



*Welcome to the*

# **1995/96 Annual Report**

*of the  
Ministry of Employment  
and Investment*

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*Highlights and Accomplishments*

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*Ministry Overview and Structure*

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*Creating Jobs*

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*And more...*



**BRITISH  
COLUMBIA**

Ministry of  
Employment and  
Investment

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***1995/96  
Annual  
Report***



BRITISH  
COLUMBIA

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Honourable Garde Gardom  
Lieutenant-Governor  
Province of British Columbia

May It Please Your Honour:

I respectfully submit the annual report of the Ministry of  
Employment and Investment for the period of April 1, 1995, to  
March 31, 1996.

A handwritten signature in cursive script, appearing to read "Dan Miller".

Dan Miller  
Minister of Employment and Investment

Honourable Dan Miller  
Minister of Employment and Investment  
Province of British Columbia

Dear Minister:

I respectfully submit the annual report of the Ministry of  
Employment and Investment for the period of April 1, 1995, to  
March 31, 1996.

A handwritten signature in cursive script, appearing to read "C. Kang".

Charles Kang  
Deputy Minister  
Ministry of Employment and Investment

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## ***Ministry at a glance***

The Ministry of Employment and Investment is the lead provincial agency for creating and protecting jobs across British Columbia.

■ **The ministry:**

- develops sectoral trade opportunities;
- fosters international and domestic private sector investment;
- facilitates and co-ordinates strategic public sector capital investments;
- works with the public sector in its economic development responsibilities;
- facilitates the development of the science and technology sector;
- ensures that the province's energy and mineral resources are managed for the benefit of British Columbians;
- encourages the revitalization of traditional industries; and,
- collects revenues generated by petroleum and mining activities in the province.

## Highlights and accomplishments

The ministry was involved in numerous initiatives during the 1995/96 fiscal year.

### ■ Here are the highlights and major accomplishments:

- established the British Columbia Trade and Investment Office in March 1996 to provide one-stop access for exporters and investors by combining the function of the BC Trade Development Corporation, the BC Investment Office, and the ministry's Industry and Investment Division;
- integrated the former Ministry of Energy, Mines and Petroleum Resources with the Ministry of Employment and Investment to cut costs of government and to ensure a greater focus on job creation in the energy and mining sectors, through increased co-ordination of key economic activities;
- provided \$25.8 million, through the Science and Technology Fund, for the enhancement of science and technology in:
  - building physical and institutional infrastructure;
  - human resource development;
  - public awareness;
  - research and development; and,
  - technology transfer support;
- implemented British Columbia's second Consolidated Capital Plan — which included all capital expenditures by provincial ministries and agencies totaling about \$1.5 billion;
- implemented the BC 21 strategy initiatives, including:
  - the \$1.2-billion Vancouver Island Highway project that is providing vital jobs and training opportunities; and,
  - the \$800-million, BC Ferry Corporation's 10-Year Development Plan;
- jointly managed more than 400 projects under the Canada-British Columbia Infrastructure Works Agreement to create nearly 9,000 jobs throughout British Columbia;
- managed the Build BC Special Account that provided about \$20 million to support programs that met *Build BC Act* objectives, including \$1 million to the National Institute of Disability Management and Research to assist in creating a \$6-million endowment to support educational, training, and research initiatives in disability management; and,
- collected revenues totaling almost \$395 million from the energy and mineral sectors; the estimated value of total output for 1995 was \$1.05 billion for oil and gas and \$3.46 billion for minerals.

## Ministry overview and structure

### Mandate

- To assist in creating jobs throughout British Columbia while protecting existing ones through leadership in trade, investment, capital development, science and technology, and stewardship of the province's energy and mineral resources.
- To collect revenues generated by petroleum and mining activities in the province.

### General responsibilities

- Develops sectoral trade — advanced manufacturing, knowledge-based industries, natural resources — opportunities in international and domestic markets by:
  - co-ordinating and developing British Columbia's policies and positions for international trade negotiations to secure maximum access for British Columbia exporters while protecting vulnerable domestic producers;
  - representing and advancing British Columbia's interests in international trade disputes;
  - co-ordinating British Columbia's participation in the Pacific Northwest Economic Region (PNWER);
  - ensuring British Columbia's strong presence in international markets through its foreign offices, particularly in the Asia Pacific region;
  - participating in Asia Pacific Economic Co-operation (APEC) through the British Columbia Co-ordination Office and preparing to co-host, with Canada, the 1997 APEC Economic Leaders Meeting to be held in Vancouver;
  - encouraging the export of British Columbia goods and services;
  - promoting the marketing of industrial minerals in the province, Pacific Rim countries, and Europe;
  - hosting and co-ordinating outgoing and incoming trade missions; and,
  - developing and co-ordinating British Columbia's trade policies, positions, options, and strategies for Canadian inter-governmental negotiations to remove barriers to interprovincial trade and for other domestic trade negotiations.
- Fosters international and domestic private sector investment by:
  - promoting investment opportunities;
  - working with the private sector to promote investment to create stable, quality jobs;
  - providing assistance on projects and investments which require financial participation and/or partnership with the provincial government;



- participating in financial assistance negotiations and completing due diligence analysis for the ministry, BC Trade and Investment Office, the Job Protection Commission, Forest Renewal BC, the BC Transportation Financing Authority, and other ministries and agencies;
  - providing technical services and expertise and being the principal window to the domestic business community;
  - drawing on other government instruments — including Forest Renewal BC, the Job Protection Commission, the Working Opportunity Fund, and the International Maritime Centre — to lever additional private sector investment activity; and,
  - working to develop and maintain competitive knowledge-based and resource-based industries and pursuing value-added opportunities.
- Facilitates and co-ordinates strategic public sector capital investments by:
- co-ordinating all the economic levers in the public sector for an integrated planning of capital investments;
  - implementing, with the social capital ministries and relevant Crown corporations, the Consolidated Capital Plan for all provincial infrastructure investments;
  - translating BC 21 principles into the business plans of the Crown corporations and line ministries; and,
  - co-chairing the Canada-British Columbia Infrastructure Works Program and Agreement for the provincial government, co-ordinating the activities of the various partner agencies, reviewing program applications, and directly administering projects approved under the program's enhanced public service component.
- Assists the public sector in its economic development responsibilities by:
- providing an economic policy and planning function for the public sector;
  - leading the public sector in developing:
    - an economic framework for strategies for creating jobs and enhancing economic growth; and,
    - public and private infrastructure development policy;
  - integrating the Crown corporations' planning processes;
  - managing the Build BC Special Account under the *Build BC Act* and leading and guiding government agencies in developing specific program initiatives and proposals under the Act;
  - developing provincial transportation policies pertaining to commercialization of federal air and marine infrastructure and services, expansion of rail services, and infrastructure and establishment of commuter rail services;
  - enhancing provincial interests in the telecommunications, broadcasting and cable industries;
  - facilitating strategic investments by Government and its Crown corporations in public infrastructure to encourage new private sector investments; and,
  - working with other ministries and agencies to support private sector economic development opportunities.

- Facilitates the development of the science and technology sector by:
  - providing leadership, co-ordination, and funding to enhance British Columbia's scientific and technological capacity;
  - providing programs and direction in research and development, public awareness of science and technology, human resource development, and the building of physical and institutional infrastructure;
  - managing contracts involving funding to various agencies, businesses, and post-secondary institutions with a focus on research support and/or technology transfer in new or emerging economic sectors, such as computer technology, biotechnology, medical devices development and telecommunications; and,
  - implementing human resource development and science awareness initiatives.
  
- Ensures that the province's energy and mineral resources are managed for the maximum benefit of British Columbians by:
  - determining the value of the energy and mining industries' contribution to the B.C. economy;
  - ensuring that the province's energy and mineral resources are explored, developed, transported and utilized in a safe, efficient, and environmentally sound manner;
  - assessing and managing British Columbia's petroleum, natural gas, geothermal energy and mineral resources;
  - pursuing legislative reform to solve regulatory challenges, to better integrate provincial policies and to reduce regulatory and administrative burden on the oil, gas and mineral industries;
  - participating in energy and mineral industry forums to inform major stakeholders of provincial interests and policies, and to receive feedback from industries;
  - participating in provincial land-use planning and policy initiatives to ensure energy and mineral interests are represented;
  - ensuring that energy and mineral interests are addressed in aboriginal treaty negotiations;
  - representing the British Columbia public interest at National Energy Board hearings on provincial developments and issues and providing information on provincial energy policy to the British Columbia Utilities Commission;
  - developing and implementing electricity policy and providing timely and integrated assessment of applications for energy projects and Electricity Energy Removal Certificates;
  - developing and delivering policies, programs, and regulations that promote the economically efficient production and use of energy;
  - regulating oil and gas exploration and production activities;
  - stimulating mineral exploration and development by the provision of funding to mining companies, exploration companies and individuals through infrastructure funding and continuation of Explore BC component programs;
  - issuing a Mine Development Certificate for the Line Creek Horseshoe Ridge Project and issuing four major project approval certificates jointly with the Ministry of Environment, Lands and Parks; and,

- regulating mine worker safety, mine reclamation practices, and administration of legislation relating to oil, gas and mineral tenures.
- Encourages the revitalization of traditional industries by:
- providing counselling and mediation services and developing economic plans to maintain jobs in strategic industries affected by restructuring;
  - undertaking special projects and recommending government financial participation with qualifying businesses; and,
  - providing emergency funding through the Natural Resource Community Fund to assist local governments revitalize their economy.
- Collects revenues generated by petroleum and mining activities in the province as mandated under provincial legislation:
- collecting royalties and freehold production taxes under the *Petroleum and Natural Gas Act* on oil production and on natural gas production;
  - assessing and levying taxes under the *Mineral Land Tax Act*; and,
  - collecting taxes on mineral production under the *Mineral Tax Act*;
  - issuing reassessments under the *Mineral Resource Tax Act*;
  - collecting fees to recover ministry costs related to the natural gas industry and ministry costs related to health and safety inspection of mines and gravel pits.

## Organizational Structure

- The ministry has one office, five divisions, and one branch reporting to the deputy minister:
- BC Trade and Investment Office;
  - Communications Division;
  - Corporate Relations Branch;
  - Energy and Minerals Division;
  - Policy Division;
  - Revenue and Management Services Division; and,
  - Science, Technology and Capital Development Division
- The Crown Corporations Secretariat, headed by a deputy minister, reports to the Minister. The Crown Corporations Secretariat is the central agency responsible for financial and economic analysis of Crown corporations and is the focal point for policy development and project management.
- The broad oversight and policy direction functions vested in Cabinet are performed by Ministers Responsible, who are assigned responsibility for specific Crown corporations. The following Crown corporations and agencies report to the Minister of Employment and Investment:
- Asia Pacific Foundation – an independent, non-profit organization that advances knowledge and understanding between the peoples and institutions of Canada and the Asia Pacific Region;
  - BC Buildings Corporation – provides accommodation and real estate services to the provincial government;

- BC Community Financial Services Corporation – operates the community-based financial institution, Four Corners Community Savings, which provides a full range of financial and related services to residents of Vancouver's inner city area who may not otherwise have access to basic banking services;
  - BC Ferry Corporation – operates the province's coastal ferry system;
  - BC Hydro and Power Authority – the province's public electric utility;
  - BC International Commercial Arbitration Centre – provides a neutral meeting facility for the settlement of international commercial disputes;
  - BC Railway Group of Companies – provides freight and passenger rail services with the province, real estate development, telecommunications, and joint-venture management;
  - Council of Crown Corporations – established to facilitate a clear and ongoing exchange of information between the Ministry of Employment and Investment and Crown corporations;
  - Insurance Corporation of BC – administers Autoplan, a compulsory automobile insurance program, and offers optional coverage to motorists;
  - International Financial Centre – a non-profit society that promotes Vancouver as a location for international financial activity;
  - International Maritime Centre – a non-profit society that markets British Columbia to international shipping companies and facilitates the establishment of international shipping-related operations in the province;
  - Job Protection Commission – provides mediation services and assists parties involved in a business closure to work co-operatively to develop plans to solve the problems facing the business;
  - Science Council of BC – administers science and technology programs on the provincial government's behalf;
  - Victoria Line Ltd. – operates a car and passenger ferry service between Victoria and Seattle, from May to September; and,
  - West Coast Express Ltd. – operates a commuter rail service between Mission and downtown Vancouver.
- BC Trade and Investment Office:
- facilitates and promotes international and domestic private sector investment;
  - enhances and expands British Columbia export opportunities;
  - maintains knowledge and awareness of the B.C. economy, the resource base, and the industrial and business sectors;
  - pursues initiatives which strengthen and diversify the economic base of the province, with emphasis on sectors which offer significant potential within the international marketplace in the 21<sup>st</sup> century; and,
  - supports creation of long-term jobs and development of the economy in all regions of the province.
- BC Trade and Investment Office has two divisions:
- Investment and Financial Services Division, which has two branches:
    - Financial Services Branch; and,
    - Investment Facilitation Branch.

