C. Government.
- The B.C. Government's investment was leveraged by the QAI members' committed of over \$2.1 million in cash and in-kind contributions in fiscal 2021, and will contribute a further \$2.2 million into fiscal 2022.
- The Institute intends to be financially self-sustainable by 2026 through commercial efforts, added memberships and partnerships, workshops, and public and private investments.
- Some of the partnerships and programs undertaken this year include: a partnership with Mitacs on a Quantum Internship Program for graduate students, an MOU with the Pacific Institute for the Mathematical Sciences, an MOU with qBraid, delivered workshops with Western Transportation Advisory Council, and a presentation on the Quantum Computing Industry panel.

Why Quantum Computing – Context

- Quantum computing represents the next major evolution of computing capability. While still pre-commercial, there is consensus that quantum computing holds the possibility of solving incredibly complex problems faster and with less energy than traditional computers.
- It is also expected to be able to solve problems that are too complex for even today's super computers.
- Experts believe that quantum computing will have applications in nearly every sector, including cybersecurity, mining, communications, healthcare, biology, chemistry and optimization problems that involve huge and complex data sets.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The B.C. Government is allocating up to \$17 million over five years to establish the institute, with \$4 million to be provided in 2022/23, subject to available budget appropriation and review of future funding proposals from the Institute.
- QAI carried over \$1.6 million of unspent Provincial funds from 2020/21 to 2021/22. The funding agreement permits the carryover of unexpended funds for a limited period.

Approvals:

[date approved] – Tim Lesiuk, Innovation, Technology and Investment Capital

February 15, 2022 – Brian Urquhart, FSB

Last Updated: January 27, 2022

Contact:

Maija Duffy

Executive Director

Innovation Strategy,
Policy and Coordination

250 507-0685

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Launch Online Grant Program

Issue: B.C. Government funding of Launch Online Grant Program

KEY FACTS

Background/Status:

- The Launch Online Grant program provides funds to B.C.'s small and medium sized businesses that need to build or improve their e-commerce tools and supports.
- The Program is administered by Alacrity Canada in partnership with South Island Prosperity Project, Button and JetStream, the successful proponents on a Request for Proposal in 2020. Cost to administer the program was 6.25% of the total funds.
- The program first launched on Feb 3, 2021 and began by supporting B.C. businesses selling tangible goods. It was expanded on March 17, 2021 to include service-based businesses.
- Launch Online Grant program provides up to \$7,500 in grant funding to eligible businesses. Businesses must fund 25 per cent of the project costs. 25 per cent of the funding was originally ear-marked for regional and Indigenous businesses but this was extended to 30 per cent, and to include IBPOC owned businesses, on March 17th as part of the program expansion.
- Eligible expenses include:
 - Service provider costs – these expenses must be to B.C.-based businesses, registered to do business in B.C.;
 - Digital marketing costs, such as Facebook ads, search engine optimization costs and platform subscription costs; and
 - Course fees for staff training related to the management of the online operations and/or digital marketing.
- Businesses receiving the grant must use the funding to hire B.C.-based businesses to do any work for them, ensuring the bulk of the funding remains in B.C. This also provides an economic multiplier effect that supports B.C. businesses and B.C. job creation.
- As a condition of the grant, recipients are required to participate in an audit, if selected. The audit will require that receipts and invoices of the eligible expenses be submitted for review by an independent auditor. The program has initiated audit, conducted by an independent auditor, on over 560 or 10% of all grant recipients.
- Failure to meet the requirements of the grant agreement could result in the requirement for the repayment of funding to the Program.

Key Statistics

- Over 8,660 applications were received from February 2021 to September 2021 and 5,669 businesses have received \$41 million in funding, an average of \$7,184 per business. Of the overall total, PacifiCan contributed \$1.4 million in funding which resulted in 186 grants. All files have been adjudicated.
- 51 per cent of grant payments were issued to regional and IBPOC businesses. This includes:
 - 1,867 grants issued to regional businesses (outside Metro Vancouver and Capital Regional District)
 - 150 grants issued to Indigenous businesses
 - 1,221 grants issued to Black and people of colour businesses

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Success Stories

- A painter located on Vancouver Island stated that “adding e-commerce has made such a big difference for me. Both in how much time I have to spend billing and invoicing, and reducing buying-point friction for my customers. Now I spend more time doing what I love, painting, and less on paperwork”.
- An acupuncturist in the Metro Vancouver region stated that “we really appreciate this grant and we are so appreciative that we could start growing our business through this”.
- A Registered Massage Therapist located on Vancouver Island stated "Thank you so much!! This grant has really helped strengthen my online presence and I'm deeply grateful for the opportunity and funding to be able to expand and diversify my service offerings."

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- In 2020/21, \$12 million through original StrongerBC programming increased to \$42 million total on March 17th.
- One time StrongerBC funding. No funding allocation in 22/23.

Approvals:

[date approved] - [ADM name, division]

[date approved] – [CFO] FSB

Last Updated:

Contact:

Maija Duffy

Executive Director

Innovation Strategy,
Policy and Coordination
Branch

250-507-0685

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Digital Marketing Bootcamp - StrongerBC

Issue: Digital marketing training to support businesses move to online sales to connect with local and global customers

KEY FACTS

Background/Status:

- E-commerce grew by more than 70 per cent in Canada in 2020 as a result of the pandemic
- JERI has been supporting the shift to e-commerce through two primary initiatives; the Digital Marketing Bootcamp program, which was expanded from a pilot program, and the Launch Online Grant program (See Note #13), delivered under StrongerBC.

Digital Marketing Bootcamp

- In 2019, JERI worked with the Alacrity Foundation and industry to develop and pilot a 12-week digital marketing bootcamp addressing talent and capability gaps in B.C.
- The first pilot was delivered in fall 2019, followed by a second in winter 2020. The pilots included businesses, under-represented peoples and people already working in the field who wanted to improve their skills. The pilot also tested classroom and virtual delivery.
- The 2019 pilot resulted in a 85 per cent job placement rate within one month of completion.
- The program was expanded under StrongerBC and relaunched in November 2020 as a 8-week virtual training program after a \$2M investment from the Province. Due to positive feedback and ongoing demand, JERI provided an additional \$2.5M investment in 2021.
- The \$4.5M investment will support nearly 6,000 B.C. businesses to acquire digital marketing skills to access other markets and connect with consumers online.
- Tuition has been fully covered through StrongerBC funding for eligible B.C. businesses. Eligible businesses include those that are currently registered and operating in B.C. and employ less than 149 employees.
- Of the participants that have registered before November 1, 2021, approximately 28 per cent have completed the program while another 21 per cent have done 80 per cent or more. One-quarter are at least half done the program. By comparison, the average completion rate of free online courses is around 5 per cent.
- The course is expected to be fully subscribed in early March 2022.
- The StrongerBC funding was also used to develop a self-directed online course which has been made available to all B.C.-based small businesses.
- To-date, more than 280 B.C. business participants have signed up to the self-directed online course.

Outcomes and Success

- On average, 390 new participants were enrolled in the program each month during the period of November 2020 to December 2021.
- 98 per cent of those who completed the program would recommend it to another business.
- Based on six-month graduation survey:
 - 79 per cent currently use the skills learned in the bootcamp

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- 68 per cent listed the bootcamp as the sole economic recovery program they have utilized
- Close to half of respondents (47.4 per cent) indicated a demonstrable increase in digital customer acquisition; almost one-third (31.6%) said it was too soon to tell
- To support diversity and inclusion, 30 per cent of new seats have been reserved for Indigenous, Black and people of colour, as well as regional businesses (outside Metro Vancouver and Capital Regional District). To date, under-represented groups and regional communities represent over 62 per cent of business enrolment.
- The Bootcamp has received hundreds of student testimonials that attest to the impact the program has and continues to have on their business. Many of these respondents stated that they felt "more confident and ready to implement digital marketing strategies and tactics in their workplace".
 - Another owner in Duncan operating a tanning salon stated that by taking the information learned from the course, they have "increased website viewing from 33 seconds to 4 minutes" and surpassed other milestones including increasing traffic on company website.
 - A jewellery store owner in Surrey stated that over "the last 30 days sales revenue was up 92 per cent from the previous 30 days". This owner found the course very helpful.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

Digital Marketing Bootcamp

- In 2020/21, \$250,000 was allocated from JERI's based budget to deliver the program during summer 2020 to 250 businesses. A further \$2 million was allocated from StrongerBC to train 2,500 participants from B.C.'s small and medium sized businesses and to develop a self-directed online course that has been made available to all B.C.-based businesses.
- A further \$2.5 million was allocated from the Ministry base budget in 20/21 to continue to offer the training for a further 3,450 business participants over fiscal year 21/22.
- Additional bootcamps are expected to be delivered in 2022/23 to help additional businesses reach new customers in the digital marketplace.

Approvals:

[date approved] - [ADM name, division]

February 15, 2022 – Brian Urquhart, CFO

Last Updated:

Contact:

Maija Duffy

Executive Director,

Innovation Strategy,
Policy & Coordination
Branch

250-507-0685

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

DIGITAL TECHNOLOGY SUPERCLUSTER

Issue: B.C. Government's participation in the Digital Technology Supercluster

KEY FACTS

Background/Status:

- B.C. is a founding member of the Digital Technology Supercluster.
- The Province invested \$7M in 2020/21 in the Canadian Tech Talent Accelerator Project for 1,400 to 2,000 Indigenous, Black, People of Colour and under-represented B.C. youth in a 15-week skills training & job placement program, part of StrongerBC Future Leaders.
- The first (fall 2021) cohort had 266 applications, 70 enrolments and 50 graduates; 38% of graduates have secured employment with regional employers such as Vancity Credit Union, the BC Financial Services Authority and Ricoh (% IBPOC = 84%; newcomers = 41%; women+ = 39% of 70 enrolments).
- The Province has contributed \$1M/yr since 2018 to the Capacity Building Program, which co-invests in projects that develop in-demand skills for the digital world and promotes increased participation of women, other under-represented groups and rural communities.
- B.C.'s contributions to the Supercluster have helped fund a portfolio of about 20 projects with private and public investments exceeding \$40M. Recent projects include:
 - Athena Digital Leaders led by AlnBC
 - Wage subsidies and training for women and new immigrants in artificial intelligence, machine learning and data science
 - Coastal First Nations Connectivity Network led by Coastal First Nations (CFN)
 - Employ and train up to 12 CFN members in technology leadership positions
- The federal government has allocated \$173M in the Supercluster, including an additional investment of \$20M in Budget 2021.
- The Supercluster's more than 80 projects, all using a public/private co-investment approach, have resulted in commitments of over \$308M, with about 70% going to Small- & Medium-sized Enterprises.
- During the pandemic, the Supercluster invested \$89M in COVID-19 related projects, supporting mental health support for health care workers; preventing outbreaks in the workplace and improving real-time monitoring of the evolving COVID-19 virus, including:
 - Confidential Virtual Addiction Treatment for Healthcare Workers led by ALAViDA
 - Raven2: AI Platform for Novel Drug Discovery led by Variational AI
- The Supercluster's members represent organizations, industry and research institutes from across Canada and range from start-ups to world-leading companies. Members include:
 - Global leaders: Canfor, LifeLabs, Lululemon, Telus, Teck Resources
 - Tech leaders: D-Wave Systems, LlamaZOO, Terramera

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The Province contributes \$1.5M/yr between 2018-2023.
- The Supercluster is supported financially by the Ministries of Health, JERI and Advanced Education and Skills Training (AEST). [Health = \$750,000; JERI = \$500,000; AEST = \$250,000].
- The Province's annual contribution supports the Capacity Building Program (\$1.0M) and Supercluster operations (\$0.5M).

Approvals:

[date approved] – Tim Lesiuk, ITIC
February 15, 2022 – Brian Urquhart

Last Updated:

Contact:

Tim Lesiuk	ADM	ITIC	778-698-4039
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2022/23 ESTIMATES NOTE

Advice to the Minister

CLEAN TECHNOLOGY

Issue: Overview of B.C.'s Cleantech Sector

KEY FACTS

Background/Status:

- B.C.'s cleantech sector is important to help realize CleanBC goals and make B.C. industries across the province cleaner and more competitive.
- B.C.'s cleantech sector exhibits consistent revenue growth, growing contributions to GDP and increasing employment across a broad range of industries:
 - Cleantech represented about 3.6% of B.C.'s GDP in 2020. For comparison with other sectors, see Attachment 1.
 - In 2019, B.C.'s cleantech companies generated over \$3B in revenue, nearly \$1B in exports and employed over 12,000 people.
 - B.C. has over 293 cleantech companies.
 - Seven B.C. companies (Ekona Power, General Fusion, Iononomr Innovations, Carbon Engineering, MineSense Technologies, Pani Energy and Svante) made the 2022 Global Cleantech Top 100 list of companies in sustainable technology and innovation.
 - The number of cleantech companies in B.C. has increased by 45% between 2011 and 2019. In the same time frame, employment is up over 33%, wages have increased by 14% (estimated at approximately \$82K industry average) and the amount of equity raised increased by 48% to \$7B.
 - The global cleantech industry is on a growth trajectory. The global market estimated to reach over 2.5 trillion USD this year (2022). CleanBC has set the stage for BC to lead Canada and capitalize on this significant economic opportunity.
- The Ministry provides supports at all stages of innovation:
 - Over the past three fiscal years (2017/18 to 2019/20), the Province (through the Ministry of Advanced Education and Skills Training) has invested over \$20M in innovative infrastructure to support cleantech research through the B.C. Knowledge Development Fund.
 - e.g. B.C. contributed \$1.6 million to UBC's "Used-Water to Resource" project, to develop knowledge and technologies essential to transforming the current used-water treatment systems (enabling greater contaminant removal, reduced energy requirements).
 - This research will position B.C. and Canada, as well as industry partners, as global leaders in resource recovery from used water.
 - Through its Venture Acceleration Network, Innovate BC funds the Foresight Cleantech Accelerator Centre to help advance B.C.'s growing clean tech industry.
 - Government provided over \$800K in funding to Foresight in FY21 through Innovate BC.
 - The Venture Acceleration Network is available to clean technology companies throughout the Province (from Prince George, to Nanaimo, to the Okanagan). This network of accelerators help advance B.C.'s growing

clean tech industry by helping entrepreneurs define a proven business model.

- The Ministry provides a transfer to Innovate BC to support its operations, which include the BC Fast Pilot program. Since the program started in 2019, \$5.9M has been invested into 48 B.C. projects.
 - In the 2019/20 intake, the program funded Acuva Technologies on a project that provided low-maintenance, mercury-free, and off-grid water disinfection systems that can meet the demand for purified water in First Nations communities in BC.
- The B.C. Government invested over \$1.3M in the Alacrity Foundation's B.C. Cleantech Scale-Up program, and as at December 31, 2021, B.C. companies enrolled in the program attracted ~\$44M of investment and achieved export revenue of ~\$14.5M.
- In FY22, the Small Business Venture Capital Tax Credit Program has issued tax credits of about \$8.3M in cleantech companies, enabling businesses to raise about \$27.7M.

FINANCIAL IMPLICATIONS

N/A

Approvals:

[date approved] - Tim Lesiuk, ITIC

February 23, 2022 – Brian Urquhart, CFO

Last Updated: January 31, 2022

Contact:

Tim Lesiuk ADM

ITIC

778-698-4039

ATTACHMENT:

B.C. GDP Composition by Select Industry Sectors (2020)

Shares of B.C. GDP at basic prices by major industry

Industry Sector	GDP Contribution (%)
Manufacturing	6.5%
Energy	5.5%
Mining, quarrying, oil & gas extraction	4.3%
Mining and quarrying (except oil/gas extraction)	2.0%
Agriculture, forestry, fishing & hunting	2.3%
Forestry/logging only	0.7%

From StatsCan <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=3610040201>

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

BC Economic Plan Overview

Issue: Stronger BC: A Plan for today, A vision for tomorrow

KEY FACTS

Background/Status:

- On February 17, 2022, Government released “StrongerBC: A plan for today, a vision for tomorrow.
- Advice was provided by Prof. Mazzucato and the University College London Institute for Innovation and Public Purpose in the development of a mission-oriented innovation approach to developing B.C.’s economic plan.
- The Economic Plan provides a 10-15 year long vision and organizing framework for government.
- TWO GOALS: Inclusive Growth and Clean Growth set the direction of the Plan
- Each Goal is supported by three missions:
 - Inclusive Growth Missions:
 - Supporting People and Families
 - Building Resilient Communities
 - Advancing True, Lasting and Meaningful Reconciliation with Indigenous Peoples
 - Clean Growth Missions:
 - Meeting B.C.’s Climate Commitments
 - Leading on Environmental and Social Responsibility
 - Fostering Innovation Across our Economy
- NEW ACTIONS - are near-term initiatives identified and will demonstrate work towards achieving each Goal:
 - Inclusive Growth:
 - Launching the *Future Ready: Skills for the Jobs of Tomorrow plan*
 - Accelerating the timeline to connect all B.C. communities to high-speed internet
 - Creating a *Small Business Diversity and Inclusion Action Plan*
 - Collaborating on an Indigenous economic development agency
 - Building a new Trades and Technology Complex at BCIT
 - Clean Growth:
 - Developing a *Mass Timber Action Plan*
 - Creating a *Life Sciences and Biomanufacturing Strategy*
 - Engaging on a *Trade Diversification Strategy*
 - Establishing Integrated Marketplaces to amplify innovation and connect local businesses with customers
 - Creating an *Industrial and Manufacturing Action Plan*
 - Establishing an ESG Centre of Excellence to promote Environmental, Social and Governance principles for products and services
 - Creating an Agritech Centre of Excellence
 - Initiating a *Goods Movement Strategy*

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Additional values reflected in new metrics to assess policy and progress against building new economic analysis and forecasting ability accounting for climate scenarios and economic volatility.
- METRICS SUMMARY:
 - Inclusive Growth:
 - KEY INDICATOR: Median after-tax income, household
 - *MISSION: Supporting people and families* - Gini coefficient (income distribution)
 - Core housing need
 - Poverty incidence
 - Post-secondary education
 - *MISSION: Building resilient communities* - Community Resilience Indicator (infrastructure, connectivity)
 - New business openings
 - Regional economic diversity
 - *MISSION: Advancing true, lasting and meaningful reconciliation with Indigenous peoples* – To be developed collaboratively
 - Clean Growth:
 - KEY INDICATOR: Net GHG emissions
 - *MISSION: Meeting BC's Climate Commitments* – Gross GHG emissions (emissions intensity {t/GDP})
 - *MISSION: Leading on Environmental and Social Responsibility* – Business Reporting to ESG standard (ESG performance as it becomes available)
 - *MISSION: Fostering Innovation Across our Economy* – Labour productivity
 - Value-added exports
- ENGAGEMENT SUMMARY:
 - STAKEHOLDERS:
 - 33 virtual sessions were held over 9-week period from June 11 to August 5, 2021.
 - Met with more than 330 stakeholders
 - Representatives included: business, industry, academic, non-profit, and social sector organizations from across B.C.
 - 44 written submissions were received from participants and other interested stakeholders.
 - Highlighted themes included:

Affordable Housing	Reconciliation with Indigenous People
Climate Emergency	Child Care
Health Care	Skilled Workforce
Closing the Digital Divide	Environmental & Social Standards

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Immigration	Modernized Value-added Natural Resources
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- INDIGENOUS ENGAGEMENT:

- 7 engagements from September 20th to October 1st, 2021, led by Minister Kahlon with senior Indigenous political organizations, modern treaty nations, and Indigenous institutions responsible for building capacity in financial self-governance and major projects.
- 8 engagements from December 8th, 2021, to January 12th, 2022, led by ADM Lesiuk with Indigenous organizations responsible for urban/off-reserve populations, capital financing, community economic development capacity-building, land and resource self-governance, and nation-owned business development, as well as with the Tahltan and Squamish nations.
- 4 engagements from December 6th to December 17th, 2021, led by ADM Rathbone with Indigenous business development centres, Indigenous Community Futures development corporations, the New Relationship Trust, and the Aboriginal Financial Officers Association.
- Barriers and challenges to Indigenous economic development discussed include:

Critical Infrastructure Shortages	Administrative Burdens
Financial Illiteracy	Sustainable Community Capacity
Funding Inefficiencies	

- Opportunities to enhance Indigenous economic development include:

Building Long-Term Relationships	Supporting Indigenous Self-Determination
Equitable and Improved Access to Funding & Financing	Integrating Indigenous Worldviews in BC's Economic Development
Equitable Infrastructure Growth <ul style="list-style-type: none"> ○ Investing in Community Capacity ○ Supporting Indigenous Business 	Creating Pathways for Economic Inclusion and Collaboration

- WWW. STRONGERBC.CA/PLAN & SENSEMAKER:

- StrongerBC: Economic Plan is found at www.StrongerBC.ca/Plan
- Public Engagement tool – SenseMaker will gather public input for an 8-week period commencing Feb. 17, 2022, when the plan was launched (www.strongerbc.ca/engage)
- Public input is focused on perspectives from the public about future and current ideas regarding B.C.'s economy and longer-term vision.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

• ANNOUNCEMENTS TO DATE – SUMMARY:

ANNOUNCEMENT	Date	\$ / Details	Supporting Goal
New BCIT Trades & Technology Complex	Feb 17, 2022	<ul style="list-style-type: none"> \$136.6M to build a new complex Will benefit more than 12,000 students per year in 20+ trades and technology programs Construction to begin in 2023 	Inclusive Growth – Supporting People and Families
Early-childhood educator (ECE) recruitment and retention	Feb 18, 2022	<ul style="list-style-type: none"> \$49.2M federal investment to reduce barriers and increase access to post-secondary ECE programs and professional learning opportunities. 	Inclusive Growth – Supporting People and Families
ALR improvements based in regulatory supports	Feb 19, 2022	<ul style="list-style-type: none"> ALR improvements allow for more intensive, vertical farming Maximize space and reduce energy costs. 	Clean Growth – Fostering Innovation Across our Economy
New nursing seats added provincially	Feb 20, 2022	<ul style="list-style-type: none"> \$5M to support 602 new nursing seats Will be added to approximately 2000 existing seats in B.C. 	Inclusive Growth – Supporting People and Families
Life sciences investment	March 2, 2022	<ul style="list-style-type: none"> \$116.6M to Health Research BC \$78M to Genome BC Support research in health, agriculture, clean technology, and climate change. 	Clean Growth – Fostering Innovation Across our Economy

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- \$345,000 Foreign Services Agreement entered with University College London in 2021/22 to March 31, 2022.
- Staffing for Economic Narrative Development Team:
 - 7 TA – FTE positions from June - Dec 2021 (4 positions extended until March 31, 2022)
 - Staffing resourced from re-allocation within existing Ministry HR budget.
- Budget 2022* provides \$50M over the fiscal plan to support implementation of the StrongerBC Economic Plan: A plan for today, a vision for tomorrow.
- Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

Approvals:

[date approved] - Tim Lesiuk, ADM, Innovation, Technology and Investment Capital Division

[date approved] – [CFO] FSB

Last Updated: March 3 – Wendy Magnes

Contact:

Tim Lesiuk

ADM

ITIC

778-698-4039

2022/23 ESTIMATES NOTE

Advice to the Minister

LIFE SCIENCES

Issue: Development of B.C. Life Sciences and Biomanufacturing Strategy – an Economic Plan commitment

KEY FACTS

Background/Status:

- B.C.'s life sciences sector is a key driver of clean, low-carbon economy.
- The growing life sciences sector will have a role in diversifying the province's economy, realizing CleanBC's goals, addressing supply chain gaps, and ensuring Canada is prepared for future pandemics and health emergencies.
- B.C.'s life sciences sector is a global leader in nanomedicine, precision medicine, mRNA vaccines, antibodies, and innovative therapeutic platforms with applications spanning from vaccines to oncology to rare diseases.
- Throughout the COVID-19 pandemic, B.C.'s life sciences research and companies have earned international recognition for new technologies and treatments that are being used around the world.
 - For example, AbCellera, BC-based biotech company developed the first antibody therapeutic approved to treat COVID-19 patients.
- Every COVID-19 vaccine candidate that reached late-stage development in 2020 used components that were developed or manufactured by a B.C. company or scientist.
 - For example, the mRNA COVID-19 vaccines developed by Pfizer-BioNTech, Moderna and CureVac rely on technology originally developed in Vancouver – the Lipid Nanoparticle delivery platforms (LNP).
- To build on this success, we are positioning B.C. as a world leading hub for bio-innovation in life sciences and biomanufacturing.
- In the StrongerBC Economic Plan, the Province committed to develop a B.C. Life Sciences and Biomanufacturing Strategy that will help accelerate the growth of the sector, to produce more anchor companies based in B.C. that create well paying, high skilled jobs for British Columbians and to help improve outcomes for patients.
- B.C.'s life sciences sector is the fastest growing life sciences sector in Canada, with consistent revenue growth and increasing employment trends.
- Based on the latest available statistics (2018):
 - B.C. has the fastest growing life sciences sector in Canada
 - B.C. life sciences companies generated \$5.4 billion in revenue and \$1.6 billion in GDP
 - Life Sciences GDP was close to 1% of B.C.'s GDP in 2018, and this is increasing
 - Annual GDP growth was ~6%, exceeding Canada's life sciences GDP growth of 1% and exceeding B.C.'s industrial aggregate GDP growth of 2.7% for the same period.
 - B.C. has 1,120 companies with employees. Most are small companies like start-ups.
- A post-COVID statistical refresh of B.C.'s life sciences sector is planned for late Fall 2022
- B.C. is home to:
 - Canada's largest biotech company, STEMCELL Technologies;
 - Canada's largest medical device company, Starfish Medical;

2022/23 ESTIMATES NOTE

Advice to the Minister

- Canada's three largest biotech companies, with greater than \$1B in market capitalization, are: AbCellera Biologics, Aurinia Pharmaceuticals, and Zymeworks Inc.
- The Ministry provides supports to Life Sciences in British Columbia:
 - In 2021/22, the Province invested over \$24M through the BC Knowledge Development Fund to support innovative health and life sciences research (funding from Ministry of Advanced Education and Skills Training budget).
 - In 2021/22, the Province has provided over \$10.5 million in tax credits to BC investors investing in BC Life Sciences start ups through the Small Business Venture Capital Tax Credit Program (for a total investment of over \$35 million dollars).
 - Funding of \$200 million has been provided this year as grants to Genome BC and Michael Smith Health Research BC. (funding from Ministry of Health). This will create new scientific discoveries and economic opportunities with a significant increase in grants for a growing life sciences sector that now includes more than 2,000 companies and employs 18,000 people in BC.
 - In 2018, the Province awarded \$22 million over 4 years to expand the new STEMCELL facility.

