

*Ministry of  
Economic Development*

**2005/06  
Annual Service Plan Report**



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Published by the Ministry of Economic Development



## Message from the Minister and Accountability Statement

Over the past year, B.C.'s economy continued to grow, the unemployment rate continued to fall (to 4.4 per cent as of March 2006 — the lowest unemployment rate on record), new construction increased and the presence of B.C. – Canada Place at the Torino 2006 Olympic and Paralympic Winter Games attracted world-wide attention and over 100,000 visitors. The Ministry of Economic Development fulfilled its objectives in its 2005/06 Service Plan with a view to capitalizing on our successes, and to address the unique set of challenges that come with a rapidly growing economy.

The Ministry of Economic Development focused on pursuing all of Government's Five Great Goals, but specifically on the goals of making B.C. the best educated, most literate jurisdiction on the continent, and on creating more jobs per capita than anywhere else in Canada.

Our Ministry moved forward on initiatives designed to ensure B.C. takes full advantage of our status as the gateway to the Asia-Pacific, and as the host of the 2010 Olympic and Paralympic Winter Games.

We sought to increase the number of businesses in our province by assisting immigrants who wish to invest here, by establishing development trusts to bolster regional economic development, and by fostering a climate that is conducive to investment and entrepreneurship. The Ministry also took steps to ensure venture capital is available for businesses across the province.

Our Ministry is also doing its part to ensure success in the Asia-Pacific. Last year we appointed the Asia-Pacific Trade Council, which is bringing together a range of people from all sectors to help develop an action plan for B.C. in the region — identifying issues, opportunities and challenges for investment and trade.

The 2005/06 Ministry Economic Development Annual Service Plan Report compares the actual results to the expected results identified in the Ministry's 2005/06 Service Plan Update. I am accountable for those results as reported.

A handwritten signature in black ink, which appears to read "Colin Hansen". The signature is fluid and cursive.

Honourable Colin Hansen  
Minister of Economic Development

June 30, 2006



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## Highlights of the Year

- The Ministry of Economic Development continued to contribute toward building a strong economy and a positive business climate in B.C. in 2005/06. The province took advantage of the excitement and preparations for the Vancouver 2010 Winter Olympics and Paralympic Games and a growing and prosperous economy. Consumer spending in B.C. was also up 1.6 per cent. During the year, B.C. employment also climbed: 84,000 people were added to the labour force, and the unemployment rate continued to drop, to 4.4 per cent in March 2005. Ministry's achievements for each core business areas in 2005/06 included:

### **OLYMPIC GAMES SECRETARIAT**

- B.C.-Canada Place in Torino, Italy, opened in January 2006, to give B.C.'s businesses, tourism agencies and community groups the opportunity to form new partnerships and build new relationships with an international audience at the 2006 Olympic and Paralympic Winter Games. More than 80 B.C. companies joined the province in Torino to take advantage of the facility.
- From January through March, B.C. – Canada Place in Italy hosted over 100,000 visitors, and dozens of workshops and networking events.
- The province launched a series of Commerce Centre Workshops, to give B.C. companies access to accurate and timely information about the business and economic opportunities that will be created leading up to the 2010 Winter Games and beyond. In November 2005, the Guide for Business Opportunities was introduced. This publication gives companies early access to information, and advice about how they can grow and prosper from the 2010 Winter Games.
- Eighty-four Olympic/Paralympic Live Sites totalling over \$13M were approved to assist with special projects throughout the province that ensure the benefits of hosting the 2010 Olympic/Paralympic Winter Games are shared throughout B.C. (administered by the Infrastructure Development Branch).

### **B.C. BUSINESS**

- The B.C. Competition Council was launched to lead B.C.'s efforts to identify and recommend actions that can be taken by industry and by government to increase the competitiveness of the province's key economic sectors. Improved competitiveness will increase market share for B.C. produced goods and services, and contribute to creating jobs and economic activity.
- The province introduced legislation for Venture Capital and Employee Sponsored Funds to streamline access to private capital. These funds are an important source of investment capital for eligible small and medium-sized B.C. businesses. They diversify B.C.'s economic base and support economic growth and job creation.

- Film Tax Credit analysis in November 2005 found that over 23,900 jobs are directly attributed to the film industry in B.C., which generates \$121 M in tax revenue and receives \$66 M in tax credits.
- Throughout 2005/06, B.C. and Alberta officials advanced negotiations to eliminate impediments to trade, investment and labour mobility between the two provinces. This deal will result in potential increased job creation and economic growth in all B.C. regions and sectors.

## **INFRASTRUCTURE**

- In 2005, government committed \$66 M for the Community Development Initiative (CDI). More than 60 community projects located across the province received funding to enhance community centre, recreation centre and tourism infrastructures.
- In the 2005/06 Budget, the government announced \$50 M towards the Major Regional Sports Facilities Initiative over the year. Funding has been committed to eight projects to date, including Nanaimo, Kelowna, Kamloops, Penticton, Sovereign Lake, Smithers, Kimberley and Fort St. John.
- In the 2005/06 – 2007/08 Budget and fiscal plan, the government also announced \$60 M towards the Major Post-Secondary Sports Training Facilities Initiative. So far, funding from this Initiative has been committed to projects at the Universities of Simon Fraser, B.C. and Northern B.C. and Camosun College.
- Together with the Federal government, the province embarked on several infrastructure projects to enhance the quality of life for people in communities around B.C. by improving infrastructure (including improving drinking water and wastewater systems, developing energy efficient buildings and supporting community infrastructure).
- B.C. announced funding for the Quesnel Wood facility under Western Economic Partnership Agreement. The project builds capacity in the Cariboo region's value-added wood product business, and helps diversify the economy of northern B.C.

## **REGIONAL ECONOMIC DEVELOPMENT**

- B.C. built a new relationship between Columbia Basin Trust and Columbia Power Corporation that meets the goals of both Crown corporations and strengthens the Columbia Basin. This means more funding for community projects in the Columbia Basin and more input for citizens in the region on how the power resources are managed.
- The province announced an additional \$50 M for the Northern Development Initiative Trust(NDI), making a total of \$185 M in seed capital available to benefit families and businesses located in B.C.'s north. The additional \$50 M includes \$30 M specifically aimed at cross-regional pine beetle management and \$5 M to each of the four NDI regions for development projects. The Trust was first established in 2004 as part of the B.C. Rail Partnership.
- \$100 M was provided for two new regional initiative trusts to support strategic investments in the economies of the Southern Interior and North Island-Coast, to create economic growth and more jobs based on regional priorities.



### **ASIA-PACIFIC STRATEGY**

- The Asia-Pacific Trade Council was appointed to lead B.C.'s involvement in the trade/investment and international commerce components of the Asia-Pacific initiative. Through the Council, Market Advisory Groups have been established to access opportunities throughout Asia including China and Hong Kong. The Ports Strategy was completed, which outlines new and expanded transportation links to the Pacific through the Port of Prince Rupert, the Port of Vancouver, and cruise ship facilities all along the coast.