- Trade and Industry Division which has five branches:
  - International Services and Special Projects Branch;
  - Knowledge-Based and Service Industries Branch;
  - Manufacturing and Equipment Branch;
  - Missions and Events Branch; and,
  - Natural Resources Branch.
- BCTIO has trade and investment representatives in the following locations around the world:
  - Hong Kong;
  - Tokyo and Osaka, Japan;
  - Taipei, Taiwan;
  - Singapore;
  - Bangkok, Thailand;
  - Kuala Lumpur, Malaysia;
  - Beijing and Guangzhou, Peoples Republic of China;
  - London, United Kingdom; and,
  - Seattle, United States.

■ **Communications Division:**

- provides all communications, media and public relations, and issues management for the ministry;
- is the central communications agency for the government's job creation initiatives;
- executes a lead role with other ministries, agencies, and Crown corporations in co-ordinating and facilitating all communications activities through strategic communications planning and proactive implementation. Specific activities include:
  - media relations;
  - news releases;
  - speeches;

- event planning and co-ordination; and,
- advertising and marketing;
- has similar responsibilities for all ministry programs and initiatives and provides strategic communications advice to the minister, the deputy minister, the Executive Committee, and program managers;
- is responsible for overseeing the communications activities and issues management responsibility for Crown corporations in the minister's portfolio; and,
- is structured to initiate and respond to the government's key strategic priorities, in particular, creating jobs and enhancing economic development through sound investments in British Columbia.

■ **Corporate Relations Branch:**

The branch, reporting directly to the deputy minister:

- manages and co-ordinates the Cabinet committee decision-making process and legislative program for the ministry, and the Crown corporations in the minister's portfolio;
- co-ordinates all ministry materials and decision documents for Cabinet and Cabinet committees, including submissions to Treasury Board and Cabinet;
- works with Treasury Board staff and Public Issues and Consultation in scheduling all planning and presentations;
- maintains information and co-ordinates appointments of members to Crown corporations, agencies, boards, and commissions; and,

- develops and maintains strategic and operational planning processes within the ministry and manages and/or provides support on key projects or corporate initiatives for the deputy minister and the ministry.

■ **Energy and Minerals Division:**

The division ensures that the province's energy and mineral resources are managed for the benefit of British Columbians.

The division has six branches:

- Engineering and Operations Branch;
- Geological Survey Branch;
- Mineral Titles Branch;
- Petroleum Geology Branch;
- Petroleum Titles Branch; and,
- Regional Operations, Health and Safety Branch.

■ **Policy Division:**

The division provides — to the other divisions, ministries, Crown corporations, and Cabinet — policy development, analysis, advice, co-ordination, research, impact assessment and information in support of:

- employment;
- resource development; and,
- trade.

The division has three branches:

- International Branch;
- Policy Development Branch; and,
- Resource Policy Branch.

■ **Revenue and Management Services Division:**

The division collects revenues generated by petroleum and mining activities in the province and services the needs of the ministry's management and staff in the areas of finance, administration, personnel, information systems, information and privacy, and employment equity. The Division includes the Vancouver-based Community Development Unit which facilitates community development projects.

The division has five components:

- Community Development Unit
- Finance and Administration Branch;
- Human Resources Branch;
- Information Management Branch; and,
- Resource Revenue Branch.

■ **Science and Technology and Capital Development Division:**

- assists in developing the science and technology sector;
- facilitates and co-ordinates strategic public sector capital investments; and,
- assists the public sector in its economic development responsibilities.

The division has five branches:

- Capital Project Co-ordination Branch;
- Infrastructure and Program Management Branch;
- Public-Private Partnerships Branch;
- Science and Technology Policy and Planning Branch; and,
- Science and Technology Program and Agency Co-ordination Branch.

■ Crown Corporations Secretariat:

British Columbia's Crown corporations play a major role in the lives of British Columbians and in the provincial economy. They provide energy, insurance, transportation and telecommunications services to British Columbians. They operate convention facilities, Pacific National Exhibition, BC Place Stadium, film production studios, and they provide lotteries and property management services to the government and assessment services to the province as a whole.

The Crown Corporation Secretariat oversees and works closely with Crown corporations that are the direct responsibility of the Minister of Employment and Investment. These include:

- BC Buildings Corporation;
- BC Community Financial Services Corporation;
- BC Ferry Corporation;
- BC Hydro and Power Authority;
- BC Railway Group of Companies;
- Insurance Corporation of BC;
- Victoria Line; and,
- West Coast Express.

The secretariat also oversees the activities of the Crown corporations that report to other ministers. These include:

- BC Pavilion Corporation;
- BC Systems Corporation;
- BC Transit;
- BC Transportation Financing Authority;
- Columbia Power Corporation; and,
- Pacific National Exhibition.

For some Crown corporations, only commercial activities outside legislated core functions are subject to secretariat oversight:

- BC Assessment Authority;
- BC Lottery Corporation; and,
- Provincial Capital Commission.

The secretariat's mandate is to ensure that Crown corporations are significant generators of wealth and economic development in British Columbia, bring about government policies, and operate efficiently and effectively. To carry out this mandate, the secretariat:

- reviews and provides advice to government on the strategic and business plans of Crown corporations, including service, capital expenditure and financing plans;
- reviews and advises government on Cabinet, Treasury Board or other submissions of Crown corporations;
- reviews and advises government on policy proposals affecting Crown corporations; and,
- works with Crown corporations on special projects, including implementation of government initiatives and policies.

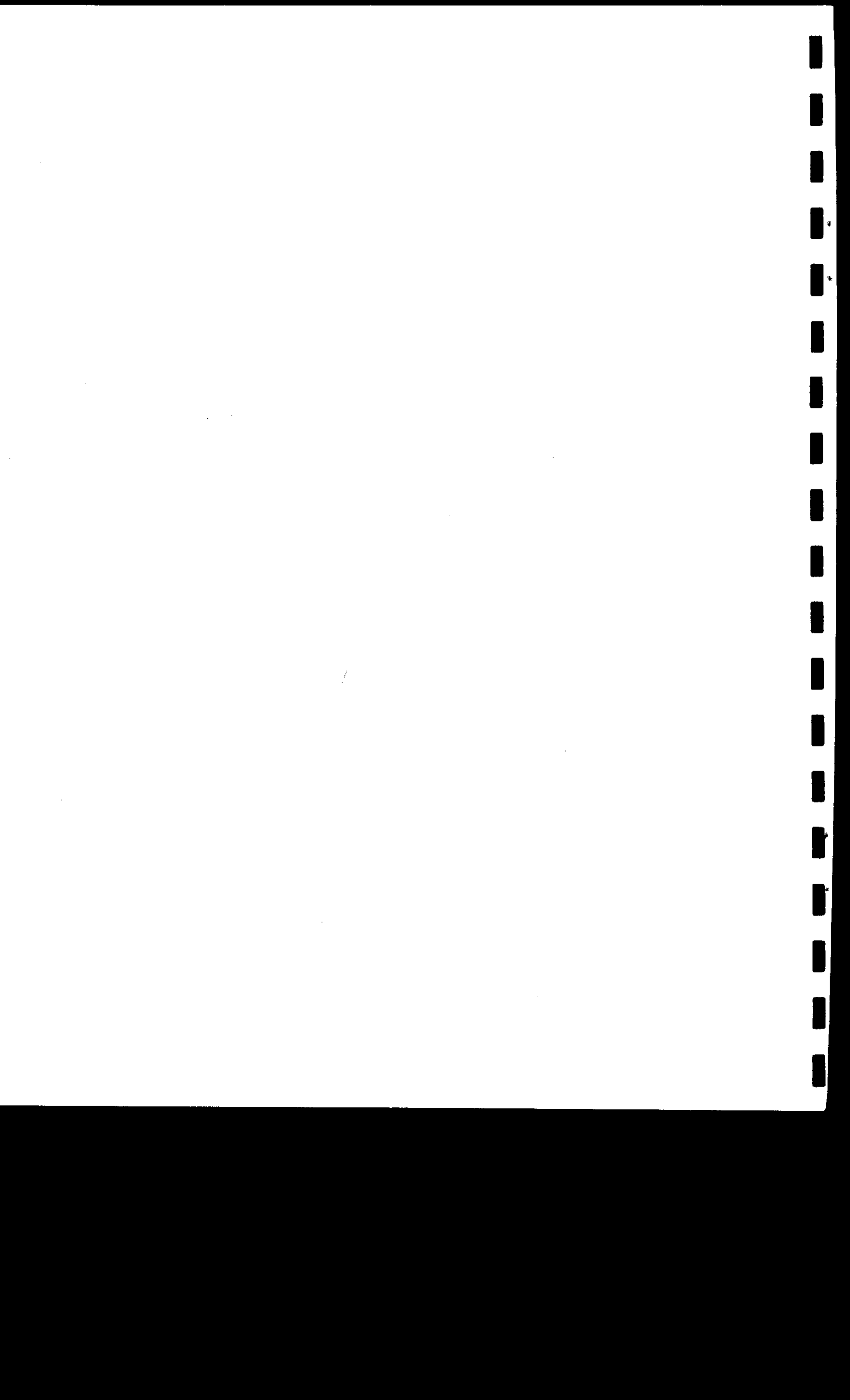
The secretariat has three branches, each responsible for providing advice and reviewing the objectives and performance of a group of Crown corporations:

- Energy and Insurance Crowns Branch:
  - BC Hydro and Power Authority;
  - BC Systems Corporation;
  - Columbia Power Corporation; and,
  - Insurance Corporation of BC.

- Special Projects Branch:
  - BC Assessment Authority;
  - BC Buildings Corporation;
  - BC Lottery Corporation;
  - BC Pavilion Corporation;
  - Pacific National Exhibition; and,
  - Provincial Capital Commission.
  
- Transportation Crowns Branch:
  - BC Ferry Corporation;
  - BC Railway Group of Companies;
  - BC Transit;
  - BC Transportation Financing Authority;
  - Victoria Line; and,
  - West Coast Express.

Teams are often formed with members from the various branches to address cross-Crown issues or to undertake projects involving multiple Crown corporations.





## Creating Jobs

### *Developing sectoral trade opportunities*

The ministry identifies and assesses international and national trade opportunities for British Columbia businesses and undertakes multilateral trade negotiations and trade development initiatives, provides market research and fosters local expertise, to facilitate realization of these opportunities.