FINANCIAL IMPLICATIONS

- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the Stronger BC Economic Plan: A Plan for Today, A Vision for Tomorrow.
- *Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

Approvals:

[date approved] - Tim Lesiuk, ITIC
February 15, 2022 – Brian Urquhart

Last Updated: February 02, 2022

Contact:

Maija Duffy	Executive Director	Innovation Strategy, Policy and Coordination	250-507-0685
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Integrated Marketplace – Econ Plan

Issue: New Economic Plan initiative matching market-ready clean technology innovations to local aggregated demand

KEY FACTS

Background/Status:

- The Integrated Marketplace Initiative (IMI) links a consortium of strategic buyers with innovative suppliers (sellers) to scale-up, implement, and ultimately export BC cleantech solutions.
- IMI is in the process of advancing two to three initial test bed pilots as a proof of concept
- Each test bed was chosen to pilot IMI through engagement with BC's Innovation Commissioner and ministry staff throughout 2021. Each is seeking solutions to improve transportation-related environmental impacts within their operations. Specific problems to be addressed will be honed through workshops (known as Design Labs) starting this spring.
- On Jan. 28, 2022, JERI launched an RFP seeking proponents who can plan and lead three Design Labs, focused on: confirming the business problem, identifying potential technical solutions and preparing a workplan to move the initiative forward.
 - The RFP is expected to be awarded before the end of Feb. 2022.
 - The Proponent will lead Design Lab sessions before Mar. 31, 2022.
 - A summary, with potential solutions and next steps, will be received by Apr 30 2022.
 - Total cost is up to \$100,000 - funded through existing 2021/22 ministry budget.
- Cabinet Confidences

● Cabinet Confidences

● Cabinet Confidences

● Advice/Recommendations

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Up to \$100k from 2021/22 to support test bed Design Labs
- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the Stronger BC Economic Plan: A Plan for Today, A Vision for Tomorrow.
- *Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Approvals:

[date approved] - [ADM name, division]

[date approved] – [CFO] FSB

Last Updated: January 28, 2022

Contact:

Paul Pawlowski	Executive Director	Major Investments	778-873-7037
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

ESG Centre of Excellence

Issue: *ESG Centre of Excellence* to serve as a catalyst and advocate for the development and promotion of B.C.'s ESG advantages

KEY FACTS

Background/Status:

- As part of the *Economic Plan*, the Province will establish an *ESG Centre of Excellence* (*Centre*) to promote high Environmental, Social and Governance principles for products and services.
- The *Centre* is intended to be developed in alignment with other provincial ESG programs and would serve both as a conduit to communicate cross-government work and as a catalyst and advocate for the development and promotion of B.C.'s ESG advantages. Three of the objectives include:
 - Create, maintain and diversify markets for B.C.'s world-class goods and services under a new ESG brand
 - Attract socially and environmentally conscious investors to B.C.
 - Provide information about traceability and verifiability for B.C.'s goods and services to ensure public trust and credibility.
- ESG is an increasingly prevalent concept and framework in both the investment realm, as well as the policy realm.
 - In 2021, globally US\$650 billion flowed into ESG funds¹
 - 79% of consumers are changing their purchase preferences based on sustainability²
- B.C.'s ESG advantage can be demonstrated in its commitment to environmental foundations of the CleanBC strategy, highest carbon tax in North America, clean power grid, standardized regulatory processes, etc.
- With respect to the social aspect, BC values a diverse and multilingual workforce, upholds high standards for employment, presents opportunities for flexible immigration, public health infrastructure, and Indigenous reconciliation efforts.
- Regarding governance, the province upholds a strong rule of law and predictable legal system, maintains one of the highest credit ratings amongst the provinces and has regulatory frameworks in place to maintain governance and fiscal order.
- The Ministry of Finance, in summer 2020, convened an ADM level ESG leadership group to support the development and production of the first ever ESG Report; the Report will present the government's ESG profile with a comprehensive inventory and review of ESG aligned government programs and policies (expected release in March 2022) and is the purview of Minister Selina Robinson.
- Across government, there are a range of agencies and ministries working on ESG initiatives:

¹ <https://www.reuters.com/markets/us/how-2021-became-year-esg-investing-2021-12-23/>

² <https://www.capgemini.com/news/sustainability-in-cpr/#:~:text=The%20report%2C%20%E2%80%9CConsumer%20Products%20and,%2C%20inclusiveness%2C%20or%20environmental%20impact.>

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- BC's first ESG Report (FIN);
- ESG in procurement (CITZ);
- Digital Trust marketplace - Interoperability and traceability of mining product information (EMLI);
- Establishment of InBC, the \$500 million strategic investment fund with a triple bottom line mandate;
- Coordinating with the First Nations Major Products Coalition to ensure an Indigenous approach to ESG
- Over the next year, considerable investigative and consultative work will be implemented by a dedicated project team to determine the best path forward and the appropriate structure to be established to realize B.C.'s ESG advantage.
- Teams will be engaging and consulting with strategic partners to confirm their priorities, and learn about how they view a new ESG agency which could support their corporate interests in ESG-related investment.
- The *Centre* initiative is closely aligned to federal commitments such as the Taskforce on Climate-Related Financial Disclosures.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the Stronger BC Economic Plan: A Plan for Today, A Vision for Tomorrow.
- *Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

Approvals:

[date approved] - [ADM name, division]

February 16, 2022 – Brian Urquhart, CFO

Last Updated:

Contact:

James Harvey

Associate DM

Investment and
Innovation Division

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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Mazzucato Contract

Issue: Contract for the development of the Economic Plan

KEY FACTS

Background/Status:

- A Foreign Service Agreement was put in place for June 1, 2021, with Professor Mariana Mazzucato and the University College London Institute for Innovation and Public Purpose (IIPP).

RATIONALE FOR DIRECT AWARD:

- The founder of IIPP, Professor Mazzucato has proposed innovative approaches to economic planning and innovation funding that aligns with the interests of the province.
- The application of these theories through the novel and proprietary tools and approaches developed by IIPP are the primary services that have been contracted by the Ministry.
- Prof. Mazzucato advises policy makers around the world on IIPP's innovation-led inclusive and sustainable growth approach.
- Prof. Mazzucato's roles include being:
 - Chair of the World Health Organization's Council on the Economics of Health for All
 - Member of the Scottish Government's Council of Economic Advisors,
 - South African President's Economic Advisory Council,
 - OECD Secretary General's Advisory Group on a New Growth Narrative,
 - UN High Level Advisory Board for Economic and Social Affairs,
 - Argentina's Economic and Social Council,
 - Vinnova's Advisory Panel in Sweden,
 - Norway's Research Council.
- Previously, through the Professor's role as Special Advisor for the EC Commissioner for Research, Science and Innovation (2017-2019), she authored the high-impact report on Mission-Oriented Research & Innovation in the European Union, turning "missions" into a crucial new instrument in the European Commission's Horizon innovation programme.
- Prof. Mazzucato's expertise and experience is not available from other sources, and it is unlikely she would perform these services outside of the structure of IIPP.
- The perspectives and advice built from unique global assignments implementing her system is not otherwise present in the marketplace.
- The agreement included services as providing policy and technical advice for establishing goals and missions for developing an economic plan for B.C. through weekly meetings along with:

Deliverables within the Agreement include:

1. Six advisory sessions with Prof Mazzucato to introduce and explore the concepts of Challenge Driven Policy and Mission Oriented Innovation.
2. Scoping the challenges and missions process:
 - Act as a sounding board as the BC government develops its economic plan.
 - Share examples from around the world of mission-oriented innovation and/or economic policy.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Investigate, e.g., through working-level meetings, desk research, interviews, internal document review and mapping, the potential of a pan-government mission-oriented approach that could be set up in a structured way.
- Review and provide recommendations on the Province's key challenges that a mission-oriented approach could address and advise on phrasing and focus of in progress BC challenges and missions.
- In collaboration with the Province, assist in the identification of grand challenges, and laying the groundwork for related mission-oriented policy pathways, including the development of principles and recommendations.
- 3. Three (3) workshops on applying market-shaping lenses to innovation, including on:
 - Employing the ROAR framework: ROUTES AND DIRECTION; ORGANISATIONAL CAPACITY; ASSESSMENT AND EVALUATION, and RISKS AND REWARDS to understand optimal methods for developing market-shaping public purpose approaches
 - Developing a shared ambition for public purpose mission orientated investment across InBC and JERI
- 4. One live masterclass on Zoom led by Mariana Mazzucato which can be streamed thereafter on YouTube to additional stakeholders who are unable to attend – the content will cover market shaping, dynamic capability evaluation, rethinking public value and the ROAR framework. Discussion will focus on identifying clear priorities for BC.
- 5. Initial engagement with and mapping of InBC Investment Corp.:
 - Investigate, e.g., through internal document review, scoping of InBC investment strategy and missions potential, interviews and background research, the potential to bring a mission-oriented approach to InBC.
 - Work on identifying priorities in line with BC Principles/Challenges.
 - Map provincial and national public financial ecosystem for possible alignments
 - Provide report recommendations on possible pathways to align InBC with Government priorities
- 6. Identify scope for potential future engagement by the Province with IIPP on mission-oriented policy, innovation, and implementation
- 7. A Principles and Recommendations summary report of the process to guide BC government policy on future government-wide and aligned mission-oriented approach – to be released on or before March 31, 2022.
- The contract was amended on November 20, 2021, to allow for modification of the deliverables to align with the work required for development and timing of the Economic Plan.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- \$345,000 contract entered with University College London in 2021/22.
- First invoice paid January 2022 for half the contract total = \$172,892.74

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Second invoice received and is currently being processed for the balance of the contract amount to be paid before March 31, 2022.

Approvals:

[date approved] - Tim Lesiuk, ADM, Innovation, Technology and Investment Capital Division

February 16, 2022 – Brian Urquhart, CFO

Last Updated: March 3 – Wendy Magnes

Contact:

Tim Lesiuk

ADM

ITIC

778-698-4039

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

StrongerBC Future Leaders Program

Issue: Future Leaders Program Background and Status

KEY FACTS

Background/Status:

- The Province is providing more than 5,000 youth and youth adults across B.C. with access to skills training and well-paid jobs through the almost \$45-million program.
- JERI invested \$22 million to fund 4,400 to 5,000 training spots and paid internships.
- Four B.C. ministries invested in the initiative (JERI, FLNR, ENV, AEST).

Ministry	Program	Description
JERI	Innovator Skills Initiative	\$15 million to prioritize 3,000 first jobs for under-represented people in B.C.'s technology sector.
JERI	Canadian Tech Talent Accelerator	\$7 million to provide tech skills and placements to 1,400 to 2,000 BCers
FLNR	Natural Resource Youth Employment Program	\$8.7 million to help fund about 160 jobs and will work on projects such as wildfire prevention, invasive species management and improving forest management.
FLNR	Recreation Site and Trails Youth Employment Program	\$2.7-million investment to fund the creation of about 65 jobs around the province.
ENV	Youth Employment Program	\$4-million investment that funds 37 opportunities in BC Parks; 46 opportunities with the Conservation Officer Service and 28 opportunities with the Conservation Officer Services' Aquatic Invasive Species program.
ENV	Clean Coast, Clean Water program	\$5-million investment aimed to create job opportunities for up to 180 young people to help tackle marine debris and plastic pollution.
AEST	Internships and Fellowships through Mitacs	An additional \$1-million investment into program placements that allows post-secondary students to work with industry partners and gain real-world experience.

- Innovator Skills Initiative:
 - See Note 89, Innovator Skills Initiative, for more information.
 - As of March 3rd, 1,795 of the grants had been awarded.
 - Responsible for 1000 of the grants, Innovate BC has received over 1,600 applications to date.
- Canadian Tech Talent Accelerator:
 - See ADM Lesiuk's Note on the Canadian Tech Talent Accelerator.
 - Of the 70 individuals enrolled in the program's first cohort, 41% self-identified as new immigrants, 10% identified as members of 2SLGBTQ+ communities, 39% identified as female, non-binary, or gender diverse and 3 as Indigenous.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- The Future Leaders Program also includes the Young Leaders Council, which appointed 18 members from across BC on January 1, 2022. The Premier's Special Advisor on Youth MLA Brittney Anderson chairs the council.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The Future Leaders Program was an initiative announced and funded in FY22.

Approvals:

[date approved] – Tim Lesiuk, ADM, Innovation, Technology and Investment Capital Division

[date approved] – Brian Urquhart, CFO, FSB

Last Updated: March 7, 2022

Contact:

Tim Lesiuk

ADM

Investment & Innovation 778-698-4039

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

MASS TIMBER ACTION PLAN (MTAP)

Issue: Mass Timber Action Plan to move mass timber from niche to mainstream

KEY FACTS

Background/Status:

- MTAP is a bold, carbon-friendly, market transformation strategy.
- MTAP will
 - combine strategic regulatory, policy, and program interventions
 - bridge three pillars of B.C.'s economy typically siloed: forestry, manufacturing & land development/ construction.
- MTAP brings meaningful change for British Columbians through:
 - Workforce transition towards low-carbon, emerging, green technology
 - Expanded market adoption of building materials that achieve climate targets
 - Meaningful reconciliation with Indigenous communities through economic development.
- MTAP is a cross-government strategy containing
 - 3 thematic planks that align with the Economic Plan
 - Grow an innovative new economic sector
 - Maximize the benefits of mass timber for people in every part of the province
 - Support a more sustainable low-carbon future
 - 7 objectives including
 - Demonstrate mass timber in action
 - Enhance and advance the system of technical tools and rules
 - Expand mass timber education and prepare the workforce
 - Over 80 actions ranging from developing new tools for carbon accounting to systemic change across the development, construction, and forestry sectors.
- The public-facing MTAP will be released in Spring 2022.
- MTAP integrates with other cross-government strategies
 - CleanBC, Economic Plan, Modernizing Forest Policy
 - The forthcoming Industrial & Manufacturing Strategy and Future Workforce Readiness Strategy.

MTAP accomplishments

- Accomplishments to date include:
 - Support for the use of mass timber in public-sector buildings
 - Research on physical and environmental performance of mass timber
 - Collaboration with the Ministry of Advanced Education, Skills and Training to create a popular new mass timber micro-credential training program at BCIT

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- In FY23, the Ministry received a base budget lift of \$2.620M (\$2.476 under Trade and Industry Development and \$144,000 for corporate support) for the Office of Mass Timber Implementation (OMTI).
- The funding was received to support 18 FTEs and operating costs to advance the implementation of the Mass Timber Action Plan (MTAP).
 - Budget 2021 provided a base budget lift of \$1.27M beginning in FY23;
 - Budget 2022 provided a further base budget lift of \$1.35M for a total budget of \$2.62M per year.

Approvals:

February 16, 2022 - Jeff Vasey, OMTI

[date approved] – [CFO] FSB

Last Updated: March 3, 2022

Contact:

Jeff Vasey

ADM

Office of Mass Timber
Implementation

(250) 361-6673

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

MASS TIMBER ADVISORY COUNCIL (MTAC)

Issue: Internationally recognized thought leaders advise on Mass Timber Action Plan (MTAP)

KEY FACTS

Background/Status:

- MTAC, formed in April 2021, draws on the collective knowledge and insights of key thought leaders in the development, construction, and forestry sectors.
- MTAC members:
 - Advise on the development and implementation of the action plan.
 - Are 16 B.C. thought leaders, many recognized internationally for their contribution to mass timber innovation (Attachment 1)
 - Act as ambassadors and champions of mass timber within their fields
 - Have met 3 times to date, plus several one-on-one conversations
- The action plan is strengthened by insights from our MTAC. Key insights include:
 - Michael Green: *"British Columbia is a world leader in mass timber design and construction. From manufacturing to design and engineering and construction we all have an enormous amount to be proud of. Today we are perfectly positioned to grow our capacity, capabilities and influence throughout North America and the world with this initiative. It is important we invest in this future."*
 - Derek Newby: *"This plan goes beyond simply promoting our forest industry. It is a comprehensive effort to cultivate innovations in timber manufacturing, engineering, and design that can change the way we build, and establish ourselves as leaders in mass timber globally."*
 - Claire Huxtable: *"Increasing demand for B.C.'s mass timber can strengthen the Province's backbone of primary wood products manufacturers while also growing its secondary manufacturing base. Building practices must shift to low-carbon solutions and mass timber is market-ready."*

FINANCIAL IMPLICATIONS

N/A

Approvals:

February 8, 2022 – Jeff Vasey, OMTI

[date approved] – [CFO] FSB

Last Updated: February 8, 2022

Contact:

Jeff Vasey

ADM

OMTI

(250) 361-6673

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Attachment 1: Mass Timber Advisory Council Member List

- Andrew Harmsworth, Principal, GHL Consultants
- Anne McMullin, President & CEO, Urban Development Institute
- Brian Frenkel, President, Union of BC Municipalities
- Claire Huxtable, Senior Analyst, ERA Forest Products Research
- Dan Battistella, President, Interior Lumber Manufacturers' Association
- Derek Newby, Principal, Diamond Schmitt Architects
- Guido Wimmers, Associate Professor Chair, Master of Engineering Program, UNBC
- Karla Fraser, Director of Construction Services, Hive Projects Inc
- Lynn Embury-Williams, Executive Director, WoodWORKS! BC
- Michael Green, Founder, Michael Green Architects
- Paul Fast, Founder, Fast+Epp
- Robert Phillips, First Nations Summit Political Executive, First Nations Summit
- Susan Yurkovich, President & CEO, BC Council of Forest Industries
- Terry Teegee, Regional Chief, BC Assembly of First Nations
- Tim Ryce, Chief Building Official, City of North Vancouver
- Tom-Pierre Frappé-Sénéclauze, Director of Buildings and Urban Solutions, Pembina Institute

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

INVESTMENTS IN MASS TIMBER

Issue: Investments in demonstration projects, research, and initiatives to advance mass timber

KEY FACTS

Background/Status:

- The Province has advanced mass timber through:
 - demonstration projects
 - research
 - and initiatives (education, manufacturing grants, and communication).
- The Province has:
 - Invested \$9.7 million in 2020/21
 - Budgeted \$5.17 million in 2021/22
 - Provided a total investment of approximately \$14.37 million since 2020
- These investments:
 - Support the objectives of the Mass Timber Action Plan
 - Demonstrate the feasibility of mass timber construction
 - Span several ministries, showing the Province's commitment to investing in the opportunity of mass timber

Mass Timber Demonstration Program

- Since 2020, \$6.99 million has been invested in the Mass Timber Demonstration Program.
 - \$4.15 million spent in 2020/21 (\$3M JERI, \$1.15M FII)
 - \$2.34 million budgeted in 2021/22 (\$2M JERI, \$0.34M FII)
- For more detail, see section 82 (FII Mass Timber Demonstration Projects – StrongerBC).

Investments in Research

- Since 2020, \$3.39 million has been invested in research.
 - \$1.89 million spent in 2020/21
 - \$1.50 million budgeted in 2021/22 (\$0.29M JERI Contract budget)
- To date, 55 research projects have been completed or are underway. Outcomes include:
 - Improved ability to estimate the environmental impact of buildings during the design phase
 - A more robust business case for mass timber and more accurate costing tools
 - Advances in prefabrication technology

Investments in Education, Manufacturing, and Communications

- Since 2020, \$4.49 million has been invested in education, manufacturing, and communications.
 - \$3.66 million spent in 2020/21 (\$0.4M JERI – Supply Chain Grant)
 - \$830,000 budgeted in 2021/22
- Outcomes include:
 - New BCIT programs and curriculum on mass timber including a well-subscribed micro-credential program

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Expansion of pre-fabrication manufacturing facilities and technology
- Communicating B.C.'s position as a leader in mass timber innovation (FII)

Capital Projects (see Attachment 1)

- The Province continues to invest directly in mass timber through capital projects.
- These projects are distinct from private sector building programs and research.
- By investing in capital projects, the Province is leading by example and demonstrating the use and advantages of mass timber.
- OMTI provides 6 capital ministries with advice and guidance on mass timber projects.
- To date 10 buildings have been announced, and others have been approved or are in business case development.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

2020/21:

- Total research expenditures: \$1.89 million
- Total education/manufacturing/communications expenditures: \$3.66 million

2021/22:

- Total budgeted for research: \$1.50 million
 - \$290,000 JERI-OMTI research budget
- Total budgeted for education/manufacturing/communications expenditures: \$830,000

Approvals:

February 18 - Jeff Vasey, OMTI

[date approved] – [CFO] FSB

Last Updated: March 7, 2022

Attachments 1: Capital Projects Using Mass Timber

Contact:

Jeff Vasey

ADM

OMTI

(250) 361-6673

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Attachment 1: Capital Projects Using Mass Timber

Project Name	Location	Project Status	Mass Timber Description
UVIC Student Housing AEST	Victoria	Under construction	Hybrid Mass Timber
BCIT Student Housing AEST	Burnaby	Design Planning	MT Tall Wood
Okanagan College Student Housing AEST	Kelowna, Vernon, Salmon Arm	Design Planning	Mass Timber
UVIC Engineering & Computer Science Expansion AEST	Victoria	Design Planning	Hybrid Mass Timber
Begbie Elementary MEd	Vancouver	Construction	2-storey mass timber school with CLT walls, floors, and roof panels.
Bayview Elementary MEd	Vancouver	Construction	2-storey school with roof designed with CLT panels, CLT walls, and hybrid steel-CLT beams where 2nd second floor cantilevers over ground level.
Ta'talu Elementary MEd	Surrey	Tender	Hybrid design: steel and concrete central core with mass timber classroom wings featuring steel deck and concrete floor.
1766 Frances Street BC Housing	Vancouver	Construction	
1190 Burrard Street BC Housing	Vancouver	Construction begins Q1 2022	
Capstone project BC Housing	Kelowna	Construction	

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

MEASURING SUCCESS IN MASS TIMBER

Issue: Metrics for mass timber sector growth in B.C.

KEY FACTS

Background/Status:

- Mass timber is an emerging technology.
- Measuring the growth of this emerging sector currently does not fit neatly into existing categories and metrics of construction, development, or innovation.
- Data is scarce and often difficult to verify.
- MTAP initiatives will:
 - Create accurate data to increase decision-makers' and developers' confidence in using mass timber, and
 - Measure the growth of the sector.
- Building more mass timber projects and gathering data will:
 - Produce accurate information about on-site construction time to highlight the advantages of prefabricated building components
 - Clarify risks and benefits of mass timber buildings to better inform insurers and underwriters
 - Support business confidence to attract new investment into B.C.-based manufacturing technology.

Service Plan Metric

- The Service Plan measures one aspect of mass timber sector growth. It does not capture the complex interplay of actions proposed in the Mass Timber Action Plan.
- JERI's metric for the 2022/23 Service Plan is: *square meters of floor area in newly constructed buildings that incorporate mass timber in one or more primary structural systems.*
 - Structural systems are defined as roofs, floors, walls and building shafts.
 - This acknowledges that mass timber buildings are often hybrid, especially in high seismic areas.
- This metric will enable OMTI to compare the amount of mass timber used in B.C. from year to year and to compare data with international reporting (WoodWorksUS).

Future Success Metrics

- Measuring the success of the B.C. mass timber sector will require using complex metrics to indicate changes across multiple systems.
- Emerging metrics being explored include:
 - Increase in number of public sector buildings using mass timber
 - Reduction in wood waste from construction in B.C.
 - Increase in economic value per square metre of harvested timber
 - % increase in construction projects that use building information modeling (BIM), prefabrication and modular design
- For facts regarding B.C.'s mass timber sector, refer to **section 29** (Key Facts).

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FINANCIAL IMPLICATIONS

N/A

Approvals:

February 16, 2022 – Jeff Vasey, OMTI

[date approved] – [CFO] FSB

Last Updated: February 16, 2022

Contact:

Jeff Vasey

ADM

Office of Mass Timber
Implementation

(250) 361-6673

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

MASS TIMBER KEY FACTS

Issue: Mass timber has climate, employment, and economic benefits

KEY FACTS

Mass Timber Characteristics

- Mass timber buildings are:
 - **Safe** in earthquakes. 5 times lighter than concrete, less seismic forces in a building.
 - **Strong**. Matches or exceeds the structural performance of concrete and steel.
 - **Resistant to fire**. Panels subjected to fire for 3 hours remain structurally strong.
 - **Quick to build**. Some projects completed 25% more quickly than conventional.
 - **Made from wood**, a renewable resource. Forests in BC regrow the wood required to build Brock Commons in 43 minutes.

Current State of Mass Timber in B.C.

- 22 companies sustain over 700 jobs and provide services required for mass timber construction, including:
 - Pre-fabrication manufacturing
 - Digital design
 - Mass timber construction
 - 3 manufacturers anchor this sector
- B.C.'s total annual mass timber production capacity could build the equivalent of 47 Brock Commons every year (or 105,000 cubic meters).
- B.C. manufacturers, if working at full capacity, could produce 23% of North America's total mass timber production.
- Modeling shows potential for up to 10 more mid-sized mass timber plants in B.C. by 2035, assuming increased mass timber demand from within BC and across western North America.
- 22 B.C. municipalities have become early adopters of building code requirements that allow for 7-12 story mass timber construction. These municipalities represent over half of the province's housing starts in 2020.
- B.C. has more than 285 mass timber structures, with room to grow. This represents only 3% of B.C. buildings since 2011 have used mass timber.

Market Growth of Mass Timber

- B.C. mass timber production is estimated to be worth \$46 million annually.
- The value of the mass timber sector in the B.C. economy is expected to grow. Forecasts show:
 - An increase of \$24 million per year for the next 15 years
 - Value of \$403 million by 2035
- Globally by 2028 the engineered wood market is expected to grow 40% and be worth \$400 billion.

Climate Benefits

- Mass timber buildings have 25% less global warming potential than concrete buildings.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Mass timber sequesters more than 200 kg of carbon dioxide per square meter, compared to concrete which emits 90 kg of carbon dioxide per square meter.
- Brock Commons avoided emitting 679 metric tons of carbon dioxide. This is equivalent to taking 511 cars off the road for one year.

Employment Benefits

- The Province has invested in a number of micro-credentials, including mass timber programming and curriculum.
- Projections estimate 2,350 jobs in manufacturing mass timber, with an additional 1880 jobs in technology, forestry, engineering, and design, by 2035.

Forest Facts

- B.C. has some of the highest rates of forest certification in the world. More than 47 million hectares of B.C. forests are certified.
- Mass timber can be made with smaller trees, pivoting away from large tree harvesting.

Exporting Mass Timber

- Mass timber panels are frequently shipped. Mass timber panels have a similar weight to standard lumber and are not uniquely challenging to ship.
- B.C. has a thriving export industry. Of the mass timber made in BC, approximately 57% is shipped to the United States and 8% is shipped to other international markets.

FINANCIAL IMPLICATIONS

N/A

Approvals:

February 16, 2022 – Jeff Vasey, OMTI

February 17, 2022 – Carla Merkel, FSB

Last Updated: February 16, 2022

Contact:

Jeff Vasey

ADM

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Implementation

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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

DEPUTY MINISTER'S OFFICE BUDGET IN 2022/23

Issue: Deputy Minister's Office budget in 2022/23

KEY FACTS

Background/Status:

- The Deputy Minister's Office budget in 2022/23 is \$1.172 million. There is no change from the Restated Estimates in 2021/22.
- The Deputy Minister's office has funding for a staffing complement of seven FTEs (includes Deputy Minister).

FINANCIAL IMPLICATIONS

Estimates Budget	2021/22 Estimates (\$)	2022/23 Estimates (\$)	Change (\$)
Salaries and Benefits	986,000	986,000	0
Travel	68,000	68,000	0
Legal Services	7,000	7,000	0
Information Systems	25,000	25,000	0
Office and Business	68,000	68,000	0
Operating Expenses	15,000	15,000	0
Building Occupancy	1,000	1,000	0
Other Expenses	2,000	2,000	0
TOTAL	1,172,000	1,172,000	0

Approvals:

February 21, 2022 -Joanna White, EFO

February 11, 2022 – Brian Urquhart, CFO

Last Updated: February 9, 2022

Contact:

Carla Merkel Director, Budgets Financial Services Branch 778-698-3361

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

EXECUTIVE COMPENSATION (CROWNS)

Issue: Executive Compensation in Ministry Crown corporations reported by PSEC

KEY FACTS

Background/Status:

- The Public Sector Employers Act (PSEA) requires employers to disclose their senior executive compensation within six months of their fiscal year end in a form and manner directed by the CEO of PSEC.
- The compensation that is disclosed includes holdbacks, benefits, perquisites, allowances, pension, severances, salary continuance and any other payments.
- The requirements to disclose apply to all public sector employers', CEOs/Presidents and the top four executives earning \$125,000 or more in base salary.
- Crowns may utilize holdbacks for executive compensation or, with the endorsement of the Board and approval from PSEC Secretariat, may phase them out. In situations where holdbacks are phased out, the maximum achievable salary (base plus full holdback) may not be exceeded.
- JERI Crowns do not currently utilize holdbacks in their pay structure (see below).
- The InBC Investment Corp. (InBC) was established by legislation in May 2021. The former BCIIIF had a unique structure in which its management team were employees of the ministry and compensated as such. Under its new structure the Crown will disclose compensation in accordance with PSEC direction, however, it has not yet completed its first full fiscal year. InBC Executive compensation will be released in the Summer of 2022.
- Increases in total compensation may be due to vacation payouts, retirement allowances or other payments.
- To support the principles of fiscal restraint, this government:
 - provides direction to public sector entities on standards of conduct, including post-employment restrictions;
 - ensures direction for crowns intended to strengthen accountability, promote cost control, and ensure public sector entities operate in the best interest of taxpayers;
 - maintains an effective and transparent executive compensation framework for Crown corporations.

