



MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

The mission of the Ministry of Small Business and Economic Development is to promote strategic leadership in government to create a strong, prosperous and diverse economy in all regions.

MINISTRY SUMMARY

(\$000)

| | Estimates 2004/05 ¹ | Estimates 2005/06 |
|--|-----------------------------------|----------------------|
| VOTED APPROPRIATION | | |
| Vote 35 — Ministry Operations..... | 136,993 | 517,088 |
| STATUTORY APPROPRIATIONS | | |
| Northern Development Fund Special Account..... | 500 | 500 |
| Olympic Arts Fund Special Account..... | 625 | 650 |
| Physical Fitness and Amateur Sports Fund Special Account..... | 2,200 | 2,200 |
| OPERATING EXPENSE | <u>140,318</u> | <u>520,438</u> |
| PREPAID CAPITAL ADVANCES² | — | — |
| CAPITAL EXPENDITURES³ | 470 | 875 |
| LOANS, INVESTMENTS AND OTHER REQUIREMENTS⁴ | — | — |
| REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES⁵ | — | — |
| FULLTIME EQUIVALENT (FTE) EMPLOYMENT⁶ | 157 | 157 |

NOTES

¹ For comparative purposes only, figures shown for 2004/05 expense, FTEs and capital expenditures have been restated to be consistent with the presentation of the 2005/06 Estimates. Schedule A presents a detailed reconciliation.

² Details of prepaid capital advances are presented in Schedule C.

³ Details of capital expenditures are presented in Schedule D.

⁴ Details of loans, investments and other requirements are presented in Schedule E.

⁵ Details of revenue collected for, and transferred to, other entities are presented in Schedule F.

⁶ Details of FTEs are presented in Schedule G.

MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

CORE BUSINESS SUMMARY

\$000

| OPERATING EXPENSE | 2004/05 | 2005/06 ESTIMATES | | |
|---|----------------|-------------------|---------------------|----------------|
| | Net | Gross | External Recoveries | Net |
| Core Business | | | | |
| Improving British Columbia's Investment Climate and Competitiveness (includes special account)..... | 3,478 | 5,567 | — | 5,567 |
| Marketing and Promoting British Columbia..... | 2,806 | 3,836 | (10) | 3,826 |
| Enhancing Economic Development Throughout British Columbia..... | 18,033 | 236,762 | — | 236,762 |
| BC Olympic Games Secretariat, Sport and Culture (includes special accounts)..... | 30,503 | 145,903 | (1) | 145,902 |
| Securities, Regulatory Reform and Special Projects..... | 373 | 400 | — | 400 |
| Executive and Support Services..... | 85,125 | 127,986 | (5) | 127,981 |
| TOTAL OPERATING EXPENSES | 140,318 | 520,454 | (16) | 520,438 |

| CAPITAL EXPENDITURES | Net | Disbursements | Receipts | Net |
|--|------------|---------------|----------|------------|
| Core Business | | | | |
| Improving British Columbia's Investment Climate and Competitiveness..... | 75 | 50 | — | 50 |
| Marketing and Promoting British Columbia..... | 50 | 30 | — | 30 |
| BC Olympic Games Secretariat, Sport and Culture..... | 70 | 640 | — | 640 |
| Executive and Support Services..... | 275 | 155 | — | 155 |
| TOTAL CAPITAL EXPENDITURES | 470 | 875 | — | 875 |

MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 35 — MINISTRY OPERATIONS

This vote provides for ministry programs and operations described in the voted appropriations under the following six core businesses: Improving British Columbia's Investment Climate and Competitiveness; Marketing and Promoting British Columbia; Enhancing Economic Development Throughout British Columbia; BC Olympic Games Secretariat, Sport and Culture; Securities, Regulatory Reform and Special Projects; and Executive and Support Services.