In the area of international markets, the ministry:

- co-ordinated and developed British Columbia's policies and positions for international trade negotiations to secure maximum access for British Columbia exporters while protecting vulnerable domestic producers, including:
  - multilateral trade agreements involving the World Trade Organization (WTO) and its predecessor the General Agreement of Tariffs and Trade (GATT);
  - multilateral agreement on investment;
  - multilateral environmental agreements;
  - government procurement agreement; and,
  - regional trade negotiations:
    - the North American Free Trade Agreement (NAFTA) and its parallel accords on labor and the environment;
    - Canada-Chile Trade Agreement; and,
    - Canada-Israel Trade Agreement;
- represented and advanced British Columbia's interests in international trade disputes:
  - challenges to the Canadian supply management system:
    - threatened European ban of Canadian fur imports;
    - monitor softwood lumber negotiations; and,
    - United States restrictions on export of Canadian sugar and sugar-containing products;
  - Asian import licensing restrictions affecting British Columbia products;
  - Australian ban of British Columbia salmon products; and,
  - European restrictions on British Columbia green lumber exports;
- co-ordinated British Columbia's participation in the Pacific Northwest Economic Region (PNWER), an organization consisting of legislators and key private sector representatives from the five Pacific northwest states — Alaska, Idaho, Montana, Oregon, and Washington — and British Columbia and Alberta. Through membership in PNWER, British Columbia has:
  - introduced key British Columbia private sector contacts to PNWER members to foster development of new markets outside the province;

- ensured that issues of importance to British Columbia remained at the forefront of PNWER discussions; and,
  - promoted British Columbia as a prime market for foreign investment;
- ensured British Columbia's strong presence through its foreign offices, particularly in the Asia-Pacific region where markets present the greatest growth potential:
- managed 11 international agents/offices, ensuring the delivery of cost-effective professional services to both government and business community;
- encouraged the export of British Columbia goods and services by:
- undertaking trade development initiatives:
    - supported Airshow Canada through funding and participation;
    - participated in Environet International, an international marketing alliance of British Columbia high-tech companies which market oceans expertise; and,
    - initiated and supported an alliance of 40 British Columbia companies working with the United States Department of Energy on environmental clean-up and other requirements of the National Laboratory System; this alliance succeeded in obtaining more than US\$34 million in contracts;
  - providing customized market research and development services to companies on an individual basis:
    - Ebco Aerospace – \$1-million worth of components for the Boeing 777;
    - International Hard Suits – \$5-million contract for the design and fabrication of a submarine rescue system for the Royal Australian Navy;
    - International Submarine Engineering – \$10-million contract to design and build the world's largest autonomous underwater vehicle;
    - Kelowna Flightcraft – \$25-million order for avionics upgrades;
    - Offshore Systems – sale of 10 electronic charting systems to American Shipping Line; and,
    - Questar Tangent – \$1-million contract to supply condition monitoring systems for Malaysia's rapid transit system;
- fostering the expertise needed to compete in export markets:
- completed 14 company-specific market research reports on a cost-recovery basis, and eight general market reports involving Chile, India, USA, South Africa, China, and Japan;
  - developed and supported strategic industry alliances, including Canada Comfort Direct (29 companies promoting building products in Japan), Export Council of Canadian Architecture (11 architectural firms), British Columbia/United States Department of Energy Marketing Initiative (50 companies), Western Canada Marine Group (five companies internationally marketing British Columbia ship design and equipment packages), Salmon Marketers International (12 companies), and British Columbia Wine Alliance (five companies);

- introduced a seminar program to educate exporters on the formation of strategic alliances; and,
  - completed research confirming new opportunities to pursue industrial activities in kelp production, commercial vocational training, new media production, international finance, aircraft production, and alternate fuel cell manufacture;
  - approving \$2.9 million through the Export Loan Guarantee Program; generating \$24 million in export sales and creating about 117 new jobs; and,
  - managing the \$10-million British Columbia Export Investment Fund, which provides expansion capital or bridge loans — term loans, higher risk financial instruments and equity, from \$100,000 to \$1 million, in projects which contribute to trade development in the province — to small- and medium-volume export firms;
- promoted the marketing of industrial minerals in the province, Pacific Rim countries, and Europe:
    - formed a Task Force to further develop the industrial mineral industry in British Columbia;
    - published a second edition of the *British Columbia Mining Directory*;
    - published and distributed internationally a *British Columbia Dimension Stone* brochure;
    - helped co-ordinate the first major Industrial Minerals Conference ever held in British Columbia; and,
    - facilitated formation of a joint venture to build a new stone-processing plant in Squamish;
  - hosted and co-ordinated incoming and outgoing trade missions:
    - organized Premier's participation in Team Canada mission to India, Pakistan, and Indonesia;
    - hosted with BC Trade about 140 incoming international missions and several high-profile events, including the 18<sup>th</sup> annual conference of the Canada-Japan Business Committee; and,
    - undertook five outgoing investment and trade missions and supported 11 others during the year;
- The ministry, in the area of domestic markets:
- developed and co-ordinated British Columbia's trade strategies for Canadian inter-governmental negotiations to represent the province's interests in interprovincial trade and other domestic trade negotiations by:
    - assisting British Columbia businesses with trade access problems in other provinces; and,
    - ensuring British Columbia's trade interests are met by:
      - maintaining the provincial government's log export policy;
      - exempting Medicare and social services from the Agreement on Internal Trade;
      - ensuring that government purchasing practices are cost-efficient and can be used to help develop British Columbia jobs and business opportunities; and,
      - developing business incentives required to support economic development.

### *Fostering international and domestic private sector investment*

The ministry aggressively markets British Columbia's investment potential to domestic and international investors. It also works in partnership with existing businesses to expand their operations to create jobs or to preserve existing ones. In so doing the ministry:

- promoted investment opportunities:
  - achieved Cabinet approval for the British Columbia Investment Fund, obtained federal and securities officials' approval to market the fund abroad, and initiated marketing; and,
  - launched, strategic partnerships between government, business, labor and research, the Advanced Manufacturing Development Board, Health Industries Development Office, International Wildfire Alliance, Industrial Design Strategy Group, Medical Device Industry Association, and the Environmental Technology Advancement Corporation;
- worked with the private sector to promote investments to create stable, quality jobs:
  - developed English and Chinese versions of *Investment Climate* and updated the *Investment Climate British Columbia* and *Small Business Taxes: Comparing British Columbia to Washington State* publications; and,

- established comprehensive land inventory as an information source for potential investors seeking locations for value-added and secondary manufacturing investment opportunities;
- provided assistance on projects and investments which required financial participation and/or partnership with the provincial government:
  - negotiated a partnership agreement between BC Transit and SNC Lavalin for BC Transit to help market SkyTrain in return for increased British Columbia content; and,
  - reviewed status for possible funding for bridge and road improvements for the Vancouver International Airport Authority and the Sea Island Connector;
- played a role in financial participation negotiations and completed due diligence analysis for the ministry, BC Trade and Investment Office, the Job Protection Commission, Forest Renewal BC, the BC Transportation Financing Authority, and other ministries on assistance which included:

Dynapro Systems	\$3.25-million commercial loan	100 jobs
Huckleberry Mines	\$15-million commercial loan	175 jobs
Newbridge Networks	\$10-million investment	75 jobs
Quinsam Coal (BCTFA)	\$9-million commercial loan	100 jobs
Tahltan Nation Dev. Corp.	\$1.4-million commercial loan	50 jobs

- provided technical services and expertise and operated as the principal window to the domestic business community:
  - established a partnership with the City of Vancouver on the planning and review process for development of new trade and convention facilities for the city;
  - pioneered a collaborative project between British Columbia design and manufacturing firms and BC Ferry Corporation enabling local supply of components to fast ferries; and,
  - led development of the railway property tax reform package, resulting in CP and CN announcing some \$100 million in new capital investments in British Columbia;
  
- drew on government instruments — including Forest Renewal BC, the Job Protection Commission, the Working Opportunity Fund, the International Maritime Centre, and the Natural Resource Community Fund — to lever additional private-sector investment activity:
  - supported the International Maritime Centre and secured relocation of 10 international shipping companies to British Columbia; and,
  - arranged cost-shared funding of two resources jobs commissioners for the Cariboo-Chilcotin and the Kootenay-Boundary regions;
  
- worked to develop and maintain competitive knowledge-based and resource-based industries and pursued value-added opportunities:
  - Canada Comfort Direct marketing initiative, for value-added building products, generated

\$105 million in sales to Japan for its 29 member companies in 1995; and,

- additional value-added building products exports facilitated by BCTIO, from all regions of the province, exceeded \$20 million in 1995. The total increase, from \$56 million in 1994 to \$125 million in 1995, represented a 120 per cent incremental gain.

### *Facilitating and co-ordinating strategic public sector capital investments*

The ministry facilitates and co-ordinates public sector capital investments in order to ensure that economic development activities are consistent with and support the government's job creation initiatives. In so doing the ministry:

- implemented the second Consolidated Capital Plan for all provincial infrastructure investments:
  - the plan encompasses the capital investment intentions, throughout the province, of the four social ministries – Attorney General; Education; Health; Skills, Training and Labour – and the five tax-supported Crown corporations – BC Ferry Corporation, BC Transit, BC Transportation Financing Authority, BC Buildings Corporation and BC Systems Corporation;
  - the plan is a major improvement in public policy and decision-making because it provides a framework for co-ordinating and providing cost-effective trade-offs among competing demands for capital investments across government;

- amended the Consolidated Capital Plan in 1995/96 to extend the planning and co-ordination of capital investments to four fiscal years. Approximately \$1.5 billion was invested in capital assets during 1995/96, resulting in 19,000 jobs throughout British Columbia; and,
  - investments under the Consolidated Capital Plan are consistent with British Columbia's Debt Management Plan, a 10-year plan developed in 1995/96 to ensure the government's debt controls are met;
- translated BC 21 principles into business plans of the Crown corporations and line ministries:
- ensures that all public sector capital investments — for roads, schools, hospitals, and other infrastructure projects — are planned and co-ordinated to provide maximum economic benefits to British Columbians, by:
    - creating local jobs;
    - providing training opportunities for workers involved in these projects; and,
    - enhancing the economic environment for local businesses which benefit from the construction and completion of new infrastructure;
  - BC Ferry Corporation's 10-Year Capital Plan, *Advancing the Fleet, Building the Province*, announced in June 1994 is an example of a BC 21 initiative. This project is providing jobs and training opportunities while developing a transportation infrastructure for the 21<sup>st</sup> century;
  - the construction of a new terminal at Duke Point, south of Nanaimo, is an integral part of the Capital Plan. The terminal will connect to the Vancouver Island Highway and will handle overweight and commercial traffic and relieve pressure on Nanaimo's Departure Bay terminal. Concurrently, BC Ferry Corporation will build three new fast ferries to improve passenger and car service between Vancouver and Nanaimo;
  - the plan also includes the construction of a new vessel for the northern B.C. route, new Century Class (100-vehicle) vessels for the high-volume, shorter routes, and a comprehensive terminal and vessel rehabilitation and maintenance program; and,
  - the government is investing in new ferries and terminal improvements with due diligence and public consultation and every possible saving is being made within each project; this approach of prudent, co-ordinated investments is the guiding principle of all BC 21 projects;
- co-chaired the Canada-British Columbia Infrastructure Works Program Agreement for the provincial government, co-ordinating the activities of the various partner agencies, reviewing program applications, and directly administering projects approved under the program's enhanced public service component:
- the agreement provides for the investment of \$675 million to upgrade provincial infrastructure and create jobs on approved projects over the agreement's lifetime; the funding is shared equally by the federal

government, the provincial government, and a project's proponent; 85 per cent of the funding is for projects related to water, sewer and local transportation services; the remaining 15 per cent is for other infrastructure projects that provide enhanced public services and result in significant economic benefits;

- amended the cost-sharing agreement, in the spring of 1996, to extend the program from March 31, 1997 to March 31, 1999. All infrastructure projects must be completed by October 31, 1998; and,
- about 400 projects were approved by March 31, 1996, representing commitment of nearly \$675 million, and resulting in about 9,000 jobs throughout British Columbia.

### *Assisting the public sector in its economic development responsibilities*

The ministry is the lead government agency responsible for creating jobs by developing and promoting sustainable economic growth throughout British Columbia — Building British Columbia for the 21<sup>st</sup> Century. It does this in several ways.