Name and Position	Salary	Holdback / Bonus and/or Incentive Plan Compensation	Benefits	Pension	All Other* Compensation	2020/21 Total
Innovate BC						
Raghwa Gopal, President & CEO	\$ 187,200	\$0	\$ 9,768	\$ 18,439	\$ 14,400	\$ 229,807
Jennie Choboter, CFO	\$ 153,676	\$0	\$ 3,688	\$0	\$0	\$ 157,364

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Name and Position	Salary	Holdback / Bonus and/or Incentive Plan Compensation	Benefits	Pension	All Other* Compensation	2020/21 Total
Tomica Divic, VP Operations	\$ 153,600	\$0	\$ 11,231	\$ 15,130	\$0	\$ 179,961
InBC Investment Corp.						
Previously, InBC employees received compensation through JERI and, as such, did not report out their executive compensation. They are now paid directly through InBC and an executive compensation report for 2021/22 will be made public in Summer 2022.						
Forestry Innovation Investment						
Michael Loseth, CEO	\$182,710	\$0	\$8,771	\$17,928	\$0	\$209,409
Douglas Greig, CFO & VP, Finance & Administration	\$159,314	\$0	\$8,097	\$15,624	\$15,957	\$198,992
Sonya Zeitler-Fletcher, VP, Market Development	\$168,767	\$0	\$8,868	\$16,532	\$6,039	\$200,206

*Other compensation includes categories such as vacation payout, sick leave payout, vehicle allowance, paid parking, severance/salary continuance, retirement allowance, professional dues or fees and administrative leaves.

FINANCIAL IMPLICATIONS

N/A

Budget/Expenditures:

Approvals:

[date approved] - [ADM name, division]

February 24, 2022 – Brian Urquhart, CFO

Last Updated:

Contact:

Joanna White

ADM and EFO

Management
Services Division

778 698-3382

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

MINISTERS' OFFICES BUDGET

Issue: Ministers' Offices Budget in 2022/23

KEY FACTS

Background/Status:

The Ministers' Offices budget for 2022/23 is \$1.230 million, an \$18,000 increase from the 2021/22 Restated Estimates.

- The Minister's Office Budget is \$848,000, a \$13,000 increase from the 2021/22 Restated Estimates.
- The Minister of State for Trade's Office budget is \$382,000, a \$5,000 increase from the 2022/22 Restated Estimates.

In 2020/21, a cross Government review led by the Premier's Office and the Ministry of Finance was completed to better align budgets with staffing levels and historic spending.

- An incremental increase of \$196,000 was provided in 2021/22, and the salaries budget assumed 2% growth in the out years (\$18,000 in 2022/23).

The Minister's Office has funding for a staffing complement of 7 FTEs and the Minister of State's Office has a staffing complement of 2 FTEs.

FINANCIAL IMPLICATIONS

Minister's Office			
Expenditure Type	2021/22 Restated Estimates	2022/23 Estimates	Increase/ (Decrease)
Salaries	481,000	491,000	10,000
Benefits	151,000	154,000	3,000
Legislative Salaries	72,000	72,000	0
Travel	100,000	100,000	0
Information Systems	10,000	10,000	0
Office and Business	20,000	20,000	0
Amortization Expense	1,000	1,000	0
TOTAL	\$835,000	\$848,000	\$13,000

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Minister of State for Trade's Office			
Expenditure Type	2021/22 Restated Estimates	2022/23 Estimates	Increase/ (Decrease)
Salaries	194,000	198,000	4,000
Benefits	65,000	66,000	1,000
Legislative Salaries	39,000	39,000	0
Travel	79,000	79,000	0
TOTAL	\$377,000	\$382,000	\$5,000

Minister's Office Budget Increase:

Approvals:

February 21, 2022 – Joanna White, EFO

February 11, 2022 – Brian Urquhart, CFO

Last Updated: February 9, 2021

Contact:

Carla Merkel

Director, Budgets

Financial Services Branch

778-698-3361

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation MINISTERS' OFFICES TRAVEL

Issue: Minister's Office and Minister of State's Office Travel Expenses

KEY FACTS

Background/Status:

- The Minister of Jobs, Economic Recovery and Innovation's Office has a 2022/23 travel budget of \$100,000, which is consistent with previous years.
- The Minister of State for Trade has a travel budget in 2022/23 of \$79,000, which is consistent with previous years.
- The Ministers' travel expenses will be made available on a quarterly basis on the government's Open Information website.

FINANCIAL IMPLICATIONS

- Minister Kahlon's travel expenses with the Ministry of Jobs, Economic Recovery and Innovation for the first 9 months of 2021/22 were \$10,204.
- Minister George Chow's travel expenses for the first 9 months of 2021/22 were \$1,699.

Approvals:

February 21, 2022 -Joanna White, EFO

February 11, 2022 – Brian Urquhart, CFO

Last Updated: February 9, 2022

Contact:

Carla Merkel Director, Budgets Financial Services Branch 778-698-3361

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

B.C. ECONOMIC OVERVIEW

Issue: B.C.'s post-pandemic economic recovery

KEY FACTS

Background/Status:

Employment Recovery (January 2022 relative to pre-pandemic levels in February 2020) [Source: Statistics Canada, Labour Force Survey (LFS) Table: 14-10-0287-01]

- B.C. leads employment recovery, at 102.4 per cent (+63,000) as of January 2022.
- Women's employment recovery is at 103.5 per cent (+44,300), and men's is at 101.4 per cent (+18,700).
- Youth employment recovery is at 103.5 per cent (+12,000).
- Indigenous peoples employment recovery is at 112.1 per cent (+14,200).
- Visible minority employment (**December 2021** relative to **June 2021**) is up 5.7 per cent (+52,200).

Employment Growth (Year-over-Year to January 2022) [Source: Statistics Canada, LFS Table: 14-10-0287-01]

- Total employment is up 4.0 per cent (+104,600); B.C. is sixth among provinces.
- Full-time employment is up 3.4 per cent (+69,100); B.C. is sixth among provinces.
- Part-time employment is up 6.3 per cent (+35,400); B.C. is fourth among provinces.
- Private sector employment is up 6.5 per cent (+105,300); B.C. is second among provinces.
- Self-employment fell 5.4 per cent (-24,100); B.C. is eighth among provinces.
- Public sector employment is up 4.4 per cent (+23,200); B.C. is fifth among provinces.

Unemployment Rate (as of January 2022) [Source: Statistics Canada, LFS Table: 14-10-0287-01]

- B.C.'s unemployment rate is 5.1 per cent, tied with Manitoba for lowest among provinces.
- Women's unemployment rate is 4.4 per cent, lowest among provinces.
- Youth unemployment rate is 11.7 per cent, sixth lowest among provinces.
- Indigenous peoples unemployment rate is 7.7 per cent, second lowest after Quebec (4.7 per cent).
- Visible minorities' unemployment rate is 5.3 per cent, second after Manitoba (4.6 per cent).

Expanded Unemployment Rate (as of January 2022) [Source: Statistics Canada, 14-10-0077-01]

- B.C.'s expanded unemployment rate is 7.7 per cent, third lowest among provinces. It is equal to its pre-pandemic (February 2020) value.
- The expanded unemployment rate includes discouraged searchers, those waiting to return to work and a portion of involuntary part-time workers.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Wages (as of January 2022) [Source: Statistics Canada, LFS Table: 14-10-0063-01]

- B.C.'s average hourly wage is \$31.46, the third highest among provinces, after Alberta (\$32.50) and Ontario (\$31.98).
- Year-over-year, B.C.'s average hourly wage is up 3.6 per cent, ranking third, after PEI (+8.6 per cent), and New Brunswick (+6.4 per cent).
- Compared to pre-pandemic levels (February 2020), B.C.'s average hourly wage is up 8.0 per cent.

Migration and Immigration (as of Q3 2021) [Source: Statistics Canada, Estimates of interprovincial and international migration, Tables: 17-10-0020-01 and 17-10-0040-01]

- Interprovincial arrivals to B.C. for the first three quarters of 2021 totalled 70,548.
 - In the second quarter of 2021 alone, interprovincial arrivals to B.C. were 31,926 - the highest since 1961 (the furthest back that these data are available).
- International immigration to B.C. for the first three quarters of 2021 totalled 46,045.
 - International migration to B.C. was 23,048 in the third quarter of 2021 – the highest since 1961. This is likely due to clearing the backlog that developed during COVID-19 restrictions.

Exports (2021) [Source: BC Stats, Annual B.C. Origin Exports]

- B.C. annual goods exports are \$53.9 billion, up 36.1 per cent from 2020 and up 24.4 per cent from 2019.

GDP (as of 2020) [Source: Statistics Canada, Gross Domestic Product; Table: 36-10-0222-01]

- B.C. had the strongest economic performance among large provinces in 2020: GDP declined by 3.4 per cent, significantly better than the national average of a 5.2 per cent decline.
- The major banks expect B.C.'s GDP to grow 4.3 per cent in 2022, second among provinces. The Conference Board of Canada predicts 4.6 per cent growth in 2022, tied for third.

Inflation (as of January 2022) [Source: Statistics Canada, CPI, Table: 18-10-0004-01]

- B.C.'s year-over-year inflation rate of 4.3 per cent is the third lowest among provinces, behind Newfoundland and Labrador (4.0 per cent) and Saskatchewan (4.2 per cent).

FINANCIAL IMPLICATIONS

N/A

Approvals:

[date approved] – ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: 2022-03-07

Contact:

Angelo Cocco

Executive Director

Economic and Regulatory 778-698-1684
Analysis Branch

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

SMALL BUSINESS PROFILE

Issue: Small Business Profile

KEY FACTS

- The 2021 Small Business Profile, published annually, reflects the latest data available for relevant indicators from 2020 and paid special attention to available 2021 data related to impacts of COVID-19.
- Key indicators examined in the Profile include the number of businesses, employment and earnings, contribution to the economy, industry distribution, regional details and the role of small business exporters. Key Statistics are presented in the tables below.
- B.C. led the country in small business growth, and small business employment increased between 2015 and 2020.
- In 2020, B.C. also ranked first among provinces in the number of small businesses per 1,000 persons.
- In B.C., a small business is defined as a business with fewer than 50 employees or a business that is operated by a person who is self-employed without paid help.

Background/Status:

- The Ministry of Jobs, Economic Recovery and Innovation, along with BC Stats, released the annual Small Business Profile in October 2021.
- The 2022 Small Business Profile, to be released in October 2022, will reflect data from 2021.
- Key statistics are presented in Tables 1 and 2.

Table 1: Key statistics from the 2021 Small Business Profile

BC Small Business Indicator	2020	Change since 2015
Employment	1,081,600	+ 2.9%
Number of small businesses	523,600	+ 10.7%
Average annual wage	\$50,100	+ 22.2%
Export value	\$15.1 billion	- 5.5%
Number of micro businesses 0-4 employees	444,000	+ 11.6%
Businesses with 5-9 employees	38,500	+ 3.9%
Businesses with 10-19 employees	25,200	+ 8.7%
Businesses with 20-29 employees	9,100	+ 7.7%
Businesses with 30-49 employees	6,900	+ 9%

- Although GDP declined in 2020, B.C.'s small business sector still generated more GDP than the Canadian average.
- B.C. had the second lowest business bankruptcy rate in the country in 2020, after Prince Edward Island. Preliminary data not included in the profile indicate bankruptcies have remained low (43 in the first 10 months of 2021).
- Workers of large organizations are more likely to belong to a union and generally earn higher wages. However, since 2015 employees of small businesses saw their average wage

increase more than their counter parts working for large businesses (22.2 per cent compared to 16.7 per cent) and B.C. has the smallest wage gap in the country between large and small businesses.

- Small business exporters represent a small portion of all goods producing small businesses in the province. This could be due to high start-up costs required for an exporting business to be able to compete internationally.
- 81 per cent of small businesses in the province are in service sector industries.

Table 2: Additional Small Business Statistics

BC Small Business Indicator	2020
Employment as % of private sector employment	54%
Businesses per 1,000 persons	101.7
Percentage of B.C. GDP	34%
Goods producing small businesses that export	6.0%
Business bankruptcies (all businesses) per 1,000 businesses	0.1
Businesses owned by women	39%
Incorporated self-employed business owners	200,500
Unincorporated self-employed business owners	253,400
Self-employed with no employees	326,500

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- BC Stats recovered \$33,000 in fiscal 2021/22 from JERI to cover costs associated with the development of the Small Business Profile.

Approvals:

[date approved] -ADM Chris Rathbone, Small Business and Economic Development

[date approved] – [CFO] FSB

Last Updated: March 7, 2022

Contact:

Debbie Smollett Executive Director Small Business Branch 778 698-9811

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

SMALL BUSINESS PROFILE APPENDIX

B.C. Business Activity

Issue: B.C.'s business activity and recovery over the pandemic

KEY FACTS

Background/Status:

Continuing Business Activity (November 2021 relative to pre-pandemic levels in February 2020)

- B.C. leads continuing business activity recovery, at 102.4 per cent (+3,411 continuing businesses).
- B.C. was the first province to fully recover its continuing business activity – in January 2021.
- Five other provinces have fully recovered: Quebec (101.6 per cent), Manitoba (100.8 per cent), PEI (100.6 per cent), Nova Scotia (100.5 per cent), and Saskatchewan (100.1 per cent). (See **Table 1: Continuing Business Activity Recovery by Province.**)
- Year-to-date for 2021, there are an average 143,788 continuing businesses in B.C., up 8.3 per cent (+11,705) compared to 2020 and up 1.8 per cent (+2,488) compared to 2019.
- B.C. continuing businesses reached a low in May 2020 (87.0 per cent of pre-pandemic) and have increased each month since then.
- Continuing businesses are businesses that have at least one employee in both the previous month and the current month.

Continuing Business Activity by Industry (November 2021 relative to pre-pandemic levels in February 2020)

- Industries leading continuing business activity recovery are: Information and cultural industries (111.0 per cent); Professional, scientific and technical services (107.6 per cent); Forestry, fishing and hunting (106.2 per cent) and Construction (105.1 per cent).
- Only Tourism (98.8 per cent), Wholesale trade (98.5 per cent) and Other services (99.7 per cent) are below full recovery.

Business Insolvencies

- Business insolvencies in B.C. have not increased significantly during the COVID pandemic.
- B.C. business insolvencies totalled 74 in 2021, compared to 128 in 2020 and 127 in 2019. (See **Table 2: B.C. Business Insolvencies.**)
- Business insolvency (bankruptcy or a proposal under the Bankruptcy Act) is considered a last resort for a business; in many cases, businesses will close (cease operations) without action under the Bankruptcy Act.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Table 1: Continuing Business Activity Recovery by Province

	Number of Continuing Businesses		Pandemic Recovery		
	Feb 2020	Nov 2021	Nov 2021 – Feb 2020	% of Feb 2020	Rank on %
CANADA	868,138	868,222	84	100.0%	
British Columbia	141,825	145,236	3,411	102.4%	1
Quebec	185,104	188,118	3,014	101.6%	2
Manitoba	26,729	26,931	202	100.8%	3
Prince Edward Island	3,734	3,756	22	100.6%	4
Nova Scotia	19,211	19,314	103	100.5%	5
Saskatchewan	23,700	23,728	28	100.1%	6
New Brunswick	16,528	16,455	-73	99.6%	7
Ontario	333,574	331,033	-2,541	99.2%	8
Alberta	113,214	110,916	-2,298	98.0%	9
Newfoundland & Labrador	12,438	12,029	-409	96.7%	10

Table 2: B.C. Business Insolvencies

	Annual Business Insolvencies			Monthly Business Insolvencies		
	2019	2020	2021	Feb 2020	Dec 2021	Jan 2022
Bankruptcies	90	80	49	3	2	12
Proposals	37	48	25	6	1	3
Total	127	128	74	9	3	15

FINANCIAL IMPLICATIONS

N/A

Approvals:

[date approved] - [ADM name, division]

[date approved] – [CFO] FSB

Last Updated:

Contact:

Angelo Cocco

Executive Director

Economic and Regulatory 250-516-3674
Analysis Branch

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

SMALL BUSINESS AND COVID-19

Issue: Overview of COVID-19 supports for small businesses

KEY FACTS

Background/Status:

- The Province has supported small businesses during the pandemic with a range of supports, including subsidies, grants and other non-financial assistance.
- Provincial measures build on the federal loan, rent subsidy and wage subsidy programs.

• Direct financial supports:

- \$560+ million Small and Medium Sized Business Recovery Grant and Circuit Breaker Business Relief Grant programs through StrongerBC's \$1.5 billion Economic Recovery Plan.
 - Applications for the Small and Medium Sized Business Recovery Grant were open from Oct. 9, 2020 to July 2, 2021.
 - Applications for the Circuit Breaker Business Relief Grant were open from Apr. 13, 2021 to June 4, 2021.
- \$14 million COVID-19 Closure Relief Grant to help businesses ordered to temporarily close.
 - Applications were open Jan. 12, 2022 to Feb. 28, 2022.
 - We received 1,721 applications, of which around 73% were from gyms, fitness and adult dance businesses, around 18% were event establishments and 9% were bars, nightclubs and lounges.
 - Of total applicants who chose to self-identify, close to 60 or almost 3.5% of applicants were Indigenous and close to 670 or almost 40% were Women.
- \$42 million Launch Online Grant program to help businesses build or strengthen their digital commerce capabilities.
 - 30 per cent of funding was allocated to rural and Black, Indigenous and People of Colour (BIPOC) businesses.
 - Applications were open Feb. 3, 2021 to September 30, 2021.
- \$10 million Accelerating Manufacturing Scale-Up Grant to accelerate innovative capacity in the manufacturing sector.
 - Applications were open Apr. 15, 2021 to May 15, 2021.
- \$6 million Supply Chain Resiliency Grant provided one-time funding up to \$400,000 to 24 B.C.-based industry and trade associations and groups of companies working together on projects.
 - Applications were open Jan. 18, 2021 to Feb. 18, 2021.
- \$7.5 million provided to 21 companies (maximum \$500,000 per company) in March 2021 through the Agritech Grant Program.
 - Applications were open Dec. 11, 2020 to Feb. 12, 2021.
- \$4.5 million investment to cover tuition costs for nearly 6,000 B.C. businesses to acquire digital marketing skills through the Alacrity Canada Digital Marketing Bootcamp.

• Other COVID-19 response supports:

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Extension of the temporary food delivery fee cap introduced in December 2020, to December 31, 2022 under the *COVID-19 Related Measures Act*.
- Establishing a single point of contact for businesses through the B.C. Business COVID-19 Support Service (operated by Small Business BC).
 - Initial funding from the Province of \$325K with subsequent funding through StrongerBC.
 - The service supported almost 49,000 clients (41,244 of calls, 3,279 emails and 4,192 live chats), with over 1.5 million page views as of February 23, 2022.
- Partnering with Small Business BC and Western Economic Diversification to enhance the BC Marketplace, an online platform promoting small business in the province while supporting shopping local.
 - As of the end of June 2021, the site had over 3,300 businesses and received over 20,000 page views monthly.
- **Ongoing supports:**
 - Providing core funding for Small Business BC to provide business advisors, educational services and free resources to entrepreneurs.
 - Maintaining one of the lowest small business tax rates in Canada at 2.0 per cent.
 - Delivering Small Business Venture Capital Tax Credit and CleanBC incentives.
 - Providing access to labour and skills training through the Skills Training for Employment Programs and Provincial Nominee Program.
 - Supporting the BuyBC program for local shopping and Export Navigator to help grow sales internationally.
 - Investing in connectivity, affordable child care, housing and modernized procurement.
 - Implementing BizPaL, an online tool to identify permits and licences required by all levels of government, with 133 local government partners and over 34,815 users in 2021.
 - In 2021, launching the Business Structures Wizard, an online tool to help entrepreneurs choose the best-fit business type (e.g. sole proprietorship, partnership or corporation).
 - Continuing the Mobile Business Licence Program, allowing certain types of mobile businesses to operate across participating jurisdictions. There are now 109 local governments participating in 19 regional agreements.
- In February 2022, B.C.'s business confidence remained the same, with the 12 month outlook Business Barometer Index 59.8 points (fifth highest in Canada).
- Some businesses continue to experience difficulty in accessing support measures, including businesses with no or few employees, startup businesses, and businesses without a physical location such as independent contractors.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- No budgeted expenditures for COVID-19 related grants in fiscal 2022/23.
- Advice/Recommendations
 - Cross reference to the Small and Medium Sized Business Recovery Grant – tab 50, the Circuit Breaker Business Relief Grant – tab 51, COVID-19 Closure Relief Grant – tab 52, and other referenced Stronger BC and Supports for Businesses – tab 4.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Approvals:

[date approved] - ADM Chris Rathbone, Small Business & Economic Development
February 16, 2022 – Brian Urquhart, CFO

Last Updated: March 7, 2022

Contact:

Debbie Smollett	Executive Director	Small Business	778 698-9811
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

SMALL BUSINESS - EXTREME WEATHER EVENT RESPONSE

Issue: Supporting small businesses in response to extreme weather events and preparing for future events

KEY FACTS

Background/Status:

- The Ministry worked closely with partner agencies (i.e. Emergency Management BC, the federal government) and the small business community to respond to the extreme weather events of 2021.
- The ministry previously supported cross-government efforts related to wildfires and floods in 2017 and 2018.

Wildfires

- July 20, 2021 - the B.C. government declared a state of emergency due to wildfires which was extended through to September 14, 2021.
- June 30, 2021 - 90% of the village of Lytton was destroyed by wildfire.
- December 8, 2021 - the Ministry of Public Safety and Solicitor General announced a \$1- million grant to support the Village of Lytton in its economic recovery from the wildfire, with funding provided by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD).
- Ministry staff collaborated with the FLNRORD to develop and provide updated informational supports for businesses. This information is used by community groups to guide recovery efforts and is posted also on the Small Business B.C. website.

Floods

- Many businesses across southern B.C. were impacted by flooding and flood-related impacts, including Princeton, Ashcroft, Spences, Bridge, Lytton, Merritt, Boston Bar, Hope, Kent, Yale, Lillooet, Manning Park, Chilliwack and Sumas Prairie (part of Abbotsford).
- Financial supports, guidance and other resources from various organizations and those offered by the federal and provincial governments are available on the Ministry website.
- Affected businesses may be eligible for support through the Disaster Financial Assistance (DFA) program which covers uninsurable losses.
- November 18, 2021 - the Province announced DFA for individuals who were affected by flooding and landslides from November 14 – 16, 2021. On December 5, 2021, eligibility for this program was expanded to other affected areas of the province.
- While not direct to business, supports to individuals and households is helping the economies of those communities hardest hit to reopen. Those supports included:
 - November 23, 2021 - the province announced grants of \$2,000 for individuals that were evacuated due to flooding. This grant is 50 per cent funded by donations to the Canadian Red Cross (CRC) and is administered by the CRC.
 - November 26, 2021 - the Province partnered with the federal Government to each match private donations to the CRC. The CRC raised more than \$30 million in donations for more than \$90 million. As of Jan. 17, 2022, the CRC distributed more than \$17 million to more than 7,200 eligible households.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- As of February 1, 2022, people affected by the flooding receiving Emergency Support Service also receive personalized services delivered by the CRC.
- In addition to DFA, businesses may be eligible for tax remittance relief, the self-employed may apply for Employment Insurance benefits and utility bill relief is available to BC Hydro customers affected by an evacuation order.
- On February 22, 2022, as part of Budget 2022, the Province announced \$1.5 billion over 3 years to help communities and build back critical infrastructure after the disastrous weather events of 2021.
- Emergency Management BC is the lead for emergency response for the Province.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- N/A

Approvals:

[date approved] - ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: February 24, 2022

Contact:

Debbie Smollett Executive Director Small Business Branch 778 698-9811

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

INDUSTRY ENGAGEMENT TABLE/VACCINE PASSPORT/BUSINESS ENGAGEMENT – COVID-19

Issue: Overview of the COVID-19 Industry Engagement Table and BC Vaccine Card engagement with industry

KEY FACTS

Background/Status:

Industry Engagement Table:

- The COVID-19 Industry Engagement Table (IET) was formed in January 2021 to collaborate with industry and:
 - share best practices to reduce transmission in workplaces and within the workforce;
 - provide reasonable advance notice of changes to public health orders; and
 - establish an open dialogue on planning and next steps through the pandemic.
- Membership includes more than 100 senior-level contacts including the Public Health Officer (PHO) Dr. Bonnie Henry, Ministers, WorkSafeBC and industry representatives.
- Membership is representative of a wide range of sectors and interests, such as small business, labour, transportation, utilities, Indigenous leadership organizations, local government, chambers of commerce, trade, restaurants and hospitality, natural resources, gyms and fitness centres, events, and underrepresented groups.
- As of February 15, 2022, the IET met 19 times and will continue to meet, as required.
- In November 2021, members of the IET and more than 40 guest organizations received an update on the province's response to the recent flooding and extreme weather events.

BC Vaccine Card Engagement:

- To gather input for the Ministry of Health and support the **BC Vaccine Card** program rollout, JERI led 15 business engagement sessions between August 30 – September 10, 2021.
 - More than 50 key business stakeholders were involved and provided feedback, in addition to engagements with IET members.
 - Dr. Brian Emerson, Deputy PHO, attended most sessions to answer questions related to the draft PHO order on the BC Vaccine Card; Ministry of Tourism, Arts, Culture and Sport and The Ministry of Labour joined sessions, as required.
 - Groups engaged included those expected to deliver the BC Vaccine Card Program, such as restaurants and bars, casinos, hotels, gyms and fitness centres, sports and ticketed events, large venues, recreation centres, weddings, expos and trade shows, theatres, ski hills, and representatives from the Business Technical Advisory Panel.

FINANCIAL IMPLICATIONS

- N/A
-

Approvals:

[date approved] - ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: February 15, 2022

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Contact:

Debbie Smollett

Executive Director

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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

SMALL BUSINESS ROUNDTABLE

Issue: Overview and key initiatives

KEY FACTS

Background/Status:

- The Small Business Roundtable (the Roundtable), chaired by the Minister of Jobs, Economic Recovery and Innovation (JERI), supports targeted outreach and engagement, providing insight on issues and opportunities facing the sector and government priorities and policy.
- The Roundtable has provided feedback to government on economic recovery, the Economic Plan, CleanBC, WorkBC, and the BC Procurement Strategy, and other government initiatives.
- The Membership, including the Chair, is currently at 20 members, with all but the Northeast region represented.
- At the onset of the pandemic the Roundtable was engaged to provide feedback to help government address small business concerns.
- To enable greater collaboration with industry to more specifically target actions to reduce transmission of COVID-19 in workplaces and with the workforce, the COVID-19 Industry Engagement Table (IET) was formed in January 2021 to broaden the engagement between government, the Public Health Office, industry and other stakeholder groups.
- Several members, including Vice Chair Cybele Negriz (Webnames.ca), Ex-officio member Tom Conway (Small Business BC), Sam Howard (Canadian Federation of Independent Business), Teri Smith (Business Improvement Areas of BC) and Ian Tostenson (BC Restaurant and Food Services Association) also participate on the IET.
- Due the Pandemic, quarterly meetings have not been scheduled since Feb 2020, however the Roundtable continues to be engaged with government on the following:
 - JERI - Economic Plan (Jun 2021 and Feb 23, 2022).
 - Ministry of Finance - Commercial Property Tax Relief (Feb 23, 2022).
 - Ministry of Advanced Education and Skills Training – Microcredentials (Jun '21 – Jan '22).
 - Ministry of Labour - Paid Sick Leave/Employment Standards (Sep 29, 2021).
- Staff work within JERI and other Ministries to facilitate policy discussions and consultations and ensure small business perspectives are understood.
- Engagement with the membership can be with the full Roundtable or select members depending on the topic and areas of expertise.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- N/A, members reimbursed for travel however, no in-person meetings are being considered at this time due to the pandemic.