IMPROVING BRITISH COLUMBIA'S INVESTMENT CLIMATE AND COMPETITIVENESS

Voted Appropriation

| | | |
|--|-------|--------------|
| Improving British Columbia's Investment Climate and Competitiveness..... | 2,978 | 5,067 |
|--|-------|--------------|

Statutory Appropriation

| | | |
|--|--------------|---------------------|
| Northern Development Fund Special Account..... | 500 | 500 |
| | <u>3,478</u> | <u>5,567</u> |

Voted Appropriation Description: This sub-vote provides for development and enhancement of a positive investment climate and prosperous economy within the province; management of policies and programs to assist small and medium sized businesses; increasing venture capital; collecting and providing economic and business information on sectors, regions and trends; undertaking analyses of economic conditions; participating in cross-government projects to improve the province's tax competitiveness and establishing provincial positions and policies regarding domestic and international trade issues.

Statutory Appropriation Description: This statutory appropriation provides for the Northern Development Fund Special Account, which is governed under the *BC-Alcan Northern Development Fund Act*.

MARKETING AND PROMOTING BRITISH COLUMBIA

Voted Appropriation

| | | |
|---|-------|--------------|
| Marketing and Promoting British Columbia..... | 2,806 | 3,826 |
|---|-------|--------------|

Voted Appropriation Description: This sub-vote provides for facilitating trade and investment and communicating British Columbia's advantages and opportunities; showcasing British Columbia at national and international industry events; planning and managing trade missions to profile British Columbia in key markets; assisting the private sector to leverage identified marketing opportunities; and leading the marketing of British Columbia as a film and television production location. Recoveries are received from external organizations and individuals for services provided by the BC Film Commission.

MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

OPERATING EXPENSE BY CORE BUSINESS (Continued)

\$000

Estimates
2004/05

Estimates
2005/06

ENHANCING ECONOMIC DEVELOPMENT THROUGHOUT BRITISH COLUMBIA

Voted Appropriation

| | | |
|---|--------|----------------|
| Enhancing Economic Development Throughout British Columbia..... | 18,033 | 236,762 |
|---|--------|----------------|

Voted Appropriation Description: This sub-vote provides for sector-specific analysis and initiatives to support economic revitalization and greater economic diversity in all regions of the province; working with investors to facilitate economic development including through a fast-track approval process for key projects; managing programs and providing financial assistance to improve urban and rural infrastructure throughout the province; implementing the provincial Tourism Strategy; administering the Western Economic Partnership Agreement; implementing strategies to promote British Columbia and achieve increases in specific areas such as trade, tourism, all-season resorts, ports, film and science and technology; piloting regional alliances with local governments and the private sector to support growth and diversification of the provincial economy; and administering the Olympic/Paralympic Live Sites Program.

BC OLYMPIC GAMES SECRETARIAT, SPORT AND CULTURE

Voted Appropriations

| | | |
|-----------------------------------|---------------|-----------------------|
| BC Olympic Games Secretariat..... | 6,290 | 118,739 |
| Sport..... | 8,713 | 8,713 |
| Culture and BC Arts Council..... | 12,675 | 15,600 |
| | <u>27,678</u> | <u>143,052</u> |

Statutory Appropriations

| | | |
|---|---------------|-----------------------|
| Olympic Arts Fund Special Account..... | 625 | 650 |
| Physical Fitness and Amateur Sports Fund Special Account..... | 2,200 | 2,200 |
| | <u>30,503</u> | <u>145,902</u> |

Voted Appropriations Description: This sub-vote provides for the BC Olympic and Paralympic Winter Games Secretariat to co-ordinate intra- and intergovernmental relations; provide assistance to the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games; fund initiatives under the Shared Legacies Agreement; build community support of the Games throughout the province; and administer the Olympic Arts Fund and the Physical Fitness and Amateur Sports Fund. This sub-vote also provides support for cultural, sport and physical activity policy and programs, and for the administration and delivery of government programs under the *Arts Council Act*. Transfers are provided in support of the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games; local governments, amateur sport associations, sport and cultural development programs, physical activity projects, community development projects, Games-related programs, and for the programs of the BC Arts Council. Some costs are partially recovered from external organizations for program services provided for in this sub-vote.

