

## **2017/18 Estimates Note Advice to the Minister**

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

**Title:** LNG-Buy BC Advocate.

**Revised:** February 9, 2017.

**Issue:** Advocate role, costs and deliverables.

**Response:**

- The budget for the Advocate is \$181,200 for fiscal year 2017/18, which includes \$150,000 salary, \$30,000 travel and \$1,200 for cell phone costs.
- s.17
- As a civil servant in the BC Public Service, the Advocate is provided support as needed, including office space. Any staffing or budgetary needs are filled within existing budgets and staffing levels. The Advocate is not eligible to participate in any employer-paid health and welfare benefit programs, employer pension plans, long-term disability or group life insurance programs.
- The Advocate's current appointment will end on February 24, 2018. The Advocate has had great success connecting communities and companies with the LNG-Buy BC program.
- The Advocate has made a significant contribution to Government's overall efforts on First Nations economic development and he will continue to build upon this work with a focus on helping develop Aboriginal businesses.
- The Advocate will continue to: raise awareness about LNG and the LNG-Buy BC program; identify and assist in the removal of impediments to industry growth; connect B.C. companies with LNG opportunities; promote industry engagement with B.C. companies; broaden program offerings in the area of supplier development; and support applicable cross-government initiatives.
- A good example of the Advocate's work is his efforts to connect a B.C. company, and their local supply chain, with coastal First Nations to pilot a marine vessel tracking system and first response training. This Made-in-BC system of marine vessel tracking, safety and security will help First Nations promote marine safety within their traditional territory in order to ensure safe passage of LNG and other vessels through their waters.
- Through the LNG-Buy BC program, the Advocate works to ensure the entire B.C. business community can benefit from the opportunities LNG offers.

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### **Background/Status:**

- Premier Christy Clark announced at the Union of B.C. Municipalities convention in September 2013 that the LNG-Buy BC program would be established to connect liquefied natural gas (LNG) proponents with large and small B.C. businesses.
- This voluntary program will ensure B.C. businesses benefit from the economic opportunities associated with LNG.
- Mr. Gordon Wilson was initially appointed as the LNG-Buy BC Advocate for a four-month term in October 2013, with the option for extension. He has since been re-appointed as follows:
  - Three four-month terms (February 20 to June 19, 2014; June 20 to October 25, 2014 and October 25, 2014 to February 24, 2015);
  - A one-year term (February 25, 2015 to February 24, 2016) and, most recently;
  - A two-year term (February 25, 2016 to February 24, 2018).
- Mr. Wilson has supported provincial objectives with respect to LNG. In the term ahead, he will continue to focus on connecting B.C. businesses, including Aboriginal businesses, with procurement opportunities from LNG and other major project activities and, more specifically:
  - Continue consultations with the industry broadly to identify opportunities for B.C. companies and work with local B.C. businesses, at all levels, to assist them in gaining access to contract work within the LNG industry.
  - Expand consultations with First Nations in order to properly identify commercial opportunities for First Nation-owned businesses and continue to provide leadership to the Federal/Provincial roundtable on First Nations business development.
  - Work with community, business, industry and academic leaders in B.C. to assist with the diversification of the natural gas economy.
  - Promote the development of CO<sub>2</sub> mitigation technologies within the natural gas sector.

### **Appendix:**

Appendix 1 – Advocate's previous term accomplishments

### **Contact:**

|                        |                              |                                  |                |
|------------------------|------------------------------|----------------------------------|----------------|
| Okenge Yuma<br>Morisho | Associate Deputy<br>Minister | Economic Development<br>Division | (250) 952-0385 |
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### **Appendix 1: Advocate's previous term accomplishments**

For the term from February 25, 2016 to February 24, 2017, Mr. Wilson has:

- Continued to focus on connecting B.C. businesses, including Aboriginal businesses, with business opportunities from LNG activities;
- Provided leadership on key projects, such as the Local Benefits Dashboard project and the Aboriginal Business Development project;
- Successfully tracked the local supply chain on the Tilbury LNG expansion project;
- Piloted a project dashboard for local participation by First Nations to provide data on First Nations readiness and contracting success on projects related to LNG development;
- Worked with agencies across the federal and provincial governments to promote coordination and collaboration in efforts related to business development for both Aboriginal and non-Aboriginal businesses;
- Broadened program offerings in the area of supplier development to meet the needs of B.C. businesses to be competitive in global supply chains;
- Continued to pursue arrangements with business associations, local chambers of commerce, and economic development offices to promote the LNG-Buy BC program and assist B.C. companies in understanding the procurement practices of project proponents and their major contractors;
- Continued to develop an in-depth understanding of LNG projects and creating awareness in local business of the opportunities that currently exist and will likely be associated with LNG projects;
- Helped B.C. companies understand what it takes to participate in LNG supply chains and promoting the use of B.C. businesses to project proponents and their major contractors;
- Worked with Aboriginal businesses and communities to better understand their perspectives and needs and to ensure their readiness for participation in LNG projects;
- Played a role in the efforts that led to the historic agreement between two Tsimshian First Nations and two senior levels of government and the resulting creation of an Environmental Monitoring Committee to oversee the Pacific NorthWest LNG project on Lelu Island; and
- Identified challenges facing B.C. businesses in engaging with the LNG industry and participating in LNG projects; highlighting these challenges to both industry and government and working across organizations to find solutions.

## **2017/18 Estimates Note Advice to the Minister**

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

**Title:** LNG-Buy BC Program.

**Revised:** February 9, 2017.

**Issue:** LNG-Buy BC program and budget description.

**Response:**

- The LNG-Buy BC program was supported by two full time employee's (FTE), a co-op student and the LNG-Buy BC Advocate.
- s.13,s.17
- The program is British Columbia's response to the need to ensure there is a vehicle through which B.C. businesses can engage the liquefied natural gas (LNG) industry and other major projects.
- The LNG-Buy BC program is supporting First Nations economic development with a focus on the advancement of Aboriginal businesses.
- The work this program is delivering around LNG will bring transferable knowledge and benefits to B.C. businesses in other key industrial sectors of our economy.

### **Background/Status:**

- In September 2013, Premier Christy Clark announced at the Union of B.C. Municipalities convention that the LNG-Buy BC program would be established to connect liquefied natural gas (LNG) proponents with large and small B.C. businesses.
- This voluntary program will ensure B.C. businesses benefit from economic opportunities associated with LNG.
- As of February 3, 2017 there were 1,264 businesses registered in the LNG-Buy BC searchable database.
- Approximately 68 per cent of these companies are small businesses and nearly 12 per cent have Aboriginal affiliation.

### **Program Budget for FY 17/18:**

The LNG-Buy BC Program is supported by one FTE and the LNG-Buy BC Advocate.

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s.13;s.17

## 2017/18 Estimates Note Advice to the Minister

**Ministry:** Ministry of Jobs, Tourism and Skills Training (Resp. for Labour)  
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### Appendix 1 – LNG-Buy BC Program Summary

| Program Components   | Key Accomplishments FY16/17  | FY17/18 Planned Deliverables |
|--|--|------------------------------|
| <b>Outreach – To</b> advocate and raise awareness of opportunities from liquefied natural gas (LNG) development.   | <ul style="list-style-type: none"> <li>Continued to connect B.C. businesses with LNG opportunities and to promote program elements, LNG literacy and Aboriginal business development.</li> <li>Helped B.C. businesses understand and connect with LNG related opportunities, including: marine safety and monitoring; LNG transportation applications; LNG bunkering; and others.</li> <li>Worked with agencies across the federal and provincial governments to promote coordination and collaboration in efforts related to business development for both Aboriginal and non-Aboriginal businesses.</li> </ul> | s.13                         |
| <b>Workshops &amp; Resources – To</b> create greater awareness of the prerequisites for participation in LNG supply chains and the resources available to assist B.C. companies in becoming qualified suppliers. | <ul style="list-style-type: none"> <li>Continued to promote collaboration among B.C. businesses as a means of creating the capabilities and capacities needed to successfully capture LNG opportunities.</li> </ul>  |                              |
| <b>Local Benefits Dashboard Project –</b> Encourage industry-led tracking and reporting of local business participation in LNG projects.   | <ul style="list-style-type: none"> <li>Continued working with industry and stakeholders to refine data collection and reporting techniques.</li> <li>Piloted the dashboard to monitor participation of First Nation businesses in BC Hydro's Terrace-to-Kitimat transmission line project.</li> </ul>  |                              |