Approvals:

[date approved] - ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: March 7, 2022

Contact:

Debbie Smollett

Executive Director

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778.698-9811

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Contact:

Debbie Smollett

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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

SMALL BUSINESS DIVERSITY AND INCLUSION ACTION PLAN – ECON PLAN

Issue: Overview of the Small Business Diversity and Inclusion Action Plan

KEY FACTS

Background:

- There are 523,600 small businesses in B.C., representing 98 per cent of all businesses in the province.
- Self-employed people in the province are, on average, older, male and less likely to be an Indigenous person when compared to employees.
- Currently, B.C. does not collect or have significant access to baseline data on diversity and inclusion compared to other jurisdictions.
- Underrepresented groups in B.C. struggle to access the business supports they need to succeed, face perceived barriers and are often disproportionately impacted by economic downturns and events like the COVID-19 pandemic. For example:
 - 76 per cent of Black entrepreneurs indicated their race makes it harder to succeed as an entrepreneur (2021, African Canadian Senate Group);
 - The majority of Black entrepreneurs do not know how to access supports or advice when challenges arise in their business (2021, African Canadian Senate Group).
 - 33 per cent of LGBT+ majority owned or operated business owners report that their LGBT+ ownership resulted in a loss of opportunities for their company (2021, The Nielsen Company);
 - Indigenous people have historically had less access to capital than non-Indigenous people (2021, Small Business Profile); and
 - Women continue to face systemic barriers in business to financing, services, and supports, in addition to gender bias and systemic discrimination. These challenges are amplified for women entrepreneurs from underrepresented groups, such as racialized and Indigenous women, those living with disabilities, or those identifying as LGBTQ2S+ (2021, Women Entrepreneurship Knowledge Hub).

Status

- The Ministry will develop and implement a **Small Business Diversity and Inclusion Action Plan** (the Action Plan) that supports government's foundational principles of lasting and meaningful reconciliation, equity and anti-racism, accessibility, and building a strong, sustainable economy that works for everyone.
- Specifically, the Action Plan will:
 - identify policies and approaches to support diverse entrepreneurs;
 - provide tools to help diversify workplaces; and
 - advance government's long-term goals for economic growth and innovation.
- Advice/Recommendations

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Advice/Recommendations

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the Stronger BC Economic Plan: A Plan for Today, A Vision for Tomorrow.
- *Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

Approvals:

[date approved] - ADM Chris Rathbone, Small Business & Economic Development

February 17, 2022 - Brian Urquhart, CFO

Last Updated: February 22, 2022

Contact:

Debbie Smollett	Executive Director	Small Business	778 698-9811
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

BETTER REGULATIONS FOR BRITISH COLUMBIANS INITIATIVES

Issue: BR4BC overview and key initiatives

KEY FACTS

Background/Status:

- Better Regulations for British Columbians (BR4BC) consists of regulatory modernization initiatives broadly tied to the *Regulatory Reporting Act* and *Red Tape Reduction Day Act*.
- Modernizing language has been a program focus for the past two years, including amending 1,300 instances of gendered language in regulations (as of March 2022).
- Government maintains the Regulatory Requirements Count as a proxy measure of regulatory burden. The count is currently 15 per cent below the 2004 baseline established by the Net Zero Increase Commitment, which is set to expire in 2022.

Regulatory Amendment Package and Modernizing Language

- Government undertakes an annual regulatory amendment process to modernize B.C.'s regulatory framework.
- The package combines small regulatory changes from across government, with a focus in recent years on updating non-inclusive language.
- Over 1,300 instances of gendered language have been removed from regulations through BR4BC (as of March 2022).
- 180 other amendments have also been made throughout the program's seven cycles.
- The amendment package coincides with the legislated Red Tape Reduction Day, the first Wednesday in March.

Regulatory Requirements Count and Net Zero Increase Commitment

- The Net Zero Increase commitment requires Government to keep the Regulatory Requirements Count below the 2004 baseline of 197,242 requirements.
- The count for 2020/2021 was 168,475; it has remained 15 per cent below the baseline since 2018, with expected minor fluctuations due to new and amended legislation and regulations.
- The Net Zero Increase is set to expire in 2022.
- B.C. received an A- on the Canadian Federation of Independent Business's Red Tape Report Card in 2021, ranking fifth overall. B.C. ranked first in the assessment from 2011-2016, with other provinces (e.g., Saskatchewan, Manitoba, Quebec, and Nova Scotia) moving ahead of B.C. in recent years.

Annual Report

- As per the *Regulatory Reporting Act*, the Better Regulations for British Columbians Annual report is released by June 30th of each year.
- The Annual Report provides an update on the regulatory requirements count and profiles stories of regulatory and service improvement from across government.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FINANCIAL IMPLICATIONS

N/A

Approvals:

[date approved] – ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: 2022-02-01

Contact:

Angelo Cocco	Executive Director	Economic and Regulatory Analysis Branch	250-516-3674
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

StrongerBC Young Leaders Council

Issue: Launch of the StrongerBC Young Leaders Council

KEY FACTS

Background/Status:

- Brittny Anderson, Nelson-Creston MLA, was appointed the Premier's Special Advisor on Youth in March 2021 and tasked with establishing the StrongerBC Young Leaders Council.
- The Council will focus on identifying and providing advice to government on issues that matter most to young British Columbians.
- The application process for the Council was announced on October 6, 2021, and applications were accepted until October 27, 2021.
- The call for applications sought youth throughout the province who are Indigenous, Black or people of colour, who live in rural or remote areas, young people living with disabilities, 2SLGBTQ+ youth and other young leaders from equity-seeking communities.
- A total of 264 applications were received from across the province; no applications were received from Northeast B.C.
- The application and selection processes were managed by the Crown Agencies and Board Resource Office (CABRO) according to the established practices for all crown agencies and boards.
- 18 council members were announced on December 13, 2021; members' ages range from 15-23 and they are based across the province (see **APPENDIX A: StrongerBC Young Leaders Council Members**).
- Council members' terms began on January 1, 2022, and are for one year, renewable up to a maximum of three years.
- The Council's first meeting took place on February 23, 2022; the second one will be on March 10, 2022; and the first in-person meeting is scheduled to take place in May.
- Youth are not paid for their participation in the Council as per Treasury Board Directive, which applies to all appointees to Ministry and Crown Agency Boards.
 - The Ministry of Jobs, Economic Recovery and Innovation has received special authorization to provide remuneration in exceptional circumstances as required

FINANCIAL IMPLICATIONS

Costs associated with the StrongerBC Young Leaders Council will be managed within the Ministry's base budget.

Approvals:

[date approved] - ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: March 07, 2022

Contact: Angelo Cocco, Executive Director, Economic & Regulatory Analysis, 250-516-3674

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

APPENDIX A: StrongerBC Young Leaders Council Members

Name	Age	City	Region
Prabhnoor Sidhu (she/her)	16	Prince George	Cariboo
Damon Robinson (he/him)	23	Prince George	Cariboo
Aur Hager (she/her)	18	Castlegar	Kootenays
Maya Provencal (she/her)	23	Rossland	Kootenays
Clea Schooner (she/her)	22	Bella Bella	North Coast / Nechako
Thea Wells (they/them)	17	Kamloops	Thompson/Okanagan
Jacob Tourand (he/him)	23	Kamloops	Thompson/Okanagan
Noor Shaker (she/her)	14	Port Coquitlam	Mainland / Southwest
Yi Nuo (Emmy) Wang (she/her)	15	Maple Ridge	Mainland / Southwest
Malia Mercado (she/her)	16	Maple Ridge	Mainland / Southwest
Alexandra Mandewo (she/her)	17	Coquitlam	Mainland / Southwest
Andrew David Millage (he/they)	19	Abbotsford	Mainland / Southwest
Ripdaman Malhans (he/him)	19	Delta	Mainland / Southwest
Jeanna Pillainayagam (she/her)	20	Vancouver	Mainland / Southwest
Sukhmanpreety (Harry) Bajwa (he/him)	22	Surrey	Mainland / Southwest
Hamza Dari (he/him)	15	Victoria	Vancouver Island / Coast
Eya Ibrahim (she/her)	17	Victoria	Vancouver Island / Coast
Dacian Filipescu (he/him)	17	Victoria	Vancouver Island / Coast

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

ECONOMIC TRUSTS - OVERVIEW

Issue: Background and status of the Economic Trusts

KEY FACTS

Background/Status:

- The Northern Development Initiative Trust, the Economic Trust of the Southern Interior and Island Coastal Economic Trust (the Trusts) were created by the Province with initial capitalizations of \$185 million, \$50 million and \$50 million, respectively.
- The Trusts are non-reporting statutory public service organizations that operate independent of the Province, within the constraints of their legislation and regulation.
- Locally operated, the Trusts develop programs prioritized by and for their regions. The Trusts have also delivered government (both federal and provincial) programs.
- Each Trust is governed by 13 board members, of which five are appointed by Order in- Council.

Northern Development Initiative Trust (NDIT)

- NDIT was created by the Province in 2004 to support economic growth and job creation in central and northern B.C. in the following key sectors: agriculture; economic development; energy; forestry; mining; pine beetle recovery; small business; tourism; and transportation.
- Since inception in 2005 and as of January 2022, NDIT has invested \$173.7 million in projects in its service region.
- NDIT currently contracts with government and other agencies to manage and administer funds, including BC Hydro GO Fund, Connecting British Columbia, and the Northern Healthy Communities Fund.

The Economic Trust of the Southern Interior (ETSI-BC)

- ETSI-BC was created by the Province in 2006 to support economic development initiatives in southern interior B.C. in the following key sectors: agriculture; economic development; energy; forestry; mining; pine beetle recovery; small business; tourism and sport; and transportation.
- Since inception in 2006 and as of March 2021, ETSI-BC has invested \$63 million in projects and created 3,700 jobs in its service region.
- In January 2022, B.C. Regulation 35/2006, *Southern Interior Development Initiative Trust Regions Regulation* (the Regulation), which defines ETSI-BC's service region, was amended to include the Regional District of East Kootenay (RDEK) as part of the Columbia-Kootenay region. This amendment corrected the unintentional error of omitting RDEK from Section 2, "Regions defined", of the original Regulation.

Island Coastal Economic Trust (ICET)

- ICET was created by the Province in 2006 to support economic diversification, planning and regional revitalization in the Vancouver Island and Sunshine Coast region of B.C.
- In 2018, ICET was recapitalized with an additional \$10 million from the Province, committing to disburse the funds over a minimum of four years and to develop a sustainable financial plan.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- In 2021, following a decision by the Ministry of Municipal Affairs (MUNI) to designate Juan de Fuca, Salt Spring Island and the Southern Gulf Islands electoral areas as rural, B.C. Regulation 34/2006, *North Island-Coast Development Initiatives Trust Regions Regulation*, which defines ICET's service region, was amended to include these three electoral areas.
- Since inception in 2006 and as of March 2021, ICET has invested \$55 million in projects and created 2,600 construction-phase and 2,750 long-term jobs in its service region.

Advice/Recommendations; Government Financial Information

FINANCIAL IMPLICATIONS

N/A

Budget/Expenditures:

- N/A

Approvals:

[date approved] – Chris Rathbone, Small Business and Economic Development Division

[date approved] – [CFO] FSB

Last Updated: February 4, 2022

Contact:

Tejindar (TJ) Parhar	Executive Director	Regional and Inclusive Economic Recovery	778-698-1679
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

BC Economic Plan

Issue: Indigenous Engagement & Outreach

KEY FACTS

Background/Status:

- The Ministry of Jobs, Economic Recovery and Innovation (JERI) held 19 separate engagements with 20 Indigenous organizations and 9 Indigenous nations to introduce the BC Economic Plan.
- September 20 to October 1, 2021, Minister Kahlon led seven engagements with senior Indigenous political organizations, modern treaty nations and Indigenous institutions responsible for building capacity in financial self-governance and major projects.
- December 8, 2021, to January 12, 2022, ADM Lesiuk led eight engagements with Indigenous organizations responsible for urban/off-reserve populations, capital financing, community economic development capacity-building, land and resource self-governance, and nation-owned business development, as well as the Tahltan and Squamish nations.
- From December 6 to December 17, 2021, ADM Rathbone led four engagements with Indigenous business development centres, Indigenous Community Futures development corporations, the New Relationship Trust, and the Aboriginal Financial Officers Association.
- The engagements were positioned as opening conversations to build relationships between the Province and Indigenous peoples concerning the future of the BC economy.
- Goals of engagement were to:
 - Ensure that Indigenous perspectives are reflected in the BC Economic Plan; and
 - Start a dialogue for economic discussions and decision-making involving Indigenous peoples going forward.
- Expressed barriers and challenges to Indigenous economic development include:
 - Critical Infrastructure Shortages
 - Financial Illiteracy
 - Sustainable Community Capacity
 - Administrative Burdens
 - Funding Inefficiencies
- Expressed opportunities to enhance Indigenous economic development include:
 - Building Long-Term Relationships
 - Equitable and Improved Access to Funding & Financing
 - Investments in Infrastructure
 - Investing in Capacity-Building
 - Supporting Indigenous Self-Determination
 - Integrating Indigenous Worldviews
 - Creating Pathways for Economic Inclusion and Collaboration
- The BC Economic Plan committed to support an Indigenous-led economic development organization as part of the mission dedicated to reconciliation.
- Indigenous engagement and outreach will continue throughout the implementation of the plan, including in the near-term to support the development of the organization.

FINANCIAL IMPLICATIONS

- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the StrongerBC Economic Plan, that includes support (to be determined) for an Indigenous-led economic development organization.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Approvals:

[date approved] - Chris Rathbone, ADM, Small Business and Economic Development

Last Updated:

2022-03-07

Contact:

Tejindar (TJ) Parhar	Executive Director	Regional & Inclusive Economic Recovery	778-698-1679
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Joint Office on Indigenous Economic Development

Issue: Organization and function of the Joint Office

KEY FACTS

Background/Status:

- The Joint Office on Indigenous Economic Development (JO) is a partnership between the Ministry of Jobs, Economic Recovery and Innovation (JERI) and the Ministry of Indigenous Relations and Reconciliation (MIRR).
- The JO provides a cross-ministry leadership, advisory and coordination function to support the province's commitments to Declaration on the Rights of Indigenous Peoples Act (DRIPA), economic recovery and reconciliation.
- JERI's organizational commitment presently includes one director and one senior analyst. MIRR currently commits two senior analysts. Each team reports to their Branch executive director, supported by Assistant Deputy Minister Chris Rathbone and Acting Assistant Deputy Minister Emily Arthur, respectively.
- Key files include:
 - Indigenous data and metrics development;
 - Developing economy-sector staff guidance on Indigenous economic and business interests; and
 - Relationship-building with Indigenous leaders and organizations.
- The JO activities include relationship management with the BC Assembly of First Nations, other organizations and First Nations. In addition, provide support and guidance to cross government agencies.
- Presently, there will not be a link between the new Declaration Act Secretariat and the Joint Office. At least in the near term, the secretariat will be focused on alignment of laws and will have no role in Indigenous Economic Development.

FINANCIAL IMPLICATIONS

Costs associated with the Joint Office are managed within the JERI base budget.

Budget/Expenditures:

Approvals:

[date approved] – ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: 2022-02-04

Contact:

Tejindar (TJ) Parhar	Executive Director	Regional & Inclusive Economic Recovery	778-698-1679
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

SMALL AND MEDIUM SIZED BUSINESS RECOVERY GRANT PROGRAM

Issue: Program Closure and Next Steps

KEY FACTS

Background/Status:

- The Small and Medium Sized Business Recovery Grant (SMBRG) program provided grants of \$10,000 to \$30,000 for B.C. businesses and up to an additional \$15,000 for tourism-related businesses to fund their economic recovery plans.
- The program was announced September 17, 2020, launched on October 9, 2020, expanded on December 23, 2020, expanded further on March 4, 2021 and closed for applications on July 2, 2021.
- The Ministry of Jobs, Economic Recovery and Innovation (The Ministry) received 25,631 SMSBRG applications of which 22,622 businesses (88 per cent) received funding.
- More than half of all grants were valued at \$15,000 per business, with around 3400 businesses receiving \$10,000, and around 8700 businesses receiving up to \$45,000.
- More than 190,000 employees and contract staff were supported.
- Funding was provided to 1,266 Professional Service Providers, like CPA's and bookkeepers, to help 19,000 businesses gather documentation and develop recovery plans.

Advice/Recommendations

Table One: Funding and Businesses by Economic Region

Economic Region	# of Businesses supported
Cariboo	427
Kootenay	587
Mainland/Southwest	16,047
Nechako	98
North Coast	165
Northeast	129
Thompson-Okanagan	1,894
Vancouver Island/Coast	3,275
TOTAL	22,622

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The actual spend in 2020/21 was \$93M for the SMSBRG program.
- The SMSBRG has an overall budget of \$338.2M in 2021/22.

Government Financial Information

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Government Financial Information

Approvals:

[date approved] – ADM Chris Rathbone, Small Business and Economic Development

February 17, 2022 – Brian Urquhart

Last Updated: 2022-03-07

Contact: Morningstar Pinto A/Executive Director COVID19 Grant Programs 250-812-0597

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

CIRCUIT BREAKER RELIEF GRANT – STRONGERBC

Issue: Program Closure and Next Steps

KEY FACTS

Background/Status:

- The Circuit Breaker Business Recovery Grant (CBBRG) provided grants of \$2,000 to \$20,000 to fitness, hospitality and accommodation businesses impacted by the March 31, 2021 Provincial Health Officer orders and the April 23, 2021, Emergency Programs Act.
- The program closed on June 4, 2021.
- On April 6, 2021, \$52.8 million from the Small and Medium Sized Business Recovery Grant (SMSBRG) was reallocated to support the implementation of CBBRG.
- Following the April 23, 2021 travel restrictions the grant was expanded to include accommodation providers and an increase was made to the overall budget to a maximum of \$129 million.
- The program was announced on April 8, 2021, launched on April 13, 2021, expanded to include short term accommodation on April 26, 2021 and closed for applications on June 4, 2021.
- The Ministry of Jobs, Economic Recovery and Innovation (The Ministry) received 12,431 CBBRG applications of which 9,813 businesses (79 per cent) received funding.
- More than 200,000 employees and contract staff were supported.
- Almost 78 per cent of all grants were valued at \$10,000 per business, with close to 17 per cent of businesses receiving \$4,000, 2 per cent receiving \$2,000 and 2.5 per cent receiving \$20,000.
- Advice/Recommendations

Table One: Funding and Businesses by Economic Region

Economic Region	# of Businesses Supported
Cariboo	281
Kootenay	448
Mainland/Southwest	5,634
Nechako	56
North Coast	112
Northeast	123
Thompson-Okanagan	1,340
Vancouver Island/Coast	1,819
TOTAL	9,813

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The CBBRG program has an overall budget of \$129M in 2021/22.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Government Financial Information

Approvals:

[date approved] – ADM Chris Rathbone, Small Business and Economic Development

February 17, 2022 – Brian Urquhart

Last Updated: 2022-03-07

Contact: Morningstar Pinto A/Executive Director COVID19 Grant Programs 250-812-0597

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

COVID-19 CLOSURE RELIEF GRANT

Issue: Development and implementation of the Closure Relief Grant

KEY FACTS

Background/Status:

- The \$14-million Covid-19 Closure Relief Grant is responding to the December 22, 2021, Provincial Health Officer (PHO) orders and January 10, 2022 extension:
 - closing bars, nightclubs and lounges that do not serve full meals
 - closing gyms, fitness and adult dance centres (until Jan. 18, 2022)
 - forcing some event venues to close due to cancellations
- Cabinet Confidences

- Cabinet Confidences

Timeline:

- December 23, 2021 – program announced
- January 12, 2022 – applications opened to the public 11 business days after announcement
- January 19, 2022 – funding doubled for eligible businesses following the PHO order to remain temporarily closed until Feb. 16, 2022
- January 24, 2022 – adjudication started
- February 1, 2022 – payments started
- February 10, 2022 – Eligibility criteria was updated to include gym and fitness businesses that stayed open to offer youth programming at up to 25% of the usual total (adult plus youth) during the four-week period, December 22, 2021 – January 18, 2022
- February 28, 2022, at 11:59 p.m. – application intake closed.

Advice/Recommendations

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Table Two: Available Funding By Business Type

Closed for 4-weeks: gyms, fitness and adult dance businesses that stopped all adult access w/ less than 25% youth programming or had less than 25% youth membership with access to the facility	Up to \$10K
Closed for 8-weeks: bars, lounges and nightclubs that do not serve full meals, and event venues close due to cancellations	Up to \$20K

Advice/Recommendations

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- There is no program budget for 2022/23.
- At Q3, JERI is forecasting to spend \$13M on the program in 2021/22.

Approvals:

[date approved] – ADM Chris Rathbone, Small Business and Economic Development

February 17, 2022 – Brian Urquhart, CFO

Last Updated: 2022-03-07

Contact: Morningstar Pinto A/Executive Director COVID19 Grant Programs 250-812-0597

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

CCPA Report – COVID Spending

Issue: Canadian Centre for Policy Alternatives report: *Still picking up the tab: Federal and provincial government COVID-19 spending*

KEY FACTS

Background/Status:

- The Canadian Centre for Policy Alternatives (CCPA) released an updated report on COVID spending in August 2021 named *Still picking up the tab: Federal and provincial government COVID-19 spending*.
- This report is an update from their January 2021 report named *Picking up the Tab: A complete accounting of federal and provincial COVID-19 measures in 2020*.
- These reports track Federal and Provincial government spending on COVID-19 supports and programs, including how Provinces are spending their share of Federal transfer dollars. (See **Table: Provincial Spending per Capita on All Support Measures**).
- Direct quotes from the August 2021 report are identified in italics with quotation marks (along with page number references):

Provincial COVID Supports

B.C. contributed 3.5% of it's GDP to combat COVID, the most of any province

- *"Excluding federal spending, the B.C. provincial government has contributed the most to combat COVID-19, at 3.5% of its GDP."* (Page 5)

B.C.'s provincial contribution of COVID supports, for individuals and businesses, led all provinces

- *"B.C. contributed more to combat COVID-19 than any other province..."* (Pages 6/7)
- *"B.C. has administered the largest provincial contribution to combat COVID-19 of any province, at \$2,040 a person, with the next highest being Quebec, at \$1,740 a person."* (Page 38)

B.C.'s provincial support for individuals was the highest in Canada

- *In per capita terms, the province provided \$740 in support—three times larger than Saskatchewan's \$270 a person."* (Page 38)

B.C.'s provincial support for business was the second highest in Canada, after Alberta

- *"Business support, at \$4,390 a person, was the largest category...The net provincial business support amounted to \$490 a person, compared to the largest provincial spender Alberta, at \$520 a person."* (Page 38)

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Federal and Provincial COVID Supports

Combined federal and provincial COVID supports totalled \$11,340 per capita in B.C.

- *“British Columbians have received direct measures worth \$11,340 a person to combat COVID-19—86% of which is federal money and 14% is provincial.” (Page 38)*

B.C.’s share of total (federal and provincial) supports for individuals was the highest among provinces at 17% (with the federal government accounting for the other 83%)

- *“Individual per capita support was equivalent to \$4,360 a person, with a very high 17% of that paid from provincial dollars (the next highest province was Saskatchewan, at 7%). (Page 38)*

Table: Provincial Spending per Capita on All Support Measures

	Spending per Capita, All Support Measures			Rank: Provincial Spending per Capita
	Provincial	Federal	Combined	
BRITISH COLUMBIA	\$2,040	\$9,300	\$11,340	1
Alberta	\$940	\$11,410	\$12,350	6
Saskatchewan	\$1,540	\$8,700	\$10,240	4
Manitoba	\$1,750	\$9,180	\$10,930	2
Ontario	\$1,530	\$9,940	\$11,470	5
Quebec	\$1,740	\$9,060	\$10,790	3
New Brunswick	\$160	\$7,920	\$8,080	10
Nova Scotia	\$700	\$8,100	\$8,800	7
Prince Edward Island	\$165	\$8,280	\$8,445	9
Newfoundland and Labrador	\$680	\$9,020	\$9,700	8

NOTE: The CCPA report states that PEI has the lowest proportional provincial contribution, and that New Brunswick is the second lowest. When the provincial share of spending is applied, spending per capita is slightly higher for PEI because the combined spending is higher.

FINANCIAL IMPLICATIONS

N/A

Approvals:

[date approved] - ADM Chris Rathbone, Small Business & Economic Development

[date approved] – [CFO] FSB

Last Updated: 2022-02-01

Contact:

Angelo Cocco Executive Director Economic and Regulatory 250-516-3674
Analysis Branch

Still picking up the tab

Federal and provincial government
COVID-19 spending

David Macdonald





CCPA

CANADIAN CENTRE
for POLICY ALTERNATIVES
CENTRE CANADIEN
de POLITIQUES ALTERNATIVES

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The opinions and recommendations in this report, and any errors, are those of the authors, and do not necessarily reflect the views of the funders of this report.



ABOUT THE AUTHOR

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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Softwood Lumber Dispute

Issue: Softwood lumber dispute with the U.S. – recent developments

KEY FACTS

Background/Status:

- The U.S. Department of Commerce (Commerce) issued its preliminary determination for its third Administrative Review, where the U.S. found lower rates of alleged dumping and, apart from West Fraser, lower rates of subsidy. This would decrease duties paid on lumber if the decision is upheld in the final determination, expected in August 2022.
- Preliminary rates were determined as follows (bracketed numbers are current rates in effect):

Canfor	6.75%	(19.54%)
West Fraser	13.09%	(11.14%)
All others	11.64%	(17.91%)

These preliminary results have no effect, only final results do once they are published in the U.S. Federal Register.

- Canada's challenges of U.S. decisions through the WTO and the North American Free Trade Agreement (NAFTA) / Canada – United States – Mexico Agreement (CUSMA) are proceeding. The NAFTA challenge of the countervailing duty determination, started in 2017, still has not moved ahead because the U.S. has failed to appoint or retain appropriate panelists.
- Intergovernmental Communications
- As of the end of October 2021, countervailing and anti-dumping duties collected by the U.S. on lumber shipments from B.C. were estimated at \$2.992 billion (\$6.098 billion estimated for all of Canada). The U.S. holds duties in trust until all appeals are complete.

FINANCIAL IMPLICATIONS

N/A

Approvals:

[2022/02/02] – [Kerry Pridmore, Trade and Industry Development]

[2022/02/09] – [Carla Merkel, FSB]

Last Updated:

Contact:

Steve Anderson

Executive Director

Trade Policy &
Negotiations

250 507-1590

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

BC LIQUOR STORES (BCL) SELECT PROGRAM

Issue: B.C. and international wine producers complain that the BCL Select program is inconsistent with Canada's and B.C.'s trade obligations.