Statutory Appropriations Description: This statutory appropriation provides for the Physical Fitness and Amateur Sports Fund Special Account and for the Olympic Arts Fund Special Account.

SECURITIES, REGULATORY REFORM AND SPECIAL PROJECTS

Voted Appropriation

| | | |
|---|-----|------------|
| Securities, Regulatory Reform and Special Projects..... | 373 | 400 |
|---|-----|------------|

Voted Appropriation Description: This sub-vote provides support for specific government-wide priority initiatives including deregulation, regulatory reform, securities reform and special projects.

MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

OPERATING EXPENSE BY CORE BUSINESS (Continued)

\$000

Estimates
2004/05

Estimates
2005/06

EXECUTIVE AND SUPPORT SERVICES

Voted Appropriations

| | | |
|--|---------------|----------------|
| Minister's Office..... | 729 | 535 |
| Corporate Services..... | 6,776 | 31,226 |
| British Columbia Pavilion Corporation..... | 5,000 | 6,500 |
| Vancouver Convention Centre Expansion Project..... | 71,300 | 88,500 |
| Reserves for Doubtful Accounts..... | 1,320 | 1,220 |
| | <u>85,125</u> | <u>127,981</u> |

Voted Appropriations Description: This sub-vote provides for the office of the Minister of Small Business and Economic Development and administration and ministry executive support, including the deputy ministers' offices, financial and human resources, legislation and administrative services, records management and information systems and the library. This sub-vote also provides for administrative support services for the Ministry of Energy and Mines. Transfers are provided to the British Columbia Pavilion Corporation towards capital, operating and facilities maintenance costs and for amortization of the provincial investment in the corporation and to the Vancouver Convention Centre Expansion Project. Transfers are also provided to Tourism BC. This sub-vote also provides for reserves for doubtful accounts and write-downs of investments. Recoveries are received from parties external to government for ministry services provided for in this sub-vote.

| | | |
|--------------------------------------|---------|---------|
| VOTE 35 — MINISTRY OPERATIONS | 136,993 | 517,088 |
| STATUTORY — SPECIAL ACCOUNTS | 3,325 | 3,350 |

MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

| | | |
|-------------------------------------|----------------|----------------|
| Salaries and Benefits | 13,995 | 14,735 |
| Operating Costs | 12,893 | 13,062 |
| Government Transfers | 108,753 | 486,564 |
| Other Expenses | 4,693 | 6,093 |
| External Recoveries | (16) | (16) |
| TOTAL OPERATING EXPENSE..... | <u>140,318</u> | <u>520,438</u> |

MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

SPECIAL ACCOUNT¹

\$000

NORTHERN DEVELOPMENT FUND

This account was created by the *BC-Alcan Northern Development Fund Act*, 1998. The purpose of the account is to promote sustainable economic development in northwestern British Columbia. Expenses are to support investment in new or existing businesses, to create new employment or stabilize existing employment, to support other goals consistent with the Act, and for the operations for the Nechako-Kitimat Development Fund Society. Interest earned on the fund balance is credited to the account as revenue. Administration costs are funded through the Ministry Operations Vote. No financing transactions are provided for under this account.

| | Estimates 2004/05 | Estimates 2005/06 |
|--|----------------------|----------------------|
| SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR²..... | 9,344 | 9,419 |
| OPERATING TRANSACTIONS | | |
| Revenue..... | 575 | 575 |
| Expense..... | (500) | (500) |
| Net Revenue (Expense)..... | 75 | 75 |
| FINANCING TRANSACTIONS | | |
| Loans, Investments and Other Requirements | | |
| Receipts..... | — | — |
| Disbursements - Capital..... | — | — |
| Disbursements - Other..... | — | — |
| Net Cash Source (Requirement)..... | — | — |
| PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR²..... | 9,419 | 9,494 |

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Projected Spending Authority Available represents the cash and temporary investments projected to be available at the end of the fiscal year. The Spending Authority Available at the beginning of the fiscal year 2004/05 is based on the 2003/04 Public Accounts.

MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

SPECIAL ACCOUNT¹

\$000

OLYMPIC ARTS FUND

This account was established under the *Special Accounts Appropriation and Control Act*, 2001. The account provides funding to promote hosting the 2010 Olympic and Paralympic Winter Games in British Columbia. Interest earned on the account balance is credited to the account as revenue. Expenses consist of transfers to groups and organizations for cultural and artistic activities that will promote hosting of the 2010 Olympic and Paralympic Winter Games in BC. The initial account balance was established at \$5 million. The balance was increased by \$5 million on April 1, 2002 and April 1, 2003 and April 2004 under the authority of the *Special Accounts Appropriation and Control Act*, 2001.

No financing transactions are provided for under this account.

| | Estimates 2004/05 | Estimates 2005/06 |
|--|----------------------|----------------------|
| SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR²..... | 319 | 5,319 |
| OPERATING TRANSACTIONS | | |
| Revenue..... | 625 | 650 |
| Expense..... | (625) | (650) |
| Net Revenue (Expense)..... | — | — |
| Transfer from the General Fund..... | 5,000 | — |
| FINANCING TRANSACTIONS | | |
| Loans, Investments and Other Requirements | | |
| Receipts..... | — | — |
| Disbursements - Capital..... | — | — |
| Disbursements - Other..... | — | — |
| Net Cash Source (Requirement)..... | — | — |
| PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR²..... | 5,319 | 5,319 |

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Projected Spending Authority Available represents the cash and temporary investments projected to be available at the end of the fiscal year. The Spending Authority Available at the beginning of the fiscal year 2004/05 is based on the 2003/04 Public Accounts.

MINISTRY OF SMALL BUSINESS AND ECONOMIC DEVELOPMENT

SPECIAL ACCOUNT¹

\$000

PHYSICAL FITNESS AND AMATEUR SPORTS FUND

This account was originally created as a fund under the *Revenue Surplus Appropriation Act*, 1969, was continued under the *Funds Control Act*, 1979, and was changed to a Special Account under the *Special Accounts Appropriation and Control Act*, 1988. The account promotes the physical fitness of residents of the province and their participation in amateur sport. Interest earned on the account balance is credited to the account as revenue. Expenses consist of transfers to physical fitness and amateur sport projects, groups and organizations, and awards to individuals. Administration costs are provided through the Ministry Operations Vote. The account balance was increased by \$5.5 million before April 1, 2002 and by \$5.5 million on April 1, 2003 and on April 1, 2004, under the authority of the *Special Accounts Appropriation and Control Act*, 2001. No financing transactions are provided for under this account.

| | Estimates 2004/05 | Estimates 2005/06 |
|--|----------------------|----------------------|
| SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR²..... | <u>1,773</u> | <u>7,273</u> |
| OPERATING TRANSACTIONS | | |
| Revenue..... | 2,200 | 2,200 |
| Expense..... | <u>(2,200)</u> | <u>(2,200)</u> |
| Net Revenue (Expense)..... | — | — |
| Transfer from the General Fund..... | 5,500 | — |
| FINANCING TRANSACTIONS | | |
| Loans, Investments and Other Requirements | | |
| Receipts..... | — | — |
| Disbursements - Capital..... | — | — |
| Disbursements - Other..... | — | — |
| Net Cash Source (Requirement)..... | <u>—</u> | <u>—</u> |
| PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR²..... | <u>7,273</u> | <u>7,273</u> |

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Projected Spending Authority Available represents the cash and temporary investments projected to be available at the end of the fiscal year. The Spending Authority Available at the beginning of the fiscal year 2004/05 is based on the 2003/04 Public Accounts.