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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, 1996, to March 31, 1997.

A handwritten signature in cursive script that reads "Mike Farnworth".

Mike Farnworth
Minister of Employment and Investment

Honourable Mike Farnworth
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, 1996, to March 31, 1997.

A handwritten signature in black ink, appearing to read 'C. Kang', written in a cursive style.

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 B.C. It:

- 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
- manages the province's energy and mineral resources for the benefit of British Columbians, including the regulation of the oil, gas and mining industries to ensure public and worker health and safety and environmental protection
- 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 1996/97 fiscal year.

BC Trade and Investment Office:

- advanced the process for development of a new trade and convention facility in Vancouver
- led negotiations on the sale of Victoria Line Ltd.
- led development of railway property tax reform resulting in \$100 million in new capital investments
- developed fuel cell commercialization strategy
- co-ordinated and participated in Premier and Ministerial missions to China, Korea, Philippines and Thailand
- arranged visit programs for 140 international trade and investment delegations
- performed financial evaluation and due diligence for major projects, including Royal Oak Mines, Canadian Airlines, Ford Theatre for the Performing Arts
- supported the activities of the Job Protection Commission, and,
- supported the BC Co-ordination Office in preparations for the 1997 Asia Pacific Economic Co-operation (APEC) Economic Leaders meeting in Vancouver.

Energy and Minerals Division

- approved the Solex NGL plant expansion under the environmental assessment process
- approved the Westcoast Gas Services Inc. Highway gas and liquids plant and pipeline project in the northeast, under the environmental assessment process
- approved the Westcoast Gas Services Inc. Jedney I and II gas processing plant and pipeline expansions under the environmental assessment process
- approved the Kemess mine project under the environmental assessment process
- approved the drilling of 636 oil and gas wells
- developed a Memorandum of Understanding between the oil and gas industry and government agencies for operational land use planning in the northeast
- conducted a review of the Mediation and Arbitration Board under the *Petroleum and Natural Gas Act*
- facilitated development of First Nations Consultation procedures for oil and gas activities

- released the results of a \$600,000 geophysical survey flown in the East Kootenays which attracted companies to stake claims and to explore for another Sullivan-type mine
- recorded/issued 35,024 mineral, 886 placer and 65 coal exploration tenures covering more than 955,000 hectares and issued eight mining leases— eight placer leases and one coal holding lease, and,
- opened in early 1997 a mineral titles inspection office in Smithers.

Economic Development Division

- completed and received Treasury Board approval for the Consolidated Capital Plan for 1996/97
- issued the report of the Task Force on Public-Private Partnerships
- promoted public-private partnerships and established a minister's advisory committee
- continued consultation with social capital ministries and construction industry representatives to develop standardized tender contract documents to be used on construction projects for public buildings
- negotiated an extension (to March 31, 1999) of the Infrastructure Works program, a federal-provincial cost sharing program with third parties that funds capital projects throughout B.C., and,
- administered the Opportunities '96 program as part of B.C.'s Guarantee for Youth initiative.



Ministry overview and structure

Mandate

- To assist in creating jobs throughout B.C. 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, and,
 - To ensure worker health and safety and public safety, under the *Mines Act*.
- promoting the marketing of industrial minerals in the province, Pacific Rim countries, and Europe
 - advertising industrial mineral opportunities
 - hosting and co-ordinating outgoing and incoming trade missions, and,
 - developing and co-ordinating B.C.'s trade policies, positions, options, and strategies for Canadian inter-governmental trade negotiations.