KEY FACTS

Background/Status:

- Wine Growers of B.C. (WGBC) and international wine producers have complained about the B.C. Liquor Distribution Board's (LDB) pricing of wine and spirits under the BCL Select program.
- Intergovernmental Communications

- Advice/Recommendations; Intergovernmental Communications

- The program is voluntary, does not discriminate between products depending where they come from, and there are no tax incentives or tax rebates for "selected" products.
- LDB maintains that it is competing with private retailers and acting principally with commercial considerations in mind, just like all other private retailers.
- Private liquor retailers run similar programs.
- Legal Information

FINANCIAL IMPLICATIONS

N/A

Approvals:

[2022/02/02] - [Kerry Pridmore, Trade and Industry Development]

[2022/02/09] – [Carla Merkel, FSB]

Last Updated: 2022-02-01

Contact:

Steve Anderson

Executive Director

Trade Policy &
Negotiations

250 507-1590

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

TRADE AND INVESTMENT NETWORK

Issue: Status of B.C.'s international office network

KEY FACTS

Background/Status:

- In 2021-22, B.C. currently has 40 trade and investment representative positions based in 17 locations worldwide.
- On December 30, 2019 ministry staff notified contract trade and investment representatives in Asia (China, Japan, South Korea, Philippines, Indonesia, Singapore and India) that their contracts would not be renewed.
- This was due to a government decision to transition to a co-location model similar to other provinces (AB, ON, SK, PQ) which allows B.C. to maximize efficiency and cost effectiveness and better leverage the Canada brand.
- Service Agreements with Contractors in Beijing, Shanghai, Hong Kong, Singapore and Tokyo ended on March 31, 2020, while service agreements with contractors in Seoul, Manila, and Jakarta ended on May 19, 2020.
- In accordance with the terms of the contract, the notification to the contractor in India was reversed as it was not possible to transition the services to co-location in India in FY 2021. However, the contract with India will conclude on March 31, 2022.
- Trade and investment representative offices in Europe, the U.K. and the U.S. were not affected by this delivery model change and continue to advance B.C. interests within the contract model.

TIR Locations		
Tokyo, Japan	Manila, the Philippines	San Francisco, United States
Seoul, South Korea	Singapore	Los Angeles, United States
Beijing, China	Jakarta, Indonesia	Seattle, United States
Shanghai, China	New Delhi, India	Boston, United States
Guangzhou, China	Chandigarh, India	London, United Kingdom
Government Financial Information	Mumbai, India	

Global Affairs Canada Co-location in Asia

- British Columbia requested a further 7 co-located positions for FY23. All 7 positions were approved by Global Affairs Canada.
- The COVID-19 pandemic initially delayed hiring for the co-located positions as many Canadian consular staff were relocated to Canada and consular services were prioritized.

Japan

- There are four full-time trade and investment representatives in place.
- The Province plans to hire one additional position in FY23.

South Korea

- There are three full-time trade and investment representatives in place.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- The Province plans to hire two additional positions in FY23.

China

- There are six full-time trade and investment representatives in place, located in Beijing, Shanghai and Guangzhou.
- The Province plans to hire three additional positions, one each in Beijing, Shanghai, and Chongqing in FY23.
- Hong Kong is covered out of the office in Guangzhou.

Southeast Asia

- There are seven full-time trade and investment representatives in place, located in Singapore (2 positions, 1 vacant), Jakarta (1), Manila(2), Government Financial Information

India

- The contract for service with Dynamis Global will conclude on March 31, 2022.
- There are two vacant co-located positions in New Delhi and Chandigarh. The recruitment process is underway.
- The Province plans to hire three additional co-located positions in Mumbai, Bangalore, and New Delhi in FY23.

Europe

- B.C. maintains a contract for service with Articulate International for the European market including the U.K.
- There are eight trade and investment representatives in the EU. Representatives are based in the U.K., Germany, and the Netherlands.

United States

- B.C. maintains a contract for service with Fox Group International for the United States.
- There are eight full-time trade and investment representatives in place, located in Seattle, San Francisco, Los Angeles, and Boston.

FINANCIAL IMPLICATIONS

Costs associated with the TIR Network are managed within the Ministry Base Budget. The budget allocation for the Trade and Industry Development Division is \$28,379,000.

Approvals:

[2022/02/04] - [Kerry Pridmore, Trade and Industry Development Division]

February 11, 2022 – Brian Urquhart, CFO, FSB

Last Updated:

Contact:

Leslie Teramoto	Executive Director	Trade & Industry Development	604 775-2201
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

INTERNATIONAL MARKETING

Issue: International Marketing manages B.C.'s international business brand and delivers marketing strategies to grow exports and attract international investment.

KEY FACTS

Background/Status:

- B.C.'s international marketing strategy is being refreshed to align with the StrongerBC Economic Plan, CleanBC and other initiatives. The Marketing Strategy will utilize business intelligence insights to develop tactics that promote British Columbia's export and investment opportunities and to capitalize on BC's ESG competitive advantages.
- BritishColumbia.ca is the digital platform on which all marketing efforts are based. A modernized version of the website was launched in October 2021.
- B.C.'s international brand positioning will be adjusted through updated value propositions, highlighting B.C.'s commitment to sustainability, innovation and inclusiveness. These will be incorporated in marketing materials developed in FY 2022.
- International Marketing produces a large volume of multilingual content to promote B.C.'s competitive advantages to international markets. Marketing content is delivered through images, video, infographics, digital content, brochures and presentations. This content is updated at least annually to ensure consistency and accuracy.
- International marketing is developing new content and marketing resources to support opportunity sectors such as AgriTech and Mass Timber.
- International Marketing works with cross-Ministry teams to deliver marketing materials and communications for trade shows, events and trade missions, providing a strong and consistent business brand image for B.C.
- Delivery of marketing products has shifted to a hybrid digital and in-person model to support the continually changing nature of trade shows and events.
- International Marketing has implemented a digital asset management system to enable faster access to approved marketing materials by JERI teams.
- In February/March 2022, International Marketing will launch a paid online search advertising pay-per-click campaign that will support activities of the in-market teams. In light of the limitations on in-person activities and increase in virtual touchpoints, a search advertising campaign will assist in keeping British Columbia top of mind for trade and investment decisions.

FINANCIAL IMPLICATIONS

N/A

Approvals:

[2022/02/07] - [Kerry Pridmore, Trade and Industry Development]

February 11, 2022 – Brian Urquhart, CFO

Last Updated: February 3, 2022

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Contact:

Eric Ommundsen

Executive Director

Strategy, Intelligence,
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

INVESTMENT ATTRACTION

Issue: The Ministry collaborates with strategic partners to foster investment into all regions of the province, supporting good jobs, growing B.C. companies and providing new opportunities for British Columbians

KEY FACTS

Background/Status:

- In 2021, inbound greenfield investment (which is new operations built from the ground up) to B.C. totalled \$2.9 billion, an increase of 40.5 per cent over the 2020 total of \$2.1 billion, indicating confidence in the province as a place for doing business.
- B.C.'s inbound greenfield FDI outpaced Canada as a whole which saw annual growth of 12 per cent in 2021. B.C. also outpaced global FDI growth which grew by just nine per cent.
- COVID-19 has not changed our strong fundamentals – and the Ministry will continue to work hard to open doors for new investment, and expand and retain current investment.
- The Ministry, its network of trade and investment representatives and other parts of government, actively work together to deliver effective investment attraction programs for the Province.
- The Ministry promotes British Columbia as a stable and secure place to invest and seeks to diversify investment by attracting interest from many global markets, into a range of sectors across British Columbia.
- For example:
 - The Ministry is working with communities and businesses throughout B.C. to make sure that international investors are aware of opportunities in all regions of B.C., leading to investment decisions that can help foster creation of highly skilled, sustainable jobs in every corner of the province;
 - SinoHykey Technology (China), a Guangzhou-based MEA (Membrane Electrode Assemblies) manufacturer, chose B.C. to set up an R&D and Customer Support office in Burnaby. B.C. was selected as their first overseas R&D center based on its reputation as a leading technology hub for the hydrogen fuel cell industry.
 - Wearsheaf Group (the food and agriculture investment arm of the U.K.-based Grosvenor Estate) investment in Ostara Nutrient Recovery Technologies Inc. has facilitated the expansion of regenerative agriculture to communities around the globe. Ostara's proprietary technology recovers nutrients from industrial, agricultural and municipal water treatment streams.
- Companies continue to express interest in B.C. because of our safe, welcoming business climate, commitment to innovation and our talented workforce.
- Ministry teams seek to qualify and respond to investment queries from potential investors, assess opportunities, identify potential challenges, offer guidance, facilitate investment decisions, and provide post-investment services.
- There is continuous investment interest among prospective investors even though the process has slowed due to the pandemic. Ministry teams continue to use virtual platforms to match investors with high-quality investment opportunities across B.C.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Ministry teams coordinate with internal and external B.C. stakeholders and partners toward jointly servicing investors and promoting opportunities in the province.
- For example:
 - In May 2021, the provinces of B.C. (JERI/EMLI) and Alberta, in collaboration with Natural Resources Canada, hosted the 2nd *Canada-China LNG Full Value Chain Investment Forum* at the Beijing Canadian Embassy. The Forum effectively showcased the full potential of Canada's LNG full value chain capacity to China, already the world's largest importer of natural gas. Positioned at a time when completion deadlines for major Canadian LNG and related infrastructure projects are now coming into focus, the Forum achieved its objectives of building interest and increasing general market awareness amongst key Chinese industry stakeholders of Canada's viability as a supplier of LNG, and also its potential as an investment destination.
 - In August 2001, in collaboration with the Trade Commissioner Service in Delhi, the ministry organized an India – B.C. Investment roundtable as part of "Doing Business in Canada Series 2021", a virtual Investment roundtable for India's revenue generating startups with high potential looking to expand in North America. The B.C. event focused on profiling the Agritech and Life Sciences sectors.
 - Leveraging the renewal of the B.C.-Government of Osaka MOU on collaboration in clean technology, the Ministry, in collaboration with JETRO Osaka, delivered a cleantech webinar to promote trade and investment opportunities to Osaka cleantech industry leaders in October 2021. The webinar featured five BC speakers, with 60 Japanese representatives in attendance. The webinar presented an opportunity to highlight the newly announced CleanBC Roadmap 2030 which is expected to drive bilateral collaboration with Japan and other economies prioritizing sustainability.
 - At the *Hydrogen and Infrastructure Investment Program* in November 2021 hosted by Invest in Canada and Foresight, the Ministry recruited and supported energy executives and representatives from KOGAS, Hyundai Corporation Canada, POSCO, Hanwha Impact, Mitsubishi Canada, Mitsui & Co, FTXT Energy, and Fortescue Future Industries to discuss hydrogen developments and opportunities in B.C. and Alberta.

FINANCIAL IMPLICATIONS

Costs associated with the Investment Attraction are managed within the Ministry Base Budget. The budget allocation for the Trade and Industry Development Division is \$28,379,000.

Approvals:

[2022/02/05] - [Kerry Pridmore, Trade and Industry Development]

[2022/02/09] – Carla Merkel, FSB

Last Updated:

Contact:

Leslie Teramoto

Executive Director

International Trade and
Investment Operations

604 775-2201

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

EXPORT NAVIGATOR

Issue: Export Navigator Expansion and Key Outcomes

KEY FACTS

Background/Status:

- Since 2016, Export Navigator has helped more than 750 B.C. businesses on their journey to export their products across Canada and internationally.
- Export Navigator is designed to help small and medium-sized businesses export their goods and services to new markets.
- The program provides free access to community-based export advisors, who connect participants with advisory services and training that are tailored to their specific business needs.
- Small Business BC (SBBC) is the contracted service provider for Export Navigator.
- There are six regional Export Navigators located in Duncan, Port Alberni, Prince Rupert, Prince George, Nelson and Vernon.
- As well, there are three dedicated provincial advisors for businesses owned by Indigenous peoples (Kamloops), youth (Vancouver) and women (Vancouver).
- The contracted service provider (SBBC) track numerous key metrics such as jobs created, export sales growth and revenue growth which are reported in quarterly and annual reports to the Province and Western Economic Diversification, (now Pacific Economic Development Canada).
- In 2019, the program was expanded with Western Economic Diversification (“WED”) providing match funding of \$2.25 million over three years. This additional contribution enabled the program to include specialized support for businesses owned by Indigenous peoples, women and youth.
- Since the expansion of the program in 2019, participating companies’ export sales within Canada have grown by more than \$6.2M and internationally by about \$15.2M.
- In late 2021, WED hired a third party consultant to conduct a review of the Export Navigator Program. The report was recently provided to the Province.
- Ministry staff, in partnership with the Federal government, will be reviewing the consultant’s report and assessment of program outcomes as well as examining various options to grow or evolve the program once the Federal funding has expired.

- Intergovernmental Communications; Government Financial Information

Format of Program:

- Eligible applicants will be assigned to an Export Advisor if accepted.
- One -on-one coaching and guidance; no intake date / graduation date
 - Hours of free expert advice
 - Step-by-step guidance, at your pace
 - Strategy and planning to guide the growth of your business
 - Connections and information specific to your market and industry

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- Access to the most up-to-date resources for interprovincial or international exporting
- An assessment of the export readiness of your business
- *Example:* Chilliwack based Pivot and Pilot Creative joined the program looking to expand into the the Pacific Northwest. Based on advice from their Export Navigator Advisor they pivoted to focus their expansion efforts on Texas and Florida. With current plans to hire several new employees the company owner comments.
 - “As a result of our efforts to grow our sales base outside of British Columbia, we have attained new clients in the United States and are looking to open a branch office in either Texas or Florida within the coming year.”

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Contract delivery costs of \$1.2M are managed within the Ministry base budget for TIDD.
- Currently additional funding of \$750K per year for 3 years from Western Diversification, now called Pacific Economic Development Canada (PacifiCan). Intergovernmental Communications; Government Financial Information

Approvals:

[2022/02/05] - [Kerry Pridmore, Trade and Industry Development]

[date approved] – [CFO] FSB

Last Updated: March 7, 2022

Contact:

Andrew Hamilton	A/Director	Export Services	250 208-2615
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

ALACRITY B.C. CLEANTECH PROGRAM

Issue: Program support to grow B.C. cleantech and ocean tech companies in targeted global markets in support of trade diversification

KEY FACTS

Background/Status:

- The Alacrity B.C. Cleantech Program was developed by JERI, PacifiCan (former Western Economic Diversification) and Alacrity in 2019 to support B.C. cleantech businesses as they progress from market-ready solutions to fully developed sales networks in export markets.
- Alacrity Foundation is a non-profit organization based in Victoria, B.C. which was founded in 2009 to promote tech entrepreneurship & facilitate investment.
- The Alacrity B.C. Cleantech Program focuses on:
 - a) Finding qualified opportunities for promising B.C. cleantech companies that permit them to commercialize, scale-up, and become investment-ready
 - b) Building relationships between B.C. cleantech companies and international clients
 - c) Supporting participating companies in customer acquisition and revenue building
 - d) Creating a global content marketing initiative to raise awareness about participating B.C. cleantech companies and the B.C. cleantech sector
- The Alacrity B.C. Cleantech Program also supports the mandate for trade diversification by helping B.C. companies to enter new markets or regions.
- The Alacrity in-market consultants work collaboratively with the B.C. Trade and Investment representatives and Global Affairs Canada.

Key Deliverables – Program

Alacrity will provide the following deliverables by May 31, 2023:

1. Promote opportunities to B.C. cleantech companies that would benefit the most with an emphasis on technologies that advance *CleanBC*.
2. Develop a business development program in India, Mexico, Singapore, and Northern Europe.
3. **Investment Attraction**: Targeted new inbound investment from local and international investors as a result of Program: **\$50 million** (full program target).
4. **Export Development**: Targeted export revenue generated as a result of the program to B.C. cleantech participants: **\$20 million** (full program target).
5. **Jobs**: Targeted number of high-quality jobs facilitated (full program target): 100
6. Targeted value to new global export/sales/licensing/partnership revenue: \$30 million
7. Number of B.C. companies assessed for entry into the Program: 100
8. Minimum number of B.C. cleantech companies accepted into the Program: 30
 - B.C. cleantech companies are chosen according to their market readiness.
 - No cost to B.C. companies that participate: Alacrity provides portfolio companies with basic support, e.g., marketing, sales, introductions for opportunities.
 - If a company asks for additional support (e.g., deal negotiation, RFP support), Alacrity charges a negotiated service fee not exceeding 6 per cent of the deal.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Intergovernmental Communications; Government Financial Information

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Cost-Share Agreement – JERI, PacifiCan (former Western Economic Diversification) & Alacrity: March 18, 2020-May 31, 2023.
- Funding: WD: \$1,334,427 | JERI: \$1,334,427 (\$735,000 in FY 2019/20; \$599,427 in FY 2020/21) | Alacrity: \$296,999

Approvals:

[2022/02/02] - [Kerry Pridmore, Trade and Industry Development]

2022/02/11 – Brian Urquhart, CFO

Last Updated: February 2, 2022

Contact:

Richard Sawchuk	Director	Strategy, Intelligence, Marketing and Industry	604 617-0378
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Trade Diversification Strategy – Econ Plan

Issue: A trade and investment strategy focused on increased export opportunities for products and services and targeted foreign direct investment attraction into B.C.

KEY FACTS

Background/Status:

- The Trade Diversification Strategy is a trade and investment development plan with a focus on new markets to encourage geographic diversification. It will examine approaches to increase overall participation of B.C. businesses in trade, particularly for underrepresented groups.
- At the core of the Trade Diversification Strategy is B.C.'s vision for an innovative, sustainable, and inclusive economy, the same foundational values of the Economic Plan.
- Global events such as political tensions, increasing protectionism, and the COVID-19 pandemic have caused economic uncertainty and supply chain disruptions. These events underscore the importance of a robust, resilient, and diversified trading base.
- An emphasis on diversification will promote trade opportunities that pivot away from over-reliance on a single market, making B.C. more resilient to market volatility and geographically specific trends and changes.
- There will be engagement with partners across the province, including business owners from groups underrepresented in trade, such as indigenous people, women, youth and new immigrants.
- New markets will be identified through rigorous market assessments to screen for growth potential, maximum value for goods and services, trade agreements, and economic, political, and cultural alignment.
- The Strategy will seek to align with partners and stakeholders throughout the province that have overlapping mandates for trade and investment.
- The Strategy will emphasize our competitive edge as an attractive jurisdiction for investment and trade where B.C.'s Environmental, Social, and good Governance (ESG) values are central to our business community.
- The Strategy will examine opportunities to market our low-carbon goods and emerging products and services to the world.
- Cabinet Confidences

B.C.'s Export Performance

- Year-to-date B.C. exports were about \$49.1 billion in November 2021, an increase of 36.6 per cent compared with November 2020. Most of this increase can be attributed to an increase in exports to the U.S., China and Japan.
- In 2020, B.C. exported \$39.6 billion in goods. This is a drop of 8.8 per cent from 2019, however B.C. outperformed the national average as Canadian exports fell 12.1 per cent in 2020.
- B.C. is the 4th largest provincial exporter. Compared to other provinces, B.C.'s export profile is relatively diverse in terms of the goods exported and the destination of exports.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- The U.S. continues to account for over half of B.C.'s goods exports (\$21.72 billion in 2020). While the U.S. is still B.C.'s largest export market, our reliance on the U.S. has decreased due to increased trade with markets in Asia.
- China follows the U.S., with B.C. goods exports to China at \$5.74 billion in 2020 (14.5 per cent of B.C. goods exports).

FINANCIAL IMPLICATIONS

- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the Stronger BC Economic Plan: A Plan for Today, A Vision for Tomorrow.
- *Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

Approvals:

[2022/02/05] - [Kerry Pridmore, Trade and Industry Development]

[2022/02/09] – [Carla Merkel, FSB]

Last Updated: February 1, 2022

Contact:

Eric Ommundsen	Executive Director	Strategy, Intelligence, Marketing and Industry	250.216.9277
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

B.C. SHIPBUILDING SECTOR STRATEGY – ECON PLAN

Issue: Development of B.C. Shipbuilding Strategy

KEY FACTS

Background:

- On September 22, 2021, the Province announced the appointment of an Advisory Committee to help develop a long-term provincial shipbuilding strategy (“Strategy”). The Advisory Committee consists of two separate bodies:
 - Industry Working Group (IWG) (chaired by Robert Allan, President, Association of B.C. Marine Industries); includes experienced experts who have longstanding industry knowledge and insight with an active role in identifying and advancing sector opportunities.
 - Innovation Advisory Council (IAC) (co-chaired by JERI DM Bobbi Plecas and Brenda Eaton, Chair, BC Ferries); includes a broad group of senior-level stakeholders across government, labour and academia to provide guidance, advice and objective feedback to the IWG on the research, analysis, engagement approach and report of recommendations.
- The Strategy has four main objectives:
 - 1) Support the capacity and competitiveness of B.C. shipyards to win more shipbuilding contracts, and refit-repair and maintenance work.
 - 2) Advance innovation including low-carbon technologies to help B.C. become a hub of green, low-carbon marine vessels.
 - 3) Expand B.C.’s market share and opportunities related to shipbuilding and supply chains.
 - 4) Support marine workforce development, addressing labour shortages, equity and inclusion in the B.C. shipbuilding industry.

Industry Context

- The Association of B.C. Marine Industries reports that the industrial marine sector contributes \$3.7B in GDP and sustains 32,000+ jobs. The shipbuilding, refit and repair sector contributes \$1.4B in GDP and 11,951 jobs (all numbers referenced are total impacts, including direct, indirect and induced).
- There are a wide range of companies in B.C. that could be considered part of the shipbuilding industry including Seaspan, BC Ferries, the Navy shipyard – FMF Cape Breton in Esquimalt, shipyards, steel fabricators, and equipment providers.
- Seaspan Shipyards is the long-term non-combat vessel shipyard under the National Shipbuilding Strategy with long-term contracts and a robust supply chain.
- B.C. has a cluster of experienced companies with global reputations in niche areas of maritime architecture and design as well as technology companies in areas such as control, communication, information, environmental monitoring and navigation systems.

Status:

- Strategy development to date has included engagement efforts including:
 - Industry survey to get a better understanding of shipbuilding/ ship repair impacts on the broader marine industry, key barriers and opportunities for growth, and ways that government can effectively support growth.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- A series of targeted roundtables with key sector stakeholders representing federal government, ports and infrastructure, academia and labour, and innovation and sustainability related organizations.
- One-on-one discussions with local governments, First Nations, and key companies.
- The Advisory Committee is expected to provide recommendations to government on strategic actions that, if endorsed and implemented as part of a made-in-B.C. sector strategy, could support a robust, resilient and innovative shipbuilding sector.

Cabinet Confidences

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Given the unique expertise and time commitment required for this work, Government has established a General Service Agreement with the Association of BC Marine Industries for remuneration and administration of the Industry Working Group for up to \$250,000 over two years (FY 2021/22-2022/23).
 - The last deliverable under this contract is the final report from the Advisory Committee
- Cabinet Confidences

Approvals:

[2022/02/05] - [Kerry Pridmore, Trade and Industry Development]

[2022/02/11] – Brian Urquhart, CFO

Last Updated: February 3, 2022

Contact:

Eric Ommundsen	Executive Director	Strategy, Intelligence, Marketing and Industry	250 216 9277
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

AGRITECH STRATEGY – Econ Plan

Issue: Agritech Centre of Excellence and strategy development

KEY FACTS

Background/Status:

- The Province's Economic Plan commits to supporting Agritech to advance sector growth and resiliency
- Agritech operations use technology and innovation, such as robotics for harvesting or controlled indoor growing systems, to produce more sustainable food, while using fewer resources.
- Agritech farming contributes to a more resilient food system with increased product density and shorter growing times with the potential to increase crop yields, product quality and food security.
- In the coming months, the Province will launch a new agritech centre of excellence to help companies grow and scale up, providing more high-quality, high-tech jobs for British Columbians.
- In addition to supporting and making referrals the centre of excellence, the BC government's Agritech Concierge will continue to provide tailored pathfinding services to companies and then navigate government programs and processes (including those related to the Agricultural Land Commission) as they look to grow, attract investment and identify partnership opportunities.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the Stronger BC Economic Plan: A Plan for Today, A Vision for Tomorrow.
- *Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

Approvals:

[2022/02/05] - [Kerry Pridmore, Trade and Industry Development]

February 17, 2022 – Brian Urquhart, CFO

Last Updated: February 3, 2022

Contact:

Eric Ommundsen

Executive Director

Strategy, Intelligence,
Marketing and Industry

250 216-9277

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Industrial and Manufacturing Strategy – Economic Plan

Issue: Progress on developing the B.C. Industrial & Manufacturing Strategy

KEY FACTS

Background:

- Manufacturing is a key contributor to B.C.'s economy, representing 6.4% of B.C. GDP, contributing \$15.6 billion in output and sustaining over 179,000 jobs.
- B.C.'s manufacturing sector includes approximately 12,000 small and medium sized businesses – many of which are family-owned and produce essential goods and services.
- Approximately 60% of B.C.'s exports are manufactured goods.
- B.C. has broad and diversified manufacturing capabilities, with key strengths in:
 - Food & beverage products
 - Primary & fabricated metals
 - Wood products
 - Machinery
 - Chemicals
 - Paper
 - Transportation equipment (including shipbuilding and aerospace)
 - Computers & electronics
 - Plastics & rubber
 - Electrical equipment & appliances
- B.C.'s manufacturing sector experienced a 6.3% decline in GDP in 2020, which is almost twice as much as B.C.'s economy (experienced a 3.4% decline).
- This suggests that B.C.'s manufacturing sector was particularly challenged by global supply chain disruptions and labour challenges that occurred during the pandemic.
- The Industrial & Manufacturing Strategy is designed to examine these and other challenges so that companies across all industries and regions might be better positioned to build resilience, expand their operations and become adaptable to economic and supply-chain disruptions.
- Although B.C.'s manufacturing sector lost 4,500 jobs in 2020, total manufacturing employment has since rebounded with nearly 12,000 jobs added by the end of 2021.
- Total employment in B.C.'s manufacturing sector now exceeds pre-pandemic (2019) levels.

Industrial & Manufacturing Strategy:

- The Industrial & Manufacturing Strategy will serve to identify gaps and new opportunities to grow the sector and create family-supporting jobs over the long-term, in alignment with the Economic Plan, CleanBC and Declaration on the Rights of Indigenous Peoples Act (DRIPA).
- B.C. has supported the sector to grow and compete through an array of programs including the StrongerBC Supply Chain Resiliency Grant (\$6M) and Accelerated Manufacturing Scale-Up Grant (\$10M).
- The Strategy will leverage economic analysis and business intelligence from existing government programming.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- The Strategy will involve direct engagement with industry and Indigenous partners, including those in more rural / remote regions, to gather input on the sector's priorities, barriers and opportunities.

FINANCIAL IMPLICATIONS

- *Budget 2022* provides \$50M over the fiscal plan to support implementation of the Stronger BC Economic Plan: A Plan for Today, A Vision for Tomorrow.
- *Budget 2022* also provides JERI with a base budget lift of \$4.1M (\$1.3M in FY23, \$1.4M in FY24 & FY25) over three years to implement the initiatives in the Economic Plan and to support ongoing tracking and reporting on the progress of the plan's intended outcomes.