### **BIOTECH, SCIENCE AND TECHNOLOGY**

- The Premier's Technology Council (PTC) released its seventh report, noting the progress made in advancing B.C.'s technology competitiveness since 2001. In particular, the Council notes the province has acted on over 90 per cent of its recommendations to date.
- The government has implemented tax changes to make the province an even more attractive centre for biotechnology innovation. Significant new tax incentives will encourage companies that invest in the development of intellectual property in the form of patents to remain and expand their capital investment in B.C. as they move their ideas to market.
- For the third year in a row, the Venture Capital Programs operating under the *Small Business Venture Capital Act* were fully subscribed by adding another \$67 M of early stage financing for small businesses primarily in the technology sectors. The province now leads the country in terms of venture capital available for companies in the earliest stages of their development. In recognition of this achievement, the Ministry expanded the program budget by another \$17 M and legislation was introduced to increase the amount of capital that small businesses may receive under the program.

### **INDUSTRY TRAINING**

- The province's balanced budget 2006 granted the Industry Training Authority (ITA) an additional \$13 M each year for the next three years, bringing its annual budget to \$90 M, the highest ever for trades training.
- An additional \$2.2 M in funding was provided for ITA to establish 1,450 additional apprenticeship technical training spaces between October 2005 and April 2006.
- An ITA Mobile Training Unit was funded to deliver training in skilled trades to rural/aboriginal communities too small for a permanent facility, and thereby offers a new choice for those who are interested in entering the trades or current apprentices needing to continue their training.
- The provincial budget also announced a training tax credit to encourage employers to create new opportunities and help meet the demand for skilled workers. The credit program will be designed in consultation with industry representatives from around the province.

## **IMMIGRATION**

- Six organizations were selected who may deliver the B.C. Skills Connect for Immigrants Program (to be launched in early 2006/07). The Program assists employers in hiring skilled workers to meet existing and emerging skill shortages and helps immigrants to gain access to employment opportunities in areas commensurate with their skills and qualifications.
- The province announced change in investment requirements and credentials allowing more business immigrants and foreign dollars to flow to B.C. through the Provincial Nominee Program.
- The B.C. Provincial Nominee Program was expanded to include a Regional Business category to support regional economic development. The Foreign Students component has also been expanded to include business-related fields of study.
- \$40,000 in funding was provided to help launch the Employers' Online Resource Guide to assist employers in recruitment, selection and retention of immigrants into the B.C. labour market.

# Purpose, Vision, Mission and Values

## Purpose

The purpose of the Ministry of Economic Development is to build a strong provincial economy that supports job creation and maximizes economic opportunities for citizens throughout the province. The Minister is also responsible for the 2010 Olympic and Paralympic Winter Games and strengthening our province as the Asia-Pacific gateway. The Ministry supports these initiatives through partnerships, policies and programs that:

- market and promote B.C. to expand trade and investment opportunities, increase sales and exports of goods and services and encourage immigration of skilled workers and business investors;
- enhance economic development and growth by maintaining a competitive business environment, increasing diversification of regional and provincial economies, providing infrastructure for a growing economy and responding to the increasing demand for skilled labour; and
- provide leadership and oversee the province's financial commitments required to host a successful 2010 Olympic and Paralympic Winter Games and to maximize the economic and social benefits from the Games.

## Vision, Mission and Values

### Vision

Jobs and economic prosperity for all British Columbians, in every region of the province.

### Mission

The Ministry of Economic Development works for British Columbians to build the best performing economy in Canada, through maximizing the benefits of B.C.'s diverse economy, its proximity to emergent opportunities in Asia, and the 2010 Olympic and Paralympic Winter Games.

### Values

We are committed to ensuring economic growth, jobs and investment in the province to maintain a high quality of life for all British Columbians.

We are an organization that prides itself on getting results.

We strive to provide a high level of customer service.

We work with, and listen to, stakeholders in all regions of B.C.

We are accountable to government and the public.

We deliver our programs in the most efficient manner.

We are committed to developing new and innovative approaches.

We are committed to maintaining the highest standards in the professional public service.

## Strategic Context

The strategic context is an assessment of the general economic environment that the Ministry and business community faced during 2005/06. It also describes some of B.C.'s challenges and opportunities in 2005/06 and in the near term.

In 2005, economic growth in B.C. was strong, supported by a low unemployment rate, robust domestic demand and strong business investment. Growth is expected to moderate over the medium term but B.C. will continue to be an economic leader in Canada. B.C.'s real GDP grew by a solid 3.5 per cent in 2005, stronger than the 3.4 per cent growth rate forecast in the *September Budget Update*. Employment growth in 2005 was robust — an increase of 3.3 per cent over 2004 translating into 67,800 new jobs created. This strong performance also meant that B.C. was ranked first in Canada in per capita job creation. Unemployment averaged 5.9 per cent in 2005 and had decreased to only 5.1 per cent by year end. Total business investment (including residential) expanded by 5.9 per cent in 2005. Residential housing starts in 2005 surged to 34,700. Real investment in non-residential building construction grew by 18.8 per cent in 2005. Business machinery and equipment investment rose an estimated 8.5 per cent (inflation adjusted).

The Budget and Fiscal Plan released with the February 2006 budget provides additional information on B.C.'s economic performance and outlook.

<http://www.bcbudget.gov.bc.ca/2006/>

## External Factors

As Canada's gateway to the Pacific Rim, B.C. has an opportunity to benefit from the global shifts in trade and investment patterns. Improvements to transportation infrastructure will be required to meet the increasing sea and air traffic between our West Coast ports and airports and the important markets of the Asia-Pacific region. China and India have cemented their positions as major economic powers, resulting in a significant re-alignment of international trade and investment and considerable opportunities for the province and Canada. However, B.C. companies continue to face increasing global competition and the province has been taking a leading national role in pressing for the reform of international trade remedy rules through the World Trade Organization and NAFTA.

## Key Challenges

**Strong Canadian Dollar:** The appreciation of the Canadian dollar continued in 2005, averaging 82.5 cents US, up from 76.8 cents US in 2004. By the end of 2005, the dollar was over 85.0 cents US. The dollar also gained against many other currencies.

**Export Growth Rooted in the Resource Industries:** B.C. has made progress towards diversifying its economy. The technology industries account for three per cent of provincial GDP. Several world-class industry clusters are flourishing and opportunities for international

trade are occurring in a wide range of sectors. Currently, 80 per cent of B.C. exports, 69 per cent of manufacturing shipments and 63 per cent of exports to other provinces are resource-based.