General responsibilities

- Develops sectoral trade opportunities by:
 - co-ordinating and developing B.C.'s policies and positions for international trade negotiations to secure maximum access for B.C. exporters while protecting vulnerable domestic sectors
 - representing and advancing B.C.'s interests in international trade disputes
 - providing advice as to application of trade agreements vis-à-vis provincial policies
 - co-ordinating B.C.'s participation in the Pacific Northwest Economic Region (PNWER)
 - ensuring B.C.'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 BC 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 B.C. goods and services
- 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-B.C. 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.
 - Works with 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.
- Manages the province's energy and mineral resources for the benefit of British Columbians by:
 - determining the value of the energy and mining industry's contribution to the B.C. economy
 - ensuring that the province's energy and mineral resources are explored, developed, transported and used in a safe, efficient, and environmentally sound manner
 - assessing and managing B.C.'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 electricity, 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
 - ◆ providing energy/mineral information for specific treaty negotiations
 - ◆ developing information gathering protocols with the Ministry of Aboriginal Affairs, and,
 - ◆ participating in information sessions to explain the ministry's business, for provincial 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 BC Utilities Commission
- developing and implementing energy policy and providing timely and integrated assessment of applications for energy projects and exports
- regulating oil and gas exploration and production activities
- stimulating grassroots mineral exploration by the provision of grants to prospectors
- 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
- regulating mine worker safety, and mine reclamation practices, and administration of legislation relating to oil, gas and mineral tenures
- representing provincial interests in discussions and the development of arrangements regarding the return of downstream power benefits under the Columbia River Treaty
- working on relationship building exercises to ensure First Nations, industry and the ministry can resolve issues in a timely manner by:
 - ◆ participating with industry in Energy and Mineral Forum hosted by the Carrier-Sekani Tribal Council, and,
 - ◆ holding an information session in Calgary for the Canadian Association of Petroleum Landmen members regarding First Nations information and in Fort St. John for geophysical contractors.
- working with First Nations to recognize treaty and aboriginal rights in the regulation of oil and gas operations by:
 - ◆ assisting Treaty 8 First Nations in accessing funds to complete a traditional-use study
 - ◆ revising consultation procedures with Treaty 8 First Nations based on trilateral discussions with the First Nations, ministry and the oil and gas industry
 - ◆ beginning trilateral discussions with the Kelly Lake First Nations
 - ◆ publishing an Information Letter clarifying First Nations consultation procedures, and,
 - ◆ working with other agencies to co-ordinate First Nations consultation requirements.
- Encourages the revitalization of traditional industries by:
 - providing counseling 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 by:
 - 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*
 - collecting taxes on mineral production under the *Mineral Tax Act*
 - issuing reassessments of mineral resource tax
 - 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
 - collecting bonus bids associated with the disposition of oil and gas rights under the *Petroleum and Natural Gas Act*, and,
 - collecting fees and costs associated with tenure administration and exploration and development approvals under the *Petroleum and Natural Gas Act*.

Organizational Structure

The ministry has one office, four divisions, and one branch reporting to the deputy minister:

- BC Trade and Investment Office
- Communications Division
- Corporate Relations Branch
- Energy and Minerals Division
- Economic Development Division (Science, Technology and Capital Development Division and the Policy Division were combined in 1996), and,
- Revenue and Management Services 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
- 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
- BC Lottery Corporation—conducts and manages lottery games in the province and cooperates with other provinces in the conduct and marketing of nation-wide lottery games
- BC Trade and Investment Office:
 - facilitates and promotes international and domestic private sector investment
 - enhances and expands B.C. 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 21st century, and,
 - supports creation of long-term jobs and development of the economy in all regions of B.C.

BC Trade and Investment Office has four branches:

- Finance and Project Evaluation
- Investment Facilitation
- Strategic Industries, and,
- Trade and International Services.

It has trade and investment representatives in the following locations around the world:

- Hong Kong
- Tokyo, 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
 - serves as 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 of:
 - ◆ media relations
 - ◆ news releases
 - ◆ speeches
 - ◆ event planning and co-ordination, and,
 - ◆ advertising and marketing

- undertakes 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
 - oversees the communications activities and issues management responsibility for Crown corporations in the minister's portfolio, and,
 - initiates and responds to the government's key strategic priorities, in particular, creating jobs and enhancing economic development through sound investments in B.C.
- **Corporate Relations Branch:**
- 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, Cabinet Policy and Communications Secretariat, and Cabinet Operations in scheduling all presentations to Cabinet Committees and Cabinet
 - maintains information and co-ordinates appointments of members to Crown corporations, agencies, boards, and commissions, and,
 - manages and/or provides support for strategic and operational planning processes within the ministry and 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.
- Specifically:
- manages the development of the province's petroleum, natural gas, and mineral resources
 - manages the disposition of rights and administers titles to oil, gas, mineral, coal, and geothermal resources
 - maintains title registries
 - develops and publicizes energy and mineral geoscience information
 - determines and quantifies mineral, coal, oil and natural gas reserves and production
 - maintains data bases, maps, surveys, and prospecting reports on the surface and subsurface geology of British Columbia including core storage, logs, and records
 - provides information and support services to industry, and,
 - administers and enforces provincial legislation, regulations and policies relating to mineral, coal, oil and natural gas exploration, production processing and transportation to ensure safe operation, environmental responsibility and prudent resource management conservation.
- 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.
- **Economic Development 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
 - international and domestic trade agreements

- strategic public sector capital investments, and,
- the public sector in its economic development responsibilities.