The ministry, in assisting the public sector in its economic development responsibilities:

- provided a central policy and planning function for the public sector:
  - demonstrated leadership in the public sector by developing:

- an economic framework for strategies for creating jobs and enhancing economic growth:

- ◆ during 1995/96, the ministry concluded a broad-based consultation process on public construction; the process identified how the government could maximize value-for-money from public capital investments; those involved in public construction identified areas of the planning, design, and construction that work well, those that do not, and changes to increase value-for-money on public-sector projects.
- ◆ the ministry also developed policies to ensure value-for-money in the construction process; for example, the ministry was instrumental in developing Treasury Board's Value Analysis Policy that calls for a formal process to evaluate the proposed design and scope of each major component of a capital project against the project's intended function; the process identifies cost-effective alternatives for each component and evaluates them from a planning, design and life-cycle cost perspective; it then selects the best value-for-money options for implementation; the policy covers projects with investments of \$10 million or more, and is being implemented by the four social ministries and the BC Buildings Corporation;



- a public and private infrastructure development policy:
  - ◆ in January 1995, the ministry supported the Social Capital Working Group for the *Premier's Forum on A Strong and Secure Economy for British Columbians*; the group recommended, among other things, that the government form a joint government-industry Public-Private Partnerships Task Force to explore public-private partnership opportunities for public infrastructure in British Columbia; and,
  - ◆ the Task Force was established in April 1995; the ministry provided secretariat support; the Build BC Special Account provided funding assistance;
- integrated Crown corporations' planning processes:
 

during 1995/96, the ministry reviewed Crown corporations' and commissions' financial statements and continued the process of developing strategic and business plans, along with performance measures:

  - the Crown Corporations Secretariat is the central agency responsible for financial and economic analysis of Crown corporations; it also functions as a focal point for policy development and project management;
  - assisted BC Transportation Financing Authority:
    - in developing a provincial transportation plan to guide the actions of provincial transportation Crowns and agencies;
    - in developing a corporate business plan, encompassing a five-year capital plan and a revenue strategy;
    - in the due diligence review and negotiation of financial participation in improving transportation infrastructure including coal storage and loading facilities for Quinsam Coal near Campbell River; and,
    - in financing about \$280 million of highway capital expenditures, including the Vancouver Island Highway Project, lower mainland congestion relief projects, and highway improvements throughout the province;
  - assisted BC Transit:
    - in developing its 10-Year Development Plan to meet population growth and land-use strategies to ensure appropriate service for all residents in transit service areas;
    - in undertaking multiple account evaluations of rapid transit options leading to the selection of preferred routes in Greater Vancouver; and,
    - in preparing for the start, on November 1, 1995, of the West Coast Express, a new commuter rail service from Mission to downtown Vancouver with eight stations — with the Secretariat involved in preparing the business plan, funding arrangements, and reviewing lease arrangements for rolling stock;
  - assisted BC Ferry Corporation:
    - in developing its 10-Year Capital Plan for an \$800-million capital renewal, announced in May 1995, to address the need to replace and maintain existing assets and to increase capacity in response to traffic growth;

- in preparing business plans for the new mid-Island terminal at Duke Point and for the fast ferry service to be introduced for the Horseshoe Bay-Departure Bay route;
- in investigating public-private partnership financing options;
- in developing performance measures to incorporate into the corporation's regional and strategic plans; and,
- to achieve commercial Crown corporation status by participating in negotiations with BC Ferry Corporation, Treasury Board Secretariat, and the Provincial Treasury on options for revised funding and governance arrangements for the corporation;
- assisted BC Hydro and Power Authority:
  - by reviewing its strategic issues and providing recommendations that were incorporated into the corporation's development plan, announced in December 1995;
  - by reviewing the corporation's restructuring initiative and making recommendations for follow-up planning and monitoring activities;
  - by reviewing the government's directive setting the corporation's financial performance target;
  - by participating in the Government Liaison Committee that oversaw the conduct of the Electric Systems Operations Review process and preparing the government response to the review's final report, and,
  - by leading the provincial negotiating team on return of the Columbia River Treaty downstream benefits;
- assisted the Insurance Corporation of British Columbia:
  - by reviewing the corporation's strategic plan that establishes key objectives for the corporation and sets out a number of short-term initiatives, including road safety measures, claims cost controls and rate structure re-design;
- managed the Build BC Special Account under the *Build BC Act*, and leading and guiding government agencies in developing specific program initiatives and proposals under the Act:
  - the Build BC Special Account funded eight programs and initiatives that involved the participation of about 1,500 British Columbians including:
    - the BladeRunners Program, an innovative employment program that addresses the needs of the traditionally disadvantaged. It combined employment opportunities in construction-related trades for about 100 youth on income assistance, in addition to providing significant training in construction health and safety; and,
    - BC 21 Community Grants, which help local governments and non-profit groups meet community needs by providing grants for one-time capital projects which improve the quality of community life and are accessible by the general public; both short- and long-term employment is created under this program; in 1995/96, 257 grants were approved totaling almost \$8 million;

- developed provincial transportation policies pertaining to commercialization of federal air and marine infrastructure and services, expansion of rail services and infrastructure, and establishment of commuter rail:
    - developed policy options and strategies to influence federal actions in federal marine, air and rail policy issues, including:
      - international bilateral air agreements;
      - the National Airports Policy;
      - commercialization of the federal Air Navigation System;
      - devolution of ports and small-craft harbours; and,
      - railway deregulation.
    - headed the Provincial Airport Transfer Team to deal with provincial issues associated with the transfer of federal airports to British Columbia communities;
    - developed policies related to provincial aviation fuel taxes, local airport land use and zoning issues, Vancouver International Airport, and the provincial airport system;
    - provided \$2 million under the Air Transport Assistance Program to support improvements to 12 airports and one helipad to encourage provision of scheduled and chartered air services into areas not linked to major communities by air, to facilitate emergency access to remote communities and to support local economic development;
    - surveyed provincial marine interests — users and stakeholders of small-craft harbours and ports — to identify levels of concern and to define potential impacts of federal government devolution of management and/or ownership of these harbours and ports;
  - drafted a provincial ports paper outlining provincial needs and goals and identifying options and actions required to achieve these goals, in preparation for release of a new federal marine strategy;
  - development of intermodal transportation policies and strategies;
  - co-ordinated a provincial strategy responding to the loss of the Western Grain Transportation Agreement subsidy and the possible effects on the port of Prince Rupert;
  - implemented the railway property tax reform package, which led to CP Rail and CN Rail announcing \$100 million in new capital investments in B.C.;
  - co-managed a \$250,000 bi-national study of rail corridor infrastructure and service development to Washington State;
  - implemented the B.C.-Washington Transportation Co-operation Agreement, and represented the provincial government in the re-establishment of Vancouver-Seattle passenger rail service; and,
  - led provincial interests in maintaining the E&N Railway service on Vancouver Island;
- enhanced provincial interests in the telecommunications, broadcasting and cable industries by:
    - developing telecommunications policies and strategies to respond to issues raised by the Canadian Radio and Telecommunications Commission's regulatory process. Participation in telecommunications regulatory activities produced the following results:
      - new procedures for monitoring BC Tel quality of service, particularly for rural and remote areas;

- improvements in extensions and availability of basic telecommunications across the province; BC Tel is accelerating its \$180-million program;
  - CBC to establish broadcasting facilities in Victoria (level of new expenditures to be determined); and,
  - BCTV and CHEK to increase support and investment in British Columbia-based productions;
  - participating in the formulation of the Electronic Highway Accord — a strategic plan for the electronic highway in British Columbia which will further three objectives:
    1. universal affordable access to services;
    2. growth and enhancement of the information technology industry sectors; and,
    3. improving government efficiency and ability to adapt to innovative solutions;
  - preparing policy papers on telecommunications and community economic development and on improving access to basic telecommunications services in rural areas and remote communities; and,
  - developing a new telecommunications framework to ensure consistency in government policy and co-ordination among initiatives;
- facilitated strategic investments by government and its Crown corporations in public infrastructure to encourage new private sector investments:
- in April 1994 the provincial government established the Columbia Power Corporation (CPC) to acquire hydro-electric expansion assets from Cominco Ltd.;
  - in 1995, the Columbia Power Corporation assumed a role as the government's representative in joint-venture project developments with Columbia Basin Trust (CBT), a regional corporation established to ensure that the regional allocation of downstream benefits from the Columbia River Treaty is managed and invested in accordance with regional values and priorities;
  - the ministry activities relating to this initiative included:
    - (a) providing technical and research support to assist Columbia Power Corporation in advancing plans to invest a billion dollars over 10 years and to create more than 4,000 construction jobs by expanding electrical generating capacity at existing dams on the Columbia River; and,
    - (b) getting the Columbia Basin Accord between the British Columbia government and the Columbia River Treaty Committee signed in Castlegar in March 1995; the Accord:
      - allocates a portion of the Columbia Treaty Downstream Benefits towards developing power projects in the Columbia Basin region;
      - specifies projects that will be developed jointly by Columbia Power Corporation and Columbia Basin Trust, including the addition of power plants at the Keenlyside, Waneta and Brilliant Dams; and,
      - requires that power sales agreements and the necessary federal and provincial

- environmental regulatory approvals are in place before construction begins on the projects;
- benefits generated by the projects identified in the Accord include:
    - increased power production without the need to construct new dams;
    - creation of more than 4,000 person-years of employment with construction schedules co-ordinated to maintain a relatively constant level of employment over several years;
    - preferential hiring will ensure that regional residents receive the first opportunity to work on the projects. Apprenticeships, training and equity employment initiatives will also provide regional residents with access to the skills required to compete for project employment;
  - creation of the Columbia Basin Trust through enactment of the *Columbia Basin Trust Act* on July 6, 1995, to manage a regional allocation of the Columbia Treaty downstream benefits for the economic, social and environmental benefits of the Basin and its residents; the provincial government is the corporation's sole shareholder but the Trust is not an agent of government and its affairs are managed by a regional board of directors;
  - formalizing the understandings set out in the Columbia Basin Accord of March 1995 by means of:
    - a financial agreement between the provincial government and the Columbia Basin Trust signed on July 27, 1995, committing the provincial government to provide \$50 million a year for 10 years as equity funding for power projects to be undertaken jointly by the Columbia Power Corporation and the Columbia Basin Trust;
      - ◆ the financial agreement also provides Columbia Basin Trust with \$45-million lump-sum plus \$2-million per year for a 16 years beginning in 1995 for operations;
      - ◆ identifies a process whereby 50 per cent of the expansion rights will be transferred to the Columbia Basin Trust; and,
    - the Power Project Planning Joint Venture Agreement between the Corporation and the Trust, signed on February 28, 1996, establishing the means for both parties to jointly identify, assess and develop power projects.
  - negotiation of agreements by Columbia Power Corporation for the purchase of the Brilliant Dam from Cominco and the sale of power from the dam to West Kootenay Power; subsequent to the year end, these negotiations culminated in the joint venture purchase of the Brilliant Dam on May 22, 1996;
  - worked with other ministries and agencies to support private sector economic development opportunities:
    - co-ordinated socio-economic impact assessments for Land and Resource Management Plan tables;

- assisted the Environmental Assessment Project Office in:
  - implementing the Environmental Assessment Act and accompanying regulations; and,
  - ensuring a seamless transition for projects transferred to the new process.
- screened several project inquiries for possible assessment under the Major Project Review Process — one project proceeded through the review process; the \$90-million Fibreco pulp mill expansion at Taylor that will create 175 long-term jobs; and,
- began review of the proposed Jumbo Creek Destination Ski Resort under the *Environmental Assessment Act*, after the Land Use Plans for the east and west Kootenays were announced.
  - ◆ development of strategic research partnerships;
  - ◆ international activities around research and high-technology trade;
  - ◆ increasing the availability of assistance for regional research and development;
  - ◆ the inclusion of research and development as a Forest Renewal BC priority;
  - ◆ increased efforts to encourage and stimulate technology transfer and commercialization; and,
  - ◆ and increased availability of seed and venture capital for the high-technology sector;
- established formal liaison links with the BC Health Research Foundation, Forest Renewal BC, and initiated an extensive study of cross government research and development activities;
- developed a Science and Technology Co-operation Strategy for the four western provinces targeting strategic infrastructure, research and technology commercialization, and science awareness:
  - expanded this western co-operation to include the three federal departments with major responsibilities for science, technology, and high-technology sector development in the west;
  - undertook an extensive review of worldwide technology transfer practices to identify the best practices most applicable to the western Canadian situation;
  - studied the development of high-technology clusters in western Canada; and,
  - examined the strengths and weaknesses of the information technology, biotechnology, and advanced materials and manufacturing clusters in the west;