**Mountain Pine Beetle:** As of fall 2005, the mountain pine beetle has affected 8.5 M hectares of B.C. forests. While increased harvesting is creating economic growth in the short-term, the Mountain Pine Beetle presents a major long-term challenge for many communities in various regions.

**Aboriginal Socio-Economic Status:** The demographic makeup of B.C.'s Aboriginal population is significantly younger than that of the non-Aboriginal population — nearly 50 per cent of Aboriginal people in B.C. are under the age of 25, compared with just over 30 per cent of non-Aboriginal people. There is more than a 10 per cent point gap between Aboriginal and non-Aboriginal employment rates, and a difference of more than \$3 per hour in average hourly wages.

**Productivity:** Improvements to productivity in B.C. have generally lagged that of other Canadian provinces and American states. Improvements in productivity would fuel economic growth and raise B.C.'s standard of living.

**Demographics and Skill Shortages:** B.C.'s robust economic growth and record low unemployment rate have increased the shortage of highly skilled people that businesses need to grow and expand. Immigration is now the key source of labour force growth in B.C. Initiatives and programs that focus on ensuring the availability of a skilled workforce are necessary to meet the demands of B.C.'s growing economy.

**United States Security and Trade Restrictions:** Some export dependent industries face market access risks from new and proposed United States anti-terrorism rules and heightened security at borders.

## Key Economic Development Opportunities

**2010 Olympic and Paralympic Winter Games:** The 2010 Winter Games will open up new opportunities for investment and trade development, awareness building along with increases in tourism, and will help raise B.C.'s international profile. The Vancouver Organizing Committee of the Games (VANOC) will purchase almost \$2 billion in goods and services to stage the Games. Infrastructure investments leading up to the Games will give a significant boost to the provincial economy.

**Asia-Pacific Strategy:** B.C. is Canada's gateway to the growing Asia-Pacific region. Establishing B.C. as the pre-eminent transportation, trade and cultural hub between Asia and North America (which includes trade, commerce, education, transportation, immigration, innovation and culture) will ensure all British Columbians and Canadians benefit from our growing relationship with and proximity to the Asia-Pacific.

**Cost Advantages:** KPMG's latest Competitive Alternatives Report showed that despite the appreciation of the Canadian dollar, B.C. continued to enjoy a significant cost advantage over the United States and other G-7 locations in value-added manufacturing, business

services and technology-based industries. This indicates the province's continuing attractiveness as a location for new business and investment.

**Competitive Tax Environment:** B.C. offers one of the lowest general business corporate income tax rates and small business rates in the country at 12 per cent, and 4.5 per cent respectively. The personal income tax regime results in the lowest rate of personal income tax on the first \$80,000 of income of all the Canadian provinces.

**New Relationship with First Nations:** In late 2005, the province signed a historic agreement with First Nations and the Federal government to work together to close the social and economic gap between First Nations and other British Columbians, reconcile Aboriginal rights and title with those of the Crown, and establish a new relationship based on mutual respect and recognition. This will include the creation of new opportunities for Aboriginal participation in the B.C. economy.

**Eliminating Trade Barriers:** B.C. is pushing ahead with eliminating barriers to internal and international trade. The province is viewed as a national leader in this area. At the province's initiative, Alberta and B.C. negotiated a ground-breaking Trade, Investment and Labour Mobility Agreement that applies to all government measures across all sectors of the economy. Under the Council of the Federation internal trade initiative, B.C. successfully brokered an agreement in which all provinces, territories and the Federal government opened the procurement of their Crown corporations to suppliers across Canada. The province has taken a lead role in pressing the Federal government to seek reforms to trade remedy rules at the international level, and has actively encouraged the Federal government to seek improved access to markets in the Asia-Pacific, through such initiatives as the Canada-South Korea Free Trade Agreement (negotiations underway). B.C. has been working with the Federal government to strengthen Canada's commitments to improved market access for service providers and to seek greater international market access for the province's services exporters through the World Trade Organization negotiations.

#### *Linkage to the Five Great Goals*

The Ministry of Economic Development is involved in achieving all of the Five Great Goals for a Golden Decade. These goals are to:

1. Make British Columbia the best educated, most literate jurisdiction on the continent.
2. Lead the way in North America in healthy living and physical fitness.
3. Build the best system of support in Canada for persons with disabilities, those with special needs, children at risk and seniors.
4. Lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management, bar none.
5. Create more jobs per capita than anywhere else in Canada.

The Ministry will contribute towards the goal of making B.C. the best educated, most literate jurisdiction on the continent by identifying B.C.'s labour market shortages, implementing a labour market strategy, and building skills capacity that will improve the province's ability to compete in the national and international marketplace.

The Ministry will contribute towards the goal for creating more jobs per capital than anywhere else in Canada by facilitating economic growth and business competitiveness throughout the province by implementing an Asia-Pacific Strategy to capitalize on expanding Asian markets and positioning B.C. as a key gateway for commerce on the Pacific Coast; leveraging Federal, provincial and private sector funding to address the infrastructure needs of regional economies; and maximizing economic and social development opportunities before, during and after the 2010 Olympic and Paralympic Winter Games.

The Ministry's efforts in promoting economic growth, creating jobs, generating revenues, increasing trade and attracting investment, will directly support the remaining four great goals so that B.C. will lead North America in healthy living, build the best support system in Canada for persons with disabilities, special needs, children at risk and seniors, and lead the world in sustainable environmental management.

#### *Cross Ministry Initiatives*

**Asia-Pacific Strategy:** The Ministry leads and works with many agencies to support the Asia-Pacific Strategy including the Ministries of Transportation, Forests, Education, Advanced Education, and the Ministry of Attorney General and Minister Responsible for Multiculturalism.

**2010 Olympic and Paralympic Winter Games:** To facilitate the successful hosting of the 2010 Winter Games, the B.C. Olympic and Paralympic Winter Games Secretariat has been working diligently with Provincial Ministries, agencies, and Crowns directly or indirectly related to the Games.

**First Nations:** The Ministry works with the Ministry of Aboriginal Relations and Reconciliation (MARR) to increase Aboriginal Peoples' participation and prosperity in B.C.'s economy as well as work towards developing a business climate that provides more certainty and clarity to proponents when addressing Aboriginal Peoples' interests and legal requirements. The Ministry is also taking an active role by working with MARR, the Ministry of Tourism, Sport and the Arts, Aboriginal Tourism B.C., Tourism B.C. and other stakeholders to facilitate partnerships and support the implementation of an integrated Aboriginal Cultural Tourism Blueprint Strategy for B.C.

**Mountain Pine Beetle:** The Ministry works with the Ministry of Forest and Range's Emergency Response Team and with regional community coalitions to minimize economic impacts on Mountain Pine Beetle affected areas.

**Regulatory Reform:** The Ministry continues to pursue regulatory reform and streamlining initiatives with the B.C. Competition Council to examine government and private sector issues affecting industry competitiveness, such as eliminating barriers to labour mobility and trade.