The division has six branches:

- International Branch
- Economics Branch
- Economic Partnerships Branch
- Environment and Land Use Branch
- Minerals, Oils and Gas Section, and,
- Electricity Development 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.

■ Crown Corporations Secretariat:

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, 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 Ferry Corporation
- BC Hydro and Power Authority
- BC Railway Group of Companies
- Victoria Line, and,
- BC Lottery Corporation*.

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

- BC Assessment Authority
- BC Pavilion Corporation
- BC Systems Corporation
- BC Transit
- BC Transportation Financing Authority
- Columbia Power Corporation
- Insurance Corporation of BC*
- West Coast Express
- Pacific National Exhibition, and
- Provincial Capital Commission.

* Note: For these Crown corporations, only commercial activities outside legislated core functions are subject to secretariat oversight.

The secretariat's mandate is to ensure that Crown corporations are significant generators of wealth and economic development in B.C., 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

Develops sectoral trade opportunities

The ministry identifies and assesses international and national trade opportunities for B.C. 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 B.C.'s policies and positions for international trade negotiations to secure maximum access for B.C. exporters while protecting vulnerable domestic sectors:
 - monitored and commented on Canada's activities on multilateral trade agreements and negotiations involving the World Trade Organization (WTO) and its predecessor the General Agreement of Tariffs and Trade (GATT)
 - developed the province's position on the Multilateral Agreement on Investment (OECD)—including the provincial government's submissions before the House of Commons subcommittee
 - monitored and commented on Canada's activities on regional trade negotiations such as:
 - ◆ the North American Free Trade Agreement (NAFTA) and its parallel accords on labour and the environment
 - ◆ Canada-Chile Trade Agreement
 - ◆ Canada-Israel Trade Agreement
 - ◆ Asian Pacific Economic Co-operation initiative, and,
 - ◆ Free Trade Agreement of the Americas.
- represented and advanced B.C.'s interests in international trade disputes, including:
 - challenges to the Canadian supply management system
 - softwood lumber negotiations
 - US restrictions on export of Canadian sugar and sugar-containing products
 - Asian import licensing restrictions affecting B.C. products
 - Australian ban of B.C. salmon products
 - European restrictions on B.C. green lumber exports, and,
 - threatened restrictions on Canadian wine.
- co-ordinated B.C.'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 B.C. and Alberta. Through membership in PNWER, the provincial government has:
 - introduced key B.C. private sector contacts to PNWER members to foster development of new markets outside the province
 - ensured that issues of importance to B.C. remained at the forefront of PNWER discussions
 - promoted B.C. as a prime market for foreign investment, and,
 - ensured B.C.'s strong presence through its foreign offices, particularly in the Asia-Pacific region where markets present the greatest growth potential, by managing 10 international agents/offices, ensuring the delivery of cost-effective professional services to both government and the business community.

Fosters international and domestic private sector investment

The ministry aggressively marketed B.C.'s investment potential to domestic and international investors. It also worked in partnership with existing businesses to expand their operations to create jobs or to preserve existing ones.

To facilitate investment in B.C., the ministry:

- advanced the process, in partnership with the City of Vancouver, for development of new convention facilities for the city
- led negotiations on the sale of the Victoria Line ferry
- led the activities associated with the former BC Trade Development Corporation, which was absorbed by the ministry, such as exploring the option of becoming a Special Operating Agency (SOA), and designing and establishing a new organization able to accomplish the ministry's trade and investment mandate
- led the development of the railway property tax reform package, resulting in CP and CN announcing some \$100 million in new capital investments in B.C.
- led the provincial Airport Transfer Team
- updated the English, Japanese and Chinese versions of *Investment Climate British Columbia* and produced a series of investment opportunity profiles
- designed a new BCTIO website, ensuring company profiles, and sector and investment information are available
- supported the International Maritime Centre, which secures the relocation of international shipping companies to B.C.—example: Unique Shipping of Hong Kong transferred its headquarters to Vancouver resulting in the creation of 16 jobs
- supported the International Financial Centre, which completed international financial transactions of more than \$2 billion (estimated)
- monitored progress on Cominco's \$300-million lead-zinc smelter expansion program
- obtained approval to extend the offering period for the \$35-million B.C. Investment Fund to June 30, 1997, and for public offering status from the Hong Kong Securities and Futures Commission, and extended marketing in Southeast Asia to include Korea; and selected and appointed the fund managers, and,
- provided comparative locational analysis service for potential investment projects:
 - convinced Taiwanese medical device manufacturer Yue Pfong to start building a large facility, including the largest clean-room facility in Western Canada—a local supplier development effort is in place and more than 100 jobs will be created in 1997
 - completed more than two years of work with the Walt Disney Studios of Los Angeles, California, culminating with the official opening of the Walt Disney Animation Canada facility in Vancouver
 - successfully competed against other Canadian jurisdictions in getting Hewlett Packard (HP) to open a high-tech Systems Engineering Telephone Call Centre in Richmond—HP's vision is to create more than 200 new high-tech jobs that will provide engineering solutions to customers in the US, Canada and Latin America
 - continued work with a Hong Kong firm to set up railroad tie manufacturing in B.C., and,
 - developed and negotiated a Strategic Partnering Agreement, which will facilitate the introduction of a unique, state-of-the-art gas sensing technology to the province and lead to a manufacturing and R&D company to operate in Maple Ridge—this is expected to create 125 to 200 well-paying, highly skilled jobs.

In the area of strategic industry development and increasing export activity the ministry:

- co-ordinated outgoing and incoming international missions, such as:
 - Premier and Ministerial Mission program, including the Premier's visit to the World Economic Forum in Hong Kong and Guangzhou, and his participation in Team Canada's mission to Korea, Philippines and Thailand
 - visit programs for more than 140 international trade and investment delegations travelling to B.C., and,
 - the business program, including co-hosting a dinner and introducing senior officials of the Keidanren mission to leading players in the B.C. information technology and new media industry.
- supported the BC Co-ordination Office in preparations for the 1997 Asia Pacific Economic Co-operation (APEC) Economic Leaders meeting in Vancouver
- co-ordinated the BC Export Award Program, which provided a significant marketing boost to eight award winners
- managed nine international agents/offices and developed and began implementing a strategy to streamline the network of international offices
- provided information on B.C. companies' activity in specific geographic regions
- developed export strategies for targeted products, sectors and international markets:
 - formed an ongoing Task Force to further develop B.C.'s industrial mineral industry
 - established the Environmental Industries Virtual Office in partnership with Industry Canada and the private sector
 - restructured the BC Medical Device Industry Association by locating funding sources, creating a monthly newsletter, attracting membership and creating links with other associations—as a result, the association is now credible and is growing rapidly
- supported Health Industries Development Office activities
- developed a Telemedicine Pilot Project to demonstrate new technologies involving high-speed transfer and storage of diagnostic level radiology and pathology images
- delivered a business development program that brought together and showcased 12 small- and medium-sized B.C. telecommunications firms at Intercomm '97
- began implementing, under the Plastics Industry Association/provincial government framework agreement and with Skills Now funding support, sector-wide, workplace-based, distance and co-op training and education initiatives with the BC Institute of Technology—plastics companies' information was put on the Internet by BC Technology Industries Association (TIA), through the Technet/Technopedia web site
- assisted NII Norsat International in pursuing Asian markets—this resulted in a US\$4-million joint venture, signed in November 1996, with a partner in China, and a permanent office in Beijing
- worked with the BC Council of Marine Industries, through a secondment, to launch aluminum welding/fabrication training in support of BC Ferries' Fast Ferry project
- prepared a paper on the development of the Australian aluminum shipbuilding industry, including opportunities for technology transfer and export with B.C.—the paper was distributed to more than 75 B.C. shipbuilding and marine industry companies
- introduced B.C. micro-brewery technology to the Japanese market
- co-ordinated production of a private-sector-funded resource guide on B.C. training and education capabilities aimed at the international market