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| Program Components  | Key Accomplishments FY16/17   | FY17/18 Planned Deliverables |
|---|---|------------------------------|
| <b>Aboriginal Business Development –</b><br>Supplier readiness support specifically tailored to assist Aboriginal businesses and communities in preparing to participate in LNG projects. | <ul style="list-style-type: none"> <li>Supported the ongoing efforts of the Kitselas First Nation to create a new safety services company designed to bring jobs and benefits to their own community as well as to neighboring First Nations.</li> </ul>                                  | s.13                         |
| <b>Diversification of the natural gas economy</b>   |   |                              |
| <b>Supplier Development</b><br>– To instill operational excellence in B.C. companies, helping them qualify for and compete in major projects and global supply chains.                    | <ul style="list-style-type: none"> <li>Delivered a successful pilot project, with a B.C. aerospace company, which validated the complete program cycle and tested program training courses.</li> <li>Continued program development and pursued expanded industry partnerships.</li> </ul> |                              |

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|---|---|
| <p><b>CONFIDENTIAL<br/>ISSUES NOTE</b></p> <p>Ministry of Jobs, Tourism and Skills Training and<br/>Responsible for Labour</p> <p>Date: June 9, 2017</p> <p>Minister Responsible: Hon. Shirley Bond</p> | <p><b>LNG-Buy BC<br/>Advocate<br/>(Gordon Wilson)</b></p> |
|---|---|

### SUGGESTED RESPONSE:

- Gordon Wilson's job as LNG Buy-BC Advocate is to help B.C. companies, including First Nations businesses, connect with LNG development opportunities.
- Mr. Wilson also helps companies identify and remove impediments to engagement within the industry.
- It includes working with First Nations to ensure their perspectives and concerns are heard.

### PROGRESS TO DATE:

- Gordon Wilson has shaped the LNG-Buy BC program by:
  - Continuing to develop an in-depth understanding of LNG projects and creating awareness in local business of the opportunities that currently exist and will likely be associated with LNG projects;
  - Helping B.C. companies participate in LNG supply chains and promoting the use of B.C. businesses to project proponents and their major contractors;
  - Actively engaging stakeholders across the province, including: more than 200 business connections; 22 community visits; and 16 presentations.



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- Working with Aboriginal businesses and communities to better understand their perspectives and needs and to ensure their readiness for participation in LNG projects;
- Identifying challenges facing B.C. businesses in engaging with the LNG industry and participating in LNG projects; highlighting these challenges to both industry and government and working across organizations to find solutions; and
- Providing accurate information about both the economic and community benefits the development of the LNG industry in British Columbia will bring.

### **BACKGROUND**

Gordon Wilson was first appointed as LNG-Buy BC Advocate in February 2014. He has been appointed for three four month terms, a one year term and now a two year term until February 2018.

- For the coming year, Mr. Wilson's advocacy work includes:
  - Continuing to focus on connecting B.C. businesses, including Aboriginal businesses, with procurement opportunities from LNG activities.
  - Providing leadership on key projects, such as the Local Benefits Dashboard project and the Aboriginal Business Development project.
  - Working with agencies across the federal and provincial governments to promote coordination and collaboration in efforts related to business development for both Aboriginal and non-Aboriginal businesses.
  - Broadening program offerings in the area of supplier development to meet the needs of B.C. businesses to be competitive in global supply chains.
  - Continuing to pursue arrangements with business associations, local chambers of commerce, and economic development offices to promote the LNG-Buy BC program and assist B.C. companies in understanding the procurement practices of project proponents and their major contractors.

Since being appointed, Gordon Wilson has undertaken many projects under the LNG-Buy BC Program:

| Program Components   | Key Accomplishments FY15/16  | FY16/17 Planned Deliverables  |
|--|--|---|
| Outreach – to advocate and raise awareness of opportunities from liquefied | <ul style="list-style-type: none"><li>● Established the positive relationships with proponents, major contractors and First Nations that enabled the</li></ul> | Continue to connect B.C. businesses with LNG opportunities and to promote program elements, LNG |