**ActNow B.C.:** The Ministry participates in the provincial ActNow B.C. initiative aimed at supporting individuals and communities to protect and improve their health through several programs which include the Major Post-Secondary Sports Training Facilities Initiative, the Olympic/Paralympic Live Sites Program and the Canada/B.C. Infrastructure Program.

*Major Changes in Responsibility*

In June, 2005, the Ministry was realigned and renamed the Ministry of Economic Development. Major changes in responsibility resulted from the transfer of the following initiatives:

- The economic and business immigration programs from the former Ministry of Community, Aboriginal and Women's Services.
- Labour market planning, industry trades training and the Industry Training Authority from the Ministry of Advanced Education and the former Ministry of Skills Development and Labour.
- Columbia Basin Trust from the Ministry of Energy and Mines.

In addition and as part of the government reorganization, the following programs were transferred out of the Ministry:

- Small business and regulatory reform to the Ministry of Small Business and Revenue and Minister Responsible for Regulatory Reform.
- Tourism, sport, the arts, the B.C. Film Commission, film policy, the Vancouver Convention and Exhibition Centre and the B.C. Pavilion Corporation to the Ministry of Tourism, Sport and the Arts.
- B.C. Innovation Council to the Ministry of Advanced Education.
- B.C. Securities Commission to the Ministry of Attorney General.

The Ministry was also named the lead for the government's special focus on the Asia-Pacific and developing an Asia-Pacific Strategy.



# Service Delivery and Core Business Areas

The Ministry of Economic Development is the primary provincial agency responsible for initiatives and programs dedicated to creating a strong provincial economy in B.C.

## Service Delivery

Activities within the Ministry are focused on building a competitive business environment that encourages the private sector to invest, generate opportunities and create jobs throughout B.C. The Ministry also has the responsibility for the B.C. Olympic and Paralympic Winter Games Secretariat. The Secretariat is the provincial agency responsible for ensuring B.C.'s vision is achieved and overseeing the province's financial commitments for the 2010 Winter Games.

## Core Business Areas Overview

The Ministry has four core business areas that correspond to the organization's operating divisions. Three areas correspond to the Ministry's core activities and the fourth, Executive and Support Services, is comprised of management services, the Offices of the Deputy Minister and the Minister.

### Core Business Areas:

1. **Marketing and Promoting B.C.:** This core business area is led by the Marketing, Investment and Trade Division. It focuses on leading the Asia-Pacific Strategy including support for the Asia-Pacific Trade Council; implementing initiatives for communicating B.C.'s advantages and opportunities internationally; managing the province's economic immigration programs; organizing and managing external and inbound trade missions; showcasing B.C. at national and international industry events; and providing potential investors with business location information and services. The Marketing, Investment and Trade Division has a base budget of \$9.588 M and 41 FTEs for 2005/06.
2. **Enhancing Economic Development:** This core business area is led by the Economic Competitiveness Division. It focuses on leading government's economic diversification plan; undertaking analyses to improve economic competitiveness; identifying and facilitating projects that support economic growth and diversification throughout the province; working with investors to facilitate economic development; establishing B.C.'s position and policies regarding domestic and international trade issues; managing programs to improve urban and rural local government infrastructure (including the Western Economic Partnership Agreement); administering the Nechako-Kitimat Development Fund and the Competition Council; evaluating options and participating in cross government projects to improve B.C.'s tax competitiveness; undertaking labour market planning; working with the Industry Training Authority; and expediting the credential certification process for highly skilled immigrants with international qualifications. The Economic Competitiveness Division has a base budget of \$314.650 M and 45 FTEs for 2005/06.

3. 2010 Olympic and Paralympic Winter Games: This core business area is led by the B.C. Olympic and Paralympic Winter Games Secretariat and focuses on representing the province as a member partner in the Vancouver 2010 Olympic and Paralympic Winter Games and implementing 2010 related strategies. The B.C. Olympic and Paralympic Winter Games Secretariat has an operations budget of \$4.889 M and 15 FTEs for 2005/06.
4. Executive and Support Services: This core business provides executive leadership, planning, administrative and legislative support to assist the Ministry's other core business areas to achieve their goals and objectives. This core business area includes the Minister's and Deputy Minister's offices, corporate financial, administrative and human resources services and operating grants to the Columbia Basin Trust pursuant to the Columbia Basin Accord. In addition, the Division provides administrative and financial services to the Ministry of Energy, Mines and Petroleum Resources. The Executive and Support Services Division has a base budget of \$10.184 M and 27 FTEs for 2005/06.

# Report on Performance

At the time of the *September 2005/06–2007/08 Service Plan Update*, the Ministry of Economic Development was in the process of restructuring to meet its new mandate. This restructuring involved new areas coming to the Ministry and some business areas moving to other Ministries.

During the fall and winter of 2005/06, the Ministry engaged in a process which determined the goals, objectives and strategies that it would focus on a going forward basis. The Ministry also reviewed and revised its performance measures and targets in order to ensure that progress towards its revised goals could be monitored. The table following presents the Ministry's *current* goals, objectives and performance measures. This table has been used to organize the body of the Ministry's 2005/06 Annual Service Plan Report. Appendix 3 of this report documents the changes that were made to the goals which appeared in the *September 2005/06–2007/08 Service Plan Update*, while Appendix 4 documents performance for the 2005/06–2007/08 Service Plan measures no longer included.

# Performance Plan Summary Table

Five Great Goals	Ministry Mission		
	The Ministry of Economic Development works for British Columbians, to build the best performing economy in Canada, through maximizing the benefits of B.C.'s diverse economy, its proximity to emergent opportunities in Asia, and the 2010 Olympic and Paralympic Winter Games.		
	Ministry Goals	Ministry Objectives	Performance Measures
Make B.C. the best educated, most literate jurisdiction on the continent. Create more jobs per capita than anywhere else in Canada.	1. B.C. is recognized globally as a preferred place to live, work, invest and do business, and as a key gateway for commerce on the Pacific Coast.	1.1 Increased recruitment and accelerated permanent resident status for skilled professionals and business investors.	<ul style="list-style-type: none"> <li>Number of new immigrant investors and value of their investments.</li> <li>Number of new immigrants attracted to B.C. as business immigrants or skilled workers.</li> </ul>
		1.2 Increased foreign direct investment to expand and diversify business opportunities in B.C.	<ul style="list-style-type: none"> <li>Number of investment leads identified by in-market representatives.</li> </ul>
		1.3 Increased availability of venture capital to encourage innovative business development in B.C.	<ul style="list-style-type: none"> <li>Venture capital growth in the province year-over-year.</li> </ul>
	2. All British Columbians live in prosperous regions and are able to achieve their economic potential.	2.1 Advance economic growth and enhanced business competitiveness in every sector and region.	<ul style="list-style-type: none"> <li>Industry investment projects, assisted by the Ministry, investment dollar value and new jobs created.</li> <li>Federal, municipal and private funds invested to match provincial investment in community infrastructure.</li> <li>Regional and municipal competitiveness indicators.</li> </ul>
		2.2 Increased and accelerated credential assessments for new Canadians in trades/professions.	<ul style="list-style-type: none"> <li>Number of persons assessed and time to complete assessment of credentials of persons trained abroad.</li> <li>Number of skilled immigrants entering the workforce through Skills Connect.</li> </ul>
	3. B.C. hosts a successful 2010 Olympic and Paralympic Winter Games to create a legacy of economic benefits for the province.	3.1 The province's financial commitments to the 2010 Olympic and Paralympic Winter Games are met.	<ul style="list-style-type: none"> <li>Success rate in meeting milestones, on time and on budget, of the Provincial commitments to the 2010 Olympic and Paralympic Winter Games.</li> </ul>
		3.2 2010 Olympic and Paralympic Winter Games business opportunities and jobs are maximized throughout the province.	<ul style="list-style-type: none"> <li>Cumulative total of businesses registered for the 2010 Olympic and Paralympic Winter Games.</li> </ul>