- supported Airshow Canada, through funding and participation, to showcase B.C. aerospace products and services
- assisted, under the U.S. Canada Connection Program, Klohn Crippen in teaming up with a major U.S. environmental remediation contractor to pursue a technology demonstration project for their fluidized bed scrubber technology—this demonstration project will also certify the technology to U.S. EPA protocol, thereby opening up the market for Klohn Crippen, and,
- assisted, under the B.C.-U.S. procurement program, Xantex (Surrey) in obtaining a multi-year contract for power supply units to the U.S. Department of Defense.
- supported strategic alliances:
 - participated in the Canada Comfort Direct marketing initiative for value-added building products—initiative generated \$120 million in sales in Japan for its 24 member companies in 1996; additional value-added building products exports facilitated by BCTIO, from all regions of B.C., exceeded \$25 million in 1996
 - participated in Environet International, an international marketing alliance of B.C. high-tech companies which markets oceans expertise
 - instigated a collaboration among key players in the health industries sector, such as IBM, ALI Technologies, MAGIC (Media and Graphics Interdisciplinary Centre at UBC), GE Canada, and St. Paul's Hospital
 - assisted the Canada West Telecom Group (CWTG) in developing a 28-GHz LMCS turnkey solution, test-marketing it, creating a presence at CommunicAsia in Singapore, and, meeting with prospective clients in Singapore and Hong Kong during and after the exhibition—Canada is the first country to licence the 28-GHz band and BCTIO assisted a group of companies working together to tap into the new market
- supported the Hanford Alliance—40 B.C. companies working with the U.S. Department of Energy on environmental clean-up and other requirements of the National Laboratory system—which succeeded in obtaining more than U.S.\$10 million in contracts, and,
- brought four robotic companies together and negotiated a sole-source contracting process with the Greater Vancouver Regional District (GVRD)—the GVRD became the industrial partner to these companies in applying and testing the development of a remote pipe crawler system for sewage pipe inspections.
- advanced fuel cell commercialization:
 - conducted a joint study, with Industry Canada, to examine the employment and investment potential for B.C. and Canada from commercial manufacturing of fuel cells
 - ensured a report from KPMG was completed
 - developed a fuel cell commercialization strategy to maximize future supply-chain opportunities for B.C.-based manufacturers of fuel cell components, and,
 - initiated an informal supply-chain company network.
- established the Marine Training Sectoral Council—comprised of representatives from the nautical marine industry, unions and professional organizations—to provide advice to the Ministers of Education, Skills and Training, and Employment and Investment on human resource issues for B.C. maritime industries, and,
- completed a Memorandum of Understanding with the U.S. Department of Energy, two national laboratories, B.C., Alberta and five Pacific Northwest states for industrial collaboration in environmental remediation,

environmental technology demonstrations, exploration of opportunities in biotechnology, advanced manufacturing, energy, and natural resource initiatives—under this MOU, there are significant projects for B.C. companies:

- KSI (Vancouver) and Lockheed Martin are demonstrating and testing a remote waste barrel inspection system to be used at the U.S. Department of Energy’s Idaho Falls nuclear clean-up project
- industrial partnership between Inuktun (Nanaimo) and Idaho Falls to deploy the Inuktun’s remote controlled pipe crawler system, and,
- teaming relationship between RECOL (Richmond) and Delta 21 Resources to test and demonstrate RECOL’s chemical oxidation remediation technology.

In the area of domestic markets the ministry:

- developed and co-ordinated B.C.’s trade strategies for Canadian inter-governmental negotiations to represent the provincial government’s interests in interprovincial trade and other domestic trade negotiations:
 - assisted B.C. businesses with trade access problems in other provinces, and,
 - ensured B.C.’s trade interests are met:
 - ◆ maintained the provincial government’s log export policy
 - ◆ exempted Medicare and social services from the Agreement on Internal Trade
 - ◆ ensured the provincial government’s purchasing practices are cost-efficient and can be used to help develop B.C. jobs and business opportunities
 - ◆ developed business incentives required to support economic development, and,
 - ◆ ensured ongoing Internal Trade Agreement negotiations do not encroach upon B.C.’s autonomy over its social programs.

In the area of financial and business analysis on strategic projects, the ministry:

- negotiated a \$166-million development and compensation package for Royal Oak Mines Kemess South project
- assisted in developing a restructuring plan for Canadian Airlines by working with creditors, management, labour, and senior levels of government on a four-year strategy to maintain 6,000 jobs in B.C.
- supported the Job Protection Commission:
 - negotiated, in collaboration with the commission, a financial restructuring plan for Evans Forest Products—this resulted in maintaining 650 jobs and establishing the basis for future diversification of product lines to include laminated veneer lumber and,
 - managed cost-shared funding of two resource jobs commissioners for the Cariboo-Chilcotin and Kootenay regions.
- implemented the funding agreement for the Ford Theatre for the Performing Arts, disbursed the \$5.25-million loan, and monitored the royalty arrangements for the \$25-million project
- led financial assistance negotiations and completed due diligence analysis for the Job Protection Commission, the BC Transportation Financing Authority, Forest Renewal BC and other ministries for provincial financial participation in projects which included:
 - Avcorp Industries: \$8-million loan, \$44-million capital costs, 685 jobs
 - Royal Oak Mines: \$166-million loan, \$410-million project costs, 320 jobs
 - Quinsam Coal (TFA): \$9-million loan, \$14.1-million capital costs, 100 jobs
 - Stikine Nation Power: \$1.4-million loan, \$14-million capital costs, 50 jobs, and,
 - Huckleberry Mines: \$15-million loan, \$137-million project costs, 175 jobs.