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| Program Components  | Key Accomplishments FY15/16   | FY16/17 Planned Deliverables   |
|---|---|--|
| natural gas (LNG) development   | <p>highly successful LNG-Buy BC forums at the 2015 LNG Conference.</p> <ul style="list-style-type: none"> <li>Actively engaged stakeholders across the province, including: more than 200 businesses, during 22 community visits and 16 presentations.</li> </ul>   | literacy and Aboriginal business development.  |
| <b>LNG Conference/trade-show</b><br>– to showcase B.C. capabilities and drive business-to-business connections  | <p>Organized and delivered the following activities at the 2015 LNG-in-BC Conference:</p> <ul style="list-style-type: none"> <li><b>Contractor's Forum</b><br/>Facilitated the direct connection of B.C. businesses with the prime contractors of LNG projects to highlight the key challenges facing businesses desiring to participate as suppliers in LNG projects.</li> <li><b>Aboriginal Business Forum</b><br/>Provided a platform for First Nations and Aboriginal businesses regarding collaboration with non-Aboriginal businesses relating to LNG project opportunities.</li> <li><b>B.C. Businesses</b><br/>Sponsored 94 B.C. businesses as exhibitors, including 20 Aboriginal-owned businesses.</li> </ul> |  |
| <b>Workshops &amp; Resources</b> – to create greater awareness of the prerequisites for participation in LNG supply chains and the resources available to assist B.C. companies in becoming qualified suppliers | <ul style="list-style-type: none"> <li>Delivered the LNG Business Kit, with information and resources for B.C. businesses interested in participating in LNG projects as suppliers.</li> <li>Partnered with Employers' Advisers Office and Spectra Energy to deliver a Health &amp; Safety workshop at the National Aboriginal Business Opportunities Conference in Prince Rupert.</li> </ul>   | <ul style="list-style-type: none"> <li>Continue to build relationships with organizations that can support efforts to assist B.C. businesses in gaining the qualifications needed to participate in LNG projects.</li> <li>Continue to promote collaboration among B.C. businesses as a means of creating the capabilities and capacities needed to successfully capture LNG opportunities.</li> </ul> |
| <b>Local Benefits Dashboard Project</b> –encourage industry-led tracking and reporting of local business participation in LNG projects  | <ul style="list-style-type: none"> <li>As a follow-on to the 2015 Contractors Forum, initiated a new project to promote proponent/contractor tracking and reporting on local business participation in major projects.</li> </ul>   | <ul style="list-style-type: none"> <li>Continue working with industry and stakeholders to refine data collection and reporting techniques. Apply methods to an existing project to validate and demonstrate the utility of the reporting.</li> </ul>   |

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| Program Components  | Key Accomplishments FY15/16   | FY16/17 Planned Deliverables   |
|---|---|--|
| <b>Aboriginal Business Development</b> – supplier readiness support specifically tailored to assist Aboriginal businesses and communities in preparing to participate in LNG projects | <ul style="list-style-type: none"> <li>As a follow-on to the 2015 Aboriginal Business Forum, initiated a new project to work with a specific First Nations community and assist community-owned businesses in preparing for participation in LNG projects and long-term success.</li> </ul> | <ul style="list-style-type: none"> <li>Complete the Aboriginal business development project and share the results publicly with proponents and First Nations.</li> <li>Share lessons learned from the project and assist other Aboriginal communities in building upon the results.</li> </ul> |

OiC approved February 20, 2014

- Gordon Wilson is appointed to the position of LNG Buy BC Advocate in the office of the Minister of Jobs, Tourism and Skills Training for a term ending June 20, 2014, and as LNG - Buy BC Advocate, Gordon Wilson is to receive remuneration of \$50 000.

OiC approved June 20, 2014:

- Gordon Wilson is reappointed to the position of LNG Buy BC Advocate in the office of the Minister of Jobs, Tourism and Skills Training for a term ending October 25, 2014, and as LNG - Buy BC Advocate, Gordon Wilson is to receive remuneration of \$50 000.

OiC approved September 26, 2014:

- Gordon Wilson is reappointed to the position of LNG - Buy BC Advocate in the office of the Minister of Jobs, Tourism and Skills Training for a term ending February 24, 2015, and as LNG - Buy BC Advocate, Gordon Wilson is to receive remuneration of \$50 000.

OiC approved February 24, 2015:

- Gordon Wilson is reappointed to the position of LNG – Buy BC Advocate in the office of the Minister of Jobs, Tourism and Skills Training for a term ending February 24, 2016, and (b) as LNG – Buy BC Advocate, Gordon Wilson is to receive remuneration of \$150 000.

OiC approved February 17, 2016:

- Gordon Wilson was reappointed to the position of LNG – Buy BC Advocate in the office of the Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour for a term ending February 24, 2018, and as LNG – Buy BC Advocate, Gordon Wilson is to receive remuneration of \$150 000/year.