Approvals:

[2022/02/04] - [Kerry Pridmore, Trade and Industry Development Division]

[2022/02/09] – [Carla Merkel, FSB]

Last Updated: February 3, 2022

Contact:

Eric Ommundsen	Executive Director	Strategy, Intelligence, Marketing and Industry	250.216-9277
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Agritech Grant Program - StrongerBC

Issue: Progress on the *StrongerBC* Agritech Grant Program

KEY FACTS

Background/Status:

- The Agritech Grant Program was one-time funding provided under *StrongerBC* to B.C.-based agritech or technology companies, agriculture producers and agrifood companies to develop technologies / innovations in support of increased food production.
- The Grant provided \$7.5 million to 21 companies (max. \$500,000 per company) in March 2021.
 - 15 located in the Lower Mainland
 - 6 outside the Lower Mainland
- Over 100 companies applied for funding.
- Grant recipients are working on a range of projects, ranging from nutrient/waste management to precision agriculture, aquaculture, genomics and robotics.
- Companies are required to submit progress reports to JERI every six months until the project concludes.
- The first **six-month progress reports** were submitted in September 2021 and preliminary results include:
 - 66 new jobs created, and 133 jobs retained, with an average annual salary of \$68,000;
 - 89 new technologies developed.
 - 11 new technologies brought to market (commercialized).
 - 51 new partnerships established (industry, academia, Indigenous groups, etc.).
 - \$3 million spent to date

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- \$7.5 million in grants was provided to 21 companies (max. \$500,000 per company) in FY 2020/21.

Approvals:

[2022/02/05] - [Kerry Pridmore, Trade and Industry Development]

[2022/02/11] – Brian Urquhart, CFO

Last Updated:

Contact:

Eric Ommundsen

Executive Director

Strategy, Intelligence,
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778 698-8792

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

MANUFACTURING RECOVERY PROJECTS - STRONGER BC

Issue: Overview of economic recovery grants providing targeted support to the manufacturing sector

KEY FACTS

Background/Status:

Manufacturing is a critical component of B.C.'s economy, representing

- 179,000 good paying jobs.
- \$15.6 billion contribution in GDP (6.4 per cent of provincial total GDP); and
- Approximately 12,000 small and medium-size companies.

As part of B.C.'s Economic Recovery Plan, the Province committed up to \$16.25 million in one-time funding towards Supply Chain Resiliency and Value-Added Manufacturing Grant Programs to support small and medium-sized businesses to build manufacturing capacity, generate new economic opportunities, and enhance the resilience of provincial supply chains. The funding was broken down into three components:

1. A \$10M Accelerating Manufacturing Scale-Up Grant Program.
2. A \$6M Supply Chain Resiliency Grant Program; and
3. A \$0.25M Strategic Supply Chain Analysis.

1) Accelerating Manufacturing Scale-Up Grant Program:

- A \$10 million program to accelerate innovative capacity, strengthen provincial supply chains, and sustain and create new economic activity in B.C., providing one-time, 75 per cent funded provincial grants (up to a maximum of \$250,000 for individual businesses; up to \$500,000 for groups in collaboration).
- Eligible project activities include the following:
 - Prototype, pilot or demonstrate new technology;
 - Commercialize new technology or products;
 - Support in-market access activities; or
 - Assess or conduct process/operational improvements to increase production.
- Following a Request for Proposal (RFP) (Jan. 21 -Feb. 18, 2021), JERI selected external agent Pricewaterhouse Coopers LLP (PWC) to deliver the Accelerating Manufacturing Scale-Up Grant, including developing website content, managing the application intake process, dispersing grants and monitoring for appropriate use of grant funds.

Status Update:

- More than 700 applications were received (between April 25-June 1, 2021) and assessed using merit based criteria aligned with program objectives.
- Oct. 20, 2021, 43 projects were announced for funding.
- Projects were scheduled to complete Jan 31, 2022. Due to pandemic and extreme weather events (i.e., impacts on supply chains and shipping), some projects are delayed to Mar. 15, 2022. One project has been cancelled at the request of the recipient.
- PwC regularly meets with JERI staff and provides reports on program progress. Detailed reporting, capturing grant impacts (e.g., increased employment, revenue, new markets), will be submitted to JERI following the end of the program (Mar. 31, 2022).

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

2) Supply Chain Resiliency Grant Program:

- A \$6 million program to support key industry stakeholders and groups in collaboration to strengthen supply chain capacity and manage the risk of future disruption, providing one-time, 100 percent funded provincial grants to support projects.
- Eligible applicants included the following:
 - Industry Organizations: Up to \$400,000 for registered Canadian or BC industry, sector, or trade associations or organizations that have operations, members, and a demonstrated record of supporting manufacturing in B.C.; and
 - Groups in Collaboration: Up to \$200,000 for a group of two or more legally registered entities working in collaboration as project partners that are directly involved in or support manufacturing in B.C. (for-profit or not-for profit entities).
- Program intake (Jan. 18 -Feb 18, 2021) was managed by JERI staff, who accepted 94 applications totaling \$21.6 million. Eligible applications were reviewed by a JERI project team and also underwent a technical review by staff from FLNRORD, MAFF, and JERI.

Status Update: 24 applicants were successfully awarded funding and have been reporting back quarterly on project implementation, outcomes, and deliverables as a condition of the program contribution letter. Three projects are complete, and the remainder are expected to be completed by Mar. 31, 2022. Program impacts will be assessed at this time.

3) Strategic Supply Chain Analysis:

- \$250,000 to support a comprehensive study focused on key B.C. manufacturing and related strategic supply chains and emerging value-added manufacturing opportunities, including actionable recommendations for the near-term.
- PwC was selected to deliver the project following an RFP (closed Mar. 9, 2021).
- Five manufacturing areas were selected for analysis based on GDP, export levels and strategic provincial priorities: 1.) Food and Beverage Manufacturing; 2.) Chemical Manufacturing; 3.) Computers, electronic and electrical equipment manufacturing; 4.) Minerals and Metal Products manufacturing; and 5.) Transportation and Machinery Equipment manufacturing

Status Update (TBC): PwC completed the B.C. Strategic Supply Chain Analysis and submitted a report to JERI in Dec. 2021. The analysis will help to identify opportunities to strengthen B.C.'s strategic supply chains and economic recovery; inform the B.C. Industrial and Manufacturing Strategy; and generate new employment and revenue through growth and diversification of B.C.'s manufacturing sector that can support enhanced productivity and sustainability. The report identifies nine opportunity areas where action could be taken in collaboration with industry to foster growth and develop commercial opportunities.

Advice/Recommendations

Advice/Recommendations

JERI has shared this information with the relevant areas of government and continues to work collaboratively to explore potential avenues to develop these opportunities.

FINANCIAL IMPLICATIONS

\$16M was provided in 2020/21 for the Accelerating Manufacturing Scale-Up Grant Program and Supply Chain Resiliency Grant Program.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

A contract of \$237k was set up in 2021/22 with Price Waterhouse Cooper for the B.C. Strategic Supply Chain Analysis

Approvals:

[2022/02/04] - [Kerry Pridmore, Trade and Industry Development Division]

[2022/02/11] – Brian Urquhart, CFO

Last Updated: March 8, 2022

Contact:

Eric Ommundsen	Executive Director	Strategy, Intelligence, Marketing and Industry	250 216-9277
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2022/23 ESTIMATES NOTE

Advice to the Minister

InBC Investment Corp. Profile

Issue: Overview of the InBC Investment Corp.

KEY FACTS

Background/Status:

- InBC is established and governed through the *InBC Investment Corp. Act*, which also specifies independence of investment decision-making and establishes the Chief Investment Officer with the sole statutory authority to make investment decisions.
- InBC provides a local source of capital to invest in high growth potential firms in B.C. with the aims of: achieving a financial return on investment; promoting values that make life better for people in B.C. including job creation, advancing reconciliation with Indigenous peoples, and promoting diversity, equity and inclusion; and establishing B.C. as a globally competitive low-carbon jurisdiction.
- Through its triple bottom line mandate, InBC's investments will contribute to positive environmental, economic and societal impacts in the province.
- The Minister of Jobs, Economic Recovery and Innovation and the Minister of Finance are the shareholders of InBC.
- InBC is overseen by a nine-member Board of Directors, made up of both public and private sector members, who are appointed by Cabinet. Board members are as follows: Christine Bergeron (Chair), Kevin Campbell, Carole James, Ingrid Leong, Glen Loughheed, Bobbi Plecas, Suzanne Trottier (Vice-Chair), and Heather Wood.
- InBC submits annual reports as required by the *Budget Transparency and Accountability Act* as well as an annual report regarding its investments to the Ministers responsible for InBC for tabling in the Legislature. InBC's legislation also requires an external review by an independent third party every five years.
- Jill Earthy joined InBC as its Chief Executive Officer in December of 2021. Recruitment of additional staff, including the Chief Investment Officer is underway. InBC plans on building its organization to 23 employees over the next 2 years.
- InBC was created by repurposing an existing Crown Corporation, the BC Immigrant Investment Fund (BCIIF). All the assets and responsibilities of the BCIIF have been transferred to InBC.
- InBC is also the sole shareholder of a subsidiary corporation, the BC Renaissance Capital Fund Ltd. (BCRCF), which holds venture capital investments in British Columbia's technology sector.
- The BCRCF, through its two portfolios of venture capital investments (Portfolio 1 and BC Tech Fund), makes capital available to B.C. technology companies by investing in venture capital funds and co-investing in B.C. companies. Portfolio 1 and the BC Tech Fund have concluded their investment periods and are not making any new investments. These

2022/23 ESTIMATES NOTE

Advice to the Minister

portfolios continue to be administered by InBC. The Board of Directors of the BCRCF are Bobbi Plecas and Heather Wood.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- As of December 31, 2021, InBC manages approximately \$89.1 million in assets, which includes \$10.1 million in outstanding infrastructure loans, \$73.0 million in venture capital fund investments and \$6.0 million in cash and short-term investments.
- InBC's operations and investments are financed through a combination of returns from its existing investment portfolios, accumulated surplus and a fiscal agency loan arranged through the Ministry of Finance.
- The intention is for InBC to be self-sustaining over the long run; however, InBC is forecasting deficits of \$5.4 million for 2022/23, and deficits of \$6.8 million and \$7.1 million in the following two years.
- InBC does not include revenue or losses from venture capital investments when forecasting due to the variable and unpredictable nature of the investments. Actual results may be significantly different from the budget as a result.

Approvals:

February 3, 2022 – Jill Earthy, CEO, InBC Investment Corp.

(date approved), 2022 – James Harvey, Associate Deputy Minister, Investment and Innovation Division

[February 10, 2022] – [Brian Urquhart, CFO] FSB

Last Updated: January 31, 2022

Contact:

Jill Earthy	Chief Executive Officer	InBC Investment Corp	778-405-1848
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2022/23 ESTIMATES NOTE

Advice to the Minister

InBC Budget

Issue: InBC Budget and Transparency Measures

KEY FACTS

Background/Status:

- InBC Investment Corp. (InBC) is presenting a planned deficit of \$5.4 million in 2022/23, \$6.8 million in 2023/24, and \$7.1 million in 2024/25 in its Service Plan.
- InBC plans a deficit in part because it does not budget for venture capital investment income, which is InBC's only material source of revenue.
- Venture capital investment income is not budgeted for because the timing of distributions from venture capital portfolios is unpredictable, and it is difficult to estimate the value of a portfolio distribution until it occurs.
- Over the past 5 years, venture capital investment revenue has fluctuated from a high of \$14.8 million in 2017/18 to a low of \$0.1 million in 2019/20. For fiscal year 2021/22, InBC has realized venture capital investment income of \$6.5 million.
- Without a significant source of revenue in its budget, InBC's planned deficit largely reflects the company's planned operating expenses.
- InBC's planned deficits in the 2022 Service Plan are consistent with the deficits presented in last year's Service Plan for Budget 2021.
- InBC will be investing with a long-term investment horizon, in some cases investment returns won't be realized for a number of years. InBC's financial performance may only be assessed over the long term. As a result, in the near term, InBC may continue to forecast planned deficits.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The *InBC Investment Corp. Act* states that InBC must not incur or budget for a deficit without the prior written approval of the Minister of Jobs, Economic Recovery and Innovation and the Minister of Finance.
- The Minister of Jobs, Economic Recovery and Innovation and the Minister of Finance have reviewed and approved InBC's projected deficit as part of the Budget 2022 approval process.
- InBC's deficit reflects the company's planned operating expenses which include:
 - Salaries and Benefits budget of \$2.9 million in 2022/23, \$3.8 million in 2023/24, and \$3.9 million in 2024/25.
 - Salaries and Benefits will support a staff complement of 23 FTE.
 - The budget for salaries reflects the salary levels approved by the Public Sector Employers' Council Secretariat and the Minister of Finance.
 - Similar to all Crown Corporations, InBC will publicly disclose all compensation that is paid to the Chief Executive Officer (CEO) and the next four highest ranking or highest paid executives with decision-making authority earning an annualized base salary of \$125,000 or more during a fiscal year.

2022/23 ESTIMATES NOTE

Advice to the Minister

- In accordance with the *Financial Information Act*, each year, InBC will disclose the total amount of remuneration for each employee that exceeds \$75,000 and the total amount of expenses paid to or on behalf of those employees.
- Operating budget of \$1.9 million in 2022/23, \$2.1 million in 2023/24, and \$2.2 million in 2024/25.
 - The budget covers expenses for Information Systems, Office Costs, Legal and Advisory Services.
 - In accordance with the *Financial Information Act*, on an annual basis, InBC will publicly disclose the name of the individual, firm or corporation and the aggregate amount paid to them when payments exceed \$25,000.
- Facilities budget of \$0.3 million in 2022/23, \$0.5 million in 2023/24, and \$0.6 million in 2024/25.
 - Facilities cost include the cost for approximately 4430 sq. ft. of office space at 925 West Georgia St, which will serve as InBC's headquarters. Costs for this space are approximately \$0.3 million annually.
 - In Budget 2023 and 2024 annual costs of approximately \$0.2 million are factored in for Victoria office space. A final decision on whether to proceed with securing office space in Victoria has not been made.
 - The existing lease is arranged through the Ministry of Citizens' Services. In accordance with the *Financial Information Act*, on an annual basis, InBC will disclose the amount paid to the Ministry of Citizens' Service for lease costs.
- Board of Directors annual budget of \$0.16 million reflects the costs of retainers and meeting expenses for the Board of Directors of InBC and Committees of the Board.
 - Board remuneration levels are established by Treasury Board Directive and the government's Appointee Remuneration Committee.
 - In accordance with Treasury Board Directive, remuneration paid to all board members will be disclosed every year so that this information is accessible and transparent to the public.
- Investment Portfolio Expenses budget of approximately \$0.4 million annually reflects the costs associated with financing InBC's fiscal agency loan, and venture capital portfolio management fees.

Approvals:

[date approved]—Jill Earthy, CEO InBC Investment Corp.

[date approved]—James Harvey, Associate Deputy Minister, Investment and Innovation Division

[February 10, 2022] – [Brian Urquhart, CFO] FSB

Last Updated:

Contact:

Jill Earthy	Chief Executive Officer	InBC Investment Corp	778-405-1848
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2022/23 ESTIMATES NOTE

Advice to the Minister

InBC Current Status

Issue: InBC Current Status

KEY FACTS

Background/Status:

- Since InBC was created, there has been substantive work undertaken in order to prepare the organization to meet its mandate. The following key tasks have been completed.

Business Case:

- InBC Business Case was approved by Treasury Board as part of Budget 2021. Public version of the Business Case is posted on the InBC website.

Legislation:

- *InBC Investment Corp. Act* came into force May 20, 2021.

Board of Directors:

- On May 5, 2021, the nine member Board of Directors were appointed.
- Core policy documents including the Board Governance Manual and Conflict of Interest Policy have been developed and approved by the Board.
- The Board has met seven times since the May 2021 appointment.

Risk Management:

- Ministry of Finance, Risk Management Branch issued an indemnification agreement to the Board of Directors. General Liability Insurance via Ministry of Finance has also been secured.

Human Resources and Recruitment:

- A human resource and compensation plan has been created. Additionally, a core set of human resource policies and procedures have been developed including COVID-19 response policies.
- A professional recruiter was retained through a competitive process, the recruiter supported the Board of Directors in recruiting a Chief Executive Officer. CEO Jill Earthy was recruited and commenced work on December 13th, 2021.
- The recruitment for the Chief Investment Officer is actively underway.
- An Office Administrator was hired in December to support operations in the Vancouver office.
- InBC is also currently recruiting 2 additional roles: Chief of Strategy and Operations (CSO) and a Marketing and Communications Specialist.

Investment Policy Statement (IPS) Development:

- InBC staff have conducted 200+ engagements and hosted 16 sessions with stakeholders focusing specifically on the IPS.
- A draft version of the IPS has been developed for Board consideration/input.
- The IPS will be finalized once the CIO is retained.

Ongoing Engagement:

- Staff are continuing to engage as required.

2022/23 ESTIMATES NOTE

Advice to the Minister

Operations:

- A lease was finalized on a Vancouver office space at 925 West Georgia (about 4429 sq feet); possession occurred July 1, 2021. This location is the headquarters of InBC.
- Network systems, Wi-Fi, alarms and new doors are in place in the Vancouver office. A multifunction device and MS Teams meeting equipment were installed and configured.
- Payroll system, including coordination with BC Pensions and LTD/Benefits group, launched August 2021 with successful transition of current staff.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- InBC Investment Corp. (InBC) is presenting a planned deficit of \$5.4 million in 2022/23, \$6.8 million in 2023/24, and \$7.1 million in 2024/25 in its Service Plan.

Approvals:

February 3, 2022 – Jill Earchy, CEO InBC Investment Corp

TBD – James Harvey, Associate Deputy Minister, Investment and Innovation Division

[February 10, 2022] – [Brian Urquhart, CFO] FSB

Last Updated:

Contact:

Jill Earchy	Chief Executive Officer	InBC Investment Corp	778-405-1848
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2022/23 ESTIMATES NOTE

Advice to the Minister

InBC Investment Policy Update

Issue: InBC Investment Policy Update

KEY FACTS

Background/Status:

- To ensure InBC is equipped to make meaningful investment decisions that are aligned with its triple bottom line mandate, the Corporation will be guided by a well-considered Investment Policy Statement (IPS).
- The *InBC Investment Corp. Act* specifies independence of investment decision-making and establishes the Chief Investment Officer with the sole statutory authority to make investment decisions. The CIO will be responsible for investing within the parameters established by the IPS and delivering the investment outcomes established by the IPS.
- InBC staff have drafted an IPS. The format of the IPS follows Elements of an Investment Policy Statement for Institutional Investors, published by the CFA Institute.
- Content of the draft IPS is informed by InBC's business case, ongoing stakeholder engagement, and core government policy materials such as ministerial mandate letters, CleanBC Roadmap to 2030 and BC's Economic Plan.
- The IPS is informed by ongoing consultation with a broad range of stakeholders, which include businesses, industry associations, investment firms, Indigenous groups and economic development organizations.
- When finalized the IPS will:
 - Identify the *InBC Investment Corp. Act* (the Act) as the enabling legislation through which InBC conducts its investment activities;
 - Define the roles and responsibilities of the parties involved in the investment process. This will include the role of the Board of Directors, the Chief Executive Officer (CEO) and the Chief Investment Officer (CIO) in monitoring and reporting on the performance of InBC's investments and ensuring InBC's assets are managed in compliance with InBC's investment policies and guidelines;
 - Establish a structure of guidelines and policies within which InBC's CIO can exercise their statutory authority when investing InBC's assets, and against which the performance of the CIO may be assessed by the Board;
 - Describe InBC's investment return objectives, risk tolerance, constraints, and reporting requirements; and,
 - Specify the responsibilities for risk measurement, monitoring, and management, and the risk parameters within which the Board, CEO and CIO will execute their responsibilities.

2022/23 ESTIMATES NOTE

Advice to the Minister

- Once appointed, the Chief Investment Officer will finalize the IPS in concert with the Chief Executive Officer and InBC's Board of Directors.
Cabinet Confidences; Advice/Recommendations

- Cabinet Confidences; Advice/Recommendations

FINANCIAL IMPLICATIONS

Budget/Expenditures:

N/A

Approvals:

February 3, 2022 – Jill Earthy, CEO InBC Investment Corp.

Xxxx, 2022 – James Harvey, Associate Deputy Minister, Investment and Innovation Division

[February 10, 2022] – [Brian Urquhart, CFO] FSB

Last Updated:

Contact:

Jill Earthy

Chief Executive
Officer

InBC Investment Corp

778-405-1848

2022/23 ESTIMATES NOTE

Advice to the Minister

InBC Board

Issue: InBC Board

KEY FACTS

Background/Status:

InBC is a statutory Crown corporation created under the authority of the *InBC Investment Corp. Act* (*InBC Act*). The *InBC Act* came into force in May 20, 2021.

Section 6 of the *InBC Act* prescribes that InBC's Board be composed of up to nine Directors including the Board Chair. Specifically, of those nine members:

- Two are appointed from the public service – namely, the Deputy Ministers of the two responsible Ministries (Jobs, Economic Recovery and Innovation (JERI), and Finance);
- Seven members are to be appointed from outside the public sector; and,
- The Board Chair is chosen by the Minister of JERI, after consulting with the Minister of Finance. The Board elects a Vice Chair from among the Directors.

Directors are appointed by Order in Council¹. The Minister of JERI, after having consulted with the Minister of Finance, makes recommendation to the Lieutenant Governor in Council for appointment. A Nominations Committee of the Board vets and proposes candidates for upcoming vacancies and those recommendations are made to the Ministers.

Directors are appointed for a term of up to three years². Terms can be renewed and there is no limit on term renewals.

Section 13 of the *InBC Act* prescribes that the Board must meet at least six times per year. In addition, the Board may hold additional special meetings as required.

All Board terms currently expire September 30, 2022. Current Board members and terms are as follows (Board Profiles are provided in Appendix A).

Name	Position	Appointment Date	Term Expiry
Christine Bergeron	Chair	May 5, 2021	September 30, 2022
Kevin Campbell	Director	May 5, 2021	September 30, 2022
Iglika Ivanova	Director	May 5, 2021	September 30, 2022
Carole James	Director	May 5, 2021	September 30, 2022
Ingrid Leong (on leave)	Director	May 5, 2021	September 30, 2022
Glen Loughheed	Director	May 5, 2021	September 30, 2022
Bobbi Plecas	Director	May 5, 2021	September 30, 2022
Suzanne Trottier	Vice-Chair	May 5, 2021	September 30, 2022
Heather Wood	Director	May 5, 2021	September 30, 2022

¹ *InBC Investment Corp Act*, section 7

² *InBC Investment Corp Act*, section 8

2022/23 ESTIMATES NOTE

Advice to the Minister

FINANCIAL IMPLICATIONS

Budget/Expenditures:

Compensation for the board members of InBC are approved at Level 6 Board level per Treasury Board directive 2/20. Board members may be remunerated at the following compensation levels:

Item		Level 6 Compensation ³
Chair – Annual Retainer		\$30,000
Directors – Annual Retainer		\$15,000
Retainer – Finance and Audit Committee Chair		\$5,000
Retainer – Other Subcommittee Chair		\$3,000
Board and Committee Meeting Fees	Full day	\$500
	Half day	\$250

The 2022/23 Budget for the InBC Board is \$0.155 million. This budget provides for the Board annual retainers, six meetings of the full Board annually, quarterly committee meetings of the Board and Board member travel.

In accordance with Treasury Board Directive, remuneration paid to all board members will be disclosed every year so that this information is accessible and transparent to the public.

Approvals:

February 3, 2022 – Jill Earchy, CEO InBC Investment Corp.

XXXXXX, 2022 – James Harvey, Associate Deputy Minister, Investment and Innovation Division

February 11, 2022 – Carla Merkel, FSB

Last Updated:

Contact:

Jill Earchy Chief Executive Officer InBC Investment Corp 778-405-1848

³ The Chair of Treasury Board has approved a time-limited exception to remunerate InBC board appointees at up to level 6 rates for two years from the time the first board member is appointed, or until the extraordinary duties associated with establishing InBC are complete, whichever is sooner.

2022/23 ESTIMATES NOTE

Advice to the Minister

Appendix A: InBC Board Profiles

Board chair Christine Bergeron is the President and CEO of Vancity, Canada's largest community credit union. Prior to becoming CEO, she was Vancity's chief member services officer, leading its member experience and community engagement divisions. Bergeron's achievements earned her a spot on the Business in Vancouver 2007 Top 40 Under 40 list. Much of her career has involved working with entrepreneurs, financing innovative companies and building financial firms focused within the clean tech, sustainability and impact investing sectors. Bergeron is a board member of Aviso Wealth and represents North America on the United Nations Environment Programme Finance Initiative's Banking Board.

Kevin Campbell is the managing director of investment banking and is on the board of directors of Haywood Securities, a Vancouver-based investment dealer. He also serves as a member of the Provincial Child Care Council and as chairman of the Lochmaddy Foundation. Campbell has previously served on the B.C. Emerging Economy Task Force, the board of the Vancouver International Film Festival and the board of the Lundin Foundation.

Iglika Ivanova is an economist and policy analyst with a decade of experience in analyzing Canadian labour markets and public policy. Ivanova is a senior economist and public interest researcher at the BC Office of the Canadian Centre for Policy Alternatives, where she has produced high-impact research on key social and economic challenges facing Canada and developed evidence-based policy proposals to build a more just, inclusive and sustainable economy. She is an active member of academic and professional economist networks, Canadian Association for Business Economics and the Canadian Economics Association. Ivanova's areas of expertise include B.C. and Canadian labour market issues, job quality, low-wage work and living wages, poverty, income inequality, gender inequality, government finance, economic and social policy, and applying a gender and intersectional lens to public policy decisions.

Carole James served as minister of finance and deputy premier of British Columbia from 2017 to 2020. She has been recognized for her work and leadership through her many elected appointments, locally, provincially and nationally, serving in elected roles for over 25 years. Her public service has included National Democratic Institute Elections Missions in Morocco, Algeria and Georgia. James was a director for child and family services at Carrier Sekani Family Services and co-ordinator for Northern Aboriginal Authority for Families. Active in her community, she was chair of the Greater Victoria School Board, president of the BC School Trustees Association, and first and second vice-president of the Canadian School Boards Association. James is an honorary life member of the Vancouver Island Cooperative Preschool Association and the B.C. School Trustees Association, and she served as a foster parent for over 20 years for children and adults with developmental disabilities.

Ingrid Leong serves in a dual role as VP of finance for JH Investments and chief investment officer of Houssian Foundation. A chartered accountant, she spent the first 10 years of her career with PricewaterhouseCoopers. In her current role with Houssian Foundation, Leong

2022/23 ESTIMATES NOTE

Advice to the Minister

leads a fully mission-aligned investment portfolio with a focus on gender and climate impact investing. Currently, Leong is vice-chair of The Forum (formerly Forum for Women Entrepreneurs) and served for eight years on the board of directors of Ballet BC.

Glen Loughheed is a serial tech entrepreneur and angel investor. Since November 2017, he has served as special advisor, innovation and technology to the minister of jobs, economic recovery and innovation. Loughheed is the CEO of Backrail Labs and Applied Post, and prior to this he was the CEO of Overinteractive Media and NodeFly. He has also served as a mentor and advisor numerous times including with e@UBC and Youth Innovation Labs.

Bobbi Plecas was appointed deputy minister for the Ministry of Jobs, Economic Recovery and Innovation in November 2020. Previous to this role, she was deputy minister, Intergovernmental Relations Secretariat, starting on Jan. 29, 2019. In this capacity she advanced British Columbia's interests with the federal government, other provinces and territories, U.S. states and other foreign governments. She was deputy minister of climate change in the Ministry of Environment and Climate Change Strategy from July 2017 to January 2019. In this role, she led the development of the cross-government CleanBC plan, aimed at reducing climate pollution through a transition to clean energy. Plecas has been a member of the provincial public service for more than 25 years and has held a variety of executive roles across government.