In addition to direct jobs, the above projects were expected to generate approximately 2,000 construction jobs and an even greater number of indirect jobs.

Disbursements of funding that are pending:

- Dynapro Systems: \$1.8-million to \$3.25-million loan, \$9-16-million project costs, 75 jobs, and,
 - Newbridge Networks: \$10-million investment, \$30-million project costs, 75 jobs.
- provided business plan review and advice concerning the BC Community Financial Services Corporation (Four Corners Community Savings)
 - reviewed status for possible funding for bridge and road improvement for the Vancouver International Airport Authority, Sea Island Connector, and Tanac Development's highway interchange
 - managed the wind-up and transfer of assets of the Export Loan Guarantee Program and the BC Export Investment Fund
 - assisted in monitoring situation, and appointment of Arthur Andersen as receiver-manager of Apex Mountain Resort, and,
 - finalized \$8.6 million in provincial funding arrangements and participated in project steering committee for Ballard Power Systems project to commercialize fuel cells for buses.

Facilitates and co-ordinates strategic public sector capital investments

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

- implemented the third Consolidated Capital Plan for all provincial infrastructure investments—it encompasses the capital

investment intentions 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) and provides a framework for co-ordinating and providing cost-effective trade-offs among competing demands for capital investments across government

- translated BC 21 principles into business plans of the Crown corporations and line ministries to ensure 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
- co-chaired the Canada-B.C. Infrastructure Works program agreement for the provincial government, co-ordinated the activities of the various partner agencies, reviewed program applications, and directly administered projects approved under the program's enhanced public service component—the agreement:
 - provided \$675 million to upgrade provincial infrastructure and create jobs on approved projects over the agreement's lifetime with the funding shared equally by the federal and provincial governments and a project's proponent
 - allocated 85 per cent of the funding for projects related to water, sewer and local transportation services and 15 per cent for other infrastructure projects that provide enhanced public services and result in significant economic benefits

- was amended in spring 1996 to extend the program from March 31, 1997, with infrastructure projects completion by October 31, 1998, and,
- resulted in about 400 projects receiving approval by March 31, 1996—representing a commitment of nearly \$675 million and resulting in about 9,000 jobs throughout B.C.

Works with 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 B.C. It did this in several ways.

- provided a central policy and planning function for the public sector:
 - demonstrated leadership in the public sector:
 - ◆ developed an economic framework for strategies for creating jobs and enhancing economic growth and concluded a consultation process on standardizing tender documents for public construction and to maximize value-for-money from public capital investments, and,
 - ◆ developed a public and private infrastructure development policy and provided secretariat support to the joint government-industry Public-Private Partnerships Task Force that explored public-private partnership opportunities for public infrastructure in B.C.—the Task Force’s Report was released in January 1997.
- integrated Crown corporations’ planning processes:
 - reviewed Crown corporations’ and commissions’ financial statements and continued the process of developing strategic and business plans, along with performance measures
- managed the Build BC Special Account under the *Build BC Act*, and led and guided government agencies in developing specific program initiatives and proposals under the Act:
 - provided through the BladeRunners program—an innovative employment program that addresses the needs of the traditionally disadvantaged—employment opportunities in construction-related trades for about 100 youth on income assistance and significant training in construction health and safety
 - helped, through BC 21 Community Grants, 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 public—this program creates both short- and long-term employment, and,
 - supported B.C.’s Electronic Highway initiative by providing internet training and access opportunities to various groups throughout the province.
- 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:
 - ◆ devolution of ports and small-craft harbours
 - ◆ new governance structures for major ports under new *Canada Marine Act*
 - ◆ international bilateral air agreements
 - ◆ National Airports Policy
 - ◆ commercialization of the federal Air Navigation System, and,
 - ◆ railway deregulation.