## Synopsis of Ministry Performance Measure Results

The Ministry reviewed and revised its performance measures and targets in the fall and winter of 2005/06 in order to ensure that progress towards its revised goals could be monitored. The table below presents a synopsis of the Ministry's *current* performance measures. Appendix 4 documents performance for the 2005/06–2007/08 Service Plan measures no longer included.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Number of new immigrant investors and value of their investments.*	119 \$47.5 M	\$47.5 M	\$58.8 M	11.3 M	✓✓
Number of new immigrants attracted to B.C. as business immigrants or skilled workers.*	1300	1300	2491	1191	✓✓
Number of investment leads identified by in-market representatives.	New	N/A	N/A	N/A	N/A
Venture capital growth in the province year-over-year.*	\$2.2 B	\$2.2 B	\$1.98 B	(\$220,000)	△
Industry investment projects, assisted by the Ministry, investment dollar value and new jobs created.	New	N/A	N/A	N/A	N/A
Federal, municipal and private funds invested to match provincial investment in community infrastructure.*	\$70 M leveraged \$35 M provincial funds	\$70 M leveraged \$35 M provincial funds	\$201 M leveraged \$93 M provincial funds	131 M leveraged 58 M provincial funds	✓✓
Regional and municipal competitiveness indicators.	New	N/A	N/A	N/A	N/A
Number of persons assessed and time to complete assessment of credential of persons trained abroad.	New	N/A	N/A	N/A	N/A
Number of skilled immigrants entering the workforce through Skills Connect.	New	N/A	N/A	N/A	N/A
Success rate in meeting milestones, on time and on budget, of the Provincial commitments to the 2010 Olympic and Paralympic Winter Games.*	On time, on budget	On time, on budget	On time, on budget	—	✓
Cumulative total of businesses registered for the 2010 Olympic and Paralympic Winter Games.*	1500	1500	1879	379	✓✓

\* Indicates 2005/06 performance measure was maintained and/or combined.

✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

△ Target not achieved. Rationale provided in individual performance measure table.

N/A — Data unavailable as performance measure is new per 2006/07–2008/09 Service Plan.

## Goals, Objectives, Strategies and Performance Measures

### Ministry Goal 1

*B.C. is recognized globally as a preferred place to live, work, invest and do business and as a key gateway for commerce on the Pacific coast.*

#### Objective 1

##### **Increased recruitment and accelerated permanent resident status for skilled professionals and business investors.**

This objective focuses on maximizing the benefits of immigration by attracting and retaining immigrants and enabling permanent resident status for skilled professionals and business investors who are best able to contribute to B.C.'s economy.

#### Strategies

- Increase international activities to attract more qualified business immigrant and provincial nominees.
- Reduce processing time for applicants through the B.C. Provincial Nominee Program (PNP).

#### Performance Measures

**Number of new immigrant investors and value of their investments.** The Provincial Nominee Program (PNP) is designed to increase the economic benefits of immigration to the province by selecting immigrants based on their ability to contribute to the economy. This particular measure gauges the benefits of financial investment generated from new immigrants in the PNP investor category.

**Number of new immigrants attracted to B.C. as business immigrants or skilled workers.** This measure gauges the expedited entry of skilled immigrants into the B.C. economy. As one of the Business Immigration categories, applicants are required to make an investment of \$400,000 in a Government of Canada Fund.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Number of new immigrant investors and value of their investments *	119 \$47.5 M	\$47.5 M	\$58.8 M	11.3 M	✓✓
<b>Selection Rationale</b>	Measure allows the Ministry to compare statistics across Canada. The Ministry manages the funds that B.C. receives from the Federal government, which is a % share of total funds flowing into the Federal Investor Fund. Amount received is based on B.C.'s share of Canada's population and GDP.				
<b>Variance Explanation</b>	None.				
<b>Data Sources and Issues</b>	Federal government (fixed subscription amount).				
<b>Changes to the Measure</b>	This 2005/06 measure was maintained. The number of new immigrant investors is no longer being measured as the destination of immigrant investors is not within the control of the province. The number of investors coming to B.C. is independent of the dollar value of investment funds the province receives from the Federal government.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Number of new immigrants attracted to B.C. as business immigrants or skilled workers *	1300	1300	2491	1191	✓✓
<b>Selection Rationale</b>	Measure tracks program progress and ability to address B.C. skill-shortages and meet employer needs through expedited immigration processing.				
<b>Variance Explanation</b>	Benchmark: PNP Strategic Occupations 500; PNP Business 100; Federal Entrepreneur Program 250; and Federal Investor Program 450 = total 1300. 2005/06 Actual: PNP Strategic Occupations 721; PNP Business 85; Federal Entrepreneur Program 269 and Federal Investor Program 1416 = total 2491. 2005/06 saw a decrease in number of applicants in the business category, but an increased number in strategic occupations, for a net positive variance of 1191. This is a demand driven service.				
<b>Data Sources and Issues</b>	Data source — Internal and Citizenship and Immigration stats from Federal government.				
<b>Changes to the Measure</b>	This 2005/06 measure was maintained. Changes will be implemented in future to separate the individual components of the Provincial Nominee Program into business and skilled workers categories.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

## Objective 2

### Increased FDI to expand and diversify commercial opportunities in B.C.

This objective is aimed toward promoting the province's advantages and opportunities in order to increase trade and investments in high-growth, high-opportunity sectors. The Ministry will also focus on facilitating capital investment projects, particularly in the regions. Foreign direct investment (FDI) contributes to job creation, capital investment, productivity growth, and innovation, which in turn supports economic growth.