Suzanne Trottier is the vice-president of Indigenous trust services with First Nations Bank Trust. Trottier is a proud Métis who grew up in Manitoba with maternal roots to the Lake Manitoba First Nation. Previously, she was the director of capacity development and intervention with the First Nations Financial Management Board and vice-president of Ernst & Young Corporate Finance Inc. Active in her community, Trottier is a board member and member of the Risk Committee and the Audit Committee for the Business Development Bank of Canada. Previously, she was treasurer for North Fraser Métis Association and Actions Enfrance. Trottier was also a board member of Aboriginal Finance Officers Association of Quebec and a committee member for the National Financial Literacy Committee and the National Indigenous Financial Literacy Committee. She is a chartered financial analyst and an ICD.D with the Institute of Corporate Directors. Trottier holds a Master of Business Administration in finance from the University of Western Ontario and a bachelor of arts in sociology from the University of Manitoba.

Heather Wood is British Columbia's deputy minister of finance and secretary to Treasury Board. She has also held the roles of deputy minister and secretary to Treasury Board, associate deputy minister Treasury Board staff and assistant deputy minister Policy and Legislation Division. Prior to joining the BC Public Service in 2011, Wood was an assistant deputy minister within the Department of Finance for the Province of Manitoba, a position she held for more than three years.

2022/23 ESTIMATES NOTE

Advice to the Minister

BC Renaissance Capital Fund Ltd.

Issue: Status of the BC Renaissance Capital Fund Ltd.'s Investments

KEY FACTS

Background/Status:

- The BC Renaissance Capital Fund Ltd. (BCRCF) is a wholly owned subsidiary of InBC Investment Corp. (formerly the BC Immigrant Investment Fund Ltd.). The BCRCF holds two portfolios of venture capital investments: the BCRCF Portfolio 1; and the BC Tech Fund.
- The Board of Directors of the BCRCF are Bobbi Plecas and Heather Wood. They are appointed by the Minister of Jobs, Economic Recovery and Innovation by Shareholder Resolution. Their terms expire September 24, 2022.
- In 2007, the Province launched the BC Renaissance Capital Fund which made \$90 million in commitments to nine venture capital funds, termed Portfolio 1:
 - Portfolio 1 attracted global venture capital investment to B.C.'s information technology, digital media, clean technology and life sciences sectors; and,
 - As of September 2021¹, the BCRCF invested \$97.3 million into Portfolio 1 Fund Managers, and \$203.0 million invested by Portfolio 1 fund managers into B.C. based companies.
- In October 2016, the BCRCF launched the \$100 million BC Tech Fund, which is a fund-of-funds that invests in B.C.-based venture capital funds and makes direct co-investments into B.C.-based companies:
 - The BC Tech Fund is managed by an expert private sector fund manager, Kensington Capital Partners (Kensington), who make the investment decisions. Kensington was selected through a rigorous procurement process that was overseen by a fairness adviser.
 - As of September 2021, the BC Tech Fund had made nineteen investments:
 - 10 into venture capital funds with a presence in B.C. (Vanedge II and III, Scale Up Ventures, Lumira, Yaletown, Pangea, Versant, Framework Venture Partners, Voyager Capital and Panache Ventures); and,
 - 9 direct investments in B.C.-based companies (Active: Commit, D-Wave, Eventbase, Moj.io, Pela and, Procurify - Exited: Foodee, Tasktop).
 - As of September 2020, the BC Tech Fund has invested \$57.5 million, and this investment has supported:
 - 47 investments in B.C. companies;
 - 1,902 B.C. jobs in the invested companies; and,

¹ Latest available reporting

2022/23 ESTIMATES NOTE

Advice to the Minister

- \$123.0 million invested by BC Tech Fund and its underlying fund managers into B.C. based companies.
- In February 2022, one of the direct investments within the BC Tech Fund Portfolio, Burnaby-based D-Wave Systems Inc., announced that it was pursuing public listing through a merger with a special purpose acquisition company (SPAC). D-Wave is a pioneer in quantum computing and the deal would value the combined company, to be renamed D-Wave Quantum Inc., at US \$1.2-billion. BC Tech Fund invested \$2.6 million in D-Wave.
- The BC Tech Fund also requires Kensington Capital Partners to engage in activities that help build B.C.'s venture capital system (for example: encouraging new venture capital funds to form in B.C., helping existing funds establish a presence in B.C., growing investment readiness in B.C. tech companies, helping to grow diversity in B.C.'s venture capital system and raising awareness of B.C. companies, B.C.-based venture capital funds and the investment opportunities that are available in B.C.). These activities are designed to help B.C.'s venture capital system continue to grow and mature.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Portfolio 1 is currently distributing investment returns and invested capital. Year to date investment revenue from Portfolio 1 as of December 2021, is \$6.5 million. Portfolio 1 is expected to be fully matured by 2024.
- The BC Tech Fund is now fully committed.
- Of the amounts committed to date, \$57.5 million has been deployed into investments by the fund manager. The BC Tech Fund is expected to mature in 2030.

Approvals:

February 3, 2022 – Jill Earthy, CEO InBC Investment Corp.

Xxxxxx, 2022 – James Harvey, Associate Deputy Minister, Investment and Innovation Division

February 11, 2022 – Carla Merkel, FSB

Last Updated:

Contact:

Jill Earthy

Chief Executive
Officer

InBC Investment Corp

778-405-1848

2022/23 ESTIMATES NOTE

Advice to the Minister

Ministry: Ministry of Jobs, Economic Recovery and Innovation
Minister Responsible: Hon. Ravi Kahlon

InBC Investment Corp. and *Freedom of Information and Protection of Privacy Act (FOIPPA)*

Issue: InBC and Applicability of *Freedom of Information and Protection of Privacy Act (FOIPPA)*

KEY FACTS

Background/Status:

- InBC's predecessor corporation, the BC Immigrant Investment Fund (BCIIF), was not subject to the Freedom of Information and Protection of Privacy Act (FOIPPA). As such, when BCIIF was renamed and became InBC in September 2020, it was also not subject to the Act.
- The Information and Privacy Commissioner, who is the designated statutory authority, relating to the administration of FOIPPA wrote to the Minister of Jobs, Economic Recovery and Innovation in May 2021 to request the InBC be added to the Schedule 2 of the *Freedom of Information and Protection of Privacy Act*(FOIPPA).
- InBC has maintained that it would be detrimental to the business operations of the new Crown to be included.
- InBC is a new private market entrant that must operate in B.C. and quickly establish its position and reputation as a trusted market participant. InBC must participate in accordance with the expectations of the market.
- A key expectation is that business and financial information is provided on strictly confidential terms without risk of disclosure, including to competitors who may want to use the FOIPPA process to get information on competitors.
- Under the terms of FOIPPA (section 21), public bodies may not disclose information which may be harmful to 3rd party business interests. However, given past decisions of the Information and Privacy Commissioner, a third party cannot have complete confidence that the records they provide to InBC will be able to be protected under FOIPPA if InBC is added to Schedule 2 of FOIPPA.
- While a public body could withhold such records under s. 21, and the public body and a third party can argue for the application of s. 21, there is no guarantee that the Commissioner will find that that section applies in a given case.
- The Commissioner may (and often does) find that s. 21 does not apply to information severed under that section. A third party or a public body can ask a court to review such a decision, but the court will generally defer to such a decision of the Commissioner.
- InBC is confident that there's enough public transparency to ensure that the public gets the information they need and the fund is able to succeed.

2022/23 ESTIMATES NOTE

Advice to the Minister

Ministry: Ministry of Jobs, Economic Recovery and Innovation

Minister Responsible: Hon. Ravi Kahlon

Transparency measures for InBC include:

Salaries

- InBC will publicly disclose all compensation that is paid to the Chief Executive Officer (CEO) and the next four highest ranking or highest paid executives with decision-making authority earning an annualized base salary of \$125,000 or more during a fiscal year.
- In accordance with the Financial Information Act, each year, InBC will disclose the total amount of remuneration for each employee that exceeds \$75,000 and the total amount of expenses paid to or on behalf of those employees.

Operating Expenses

- In accordance with the Financial Information Act, on an annual basis, InBC will publicly disclose the name of the individual, firm or corporation and the aggregate amount paid to them when payments exceed \$25,000.

Facilities Expenses:

- The existing lease is arranged through the Ministry of Citizens' Services. In accordance with the Financial Information Act, on an annual basis, InBC will disclose the amount paid to the Ministry of Citizens' Service for lease costs.

Board of Directors:

- In accordance with Treasury Board Directive, remuneration paid to all board members will be disclosed every year so that this information is accessible and transparent to the public.

Annual Audited Financial Statements:

- InBC will publish its audited financial statements in its annual service plan report, in or around August every year.

Investment Commitments and Portfolio Performance:

- InBC will report to the minister of Jobs Economic Recovery and Innovation and the Minister of Finance on the performance of the investments of the corporation on an annual basis.
- InBC will publish an Annual Impact Report that will be publicly available.
- This report will be tabled in the legislature annually.
- At least once every 5 years, InBC will undertake an external review of the performance of the investments of the corporation during a period specified in writing by the minister.
- The external review will be tabled in the legislature.

2022/23 ESTIMATES NOTE

Advice to the Minister

Ministry: Ministry of Jobs, Economic Recovery and Innovation
Minister Responsible: Hon. Ravi Kahlon

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- N/A

Approvals:

March 7, 2022 – Jill Earchy, CEO InBC Investment Corp.

TBD 2022 – James Harvey, Associate Deputy Minister, Investment and Innovation Division

Last Updated: March 7, 2022

Contact:

Jill Earchy	Chief Executive Officer	InBC Investment Corp	778-405-1848
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FII Profile

Issue: Forestry Innovation Investment Ltd. profile and mandate

KEY FACTS

Background/Status:

- Forestry Innovation Investment Ltd. (FII) is British Columbia's Crown corporation responsible for creating, maintaining and diversifying markets for B.C. forest products.
- Building and maintaining markets is important to a strong and growing economy because forestry is one of B.C.'s largest manufacturing industries, and remains a cornerstone of communities, businesses and jobs across the province.
- With the majority of forest products destined for export markets (\$11.5B in 2020), diversification is important to help protect the B.C. forest sector from ups and downs in the global marketplace.
- Reflecting this, FII was established in 2003 to build markets internationally and domestically for B.C. forest products.
- FII works closely with industry associations and other levels of government in developing markets for B.C. forest products around the world. About half of FII's budget supports programs delivered by industry trade associations and other partners. The federal government and industry also financially support these programs.
- FII benefits the B.C. economy by:
 - Working to maintain existing markets for B.C. forest products in collaboration with the forest sector, supporting forestry activity throughout B.C.
 - Opening up new markets for B.C. forest products and creating the potential for new jobs to service these markets.
 - Building awareness of B.C. forest products internationally, particularly in China, Japan, India, South Korea and Vietnam, which helps strengthen and grow trade ties.
 - Supporting the growth of a sustainable and green economy by promoting the environmental benefits of using renewable wood from B.C. in structural and non-structural applications.
- FII's mandate:
 - Promote wood's environmental merits as a preferred, sustainable and renewable building material.
 - Expand international market diversification for B.C. wood products by opening new opportunities in existing and new markets, with a strong focus on high-potential markets in Asia, including China, Japan, South Korea, India and Vietnam.
 - Showcase B.C.'s leadership in manufacturing and wood use by profiling innovative projects and leveraging that experience to expand the use of wood in Canada and abroad.
 - Collaborate with B.C. Provincial Government partners to jointly deliver on the Province's objective to expand our mass timber and engineered wood products sector in B.C.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- As of January 2021, FII can report that all performance metrics are on track to be achieved for 2021/22 with:
 - 25,291 B.C. manufacturer searches and engagements through FII's online product and supplier sourcing tool—the Supplier Directory—advancing connections with B.C. companies for potential commercial opportunities.
 - 32 product trials have been completed with an additional 13 underway in India.
 - In the U.S., 301 non-residential and multi-storey residential construction projects have been converted to wood, resulting in an incremental \$213 million of wood use (reported by FII's funding recipient, US WoodWorks).
 - In B.C., 44 non-residential and multi-storey residential construction projects have been converted to wood, resulting in an incremental \$61.8 million of wood use (reported by FII's funding recipient, WoodWORKS! BC).
 - These figures will increase with final reporting in April 2022.

FINANCIAL IMPLICATIONS

N/A

Budget/Expenditures:

- FII's base budget received from the Province is \$19.55 million.
- For 2022/23, FII anticipates receiving \$21.55 million in funding from the Province, \$1.98 million from Natural Resources Canada and \$0.25 million in other revenue for a grand total of \$23.78 million in revenue for the fiscal year.
- The additional \$2.0 million for 2022/23 from the Province has been provided for a third intake of the Mass Timber Demonstration Program.

Approvals:

[2022/02/08] - [Kerry Pridmore, Trade and Industry Development Division]

[2022/02/10] – [Brian Urquhar, CFO] FSB

Last Updated: February 4, 2022

Contact:

Kerry Pridmore	Assistant Deputy Minister	Trade and Industry Development	778 698-1591
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FII Budget

Issue: Forestry Innovation Investment Ltd. budget and operations summary

KEY FACTS

Background/Status:

- For 2022/23, FII's revenue is projected to be **\$23.78** million (*see budget summary under financial implications below*).
- About half of FII's base funding is used to cost share activities that B.C. forest industry trade associations, universities and other organizations will deliver in North America and Asia.
- FII China:
 - China remains a key priority for FII, with the focus on building deeper and broader relationships with Chinese government agencies and state-owned development companies to position wood as a low-carbon, climate-friendly building material.
 - FII China maintains offices in Beijing and Shanghai.
 - FII China works in close partnership with the Canada Wood Group, the forest sector's market development trade association. FII funds roughly 1/3 of the budget of Canada Wood China (the remaining 2/3 is split evenly between Natural Resources Canada (NRCan) and the forest industry).
- FII India:
 - FII's subsidiary in India continues to advance a strong Canadian Wood brand in India and develop a market for B.C. wood products.
 - Program activities will focus on investing to build market acceptance of B.C. species; delivery of promotional and educational efforts; increasing the number of product trials; and leveraging product demonstration activities.
 - These efforts are supported by the B.C. forest industry, maintaining a Canada Wood representative as a part of the India team.
 - The Federal Government, through NRCan, is expected to fund \$1.33 million, or roughly half the cost of the India program.
 - FII's India headquarters in Mumbai has been outfitted as a showcase for B.C. wood products. There are also two satellite offices; one in Delhi and one in Bangalore.
- FII Vietnam:
 - Program activities are focused on exploring opportunities for B.C. species in the Vietnam furniture manufacturing segment and identifying key players in the supply chain, including importers, distributors and end users to introduce them to B.C. species.
 - Education, promotion and product trials are important elements of the Vietnam program, to position B.C. species and develop new commercial opportunities.
 - The Federal Government, through NRCan, is expected to fund \$0.54 million, or roughly 43 percent the cost of the Vietnam program.
 - FII's Vietnam office is based in a furniture manufacturing area approximately 45 minutes outside Ho Chi Minh City.
- FII Vancouver:
 - Through its Market Initiatives program, FII makes available \$6.5 million annually to cost-share international programming with industry and the federal government.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

- FIL's Wood First program focuses on advancing innovative wood use and construction technologies in B.C.—with \$2.4 million allocated to cost-share work done by industry and research institutions in an annual Call for Proposals.
- FIL's Market Outreach program provides audiences with factual, consistent and credible information about the environmental parameters of B.C.'s forest products and the forest practices that underlie their production.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

(\$000)	2021/22 Forecast	2022/23 Budget
Total Revenue		
Contribution from the Province of B.C. (includes MTDP funding of \$2m)	21,550	21,550
Contribution from the Federal Government (Natural Resources Canada)	2,099	1,980
Other Revenue ⁽⁵⁾	145	250
Total Revenue	23,794	23,780
Total Expenses		
Funding Recipient Initiatives ⁽⁶⁾	10,935	10,750
Market Initiatives and Outreach		
Government Initiatives and Outreach	4,345	5,030
China Market Development ⁽⁸⁾	2,185	2,500
India Market Development ⁽⁷⁾	2,857	2,600
Vietnam Market Development	850	1,250
Corporate Services	1,624	1,650
Total Expenses	22,796	23,780

Approvals:

[2022/02/08] - [Kerry Pridmore, Trade and Industry Development Division]

[2022/02/10] – [Brian Urquhart, CFO] FSB

Last Updated: March 3, 2022

Contact:

Kerry Pridmore

Assistant Deputy
Minister

Trade and Industry
Development Division

778 698-1591

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FII Mass Timber Demonstration Projects - StrongerBC

Issue: Mass Timber Demonstration Program – progress and outcomes

KEY FACTS

Background/Status:

- First announced in fall 2020 as part of Stronger BC, the Mass Timber Demonstration Program (MTDP) helps to offset some of the incremental costs associated with the design and construction of new or emerging mass timber building systems.
- The program is intended to advance the use of mass timber in B.C., document and share lessons learned by early mass timber adopters, to support jobs and B.C.'s economic recovery, and to position B.C. as a leader in next-generation wood products, systems and services.
- Funding commitments currently extend across a three-year period, with \$3 million committed in 2020/21 (Intake 1), and an additional \$2 million in 2021/22 (Intake 2) and 2022/23 (Intake 3), respectively.
- JERI holds responsibility for the MTDP and has tasked Forestry Innovation Investment (FII) with the design and delivery of the program, given FII's experience on the mass timber file and with delivery of funding programs.
- FII is working closely with B.C.'s Office of Mass Timber Implementation (OMTI) to manage the outcomes and direction of the program.
- Funding proponents for each intake are identified through an Expression of Interest (EOI) application process.

Intake 1

- Intake 1's Expression of Interest process was conducted in 2020/21, with execution of selected projects beginning in early 2021.
- Of the \$3 million, \$500k was made available for research and testing and \$2.5million for demonstration project support.
- A total of 12 projects were selected, including:
 - Four research projects focused on addressing research gaps/barriers to mass timber use.
 - Eight demonstration projects representing various building types/applications in the Lower Mainland, Southern Vancouver Island and B.C. Interior.
- The majority of research projects under Intake 1 are now completed with findings being shared with key stakeholders in all levels of government and the building design and construction sector to support capacity building and address technical barriers to mass timber use.
- Demonstration projects continue to progress with three of seven building projects having started site preparations.
- Labour availability and construction supply chain constraints are slowing progress generally, with mass timber elements for projects expected to arrive across 2022/23 depending on the project.
- Intake 1 demonstration projects include:
 - **First Nations Health Authority** – a 6-storey building with exposed mass timber elements demonstrating institutional use of mass timber supporting health and cultural activities. Located at the Tsleil-Waututh Nation in North Vancouver.

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Advice to the Minister of Jobs, Economic Recovery and Innovation

- **Main and Cordova** – an 11-storey, multi-family residential building representing the use of mass timber in affordable housing.
- **Prototype** – a 21-storey rental building that will be one of the first tall wood market rental housing buildings of its kind in Canada.
- **The Exchange** (Kelowna) – a 4-storey hybrid mixed-use building that will explore rapid onsite construction methods.
- **2150 Keith Drive** – a 10-storey mixed use building that will combine commercial and social spaces and demonstrate advanced seismic systems for tall wood building applications.
- **837 Beatty** – a 6-storey, mixed-use, commercial building that demonstrates an innovative use of mass timber-steel hybrid design to renovate a historic building.
- **District of Saanich Fire Station** – replacing the present structure with a two-storey steel and timber post and beam system that will be designed to post-disaster structural design requirements targeting a zero-carbon building standard.
- **Bellevue and 22nd** – an 8-storey, multi-family residential building targeting passive house certification (this project is on hold pending a re-zoning decision).
- With these buildings at various stages in the design and construction stages, we will be sharing progress and lessons learned across the 2022-24 period.
- Information on each of the projects is available on FII's naturallywood.com website.

Intake 2

- The Expression of Interest (EOI) process for intake 2 was conducted across the second half of 2021 with \$2 million made available for mass timber demonstration projects.
- Technical and other evaluations have been completed on the 25 proposals submitted.
- Contract negotiations are currently underway with expected outcomes to be shared shortly.

Intake 3

- A third intake is planned for fall 2022.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Total expenditures in 2020/21 of \$4.15 million: \$3.0 million from Stronger BC to support five demonstration projects and four research projects, and an additional \$1.15 million from FII to support three demonstration projects.
- Total expenditures in 2021/22 are expected to be approximately \$2.34 million, including the \$2 million of base funding for the program and an estimated \$341,000 from FII to support additional demonstration projects.
- In 2022/23, \$2 million will be made available to support Intake 3 projects.

Approvals:

[2022/02/08] - [Kerry Pridmore, Trade and Industry Development Division]

[2022/02/10] – [Brian Urquhart, CFO] FSB

Last Updated: March 7, 2022

Contact:

Kerry Pridmore

Assistant Deputy
Minister

Trade and Industry
Development Division

778 698-1591

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

FII Board

Issue: FII Board role and composition

KEY FACTS

Background/Status:

- FII is responsible to JERI through a four-member Board of Directors:
 - John Allan, Special Advisor, PREM (Chair)
 - Bobbi Plecas, Deputy Minister, JERI (Vice Chair)
 - Shannon Baskerville, Deputy Minister, AEST
 - Neilane Mayhew, Deputy Minister, TACS.
- Board members are appointed by Shareholder Consent Resolution, with the Minister of JERI acting as the Shareholder on behalf of the Province.
- While appointments are for an open-ended term, they are confirmed annually.
- No Board appointments are set to expire within the next 90 days.
- The FII Board has an Audit Committee, which is responsible for reviewing, recommending and, in some instances, approving financial statements and other information.
- The Audit Committee has two members: Neilane Mayhew (Deputy Minister, TACS) and John Desjardins (Partner, KPMG).
- FII's Board is required to have a minimum of four meetings per year.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Current Board members are employed by the Government of B.C. and, as such, do not receive remuneration for their role on FII's Board.
- FII's Audit Committee members are also not compensated for their role.

Approvals:

[2022/02/08] - [Kerry Pridmore, Trade and Industry Development Division]

[2022/02/10] – [Brian Urquhart, CFO] FSB

Last Updated: March 3, 2022

Contact:

Kerry Pridmore	Assistant Deputy Minister	Trade and Industry Development Division	778 698-1591
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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Innovate BC Profile

Issue: Innovate BC Role and Programs

KEY FACTS

Background/Status:

- Innovate BC is a Crown corporation, operating under the statutory authority of the *Innovate BC Act*. It is led by a board of directors appointed by Order in Council.
- Innovate BC acts as government's program delivery arm supporting the growth of B.C.'s technology ecosystem, growing jobs, increasing revenue, and ensuring all regions of the province benefit from the opportunities of the emerging economy.
- The key programs of Innovate BC are:
 - *Venture Acceleration Program (VAP)* – A structured venture growth program designed to guide and grow ambitious early-stage technology entrepreneurs and their technology ventures. The VAP provides access to a province-wide network of accelerators (BC Acceleration Network/ BCAN) with coaching, networking, and programs.
 - BC Acceleration Network – The Network is formed by 10 partners across the province delivering the VAP: VIATEC, Innovation Island, entrepreneurship@UBC, Foresight Cleantech Accelerator Centre, New Ventures BC, VentureLabs, Accelerate Okanagan, Kootenay Association for Science and Technology, Kamloops Innovation and Hubspace (Prince George).
 - Executives in Residence (EIRs) – Each entrepreneur in the program is assigned an experienced technology and business professional as a primary advisor. EIRs provide strategic guidance and ongoing coaching, helping entrepreneurs overcome challenges and meet start-up milestones that improve company success.
 - Since its inception through to the end of fiscal 2020/2021, the VAP has supported around 1,200 companies, which created over 3,600 jobs, generated \$308 million in revenue and attracted \$636 million in investment.
 - Success story: Moment Energy (VAP, NVBC). Moment Energy participated in the Venture Acceleration Program through Foresight Cleantech Accelerator in 2020. They also won the \$35,000 Third Place Prize Package in the 2021 New Ventures BC Competition. Near the end of 2021 Moment Energy raised a \$3.5 million seed round of funding to commercialize their energy storage systems made from second life electric vehicle (EV) batteries.
 - *Innovator Skills Initiative (ISI)* – Helps companies hire and develop talent, as well as help under-represented people get their first job in tech, by providing a grant that covers a portion of an employee's salary (up to \$10,000) over a minimum four-month period. In 2021/22, Government provided \$15 million in one-time funding to launch the redesigned ISI to increase diversity in the tech sector.

Advice/Recommendations

- Innovate BC is delivering this program in partnership with Mitacs, the Information and Communications Technology Council and BC Tech Association, organizations that are responsible for 750, 1,250 and 40-80 grants respectively. Responsible for 847-960 grants, Innovate BC has received over 1,600 applications to date.

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- *Innovate BC-New Ventures Competition* – Provides B.C. entrepreneurs with the skills to launch and manage a start-up through a 10-week business seminar and networking series while competing to win one of several prize packages totalling \$275,000 in capital and in-kind business services. Past winners have raised over \$807 million in financing, \$288 million in revenues, and have created over 5,400 jobs in B.C. Since its inception, more than 3,000 entrepreneurs have participated in the program. Among its program alumni, several companies, including Thinkific and AbCellera, have reached a \$1 billion valuation.
- *Ignite Program* – Launched in 2016, Ignite provides funding to accelerate commercialization of new technologies and innovations in the natural resources and applied sciences in B.C. Awards are up to \$300,000 to B.C. industry and academic partnerships that are conducting research and development projects with the intent to commercialize. Past winners include fast-growing B.C. companies such as Aspect Biosystems, Terramera, Axine Water Technologies, and Performance Biofilaments.
 - Since 2016, 34 projects have been funded, and have garnered more than \$93 million in follow-on investments and awards, and nine projects have been completed to date generating \$4 million in revenue.
- *#BCTECH Summit* – Launched in 2016, an annual event in Vancouver that showcases B.C.'s technology industry, builds cross-sector opportunities for businesses, and explores the latest ideas that will drive a competitive advantage for B.C. and Canada. Since 2020, the event has been cancelled due to the COVID-19 pandemic. Options are being discussed to restart the event in 2023/24.
 - In 2019, the Summit welcomed 5,826 participants, including 3,059 delegates and 854 students. Survey respondents rated their overall experience at the 2019 event at 7.6/10. 80.5 percent of respondents said they achieved their objectives for attending the Summit.
- *BC Fast Pilot Program* – Launched in 2019, the program provides up to \$200,000 for B.C. small and medium-sized enterprises (SMEs) to deliver a pilot demonstration of their innovation at a potential customer's site, to validate their technology and help expand to new markets. Program priority areas include clean tech, regional, and Indigenous-related projects. This program is cost-shared, with awards funded by both Innovate BC and the federal agency National Research Council Industrial Research Assistance Program.
 - In the first three years of the program, 48 pilot demonstrations were funded. Notable outcomes include the creation of 65 jobs, the acquisition of 75 new customers, and an increase of \$10.4 million in new revenue for participating businesses.
- *Innovation Marketplace/Challenges* – Links technology buyers (industry and government) with technology providers through a challenge process designed to solve business problems and commercialize innovative technologies. Past challenge areas include agritech, aquaculture, internet of things (IoT), data visualization, artificial intelligence, and transportation technologies.
 - Various levels of challenge initiatives have been hosted since 2015, notably eight grand challenges that cumulatively involved: the presentation of 26 unique industry and government challenges matched with 26 innovative B.C. solutions;

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Advice to the Minister of Jobs, Economic Recovery and Innovation

innovator funding of \$595,000; and the acquisition of \$231,000 in new revenue and \$2 million in new investments by the innovators at the close of their challenge projects.