- promoted B.C. ports as Asia Pacific gateways
- headed the Provincial Airport Transfer Team to deal with provincial issues associated with the transfer of federal airports to B.C. communities
- developed policies related to provincial aviation fuel taxes, local airport land use and zoning issues, Vancouver International Airport, and the provincial airport system
- developed intermodal transportation policies and strategies
- prepared Prince Rupert—Vision 2010 report
- assisted Northwest Transportation Corridor Task Force.
- enhanced provincial interests in the telecommunications, broadcasting and cable industries:
 - developed telecommunications policies and strategies to respond to issues raised by the Canadian Radio and Telecommunications Commission’s regulatory process
 - participated in the formulation of the Electronic Highway Accord—a strategic plan for the electronic highway in B.C.
 - prepared policy papers on telecommunications and community economic development and on improving access to basic telecommunications services in rural areas and remote communities
 - developed a new telecommunications framework to ensure consistency in government policy and co-ordination among initiatives, and,
 - co-ordinated with the Environmental Assessment Office the First Nations’ benefit agreements for environmental assessment projects.
- worked with other ministries and agencies to support job creation and economic development opportunities:
 - co-ordinated research relating to employment
 - participated on the Fraser River Management Board
- co-ordinated socio-economic impact assessments for Land and Resource Management Planning tables in various forest districts enabling land use decisions—the top four Land and Resource Management Plan projects were:
 - ◆ Fort St. John LRMP socioeconomic/environmental assessment
 - ◆ Fort Nelson LRMP socioeconomic/environmental assessment
 - ◆ Dawson Creek LRMP socioeconomic/environmental assessment, and,
 - ◆ Lakes District LRMP socioeconomic/environmental base case.
- continued inter-agency and public multi-stakeholder work on Land and Resource Management Planning (LRMPs) in various timber supply areas to ensure that objective socio-economic and environmental impact assessments are done for LRMPs, where the goal is to add certainty to land-use decisions, and,
- assisted Forest Renewal B.C. with analytical work regarding early retirement assistance program for forest workers.

Manages the province’s energy and mineral resources for the benefit of British Columbians

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 B.C.’s petroleum, natural gas and geothermal energy resources:
 - administered the petroleum and natural gas tenure system through which Crown rights are awarded by competitive bidding—tenures issued are time limited, include

- exploration and development obligations, carry environmental protection caveats and require the payment of rents and royalties to the province
- administered 9,500 oil and gas tenures covering 5.6 million hectares
 - issued 3 permits (16,546 hectares), 284 drilling licences (436,777 hectares) and 641 leases (163,958 hectares)
 - issued an underground gas storage lease to Canadian Hunter Exploration Ltd.
 - approved 35 oil and gas projects and conservation schemes
 - mapped and estimated reserves volumes for 52 new oil and gas pools
 - revised maps of 185 existing oil and gas pools
 - evaluated 317 oil and gas wells
 - designated five new oil and gas fields
 - maintained an inventory of provincial discovered and undiscovered oil and gas resources using geographical information systems technology
 - conducted a review of the Mediation and Arbitration Board under the *Petroleum and Natural Gas Act* and implemented recommendations for reform
 - approved the Solex NGL plant expansion under the environmental assessment process
 - approved the Westcoast Gas Services Inc. Highway gas and liquids plant and pipeline project in the northeast, under the environmental assessment process
 - approved the drilling of 636 wells and associated geophysical projects
 - approved the Westcoast Gas Services Inc. Jedney I & II gas processing plant and pipeline expansions under the environmental assessment process
 - issued major project approval certificates jointly with the Ministry of Environment, Lands and Parks, including:
 - ♦ Morrison Petroleum's Bullrush gas plant
 - ♦ Novagas Canada Ltd. Peggo gas plant, and,
 - ♦ Westcoast Gas Services Inc. Jedney gas plant
 - published *Hydrocarbon and By-Product Reserves in British Columbia*
 - jointly funded, with the federal Geological Survey of Canada, the monitoring of earthquake activity in the oil and gas producing district of Fort St. John, and,
 - updated the *British Columbia Oil and Gas Handbook*.
- 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:
 - worked with the Ministry of Environment, Lands and Parks and the Ministry of Forests to implement the Forest Practices Code in oil and gas related operations
 - worked with the BC Transportation Financing Authority to upgrade the Sierra-Yoyo-Deson petroleum development road and to develop a cost-sharing agreement with industry to share road maintenance costs
 - amended drilling and production regulations to update well data confidentiality requirements and to incorporate land use initiatives, and,
 - participated in the development of regulations to ensure oil and gas development conformance with the *Waste Management Act*.
 - 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:
 - signed a memorandum of understanding with major oil and gas stakeholders and provincial and federal agencies on

operational land-use planning for oil and gas activity in northeast B.C.