### *Assisting in developing the science and technology sector*

The ministry, in assisting the development of the science and technology sector:

- provided leadership, co-ordination and funding to enhance British Columbia's scientific and technological capacity:
  - worked with the Premier's Advisory Council on Science and Technology in developing a Strategic Plan for Science and Technology for British Columbia:
    - this government-wide strategy identified seven major objectives and a number of priority areas of action including:
      - ◆ funding of new research facilities at several universities;

- undertook the development of statistical estimates of the contribution of the high-technology sector to British Columbia's Gross Domestic Product. Time series estimates for the period 1988 to 1994 indicate that the high technology sector:
  - grew at an average annual rate of 12 per cent over this period, compared to seven per cent for the economy as a whole;
  - employed about 35,000 people in 1994, about two per cent of British Columbia's total employment;
  - increased its employment at an average annual rate of 4.7 per cent compared to 3.3 per cent for the economy as a whole;
  - generated revenues of about \$4 billion in 1994, and about two per cent of Gross Domestic Product; and,
  - included about 5,000 companies, exporting goods with a total value of \$535 million;
- led an industry and academic delegation to China to develop co-operative science and technology opportunities under the Memorandum of Understanding between the State Science and Technology Commission of the People's Republic of China and the Science Council of British Columbia;
- co-ordinated the Oceans Strategy Working Group review of the initial model of the federal Oceans Management Strategy to identify common areas of ocean and coastal interests between the provincial government and the federal oceans authority; a formal British Columbia brief outlining areas of provincial concern with the draft legislation was submitted by the minister to the House of Commons Standing Committee on Fisheries and Oceans during its public consultation on the proposed oceans legislation;
- held an extensive industry consultation and forum to examine options and mechanisms to expand technology transfer from the universities to industries;
- established RNet, a consortium of researchers and service providers to expand the availability and use of electronic communications for the purposes of research;
- worked with researchers and industry to ensure British Columbia's needs with respect to proposed federal regulatory and other changes including announced federal budget cuts, biotechnology regulations, and definitions and criteria for Scientific Research and Experimental Development Tax Credits;
- worked with the federal government and British Columbia industry to define the future of the National Research Council research facility located on the University of British Columbia campus (then called the Machinery Institute);
- enabled the Science Council of British Columbia to work with the British Columbia research and technology community on a number of issues, including: international science and technology, oceans science issues, forestry value-added research planning, and an analysis of the factors affecting growth of the high technology industry in British Columbia;

- conducted an extensive evaluation of the Technology Assistance Program, which concluded that for every dollar invested by the program, \$12 was returned to the British Columbia economy and that one job was saved or created for every \$4,400 invested by the program (about 193 positions in 95/96);
  - concluded the evaluation of the Market Assistance for Research and Technology Program; and,
  - undertook with the Ministry of Health an evaluation of the BC Health Research Foundation's research and development investments;
- provided programs and direction in research and development, public awareness of science and technology, human resource development, and the building of a physical and institutional infrastructure:
- funded 122 projects, under the Technology BC Program administered by the Science Council of British Columbia, with a 1995-96 budget of \$8.7 million, created 148 jobs, and returned more than \$14.5 million to the provincial economy;
  - funded 97 projects under the Technology Assistance Program, with a 1995-96 budget of \$850,000 saved or created 193 jobs, and returned more than \$10 million to the provincial economy;
  - funded several significant programs and projects supporting industrial growth, such as:
    - the Canadian Space Agency's RADARSAT project that brought more than \$33 million over five years to British Columbia in the form of contracts for high-tech work;
    - the zero-emission Ballard Bus; and,
    - fisheries diversification projects, in partnership with the Ministry of Agriculture, Fisheries and Food.
- created a Health Services Industry Office, in partnership with the Ministry of Health and the Greater Victoria Hospital Society, to package and promote British Columbia health management and informatics capability;
- managed 147 contracts involving funding of more than \$25.5 million to various agencies, businesses and post-secondary institutions, with a focus on research support and/or technology transfer in many of the new or emerging economic sectors, such as computer technology, biotechnology, medical devices development and telecommunications:
- enabled the Science Council of British Columbia — under Technology BC, the province's largest research and development assistance program — to hold four competitions for applied research and development projects;
  - gave the three University-Industry Liaison Offices \$503,000 in BC 21 funding to help them realize their mandate;
  - enabled the BC Advanced Systems Institute to provide research and development grants and sponsor fellowship programs and the Graduate Students Presentation Day;
  - provided \$2.4 million to the Networks of Centres of Excellence in support of leading research fields;



- TeleLearning Network of Centres of Excellence at Simon Fraser University and the University of British Columbia;
  - research in telecommunications, robotics and intelligent systems at the University of British Columbia, Simon Fraser University and the University of Victoria;
  - research in bacterial diseases at the University of British Columbia and the University of Victoria;
  - protein engineering at the University of British Columbia and Simon Fraser University; and,
  - Sustainable Forest Management at the University of British Columbia, Simon Fraser University, University of Victoria, and the University of Northern British Columbia;
  - supported research on cancer-fighting drugs at the BC Cancer Agency.
- implemented human resource development and science awareness initiatives:
- Scientists and Innovators in the Schools Program, delivered by Science World, brought 433 scientist, engineer, technician and technologist role models to 1,444 classrooms in communities across British Columbia to promote general awareness and encourage students to pursue science and technology-related fields;
  - Partners in Science Awareness Program, targeted to non-profit societies and professional associations, funded 27 projects and generated 20 full-time-equivalent jobs, aimed at increasing: science literacy; public understanding of the economic and social impact of science and technology; science-related career interest among youth and adults; and, participation of citizens in related program and policy issues;
  - Science and Technology Week '95, linked together 350 partners from educational institutions, private industry, and government to organize 133 events celebrating British Columbia's achievements and potential in science and technology;
  - British Columbia Regional Science Fair Program, for 3,250 students across British Columbia, to undertake challenging individual projects (2,500 projects in total) with practical applications. More than 35,000 students and 2,000 volunteers participated at the school-level science fairs;
  - Science Culture Outreach, supported the delivery of six province-wide science outreach programs, establishing an equitable approach to the delivery of programs across the province; and,
  - industry and university fellowships and scholarships that provide opportunities for graduates to gain job experience:
    - Graduate Research, Engineering and Technology Awards supported 92 graduate science and engineering students, enabling them to collaborate with industry on applied research;
    - Science and Technology Awards program supported students in the private sector returning to university for graduate studies in science or engineering;
    - University Fellowships enabled 49 university faculty to be involved in research and technology transfer in the information technology sector;

- Industrial Post-Doctoral Fellowships supported 15 science and engineering doctoral graduates working in the private sector;
  - Visiting Fellowships, supported the visits of four scholars or researchers from outside the province or from companies that are affiliates of the BC Advanced Systems Institute; and,
  - Graduate Recruitment Assistance Program supported 30 graduate students involved in advanced systems disciplines.
- the oil and gas industry invested about \$1.1 billion in the provincial economy, mostly to find and develop new resources;
  - the mining industry provided about 14,200 direct jobs and the value of mineral production from the 12 major metal mines and eight coal mines operating in British Columbia was \$3.46 billion in 1995:
    - the mining industry spent \$3.3 billion in 1995 on operations and investments in British Columbia.;
    - 1995/96 exploration expenditures were about \$100 million; and,
    - mineral exports accounted for nearly 13 per cent of all British Columbia exports by value in 1995 and were the second largest resource exported after forest products;

*Ensuring that the province's energy and mineral resources are managed for the benefit of British Columbians*

- The ministry recognizes that the energy and mining industries make a substantial contribution to British Columbia's economy:
  - the energy industry provided about 21,800 direct and 49,800 indirect jobs and accounted for 3.9 per cent of the province's GDP and 8.1 per cent of provincial government revenues:
    - the oil and gas producing sector provided about \$332 million in royalty revenues and tenures, and millions more through other provincial taxes, including:
      - ◆ \$128 million in revenues (calendar year 1996) from sales of oil and gas drilling rights; and,
      - ◆ \$34 million in revenues from oil and gas fees and rents;
    - industry drilled 432 wells;
    - gas exports amounted to \$668 million in 1995/96; and,
- The ministry worked to ensure that the province's energy and mineral resources are explored, developed, transported and used in a safe, efficient and environmentally sound manner.
- In energy resources, the ministry:
  - assessed and managed British Columbia's petroleum, natural gas and geothermal energy resources by:
    - use of the petroleum and natural gas tenure system through which tenure rights are awarded by competitive bidding; tenures granted are time limited, include exploration and development obligations, carry environmental protection caveats and require the payment of rents and royalties to the province;

- approved 16 conservation schemes and 25 oil and gas projects;
- mapped and estimated reserves volumes for 76 new oil and gas pools;
- revised mapping of 220 existing oil and gas pools;
- evaluated 472 oil and gas wells;
- designated five new oil and gas fields;
- prepared an inventory of provincial discovered and undiscovered oil and gas resources using geographical information systems technology;
- issued three major project approval certificates jointly with the Ministry of Environment, Lands and Parks, including:
  - ◆ Canadian Forest Product's 45 megawatt wood residue-fired co-generation project in Prince George;
  - ◆ BC Hydro's project at Stave Falls; and,
  - ◆ Morrison Petroleum's Bullrush gas plant;
- published *Hydrocarbon and By-Product Reserves in British Columbia*;
- published the *British Columbia Oil and Gas Handbook*; and,
- approved Energy Removal Certificates for one long-term and 34 short-term natural gas sales;
- pursued legislative reform to solve regulatory challenges, to better integrate provincial policies and to reduce regulatory and administrative burden on the oil and gas industry by:
  - evaluating the Natural Gas Energy Removal Certificate policy and administration through use of a stakeholder questionnaire and implementing streamlining measures recommended in the evaluation report;
  - signing a Memorandum of Understanding with the Ministry of Forests and the Ministry of Environment, Lands and Parks for joint implementation of the Forest Practices Code;
  - amending legislation to restructure the Vancouver Island Natural Gas Pipeline Project (VIGAS); and,
  - transferring responsibility for the *Pipeline Act* to the Energy and Minerals Division from the Ministry of Municipal Affairs and Housing;
- participated in energy industry forums and consultative processes to inform major stakeholders of the provincial government's interests and policies, and to receive feedback from industries:
  - inaugurating the 2005 Initiative, a consultative process — involving major oil and gas stakeholders and provincial and federal government agencies — to streamline the review process for oil and gas proposals while addressing environmental concerns;
  - participating in the Renewable Energy '95 Conference;
  - participating in Land and Resource Management Planning processes in the province's oil and gas producing areas; and,
  - initiating and completing the Upstream Regulatory Reform Process to develop with stakeholder groups the options to improve the economic regulation of natural gas gathering and processing in the province.