- Most recently, in February 2021, Innovate BC hosted the Cleantech Innovation Showcase with the B.C. Climate Action Secretariat (CleanBC team) and in May 2021, hosted the Aquaculture Innovation Awards with the B.C. Ministry of Agriculture (Aquaculture Team). No new challenges are currently planned, but Innovate BC is doing outreach with stakeholders for potential future challenges.
- In 2020/21, Innovate BC delivered the following federally-funded programs to respond to challenges related to the COVID-19 pandemic, supporting over 1,100 SMEs:
 - Tech Resiliency Program (TRP), expanding the reach of existing advisory services and resources available to tech entrepreneurs to start and scale their businesses in B.C.
 - Digital Economy: Rapid Response + Resiliency (DER3), providing advisory services and training, at no cost, to small retailers and businesses in any sector, to restructure their business or adopt new technologies and digital tools. In 2021/22, Innovate BC secured additional federal funding to expand the DER3 program, supporting 520 additional small businesses in their efforts to adopt tools and platforms that increase their presence in the digital economy.
 - Surveys of DER3-supported businesses showed more than half of reported having adopted a hybrid business model, selling their products and services in-person and online. 84 percent indicated they have acquired new digital skills and 69 percent adopted new digital tools or online platforms as a direct result of the program.
- Innovate BC also delivered the federally-funded Digital Skills for Youth (DS4Y) program, which provides funding for companies to hire and provide digital skills training to underemployed youth aged 15 to 30. Innovate BC has met the original program targets with 33 grants (\$858,000) awarded and was successful in securing additional funding for 120 additional grants. Preliminary results indicate 66 percent of DS4Y employers hired an employee from an under-represented group.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- See note 86 – Innovate BC Budget.

Approvals:

[date approved] – Tim Lesiuk, ADM, Innovation, Technology and Investment Capital Division

[date approved] – Brian Urquhart, CFO, FSB

Last Updated: March 7, 2022

Contact:

Tim Lesiuk

ADM

Investment & Innovation

778-698-4039

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Innovate BC Budget

Issue: Innovate BC Budget 2022/23

KEY FACTS

Background/Status:

- Innovate BC is funded through an annual government transfer of \$6.09 million from the Ministry's voted appropriation.
- In addition, in 2022/23 Innovate BC forecasts revenue of \$1.5 million in interest from the Natural Resources and Applied Sciences (NRAS) Endowment Fund, \$810,000 from internal program funding, and \$132,000 from interest/other funding.
- In total, Innovate BC is budgeting revenue and expenditures of \$8.532 million in 2022/23.
- In 2021/22, Government provided \$15 million in one-time funding to expand the Innovator Skills Initiative Program.^{Advice/Recommendations}

Advice/Recommendations

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- Financial Summary Table from Innovate BC's 2022/23 – 2024/25 Service Plan (below).

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Advice to the Minister of Jobs, Economic Recovery and Innovation

(\$000)	2022/23 Budget
Total Revenue	
Province of British Columbia	6,090
Government of Canada	0
Internal Program Funding ¹	810
NRAS Endowment ²	1,500
Interest and Other	132
Total Revenue	8,532
Total Expenses	
Programs and Initiatives	3,539
NRAS Endowment	1,400
Salaries and Benefits	2,258
Rent	355
Amortization	35
Operational Administrative Expenses ³	945
Total Expenses	8,532
Annual Surplus (Deficit)	0
Total Debt	0
Accumulated Surplus (Deficit)⁴	57,097
Capital Expenditures⁵	50

¹ Internal Program Funding represents the use of deferred program revenues.

² Accumulated interest from the Natural Resources and Applied Sciences Research (NRAS) Endowment Fund will provide funding for research activities of B.C. academic institutions and technology developers leading to commercializable projects.

³ Other operating costs include legal, audit, travel, and office expenses.

⁴ Accumulated Surplus includes the \$50 million NRAS Endowment Fund capital.

⁵ Capital expenditures include costs of equipment, computer hardware and software.

Approvals:

[date approved] – James Harvey, Associate DM, Investment and Innovation Division

[February 10, 2022] – Brian Urquhart, CFO, FSB

Last Updated: March 3, 2022

Contact:

Tim Lesiuk

ADM

Innovation, Technology & 778-698-4039
Investment Capital

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Innovate BC Board Chair Appointment

Issue: Appointment of Andrew Petter as Innovate BC Board Chair

KEY FACTS

Background/Status:

- On March 19, 2021, Andrew Petter was appointed by Order in Council as Innovate BC's new Board Chair for a two-year term.
- Andrew Petter is a visionary leader who will be instrumental in helping Innovate BC support entrepreneurs to launch and commercialize technologies, while generating jobs and economic growth in the province.
- Andrew Petter has more than two decades of academic leadership at Simon Fraser University (SFU) and the University of Victoria. He was SFU's president and vice-chancellor from 2010 to 2020 and he is currently a professor in its School of Public Policy.
- Andrew Petter brings a deep knowledge of government from his decade working as an MLA from 1991 to 2001, serving in multiple cabinet positions, including Advanced Education, Training and Technology, and Finance and Corporate Relations.
- See Note 88 for Board composition and biographies.

FINANCIAL IMPLICATIONS

N/A

Approvals:

[date approved] – James Harvey, Associate DM, Investment and Innovation Division

[February 10, 2022] – Brian Urquhart, CFO, FSB

Last Updated: March 3, 2022

Contact:

Tim Lesiuk

ADM

Innovation, Technology & 778-698-4039
Investment Capital

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Innovate BC Board of Directors

Issue: Innovate BC Board of Directors' Status

KEY FACTS

Background/Status:

- The *Innovate BC Act* allows for a maximum of 15 directors appointed by Order in Council for a term of up to three years, with no member serving more than six consecutive years.
- Innovate BC currently has 15 board members.
- Innovate BC board members are recognized leaders from their sub-sectors in B.C., nominated for their expertise and their ability to represent a broad range of innovation and technology sub-sectors, regions, and GBA+ diversity and inclusion.
- Andrew Petter was appointed as Innovate BC's new board Chair, effective March 19, 2021, for a two-year term.
- The Innovation Commissioner, Dr. Gerri Sinclair, is also an ex-officio Innovate BC Board member. Her current term as Innovation Commissioner ends on July 16, 2022.
- See attached Board member biographies.

Name	Position	Appointment Date	Term Expiry
Jack Chang	Director	15-May-21	15-May-23
Edoardo De Martin	Director	16-July-21	14-May-22
Lesley Elizabeth Esford	Director	14-May-20	15-May-23
Michael James Fergusson	Director	14-May-20	15-May-23
Catherine Suzanne Gill	Director	14-May-20	15-May-23
Stephen David Krysko	Director	14-May-20	15-May-23
Elicia Maine	Director	15-May-21	15-May-23
Gail Cecile Murphy	Director	14-May-20	15-May-23
Andrew Petter	Chair	19-Mar-21	15-May-23
Thomas Wolfgang Roemer	Director	14-May-20	15-May-23
Emilie de Rosenroll	Director	12-July-21	14-May-22
Jameel Sayani	Director	12-July-21	14-May-22
Gerri Sinclair	Director	16-July-21	16-July-22
Benjamin Stuart Sparrow	Director	14-May-20	15-May-23
Donald Raymond Stuckert	Director	14-May-20	15-May-23
Denise Marie Williams	Director	14-May-20	15-May-23

FINANCIAL IMPLICATIONS

- Approved by OIC on October 4, 2021, directors appointed to Innovate BC's board receive remuneration in accordance with section 5.13 at Level 3 of Treasury Board Directive 2/20.
- Previously, board members were unpaid volunteers, only reimbursed for certain expenses. Board members may still refuse remuneration if they do not wish to be compensated for their time.

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Advice to the Minister of Jobs, Economic Recovery and Innovation

- Level 3 Crown agency subsidiary board appointees receive annual remuneration as follows:
 - Retainers – Chair, \$6,000; audit committee chair, \$2,000; other committee chair, \$1,000; appointee \$3,000; and
 - Meeting Fees - \$300 per meeting per person.
- Remuneration funds come from Innovate BC's quarterly operating funding instalments.
- Innovate BC is budgeting \$65K for board remuneration in fiscal 2022/23.

Approvals:

[date approved] – James Harvey, Associate DM, Investment and Innovation Division

[date approved] – Brian Urquhart, CFO, FSB

Last Updated: March 3, 2022

Contact:

Tim Lesiuk

ADM

Innovation, Technology & 778-698-4039
Investment Capital

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Advice to the Minister of Jobs, Economic Recovery and Innovation

Biographies – Innovate BC Board of Directors

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Andrew Petter, Chair, Board of Directors, Innovate BC

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Jack Chang, Partner, Fort Capital Partners

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Edoardo De Martin, Chief Technology Officer, CubicFarms Systems

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Dr. Lesley Esford, Kauffman Fellow

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Michael Fergusson, CEO + Founder, Ayogo

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**Suzanne Gill, Vice President, Government Relations & Public Affairs,
Canada's Digital Technology Supercluster**

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Copyright

**Dave Krysko, Co-founder, Club Penguin + Entrepreneur in Residence,
Okanagan College**

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**Dr. Gail Murphy, Professor and Vice President, Research and Innovation,
University of British Columbia**

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**Dr. Elicia Maine, Special Advisor on Innovation to the Vice-President
Research at Simon Fraser University**

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Copyright

Dr. Tom Roemer, Vice President, Academic, B.C. Institute of Technology

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Emilie de Rosenroll, CEO, South Island Prosperity Partnership

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Jameel Sayani, Regional Managing Partner, MNP, Northern B.C. Region

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Dr. Gerri Sinclair, Innovation Commissioner

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Ben Sparrow, CEO + Co-founder, Saltworks Technologies

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Don Stuckert, Principal, Dstuckert + Associates

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Denise Williams, Executive Director, First Nations Technology Council

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2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Innovator Skills Initiative

Issue: Innovator Skills Initiative Background and Status

KEY FACTS

Background/Status:

- The Innovator Skills Initiative (ISI) helps companies hire and develop talent by providing a grant that covers a portion of an employee's salary over a minimum four-month internship.
- The ISI is currently administered by Innovate BC.
- In 2021/22, the Ministry received Treasury Board approval to expand the program with \$15 million to fund at least 3,000 internship placements, and provide preference to individuals being hired from under-represented communities within the tech sector.
- Over summer 2021, Parliamentary Secretary for Technology and Innovation, Brenda Bailey, the Innovation Commissioner, Gerri Sinclair, and Innovate BC engaged with a diverse range of stakeholders, through in-person interviews and surveys (to organizations that support under-represented communities, as well as previous grant recipients), to get input about how best to increase inclusiveness, define industry recognized training and make the program easier to use.
- As a direct result of stakeholder engagement, the following ISI program changes were approved:
 1. Allow up to \$10,000 per grant – with flexibility to accommodate employers who do not need, or are not in a position to employ, a student for \$10,000 or more.
 2. Allow backdating of the educational requirement to December 1, 2019 – to ensure training is up-to-date and relevant to the business, while also being inclusive to hire and support people and businesses negatively affected by COVID-19.
 3. Increase the definition of “under-represented” to include more equity-seeking groups, including those with visible and invisible disabilities and members of the 2SLGBTQIA+ community.
 4. Remove requirement that the employee must be enrolled in a post-secondary institution and include micro-credentials and industry-recognized certification programs – to remove barriers for under-represented communities.
 5. Include co-op students in the eligibility criteria – as no funds are available for tech-related co-ops in B.C. in 2021/22 and to support partnerships with Mitacs and ICTC.
 6. Provide a diversity, inclusion and equity package to employers to support a safe and inclusive workplace – to help ensure employees have a safe and positive experience and provide employers with resources to support diversity, inclusion and equity (via partnership between Innovate BC and HR Tech Group).
 7. Follow-up with each employee on their experience – to help ensure the employee has a safe and positive experience.
 8. Allow up to 10 grants per employer – to reward businesses committed to hiring under-represented employees and who are creating a welcoming culture.
 9. Make ISI grants available to all businesses that fit other criteria regardless of size – to support the program goal of providing employment within the tech sector.
- Government worked to secure partnerships to leverage the \$15 million in funding approved by Treasury Board; the total program investment by all partners is \$29 million.

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Advice to the Minister of Jobs, Economic Recovery and Innovation

- As a result, two funding partnerships with Mitacs and the Information and Communications Technology Council (ICTC) were established to create an integrated program: Innovate BC and Mitacs are delivering 750 placements at up to \$10,000 each and Innovate BC and ICTC are delivering 1,250 placements at up to \$10,000 each.
- Innovate BC is responsible for delivering the 1,000 remaining grants, targeted to support employers who hire employees with micro-credential and other forms of training. Between 40 to 80 of these grants are being distributed in partnership with the BC Tech Association.
- Status of grants awarded:
 - Innovate BC has awarded 592/960 grants as of March 3, 2022
 - Mitacs has awarded 750/750 grants as of February 18, 2022
 - ICTC has awarded 429/1250 grants as of December 31, 2021
 - BCTech has awarded 24/40-80 grants as of December 31, 2021, with plans to fully allocate by March 31, 2022.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- \$15 million in one-time funding in 2021/22. Advice/Recommendations
- Funding allocation: Advice/Recommendations

Delivery Organization	Budget Allocation	# of Grants (Target)
Innovate BC	\$8,475,000	847-960
Mitacs	\$3,000,000	750
ICTC	\$3,125,000	1,250
BC Tech Association	\$400,000	40-80
Total	\$15,000,000	3,000

Approvals:

[date approved] – Tim Lesiuk, ADM, Innovation, Technology and Investment Capital Division

[date approved] – Brian Urquhart, CFO, FSB

Last Updated: March 3, 2022

Contact:

Tim Lesiuk ADM Investment & Innovation 778-698-4039

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Integration of Rural Development Unit into the Ministry of Jobs, Economic Recovery and Innovation (JERI)

Issue: Overview and current functions of the Rural Development Unit

KEY FACTS

Background/Status:

- The Rural Development Unit (RDU) consists of 39 staff across two highly connected and collaborative branches that work in regional offices throughout the province and in Victoria.
- In April 2022, the RDU is moving to the Ministry of JERI from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD), and will be housed in JERI's Small Business and Economic Development Division.
- The RDU helps advance rural and regional economic development, resilience and diversification by offering on-the-ground advisory services, a suite of targeted funding programs to support rural workers and communities, and strategic cross ministry linkages to incorporate rural considerations into government decision making.

Regional Economic Operations (REO):

- 21 staff located in all regions of the province (see Appendix A for a map of regions).
- As "boots on the ground", staff work directly with rural and regional communities to promote and support regional economic development capacity, growth and diversification.
- REO also leads:
 - Community transition responses for communities experiencing an economic shock, such as mill closures, wildfire or floods. Community transition services will be expanded through the Forest Worker and Community Support (FWCS) Programs to mitigate impacts from old growth deferrals (see the FWCS estimates note for further details).
 - On the ground engagement with communities on economic recovery in response to natural disasters such as the Lytton wildfire in June 2021 and the extreme flooding events in the fall of 2021.
 - Rural Resident Attraction Pilot (\$1M through StrongerBC), with five regional pilots intended to create jobs by building on the assets a community or region has to attract and retain residents to support economic development and diversification.

Rural Policy and Programs (RPP):

- 16 staff located in Victoria, Vancouver, and Nanaimo.
- RPP base budget includes \$25M for rural development grants (this includes program administration funding) annually. This funding was originally established for the Rural Dividend Program (2016-2019) and following its suspension in 2019 was re-allocated to the Forest Worker Support Programs (2019-2021).
- RPP is in final stages of allocating remaining funding to rural development projects that were from the oversubscribed Rural Economic Recovery stream of the StrongerBC Community Economic Recovery Infrastructure Program, and to economic recovery projects for communities impacted by wildfire, flood, and mill closure events (anticipated to be announced in April 2022).
- In addition to the rural development grant funding, RPP also created and administers:

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Advice to the Minister of Jobs, Economic Recovery and Innovation

- **Rural Business and Community Recovery Initiative (2020 – present)** - Partnered with Island Coastal Economic Trust, Northern Development and Economic Trust of the Southern Interior to fund 90 community and economic advisory positions in rural BC to support COVID-19 recovery.
- **Forest Employment Program (2019 - present)** – Creates short-term employment for forest-sector contractors and their employees on land-based projects managed by FLNRORD.
- **Community Support Program (2019-2022)** - Short-term funding to support communities impacted by permanent or indefinite mill closures or shift reductions.
- RPP is the lead on the development and implementation of the multi-year Forest Worker and Community Support (FWCS) programs in collaboration with the Ministry of Labour, the Ministry of Advanced Education, Skills and Training (AEST) and Ministry of Labour. Cabinet Confidences; Advice/Recommendations; Government Financial Information
- Provides rural policy advice, considerations and advocacy to other branches and ministries including integration with existing policy lenses such as BEIF and GBA+. This work includes customized rural considerations workshops and advice for other ministries and working strategically across ministries to drive rural economic development. An example of a strategic partnership is the MOU between RDU and CITZ that formalizes cross-ministry collaboration on improving rural connectivity in B.C.
- Liaise with federal government (e.g., Pacifican; Innovation, Science and Economic Development Canada) on rural economic development programming, and work with a Cross-Provincial Working Group that includes provincial and federal counterparts to ensure rural issues are raised across Canada.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The RDU has a Base Budget of \$27.391M annually, including \$25M in rural and regional development grant funding (including administration funding).
- Budget 2022 provides \$185 million over 3 years to support forestry workers and communities affected by old-growth logging deferrals. These Forest Worker and Community Supports programs are a joint initiative between JERI, the Ministry of Advanced Education and Skills Training and the Ministry of Labour.

Approvals:

[date approved] - [ADM name, division]

March 7, 2022 – Brian Urquhart

Last Updated:

Contact:

Lori Henderson

Executive Director

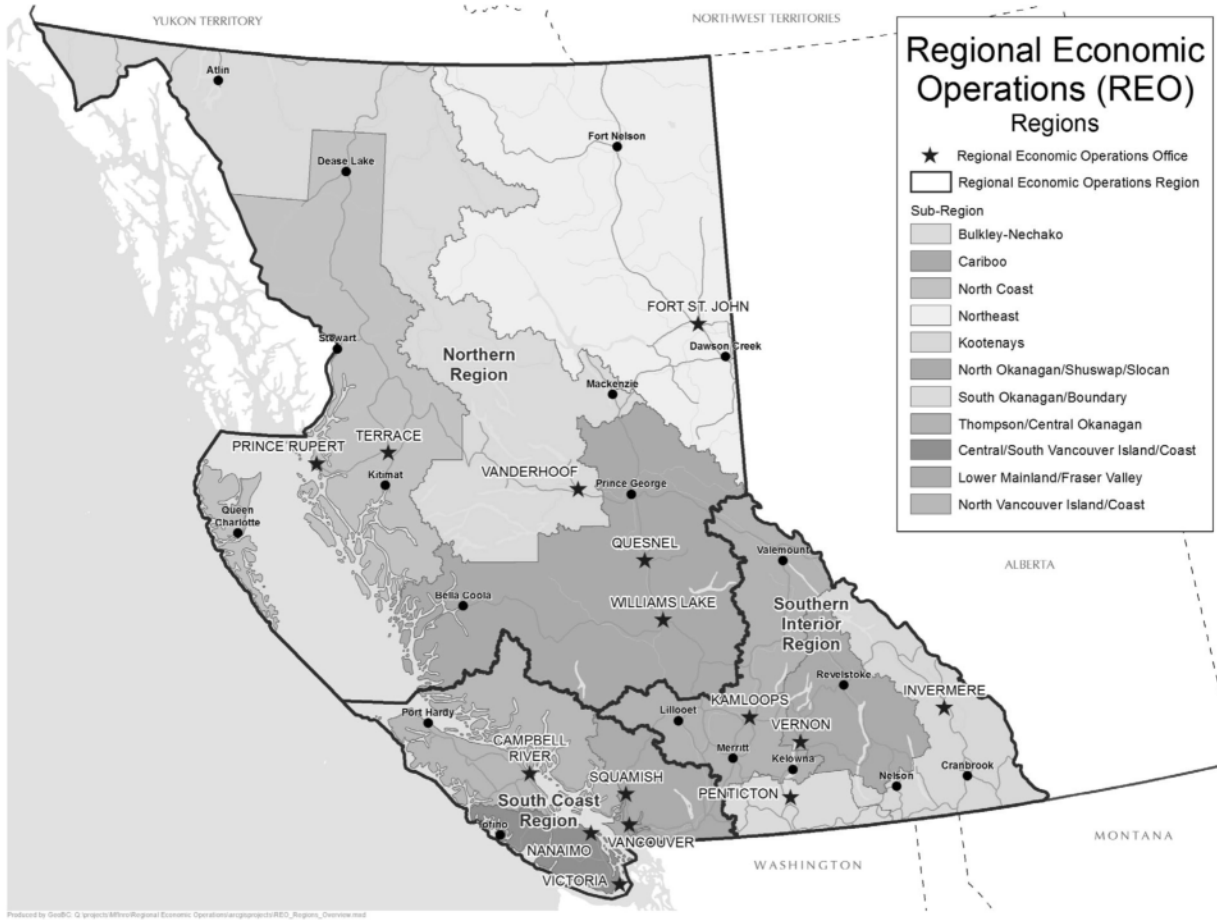
Rural Development Unit

778-698-7870

APPENDIX – Regional Economic Operations Regions Geographic Distribution

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation



2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Forestry Worker and Community Support Programs

Issue: Support programs to mitigate economic disruption expected in rural B.C. communities as a result of old-growth harvesting deferrals.

KEY FACTS

Background/Status:

In November 2021, the Province announced it will be working in partnership with First Nations to defer harvest from B.C.'s most at-risk old-growth forests. This process is anticipated to result in an

Advice/Recommendations; Government Financial Information

with subsequent

impacts for other resource sectors and indirect impacts to rural small businesses. These impacts will likely be sustained over decades.

As part of this process, the government also announced the Forestry Worker and Community Support Programs (FWCSP), a comprehensive suite of supports for workers, businesses, communities and First Nations impacted by old-growth deferrals. The three-year FWCSP includes eight programs and initiatives; five programs have been announced and three are in development and will be announced in FY22/23.

The FWCSP is a joint initiative led by the Rural Development Unit (RDU), with the Ministries of Advanced Education and Skills Training (AEST) and Labour. The five existing FWCSP programs have been successfully deployed in the past in response to the 2019 forest industry downturn and COVID-19 recovery. These programs are being adapted and enhanced to ensure workers and communities receive immediate transition supports. These existing programs are:

- **Community Rapid Response Team (JERI):** This team will provide in-community support and will co-ordinate with ministries and organizations to ensure supports are in place for individuals and communities.
- **Forest Employment Program (JERI):** Creates short-term employment to help forest and land-based contractors explore new work.
- **Rural Business and Community Recovery Initiative (JERI):** Recovery advisers will be in place to help create jobs, support rural businesses and communities, and support strategic decision-making.
- **Bridging to Retirement (LBR):** Forestry workers 55 and older, who wish to retire, may receive supports to help transition to retirement.
- **Skills Training for Job Pathways (AEST):** Connects affected workers, communities and First Nation communities with skills training and educational opportunities for new careers.

Advice/Recommendations

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Advice/Recommendations

A forest worker supports and community resiliency council will be established to provide feedback on the development and implementation of these programs.

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- In December 2021 the government announced \$19 million in ^{Cabinet}Confidences funding for the immediate implementation of FWCSP for the remainder of 2021-22
- Budget 2022 provides \$185 million over 3 years to support forestry workers and communities affected by old-growth logging deferrals. These Forest Worker and Community Supports programs are a joint initiative between JERI, the Ministry of Advanced Education and Skills Training and the Ministry of Labour.

Approvals:

Last Updated: March 3, 2022

Contact:

Lori Henderson Executive Director Rural Development Unit 778-698-7870

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Overview of Community Transition and Economic Recovery Services

Issue: Services and supports for communities impacted by industrial closure or disaster recovery, led by Rural Development Unit

KEY FACTS

Background/Status:

Within the Rural Development Unit (RDU), the Regional Economic Operations (REO) Branch leads on-the-ground community transition (CT) services across BC by responding to the needs of workers and communities, while Rural Policy and Programs (RPP) Branch administers forest worker and economic development programs to assist with worker/community transition. CT responses are divided into three core pillars tailored to meet impacted community needs: worker transition, community supports, and economic development.

The role of CT teams is to coordinate government services to support affected workers, local governments, businesses and social services while working with key partners (e.g. community leaders, unions, companies) to connect communities and workers with available resources and opportunities for economic resilience and growth. REO Branch works closely with and provides advice to impacted communities (e.g. elected officials and senior staff in community) to help them successfully navigate the economic transition.

Worker transition is the immediate focus, with REO branch leading on the ground multi-stakeholder teams to ensure employment and training services are well coordinated to support impacted workers. Key partners typically include the employer, union, local and Indigenous governments, Service Canada, WorkBC, employment services agencies, Community Futures, post-secondary institutions, Industry Training Authority, the Ministry of Social Development and Poverty Reduction (SDPR), and the Ministry of Advanced Education and Skills Training (AEST). The CT response is enhanced by key provincial resources:

- AEST's funding for skills training and education;
- Ministry of Labour's (Labour) Bridging to Retirement (BTR) Program;
- SDPR's Community-Employer Partnerships and Labour Market Partnerships; and
- RDU's Community Support Grant (to address immediate community/social transition needs).

RDU monitors curtailment and closure status of forest processing facilities across the province; poised to provide services or respond to new announcements as required.

Advice/Recommendations

Advice/Recommendations with transportation challenges and fibre shortages being some of the main contributing factors. There are two active CT tables responding to an indefinite curtailment in Powell River and a permanent shift reduction in Vanderhoof.

2022/23 ESTIMATES NOTE

Advice to the Minister of Jobs, Economic Recovery and Innovation

Forestry Sector Supports

In 2021 the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD), Labour, and AEST worked to develop the Forest Worker and Community Support Programs (FWCSP), designed to support communities in mitigating the anticipated impacts of old growth deferrals. This program builds on the past three-year Forest Worker Support Programs created to support communities impacted by mill closures and curtailments in 2019. As part of FWCSP, community transition services are being augmented to respond to old growth deferral-related impacts to communities across BC. Further information on this new package of programs is included in the FWCSP Estimates Note.

Disaster Recovery

Under EMBC's disaster recovery framework, RDU is the lead for rural economic recovery, and works on the ground directly with communities who have experienced a natural disaster such as wildfire or flood.

- In June 2021, a fire destroyed 90% of the Village of Lytton. RDU leads on the ground economic recovery services, chairs a cross-ministry working group to ensure coordination of Lytton and area economic recovery supports, facilitates stakeholder calls with Lytton, Chamber of Commerce, Community Futures and is working with local indigenous communities to help advance economic recovery projects. In November 2021, the RPP branch provided a grant of \$1 million to the Village of Lytton (**this is public**), with the funding allocated towards restarting the local economy and supporting urgent operational needs at the Village.
- In the fall of 2021, the Fraser Valley, parts of Vancouver Island, Merritt and Princeton experienced an extreme flooding event. RDU Regional Managers quickly responded to understand flood impacts and provide advisory support. Cabinet Confidences; Government Financial Information

FINANCIAL IMPLICATIONS

Budget/Expenditures:

- The REO branch leverages existing, targeted provincial programs to provide resources to impacted communities.

Approvals:

[date approved] - [ADM name, division]

March 7, 2022 - Brian Urquhart, CFO

Last Updated:

Contact:

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Public Sector, Private Sector, Self-employed and Private sector + Self-employed, Monthly, Provinces, seasonally adjusted, Labour Force Survey

Public Sector, Private Sector, Self-employed and Private sector + Self-employed, Monthly, Provinces, seasonally adjusted, Labour Force Survey

Statistics Canada Table: 14-10-0288-01 Employment by class of worker, monthly, seasonally adjusted
<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028801>

95- Employment_ Private and Public Sector_ Women
EMP_Class of Worker

Employment (Total, Male and Female), Monthly, Provinces, seasonally adjusted, Labour Force Survey

Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted.
<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028701>

95- Employment_ Private and Public Sector_ Women
EMP_M-F