### Strategies

- Leverage commercial opportunities in the Asia-Pacific and the awareness of the 2010 Winter Games to increase FDI and commerce for B.C.
- Lead B.C.'s international activities with other western provinces through the Western Canada Secretariat.
- Develop and implement the Asia-Pacific Strategy, incorporating recommendations from the Asia-Pacific Trade Council.
- Identify, service, and attract FDI from international markets.
- Engage in-market consultants to undertake FDI attraction and trade promotion activities.
- Build stronger partnerships with key players active in Asia-Pacific marketing and international business development.

### Performance Measure

**Number of investment leads identified by in-market representatives.** The Ministry will engage in-market representatives in key foreign markets to undertake investment attraction and trade promotion activities on behalf of B.C. This measure represents the number of foreign direct investment leads identified by these in-market representatives. An investment lead is defined as a company that has an investment project planned, a short list of locations, a budget assigned and a project lead.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Number of investment leads identified by in-market representatives.	New	N/A	N/A	N/A	N/A
<b>Changes to the Measure</b>	This is a new measure that appears in the 2006/07 – 2008/09 Ministry Service Plan.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.



## Objective 3

### Increased availability of venture capital to encourage innovative business development throughout the province.

This objective is aimed toward increasing the amount of venture capital available to B.C. small and mid-sized businesses. It enables them to grow and compete in fields requiring intensive research and development. Venture capital will allow companies to increase diversification and enhance their economic performance. In addition, the Ministry efforts in repealing outdated and obsolete legislation and regulations makes it easier and more efficient to raise capital, invest and do business in B.C.

### Strategy

- Maximize availability of venture capital in the province.

### Performance Measure

**Venture Capital growth in the province year-over-year.** This measure gauges how innovative small businesses continue to have access to capital and to attract investment capital from outside the province.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Venture capital growth in the province year-over-year *	\$2.2 B	\$2.2 B	\$1.98 B	(\$220,000)	△
<b>Selection Rationale</b>	Indicates commercialization rates in the province, availability of capital and number of new ventures reaching the financing stage.				
<b>Variance Explanation</b>	MDS Capital's office closed and the Royal Bank no longer offers Venture Capital financing reducing the supply of capital under management in the province. Both of these decisions were made by their office headquarters in eastern Canada.				
<b>Data Sources and Issues</b>	Data source — Thomson Macdonald (Venture Reporter Database). This database is based on voluntary submissions.				
<b>Changes to the Measure</b>	N/A.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

## Ministry Goal 2

*All British Columbians live in prosperous regions and are able to achieve their economic potential.*

This goal focuses on maintaining a competitive business environment, increasing diversification of regional and provincial economies, providing infrastructure for a growing economy and responding to the demand for skilled labour.

### Objective 1

**Advance economic growth and enhanced business competitiveness in every sector and region.**

This objective focuses on fostering economic growth and diversification and improving the province's business competitiveness in all provincial regions and sectors. The Ministry provides assistance for infrastructure development across the province and partners with governments and the private sector to advance growth and diversification, particularly within regional communities.

### Strategies

- Work with the B.C. Competition Council to conduct a comprehensive review of B.C.'s competitiveness and recommend government and private sector actions.
- Lead the implementation of economic initiatives that support government's strategic priorities and advance key sectors.
- Work to remove barriers to inter-provincial trade through the Premier's Council of the Federation, the existing national Agreement on Internal Trade, and other negotiations.
- Establish regional economic development trusts to enable locally-led projects to diversify their economies and to support regional alliances.
- Work with key partners and investors in communities to facilitate economic development on the ground.
- Continue to improve federal and provincial relationships to enhance the delivery of joint funding programs.
- Lead the facilitation and negotiations across government of major industry investment projects.
- Work with the Industry Training Authority (ITA) and employers to increase the number of apprentices in B.C.

### Performance Measures

**Industry investment projects, assisted by the Ministry, investment \$ value and new jobs created.** The Ministry works with major industry investors to clarify regulatory requirements, provide an initial single contact point where more than one regulatory agency is involved, engage with key agencies and proponents, advise on approaches to work with

First Nations and assist in project and agency specific issue resolution to move projects ahead. This measure shows the total jobs created and investment value if the project becomes operational.

**Federal, municipal and private funds invested to match provincial investment in community infrastructure.** This measure gauges the success of the Ministry in maximizing the efficiency of provincial contributions in leveraging Federal, municipal and private funding to support community facilities, infrastructure and other regional development projects. The basis for target setting comes from joint Federal/Provincial agreements.

**Regional and municipal competitiveness indicators.** The attractiveness of a municipal and regional investment climate is important in generating economic development throughout B.C. and investment is more likely to flow to those communities that are competitive.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Industry investment projects, assisted by the Ministry, investment \$ value and new jobs created	New	N/A	N/A	N/A	N/A
<b>Changes to the Measure</b>	This is a new measure that appears in the 2006/07 – 2008/09 Ministry Service Plan.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Federal, municipal and private funds invested to match provincial investment in community infrastructure.*	\$70 M leveraged \$35 M provincial funds	\$70 M leveraged \$35 M provincial funds	\$201 M leveraged \$93 M provincial funds	131 M leveraged 58 M provincial funds	✓✓
<b>Selection Rationale</b>	Measures the economic activity generated as a result of provincial funding. (Payments made from the Infrastructure Development's programs during the 2005/06 fiscal year).				
<b>Variance Explanation</b>	The Infrastructure Development Branch was responsible for the allocation of additional resources for new initiatives in 2005/06, which resulted in an increase of actual amounts.				
<b>Data Sources and Issues</b>	Data source — Actual payments from various branch programs during the 2005/06 fiscal year.				
<b>Changes to the Measure</b>	This 2005/06 measure was combined from two (2) to one (1).				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Regional and municipal competitiveness indicators representatives.	New	N/A	N/A	N/A	N/A
<b>Changes to the Measure</b>	This is a new measure that appears in the 2006/07 – 2008/09 Ministry Service Plan.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

## Objective 2

### Increased and accelerated credential assessments for new Canadians in trades/professions.

This objective focuses on reducing the time it takes to assess credentials of foreign-trained immigrants and increasing the number of those who are assessed which will accelerate placing new Canadians in skilled jobs. The degree to which skill shortages are averted will help ensure that the province has a skilled workforce and be a large determinant of B.C.'s future economic prosperity and social health.

### Strategies

- Work with the Federal government and professional organizations to increase jobs and speed up credentialing for new Canadians in trades/professions.
- Working with other Ministries, agencies and labour market partners, lead the development and implementation of a provincial labour market strategy.
- Assist new immigrants to overcome barriers to employment through the B.C. Skills Connect for Immigrants Program.