- developed and implemented electricity policy and provided timely and integrated assessment of applications for energy projects and electricity Energy Removal Certificates by:
  - releasing public comments on the Hydro Electrical Operations Review;
  - releasing and accepting public comments on a report by the BC Utilities Commission on the province's electricity market structure and services to promote efficiency;
  - approving two Energy Removal Certificates; and,
  - supporting the provincial government's interpretation of the size of British Columbia's power benefits under the Columbia River Treaty; the provincial government and the Bonneville Power Administration signed a memorandum of agreement on delivery of British Columbia's share of downstream benefits originating from the Columbia River Treaty.
- developed and delivered policies, programs, and regulations that promote the economically efficient production and use of energy by:
  - promoting cleaner alternative transportation fuels;
  - identifying options to reduce nitrogen oxide emissions by the Burrard Thermal Plant;
  - developing and releasing, with the Ministry of Environment, Lands and Parks, the British Columbia Greenhouse Gas Action Plan for managing greenhouse gas emissions;
  - issuing \$2.83 million in natural gas conversion grants under the Clean Choice Program;
  - encouraging BC Transit to use natural gas-powered buses;
  - initiating the implementation of the BC Energy Council's energy strategy through the release of the Towards Energy Sustainability report;
  - amending the Energy Efficiency Standards to include compact fluorescent lights, spotlights, metal halide streetlights, and to increase the efficiency requirements for water chillers and electric water heaters;
  - signing a letter of co-operation on energy efficiency and alternative energy with Natural Resources Canada to ensure a more effective use of the public funds invested by both parties in energy efficiency and alternative energy use in the residential, commercial, industrial and transportation sectors; and,
  - participating in the 1995 Power Smart Excellence Awards given by BC Hydro;
- regulated oil and gas exploration and production activities by:
  - participating in National Energy Board hearings on the Helmet pipeline and gathering system;
  - assisting with changes to the Westcoast tolling framework to be more market based; and,
  - representing the provincial government at court cases on jurisdictional questions;

- In mineral resources, the ministry:
  - assessed, managed and promoted a greater understanding of British Columbia's mineral resources by:
    - providing geological inventory to support development of mineral resources, improve the government's stewardship, and help manage and protect Crown lands:
      - ◆ completed geological surveys and evaluations of regions where mines are forecast to close over the next few years (Port Hardy, East Kootenays, Northern Selkirks) and on underlying frontier areas with development potential (Gataga, Cry Lake, and the Interior Plateau);
      - ◆ completed a geochemical survey of the Cry Lake map sheet in northern British Columbia;
      - ◆ completed airborne geophysical surveys over three targets near the Sullivan Mine in the East Kootenays; and,
      - ◆ initiated a five-year multi-disciplinary geoscientific survey program with the Geological Survey of Canada in the Nechako plateau area;
    - recording/issuing new mineral, placer and coal tenures covering more than 90,000 hectares and issuing 13 production leases – seven for mining and six for placer;
    - processing more than 63,000 tenure transactions and updating more than 3,000 claim maps by means of the Mineral Data Administration System;
    - completing the development of Mineral Data BC, an information system which provides mineral resource data to regional planners and other staff;
  - participating in Land and Resource Management Planning and Protected Areas Strategy processes to achieve land-use certainty to encourage investment by the mining industry:
    - ◆ approved, with the Ministry of Environment, Lands and Parks and the Ministry of Forests, the first Land and Resource Management Plan for the Kamloops area; and,
    - ◆ co-hosted a communications forum with the Wet'swet'en Treaty Office to promote greater understanding among government, industry and aboriginal peoples;
  - delivering a short course on new mineral deposits in the Cordilleran region at the Cordilleran Roundup;
  - completing a pilot earthquake hazard map for the Chilliwack region;
  - completing a study into the quality of coal in British Columbia mines in partnership with the coal industry; and,
  - commissioning an Aggregate Demand Study for the lower mainland as part of a new initiative to manage this vital resource;
- pursued legislative reform to solve regulatory challenges, to better integrate provincial policies, and to reduce regulatory and administrative burden on the mining industry by:
  - initiating the development of new mineral exploration standards for integration with the Forest Practices Code; and,
  - bringing the *Mineral Tenure Amendment Act* into force to facilitate prompt and more effective resolution of conflicts

- between tenure holders and other resource users, and to provide greater economic opportunity for dimension stone developers.
- participated in mineral industry forums to inform major stakeholders of provincial interests and policies, and to receive feedback from industries at:
    - the 12<sup>th</sup> Annual Cordilleran Roundup;
    - Mining Week; and,
    - the Seventh Annual Canadian Conference on Markets for Industrial Minerals;
  - stimulated mineral exploration and development by providing \$3.05 million to mining companies, exploration companies, and individuals through continuation of the Explore BC component programs, including:
    - the Grassroots Mineral Incentive Program, a new component that provides grants to cover eligible exploration expenses for reconnaissance-style exploration;
    - the Mineral Exploration Incentive Program, which provides grants to cover eligible exploration expenses on properties with identified economic potential;
    - the Accelerated Mine Exploration Program, which assists operating mines in increasing their ore reserves and extending mine life; and,
    - individuals to help offset the high logistical costs of working in remote areas;
  - provided infrastructure funding to support mine expansion and development, specifically:
    - facilitating \$9 million in funding for infrastructure for the Quinsam Coal expansion through the BC Transportation Financing Authority; and,
    - settling compensation, amounting to \$29 million, with Royal Oak Mines on the Windy Craggy claim in Tatshenshini Park and assisting with the development of the new Kemess South and Red Mountain mines through a \$166.16-million funding agreement;
  - issued a Mine Development Certificate for the Line Creek Horseshoe Ridge Project and issued, with the Ministry of Environment, Lands and Parks, four major project approval certificates, including:
    - the Huckleberry Mines Ltd.'s copper and gold mine project near Houston;
    - Westrock Industries Ltd.'s extension of the Elkhorn gypsum mine quarry;
    - Elkview Coal Corporation's Bodie Dump Project, a waste rock dump; and,
    - Canada Pumice Corporation's Nazko Lava quarry Project.
  - regulated mine worker safety and mine reclamation practices, and administered laws relating to mineral rights and oil and gas tenures through:
    - the Mine Reclamation Symposium and Awards;
    - the 33<sup>rd</sup> Annual Mine Safety Awards;
    - the Provincial Mine Rescue and First Aid Competition;
    - reclamation securities; and,
    - 2,274 inspections in 1995 of mining operations:
      - ◆ 758 sand and gravel quarries operations;
      - ◆ 624 coal and metal mines;
      - ◆ 253 exploration sites;
      - ◆ 328 placer operations; and,
      - ◆ 311 other inspections.

## *Encouraging the revitalization of traditional industries*

### **Job Protection Commission**

The ministry supports the Job Protection Commission in its responsibilities.

- The Commission helps viable companies restructure themselves — to ensure their continuing competitiveness — and preserves jobs for British Columbians by:
  - providing consulting, counselling or mediation services to businesses that are economically significant to their communities or region;
  - assisting in the development of economic plans for eligible companies;
    - economic plans that involve changes to provincial regulations are only available to strategic industries: logging, mining, wood industries, paper and allied products, non-ferrous metal smelting and refining, fabricated-structural metal products, truck- and bus-body and trailer industries, and ship building and repair; and,
  - undertaking special projects and recommending government financial participation with qualifying businesses.
  
- The Commission has:
  - received 704 inquiries — between its inception in March, 1991 and March 31, 1996 — resulting in 252 cases requiring assistance and involving more than 25,000 employees;

- provided counselling and mediation services, and developed economic plans to maintain jobs in strategic industries affected by restructuring:
  - developed 48 mediation and economic plans, resulting in 8,649 jobs being saved; and,
  - provided counselling to 193 firms, involving about 15,500 people.
- carried out special projects and provided Elk Valley Small Business Initiative loan guarantees to qualifying businesses:
  - facilitated 11 Special Projects involving about 900 employees; and,
  - reviewed 53 businesses, of which 26 were provided loan guarantees totalling \$931,600, which preserved 149 jobs in the Elk Valley.

- The *Job Protection Amendment Act, 1995* extended the commission's term for two years, until April 12, 1997.

## *Collecting revenues generated by petroleum and mining activities*

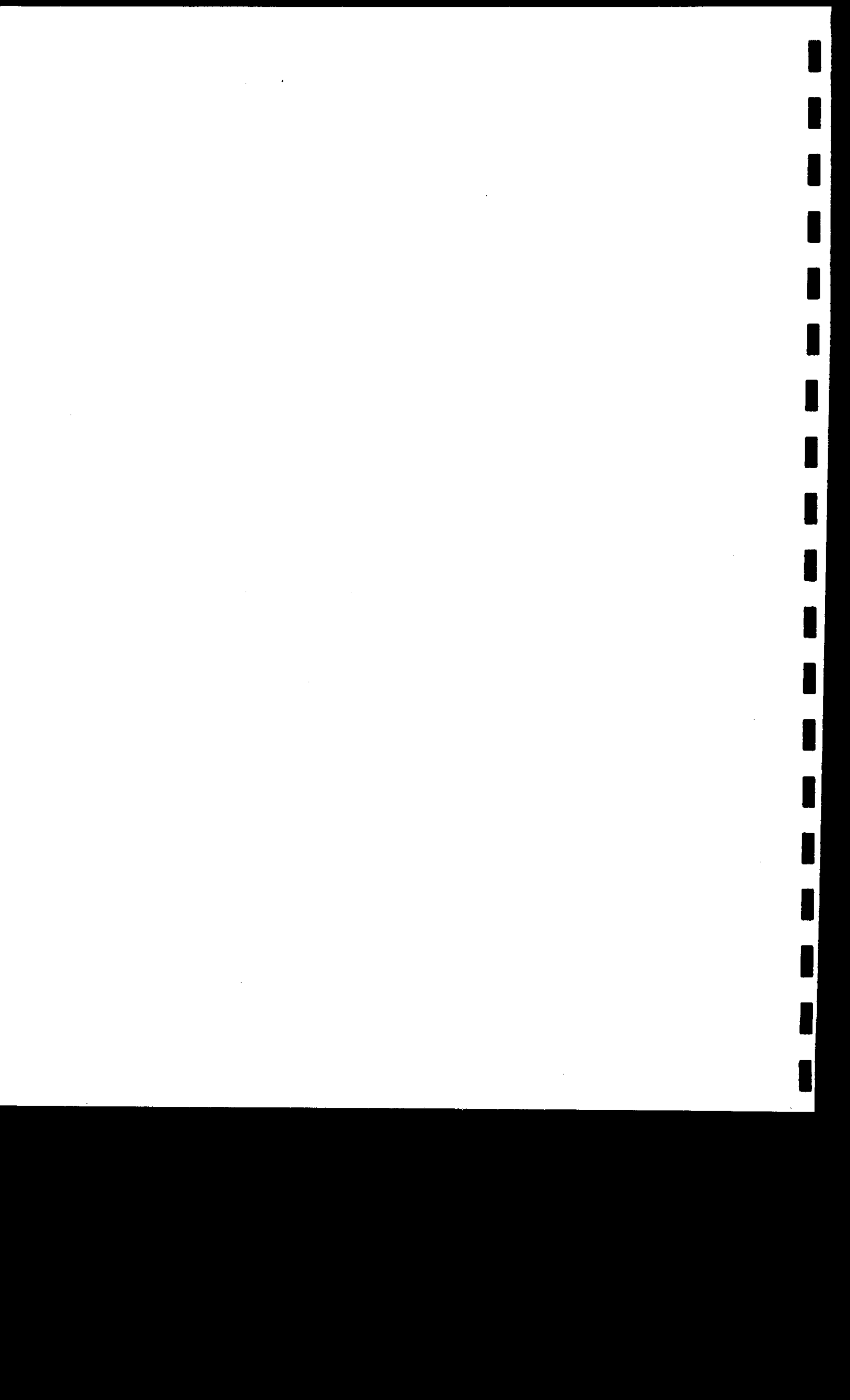
The ministry assessed and collected revenues generated by petroleum, natural gas, and mineral taxes and royalties, as mandated under provincial legislation:

- Revenue collection consisted of:
  - collecting royalties and freehold production taxes of \$51.4 million under the *Petroleum and Natural Gas Act*, on oil production from 796

wells, and \$95.8 million on natural gas production from 1,103 wells;

- collecting \$63.1 million under the *Mineral Tax Act*, on mineral production from 38 mines;
- issuing reassessments for \$1.2 million under the *Mineral Resource Tax Act*;
- assessing and levying taxes of \$753,027 under the *Mineral Land Tax Act* on 5,700 owners of title to minerals under 645,716 hectares of land — these taxes are levied on land for which the province has granted ownership of one or more minerals, as opposed to renting rights under the *Mineral Tenure Act*;
- receiving \$3.5 million from the bankruptcy proceedings of Westar Mining; and,
- collecting fees of \$3.6 million to recover ministry costs related to the natural gas industry and \$2 million for ministry costs related to health and safety inspection of mines and gravel pits.





## Communications

Communications plays a key role in implementing the ministry's mandate of fostering the creation and preservation of jobs.

- Facilitating and co-ordinating strategic public sector capital investments:
  - communications initiatives included:
    - overseeing the repositioning of BC 21 within the context of the government's jobs and investment plan;
    - launching numerous BC 21 programs and projects funded by the BC 21 Special Account, including the Artificial Reef Program and the National Institute of Disability Management; announcements involved disseminating information to appropriate media and stakeholders, on either a province-wide or local basis;
    - disseminating information on the Environment Youth Team (E-Team), which received \$2 million in funding to complete the Juan de Fuca Marine trail;
    - providing communications support for the official opening of West Coast Express, the commuter rail service from Mission to downtown Vancouver; and,
    - providing communications support to Four Corners Community Savings.
  - Crown corporation communications activities included:
    - undertaking a central role in initiating and co-ordinating various Crown corporation and communication activities and events including:

### BC Ferry Corporation:

- producing the *Advancing the Fleet, Building the Province* video;
- organizing an event in Bella Bella to mark the completion of the roll-on, roll-off docking facility;
- producing the fulfillment document for the 10-Year Capital Plan with four supporting fact sheets and mail-in postcards;
- launching a newsprint advertisement campaign on *Traffic Is Building, So Are We*;
- opening of Duke Point storefront information office in Nanaimo; and,
- organizing the Galley West event at Tsawwassen Terminal to mark the opening of the new food services building.

### Victoria Line:

- providing ongoing operational and full marketing, media and public relations support, including cross-border broadcast, print and outdoor advertising, cross promotions, special promotions with private sector partners, direct mail, and community and on-board events.

### BC Transportation Financing Authority:

- announcing *Going Places: Transportation for British Columbians*, British Columbia's first integrated, multi-modal transportation plan, as a key component of the jobs and investment plan; and,

- positioning each project — including the Vancouver Island Highway Project, the Northeast Sector projects, the Mount Washington Road, and all other regional highway projects — as part of an integrated transportation plan.

#### BC Hydro and Power Authority:

- co-ordinating communications activities for:
  - ◆ the PowerSmart/BC 21 project;
  - ◆ the Electricity System Operating Review; and,
  - ◆ the BC Hydro/GE Partnership Agreement announcement.

#### Columbia Power Corporation:

- co-ordinating communications activities including:
  - ◆ public consultation and communications program for the Keenleyside and Waneta power plant projects;
  - ◆ open houses in Castlegar, Trail, Nelson and Nakusp in support of the public consultation process; and,
  - ◆ the opening of the storefront information office in Castlegar.

#### Columbia Basin Trust:

- communications and marketing activities including:
  - ◆ public signing of Columbia Basin Accord;
  - ◆ distributing of province-wide news release for the March 19, 1995, signing event, advertising (22 community papers), media kits, and the Columbia Basin Accord brochure;

- ◆ open houses in 11 communities in the Columbia Basin Region, supported by advertising;
- ◆ distributing province-wide news releases announcing legislation and royal assent;
- ◆ organizing a stakeholders reception marking Royal Assent of the Columbia Basin Trust;
- ◆ public signing of the legally binding financial agreement;
- ◆ producing and distributing *It's Our Turn Now*, a four-page householder to 60,000 residences in the Columbia Basin Region; and,
- ◆ providing communication support for the Columbia-Kootenay Symposium.

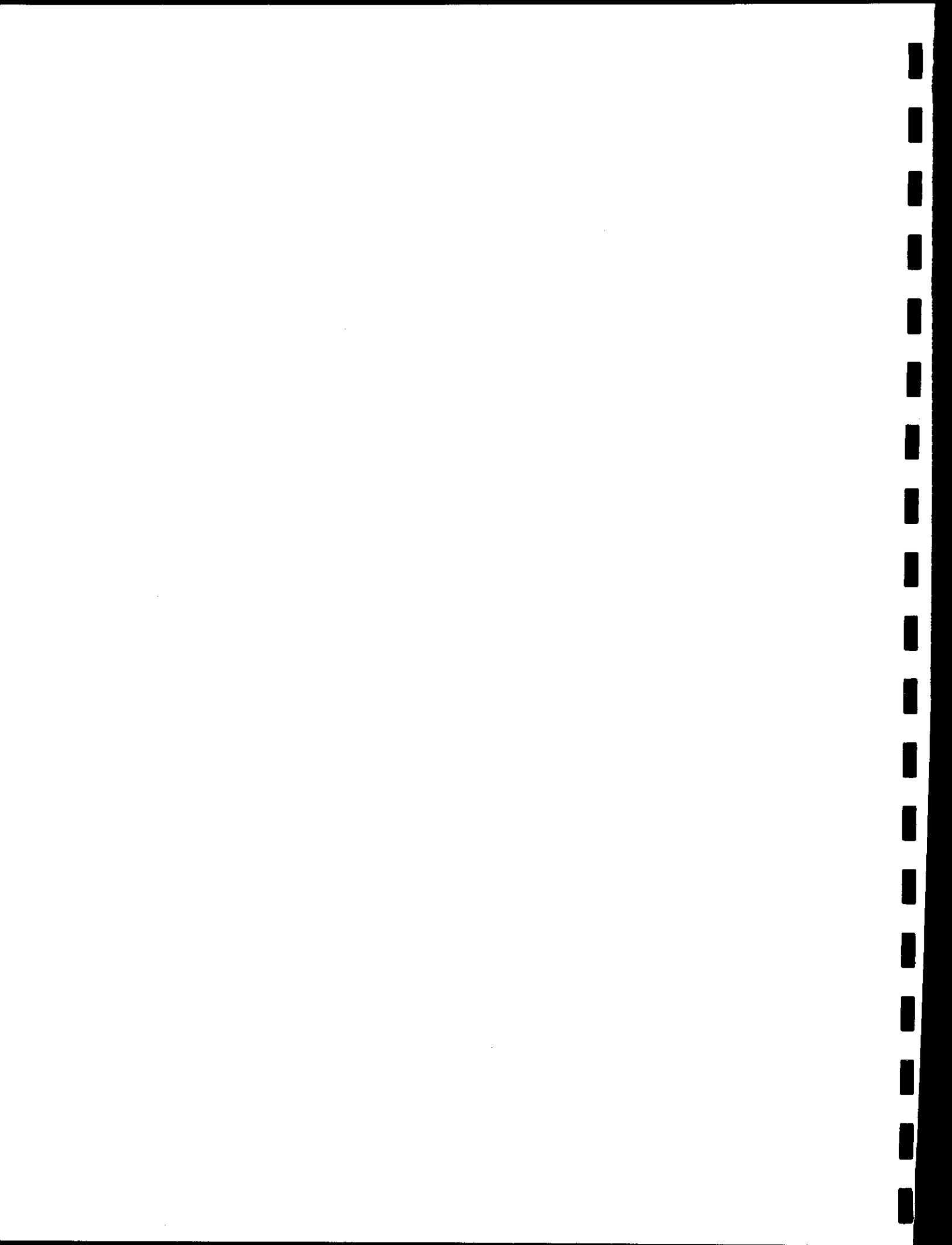
#### BC Transit 10-Year Development Plan:

- communications activities including:
  - ◆ announcing the 10-Year Development Plan and advertising; and,
  - ◆ announcing regional transit services;
- Build BC Special Account communications activities including:
  - communications support for Build BC Special Account projects and various social capital initiatives, particularly in school and hospital construction;
- Canada-British Columbia Infrastructure Works Agreement communications activities including:
  - communications support for Canada/BC Infrastructure Works project announcements and special events;

- Promoting and fostering private sector capital and trade investments through:
  - investment promotion:
    - updated and reprinted the award-winning, multi-media, investment promotion campaign, *Open for Business*, to specifically target the Asia Pacific and the Pacific Northwest;
    - undertook investment promotion advertising in selected publications at no cost, including advertising valued at \$25,000 in the *Best of North America* publication;
    - announced legislative changes to rail property tax and resulting \$100 million in new capital investment by CN and CP Rail Systems; and,
    - worked to support the restoration of train service between Vancouver and Seattle;
    - worked in partnership with Cabinet Policy and Communications Secretariat, Washington State Department of Transportation and Amtrak on an event that celebrated the inaugural run of the Mt. Baker International passenger service; and,
  - the Pride Centre:
    - established the PRIDE (People Responsible for Improving the Downtown Economy) Centre to train downtown eastside and inner-city residents for jobs at the new GM Place, Ford Theatre for the Performing Arts and Four Corners Community Savings;
  
- Assisted in developing the science and technology and value-added sectors and in building British Columbia's electronic highway through:
  - Science and Technology Week:
    - continued to co-ordinate the promotion of Science and Technology Week — October 13-22, 1995 inclusive — involving more than 125 events province-wide and 200,000 active participants through the management of a communications plan, which provided for a number of promotional vehicles, including a comic book/activity poster, banners, bi-monthly newsletters, media kits, bookmarks, and event advertising;
  - Partners in Science Awareness:
    - supported this program through a comprehensive information program, including:
      - ◆ user-friendly application/adjudication packages, which provided information on the program and requirements for applicants; and,
      - ◆ 28 individual news releases (16 regional and 12 province-wide) and community paper advertisements, which profiled the program and the partners involved; and,
    - disseminated information on the initial funding of \$800,000 of the \$2.2 million total project cost of Ballard Power Systems Inc. of North Vancouver to design a full-scale pollution-free transit bus.

- Technology Assistance Program:
  - supported the Technology Assistance Program through:
    - ◆ some 30 regional news releases, which focused on knowledge-based value-added job creation and high-tech investments in communities which have traditionally relied on resource-based economies; and,
    - ◆ supporting advertisements in community papers to recognize winners;
- Technology BC:
  - supported the Technology BC program with a series of ministry and Science Council of British Columbia advertisements, news releases and feature stories promoting program accomplishments and province-wide opportunities for the science and technology and business communities;
- Science and Technology Strategic Plan:
  - supported the launch the strategic plan, developed by the Premier's Advisory Council on Science and Technology and providing a comprehensive framework for science and technology program, by:
    - ◆ organizing a stakeholders breakfast, with science and technology media among the guests, at Science World;
    - ◆ issuing a province-wide news release;
    - ◆ writing, designing, and producing materials, including a marketing kit, the science and technology plan, a matrix of programs, and fact sheets; and,
    - ◆ launching a direct mail campaign.
- Electronic Highway Accord:
  - supported the launch of the Electronic Highway Accord with a communications focus on:
    - province-wide access to participation in the information economy; product and services development;
    - job creation;
    - improved government efficiency and innovation;
    - social benefits of the accord's various programs, such as easy access to educational training, skills upgrades, and health services; and,
    - up-to-date information on various grant programs and services;
- Other announcements:
  - disseminated information on key economic development projects including:
    - Royal Oak Mines;
    - Dynapro Systems; and,
    - Tahltan Nation Development Corporation;
  - participated with the City of Vancouver and other stakeholders in providing information on the process for looking at future opportunities for trade and convention facilities in Vancouver.
- The following statistics indicate the breadth of the ministry's communications activities:
  - produced 248 news releases:
    - 216 on ministry announcements;
    - eight on BC 21 initiatives; and,
    - 24 on announcements by Crown corporations;

- participated in 66 speaking engagements;
- organized 23 major event announcements; and,
- arranged 479 media interviews (print and electronic).
- produced ministry publications and assisted in producing others, including:
  - *Airport News* — quarterly;
  - *BC 21 Update* — quarterly;
  - *BC Electricity Market Policy Statement*;
  - *BC Ferries' Advancing the Fleet, Building The Province — A Ten-Year Development Plan for BC Ferries*;
  - *BC Guide to the Energy Efficiency Act*;
  - *BC Transit's In Transit, People Moving People — A Ten-Year Development Plan for BC Transit*;
  - *BC Transportation Financing Authority's Going Places, Transportation for British Columbians*;
  - *British Columbia International Commodity Exports, 1995*;
  - *British Columbia Oil and Gas Handbook*;
  - *Chief Inspector of Mines Annual Report, 1993/94*;
  - *Chief Inspector of Mines Annual Report, 1994/95*;
  - *Columbia Basin Trust's It's Our Turn Now*;
  - *Employment and Investment Updates* - monthly (last published January 1996);
  - *Energy Market Update*, quarterly;
  - *Fast Facts* (three languages);
  - *Greenhouse Gas*;
  - *Investment Climate* (three languages);
  - *Investment Opportunities*;
  - *Job Protection Commission Annual Report, 1994*;
  - *Mining Calendar 1996*;
  - *Ministry of Employment and Investment Annual Report 1993/94*;
  - *Ministry of Energy Mines and Petroleum Resources Annual Report 1994/95*;
  - *Options for Passenger Rail Service in the Pacific Northwest Corridor*;
  - *Reclamation and Environmental Protection Handbook for Sand and Gravel Operations in B.C.*;
  - *Response to Electric Systems Operation Review*;
  - *Science and Technology Week '95 Final Report*;
  - *Science and Technology Week Newsletter* — quarterly;
  - *Sector Profiles*;
  - *Upstream Regulatory Reform Project Report*;
  - *Vancouver Island Highway Update*; and,
  - 38 other publications.