### Performance Measures

**Number of persons assessed and time to complete assessment of credentials of persons trained abroad.** Reducing the time that it takes to assess the credentials of foreign-trained professionals and trades persons reduces the delay in integrating immigrants into the labour market and is a significant contributor to skilled workforce. Under the International Qualifications Program, which aims to reduce obstacles to the recognition and utilization of the foreign-trained, the Ministry supported ten new “barrier-breaking” pilot projects that involved employer associations, regulatory bodies, professional and trades associations, educational institutions and service agencies.

### **Number of skilled immigrants entering the workforce through Skills Connect.**

This measure gauges the success of the Skills Connect initiative in increasing the economic contributions from immigrants, and generally increasing labour supply to meet market demand. Skilled immigrants to B.C. are remaining unemployed or under-employed longer due to skill gaps and challenges in transitioning to the B.C. labour market.

The non-recognition of foreign credentials is consistently cited as a significant barrier to labour attachment. The Skills Connect for Immigrants Program is an integrated career assessment, planning and employment bridging program that aims to enhance and accelerate labour market integration for immigrants. The Ministry selected service organizations for the target sectors of construction, energy, transportation and tourism and continues to develop the program for the health sector in cooperation with the Ministry of Health. The Ministry is continuing to work with the Federal government and professional organizations to accelerate credentialing processes. Federal funding in support of such projects was maximized by securing commitments totaling \$15.86 M for credential and enhanced language programs over the next three years to match the Ministry's \$14.5 M investment in Skills Connect.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Number of persons assessed and time to complete assessment of credentials of persons trained abroad.	New	N/A	N/A	N/A	N/A
<b>Changes to the Measure</b>	This is a new measure that appears in the 2006/07 – 2008/09 Ministry Service Plan.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Number of skilled immigrants entering the workforce through Skills Connect.	New	N/A	N/A	N/A	N/A
<b>Changes to the Measure</b>	This is a new measure that appears in the 2006/07 – 2008/09 Ministry Service Plan.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

## Ministry Goal 3

*B.C. hosts a successful Vancouver 2010 Olympic and Paralympic Winter Games to create a legacy of economic benefits for the province.*

This goal focuses on maximizing the economic and social benefits to B.C. while minimizing potential risks of hosting the Vancouver 2010 Olympic and Paralympic Winter Games.

### Objective 1

**The province's financial commitments to the 2010 Winter Games are met.**

The Secretariat's primary role is to provide strategic leadership, coordination and oversight to ensure the province meets its financial, infrastructure and service commitments for the 2010 Winter Games.

### Strategies

- Ensure the province's financial commitments to the 2010 Winter Games do not exceed the approved budget.
- Oversee and monitor legal structures and funding mechanisms to support Games related initiatives.

### Performance Measure

**Success rated in meeting milestones of the provincial commitments to the 2010 Winter Games.** The 2010 Olympic and Paralympic Winter Games Secretariat is the primary provincial organization responsible for ensuring B.C.'s investment in the 2010 Winter Games results in an event that is on time and within the approved budget. This measure assesses that project management is within standard provincial accounting and financial management practice.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Success rate in meeting milestones of the provincial commitments to the 2010 Winter Games.*	On time, on budget	On time, on budget	On time, on budget	—	✓
<b>Selection Rationale</b>	Measures the performance of providing oversight and following the provincial financial management framework in managing the \$600 million funding envelope and meeting the milestones of the provincial commitments.				
<b>Variance Explanation</b>	Expenditures made on individual components were within established budget.				
<b>Data Sources and Issues</b>	Data source — Government fiscal budgets.				
<b>Changes to the Measure</b>	This 2005/06 measure was maintained.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

## Objective 2

### 2010 Winter Games business opportunities and jobs are maximized throughout the province.

The Secretariat plays a key role in ensuring that opportunities associated with hosting the 2010 Winter Games are identified early and realized before, during and after the 2010 Winter Games and that these opportunities evolve into enduring legacies for communities around the province.

### Strategies

- Work with lead agencies and partners to provide tools and information for communities and businesses, using such tools as the 2010 Commerce Centre to pursue the 2010 Winter Games related opportunities.
- Provide timely and effective issues management within the province and among partners and stakeholders.
- Act as a coordination hub for provincial activities, projects and key relationships related to the 2010 Winter Games. Develop and deliver tools for community and stakeholder outreach.

### Performance Measure

**Cumulative total of businesses registered for the 2010 Olympic and Paralympic Winter Games procurement opportunities.** This measures the effectiveness of the outreach programs to B.C. businesses for the 2010 Olympic and Paralympic Winter Games by calculating the cumulative total of businesses registered for the procurement opportunities advertised by the 2010 Commerce Centre B.C. and Canadian businesses are able to register and receive directed information on business arising opportunities.

Performance Measure	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Cumulative total of businesses registered for the 2010 Winter Games procurement opportunities. *	1500	1500	1879	379	✓✓
<b>Selection Rationale</b>	Measures the number of B.C. businesses registered to receive 2010 business opportunities. This measure is important because it reflects the success of the 2010 Commerce Centre to engage B.C. businesses and communities.				
<b>Variance Explanation</b>	The outreach programs offered were more successful than anticipated.				
<b>Data Sources and Issues</b>	Data source — Registration database.				
<b>Changes to the Measure</b>	This 2005/06 measure was maintained and originally included the number of B.C. businesses registered for the 2010 Commerce Center newsletters. It was amended to provide a more effective measure without overlap as a business can register for both opportunities and newsletters.				

\* Indicates 2005/06 performance measure was maintained and/or combined.

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

## **Regulatory Reform**

Please refer to Cross Ministry Initiatives section of the Strategic Context on page 15 for information on how the Ministry is supporting the Government's Regulatory Reform initiative.



# Report on Resources

This section provides information on the Ministry's operating expenditures, full time equivalent (FTE) staff allocation, and capital expenditures for 2005/06. The table below shows operating information for each core business area and is consistent with the *Service Plan 2006/07–2008/09*.

## Resource Summary 2005/06

Core Business Areas	Estimated <sup>1</sup>	Other Authorizations <sup>2</sup>	Total Estimated	Actual	Variance <sup>3</sup>
<b>Operating Expenses (\$000)</b>					
Marketing and Promoting B.C.....	9,588	0	9,588	13,907	(4,319)
Enhancing Economic Development.....	314,650	0	314,650	400,317	(85,667) <sup>3</sup>
2010 Olympic and Paralympic Winter Games Secretariat.....	109,639	0	109,639	12,677	96,962
Executive and Support Services.....	10,184	0	10,184	10,104	80
<b>Total .....</b>	<b>444,061</b>	<b>0</b>	<b>444,061</b>	<b>437,005</b>	<b>7,056</b>
<b>Full-time Equivalents (FTEs)</b>					
Marketing and Promoting B.C.....	41	0	41	40	1
Enhancing Economic Development.....	45	0	45	52	(7)
2010 Olympic and Paralympic Winter Games Secretariat.....	15	0	15	13	2
Executive and Support Services.....	27	0	27	23	4
<b>Total .....</b>	<b>128</b>	<b>0</b>	<b>128</b>	<b>128</b>	<b>0</b>
<b>Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)</b>					
Marketing and Promoting B.C.....	30	0	30	32	(2)
Enhancing Economic Development.....	50	0	50	54	(4)
2010 Olympic and Paralympic Winter Games Secretariat.....	620	0	620	31	589
Executive and Support Services.....	155	0	155	10	145
<b>Total .....</b>	<b>855</b>	<b>0</b>	<b>855</b>	<b>127</b>	<b>728</b>

<sup>1</sup> These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the 2006/07 *Estimates*. Schedule A of the *Estimates*, presents a detailed reconciliation.