## **Management Services**

The ministry carries out its mandate to create jobs with management support services in the areas of corporate relations, finance and administration, human resources, employment equity, information management, resource revenue and community development.

### ■ **Corporate Relations:**

- managed and co-ordinated the Cabinet committee decision-making process and the legislative program of the ministry and Crown corporations in the Minister's portfolio;
- developed and maintained strategic and operational planning processes within the ministry and supported key projects and corporate initiatives;
- co-ordinated all materials and decision documents for Cabinet and Cabinet committees, including submissions for Treasury Board and Cabinet, and worked with Treasury Board staff and Cabinet Policy and Communications Secretariat in scheduling all planning sessions and presentations;
- oversaw the ministry's legislative program — including new legislation, amendments to existing legislation and regulations, and orders-in-council; and,
- maintained information and co-ordinated appointments of board members to the ministry's Crown corporations, agencies, boards and commissions.

### ■ **Finance and Administration:**

- implemented financial management and control systems;
- managed facilities, telecommunications, vehicles and administrative records;
- controlled expenditures, assets, liabilities, revenues, special accounts and funds;
- reported on the ministry's financial status; and,
- managed the financial aspects of the amalgamation of the Ministry of Employment and Investment and the Ministry of Energy, Mines and Petroleum Resources.

### ■ **Human Resources:**

- provided human resources services related to the elimination of 26 positions and closure of the Forest Industries Branch, Minerals and Energy Unit and the Transportation Policy Branch in September 1995;
- managed the personnel aspects of transferring the pipeline inspection functions from the Ministry of Municipal Affairs and Housing to the ministry;
- managed the human resource aspects of the amalgamation of the Ministry of Employment and Investment and the Ministry of Energy, Mines and Petroleum Resources, along with the closure of the BC Trade Development Corporation and



transfer of its business functions to the ministry; these closures meant significant staffing reductions and organizational changes;

- developed and piloted a computer-based orientation program for ministry staff;
- led ministry multiculturalism initiatives;
- updated the ministry health and safety program and policies;
- developed and delivered service delivery workshops for front line staff; and,
- established a multi-media training centre.

#### ■ Employment Equity:

- promoted a workplace environment that prevents any type of discrimination and harassment by training staff on the fundamental rights, dignity, and integrity of all individuals; and,
- promoted the full inclusion of all staff by offering *Valuing and Welcoming Diversity in the Workplace* workshops to ministry staff.

#### ■ Information Management:

- amalgamated Records Management, Information and Privacy and Information Systems into a single branch with a dual focus to serve both the ministry and cross-government objectives;
- implemented four province-wide regional area networks;
- established access to ministry information via the Internet and established an internal intranet for ministry employees;
- completed installation of the Petroleum Information Management System (PIMS);

- completed the rewrite of the Petroleum Titles System (PTS) using Powerhouse relational data-base software;
- processed 244 requests under the *Freedom of Information and Protection of Privacy Act*;
- completed a ministry security review in relation to Cabinet documents and records management;
- provided extensive training to ministry staff on Freedom of Information and Protection of Privacy issues, records management procedures, and information systems tools and techniques;
- developed an Internet presence and supporting documentation for Pacific Northwest Economic Region;
- established a cross-government data security committee and began the process of establishing government-wide security procedures; and,
- submitted the Operational Records Classification System for the Science and Technology Division to the BC Archives and Records Service for approval.

#### ■ Resource Revenue:

- collected royalties and freehold production taxes of \$51.4 million under the *Petroleum and Natural Gas Act*, on oil production from 796 wells, and \$95.8 million on natural gas production from 1,103 wells;
- collected \$63.1 million under the *Mineral Tax Act*, on mineral production from 38 mines. Issued reassessments for \$1.2 million under the *Mineral Resource Tax Act*;

- assessed and levied taxes of \$753,027 under the *Mineral Land Tax Act* on 5,700 owners of title to minerals under 645,716 hectares of land; these taxes are levied on land for which the province has granted ownership of one or more minerals, as opposed to renting rights under the *Mineral Tenure Act*;
- received \$3.5 million from the bankruptcy proceedings of Westar Mining;
- collected fees of \$3.6 million to recover ministry costs related to the natural gas industry and \$2.0 million for ministry costs related to health and safety inspection of mines and gravel pits;
- prepared amendments to the *Mineral Tax Act* to deal with bankruptcy of mine operators and with the calculation of investment allowance when operators buy or sell a mine;
- collection of Mine Health and Safety Inspection fees was transferred from the Mine Inspection Branch. Issuing of assessment notices became a co-operative effort between the two branches with the Inspection Branch retaining responsibility for setting the fee rates;
- completed a study on the treatment of hedging gains and losses for Mineral Tax purposes and advised industry of the conclusions; and,
- participated in consultations with the federal government and industry on proposed changes in the Resource Allowance, a deduction available to petroleum and mining companies in calculating their corporate income tax.

#### ■ Community Development:

- promoted community development and awareness through public events, seminars, presentations, funding and consultation with various groups including Cedar Cottage Neighborhood Association, Mole Hill Living Heritage Society, Carnage Community Center, 411 Seniors Center and Tofino Waterfront Market Society;
- provided assistance and employment opportunities, job training, job development and education through programs — such as the BladeRunners program in Victoria, Vernon, Kamloops, Nanaimo and the Lower Mainland, which provides training in the construction trades for street-involved youth — and by identifying employment opportunities at both private and public sector construction projects;
- promoted and developed partnerships with the private, public, non-profit, and trade-union sectors to achieve common goals — examples of partnerships include the BladeRunners program and the Woodwards Co-op;
- developed community institutions and services in response to identified community interest, such as United We Can, Pride Center, Four Corners Community Savings, Bruce Ericksen Place, and the BladeRunners Program;
- piloted innovative projects in partnership with communities and acted as a catalyst for unique projects which promote the concepts of equity, community/user design, and facilitate community awareness and pride;

- facilitated community pride and awareness by protecting heritage sites and promoting “adaptive re-use” of historic buildings, as demonstrated in the proposed redevelopment of the former Woodward’s building as a housing Co-op;
- developed local housing projects, such as Bruce Eriksen Place, a 35-unit housing for seniors; and,
- assisted in developing policy and legislation to assist community development.

## Legislation

### ■ Legislation administered by the ministry:

- *British Columbia Buildings Corporation Act; British Columbia Enterprise Corporation Act*, other than in relation to the BC Pavilion Corporation;
- *Build BC Act*;
- *Coal Act*;
- *Community Financial Services Act*;
- *Development Corporation Act*;
- *Document Disposal Act*;
- *Economic Development Electricity Rate Act*;
- *Energy Efficiency Act*;
- *Expo 86 Corporation Act*;
- *Ferry Corporation Act*;
- *Fort Nelson Indian Reserve Minerals Revenue Sharing Act*;
- *Freedom of Information and Protection of Privacy Act*;
- *Gas Utility Act*;
- *Geothermal Resources Act*;
- *Hydro and Power Authority Act*;
- *Hydro and Power Authority Privatization Act*;
- *Hydro Power Measures Act*;
- *Indian Reserve Mineral Resource Act*;
- *Industrial Development Incentive Act*, other than in relation to the Small Business Incentive Program;
- *Insurance Corporation Act*;
- *International Commercial Arbitration Act*;
- *Job Protection Act*;
- *Mineral Land Tax Act*;
- *Mineral Tax Act*;
- *Mineral Tenure Act*;
- *Mines Act*;
- *Mining Right of Way Act*;
- *Ministry of Energy, Mines and Petroleum Resources Act*;
- *Ministry of Industry and Small Business Development Act*, other than in relation to small business and tourism;
- *Ministry of International Business and Immigration Act*, other than in relation to immigration;
- *Ministry of International Trade, Science and Investment Act*, other than in relation to telecommunications, small business and tourism;
- *Ministry of Transportation and Highways Act*, Sections 61-67, pertaining to the Victoria Line Ltd.;
- *Natural Gas Price Act*;
- *Natural Resource Community Fund Act*;
- *Petroleum and Natural Gas Act*;
- *Petroleum and Natural Gas (Vancouver Island Railway Lands) Act*;
- *Petroleum Corporation Repeal Act*;
- *Pipeline Act, Part 7 only*;
- *Science and Technology Fund Act*;
- *Science Council Act*;
- *Special Enterprise Zone and Tax Relief Act*;
- *Telephone (Rural) Act*;
- *Trade Development Corporation Act*; and,
- *Vancouver Island Natural Gas Pipeline Act*.



## Ministry Expenditure Summary

**Note:** The expenditure summary for 1995/96 shows expenditures separately for the Ministry of Employment and Investment and the Ministry of Energy, Mines and Petroleum Resources. The ministries were amalgamated on February 28, 1996 and therefore the expenditure summary does not follow the ministry's organizational structure as indicated on page 16 and following.

Fiscal Year 1995/96

(Source: Public Accounts, 1995-96, Volume 2, Pages C46-49)

<i>Ministry of Employment and Investment</i>	
<b>Unaudited</b>	
<b>Expenditures \$</b>	
Minister's Office (Vote 24)	367,435
Ministry Operations (Vote 25)	
Administration and Support Services	7,259,559
Economic Policy	
Employment and Economic Development Policy	2,593,122
Trade and Intergovernmental Programs	1,375,265
Transportation Policy	541,145
Industry and Investment	5,674,595
British Columbia Investment Office	1,421,273
Science and Technology	28,226,337
Program and Capital Development	41,454,101
Crown Corporations Secretariat (net of recoveries)	0
Reserves for Doubtful Accounts and Concessionary Loans	26,105
Contributions to BC Ferry Corporation	9,352,000
Contributions to BC Transit	
Operating Contributions	126,239,126
Capital Contributions	143,518,082
Statutory –	
Williston Reservoir Compensation Costs	1,004,236
Special Accounts	
Build BC	21,815,936
Science and Technology Fund	25,515,468
Special Fund	
Natural Resource Community Fund	10,816,013
Less transfer from Natural Resource Community Fund to General Fund	(10,756,060)
Less transfer from Vote 25 to the Build BC Special Account	(40,000,000)
Less transfer from Vote 25 to the Science & Technology Special Account	(26,504,822)
Total Expense	<u>349,938,916</u>

[Ministry Expenditure Summary, continued...]

*Ministry of Employment and Investment*

[Ministry Expenditure Summary, continued...]

**Fiscal Year 1995/96**

(Source: Public Accounts, 1995-96, Volume 2, Pages C46-49)

**Ministry of Energy, Mines and Petroleum Resources**  
**Unaudited**

**Expenditures \$**

Minister's Office (Vote 26)	320,529
Ministry Operations (Vote 27)	
Revenue and Management Services	8,287,971
Energy Resources (net of recoveries)	10,631,486
Mineral Resources	19,106,479
Mineral Development Agreement and Exploration Incentives	3,319,156
British Columbia Utilities Commission (Vote 28)	
British Columbia Utilities Commission	2,983,818
Recoveries	(2,983,818)
Resource Revenue Sharing Agreements (Vote 29)	293,179
Statutory	
Interest on Revenue Funds	713,441
Mines Act	18,233
Special Account -	
Vancouver Island Natural Gas Pipeline Assistance	3,369,979
Valuation Allowance	0
Total Expenditure	46,060,453
Physical Assets	(140,358)
Total Expense	<u>45,920,095</u>