<sup>2</sup> "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies.

<sup>3</sup> Variance due to emerging priorities and special projects identified in 2006/07 budget package (i.e., Great Northern Way Campus and B.C. Innovation Council).

# Annual Report Appendices

## Appendix 1: List of Crowns, Agencies, Boards and Commissions

Asia-Pacific Trade Council  
B.C.-Alcan Northern Development Fund  
B.C. Competition Council  
B.C. Enterprise Corporation (not active)  
Columbia Basin Trust  
Industry Training Authority  
Northern Development Initiative Trust  
North Island-Coast Development Initiative Trust  
Southern Interior Development Initiative Trust

## Appendix 2: List of Legislation Administered by the Ministry

*B.C.-Alcan Northern Development Fund Act*  
*B.C. Enterprise Corporation*  
*Builders Lien Act*  
*Business Paper Reduction Act*  
*Columbia Basin Trust Act*  
*Community Financial Services Act* (repealed)  
*Employee Investment Act*  
*Industry Training Authority Act*  
*Ministry of International Business and Immigration Act* (except immigration provisions)  
*Northern Development Initiative Trust Act*  
*North Island-Coast Development Initiative Trust Act*  
*Pacific National Exhibition Enabling and Validating Act*  
*Pacific National Exhibition Incorporation Act*  
*Small Business Venture Capital Act*  
*Southern Interior Development Initiative Trust Act*

## Appendix 3: 2005/06 Goal Changes Summary

At the time of the *September 2005/06–2007/08 Service Plan Update*, the Ministry of Economic Development was in the process of restructuring to meet its new mandate. During the fall and winter of 2005/06, the Ministry engaged in a process which determined the goals that would be the focus on a going forward basis, reducing them from 4 to 3. The table below represents this transition.

2005/06 – 2007/08 Service Plan Update Goals	Status Of the Goal	2006/07 – 2008/09 Service Plan Goals
1. Improving our competitive position in the national and international economy and facilitating job creation.	← Revised. This goal was combined with Goal 2 to reduce the number of goals overall from four (4) to three (3).	← 1. B.C. is recognized globally as a preferred place to live, work, invest and do business, and as a key gateway for commerce on the Pacific Coast.
2. Marketing British Columbia as a preferred place to live, visit, invest and do business.	← Revised. This goal was combined with Goal 1 to reduce the number of goals overall from four (4) to three (3).	← 1. B.C. is recognized globally as a preferred place to live, work, invest and do business, and as a key gateway for commerce on the Pacific Coast.
3. Increasing economic development throughout B.C., particularly in the regions.	← Revised. This goal was revised to focus on economic development in the regions as well as supporting British Columbians' access to jobs and opportunities.	← 2. All British Columbians live in prosperous regions and are able to achieve their economic potential.
4. The 2010 Olympics and Paralympic Winter Games are successful and leave a legacy for British Columbians.	← Revised. This goal was revised for clarity.	← 3. B.C. hosts a successful 2010 Olympic and Paralympic Winter Games to create a legacy of economic benefits for the province.

## Appendix 4: Ministry Performance Measures

This Appendix provides information on the 2005/06 measures that are no longer part of the Ministry's Service Plan. In the fall and winter of 2005/06, the Ministry revised its goals and performance measures in order to reflect its new mandate. In addition, the Ministry reduced the number of its performance measures to twelve (12) in order to focus on critical aspects of performance.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
Total number of new inbound investment projects.	6 new inbound investment projects	6 additional new inbound investment projects	5	(1)	△
Number of trade missions and key events promoting B.C.	7 trade and investment visits led by Premier and/or Minister(s), 40 pre-qualified business delegations attracted	7 trade and investment visits led by Premier and/or Minister(s), 40 pre-qualified business delegations attracted	5 trade and investment visits missions led by Premier and/or Minister(s), 30 pre-qualified business delegations attracted	(3) (10)	△
Number of customized information packages provided in response to qualified investor enquiries.	75 customized information packages provided	75 customized information packages provided	68	(7)	△
Asia-Pacific Trade Council established and supported.	Establish Council and provide support for development of initial recommendations	Establish Council and provide support for development of initial recommendations	Council established and support provided	N/A	✓
Percentage of new Provincial Nominees destined to rural areas.	30%	35%	57%	22%	✓✓
Jobs created by new Provincial Nominee Business Immigrants.	274 full-time jobs	305 full-time jobs	432	127	✓✓
Critical skills shortages identified and addressed.	Develop labour market policy and strategy	Develop labour market policy and strategy	Labour market policy and strategy developed	N/A	✓

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Variance	Results
National Training Strategy developed.	Develop strategic overview	Develop strategic overview	Strategic overview developed	N/A	✓
Venture Capital Fund Registrations (cumulative).	6 funds registered	8 funds registered	6 funds registered	(2)	△
Develop and implement regional initiative trusts.	Trusts developed and implemented	Trusts developed and implemented	Trusts developed and implemented	N/A	✓
Private capital raised and businesses financed on an annual basis with amounts invested each year.	\$134 M; 193 businesses	\$152 M; 120 businesses	\$86 M; 153 businesses	(\$66 M)	✓
Lead development of province's Economic Strategy.	Economic initiatives in place	Develop strategic overview	Strategic overview developed	N/A	✓
Competitiveness indicators updated.	Develop base data on competitiveness levels for each indicator	Update competitiveness indicators	Competitive indicators updated	N/A	✓
Tax proposal options developed.	Evaluate new tax measures and develop recommendations for presentation to Minister by October 31, 2004	Update analysis and develop revised options by September 30, 2005.	Analysis updated and revised options developed by September 30, 2005.	N/A	✓
Competition Council established and recommendations delivered.	Establish Council	Establish Council	Council established	N/A	✓
2010 procurement opportunities posted via a web-based information system.	Develop a web-based information system	100% of procurement opportunities available to B.C. businesses	100%	0	✓

△ Target not achieved. ✓✓ Exceeded target. ✓ Achieved target. N/A — Not Applicable.