- participated in developing an implementation strategy for the Kootenay Land-Use Plan
- established with Ministry of Environment, Lands and Parks, the B.C. Greenhouse Gas Forum, a multi-stakeholders group advising ministers on climate change policy
- provided representation at three Land and Resource Management Plan tables—Fort Nelson, Fort St. John and Dawson Creek—and supported socio-economic analysis for these tables, and,
- provided resource analysis for Land and Resource Management Plans for other areas of the province.
- developed and implemented electricity policy and provided timely and integrated assessment of applications for energy projects and electricity Energy Removal Certificates:
 - participated in an innovative negotiated settlement process to implement incentive regulation for the rates of West Kootenay Power Ltd.
 - concluded a Treaty agreement under which B.C.'s power benefits will be returned over existing transmission facilities at no cost to B.C., avoiding the financial cost of a new high-voltage transmission corridor in the South Okanagan, and,
 - participated on the project committees for Waneta Upgrade and Keenleyside.
- delivered policies, programs, and regulations that promote the efficient production and use of energy:
 - issued \$3.2 million in natural gas conversion grants under the Clean Choice Program, and,
 - participated in the 1996 Power Smart Excellence Awards given by BC Hydro.
- regulated oil and gas exploration and production activities and handled 390

regulatory applications involving drilling or producing wells.

In mineral resources, the ministry:

- assessed, managed and promoted a greater understanding of British Columbia's mineral resources:
 - provided geological inventory to support development of mineral resources, improve the provincial government's stewardship, and help manage and protect Crown lands:
 - ◆ completed geological surveys and evaluations of areas where mines are forecast to close over the next few years (East Kootenays, Northern Selkirks) as well as under-explored frontier areas with development potential (Gataga, Tatogga Lake, and the Interior Plateau)
 - ◆ completed a geochemical survey of the Toodoggone River and McConnell Creek map sheets in northern B.C.
 - ◆ released airborne geophysical survey data for targets near the Sullivan Mine in the East Kootenays, and,
 - ◆ continued the five-year, multi-disciplinary, geo-scientific survey program with the Geological Survey of Canada in the Nechako plateau area.
 - initiated a geo-scientific survey in the Eagle Bay area in the Kootenay Terrain
 - assessed the province's gemstone potential
 - delivered a four-day training course to industry on industrial minerals opportunities
 - recorded/issued 35,024 mineral, 886 placer and 65 coal exploration tenures covering more than 955,000 hectares and issued eight mining leases—eight placer leases and one coal holding lease
 - processed more than 36,000 tenure transactions and updated more than 3,750 claim maps using the Mineral Data Administration System

- provided notification that effective September 3, 1996, all individuals applying for a Free Miners Certificate must pass a basic knowledge test
- opened in early 1997 a mineral titles inspection office in Smithers
- completed the project that converted the plotting of all mineral titles from a raster format to a vector format
- introduced in February 1997 a mineral title Internet site
(www.ei.gov.bc.ca/tenure/mida/search.htm) to allow clients to search the claim registry from their own personal computer
- increased significantly, industrial mineral activity in B.C., in particular the dimension stone industry, due to de-regulation effected by the *Mineral Tenure Amendment Act 1995*
- participated 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
- co-hosted a communications forum with the Wet'swet'en Treaty Office to promote greater understanding among government, industry and aboriginal peoples, and,
- completed a study into the quality of coal in B.C. mines in partnership with the coal industry.
- chaired a committee with representation from other ministries, the mining industry, labour unions and environment groups in order to develop standards for mineral exploration activities and to streamline the permitting process for such activities. These standards will be contained in a Mineral Exploration (MX) code which will provide for the recognition and protection of other resource values when exploration programs are planned and undertaken. When completed, the MX Code will replace the Forest Practices Code on mineral and coal tenures
- participated in mineral industry forums to inform major stakeholders of provincial interests and policies, and to receive feedback from industries at the 13th Annual Cordilleran Roundup, Mining Week, and, the Annual Canadian Conference on Markets for Industrial Minerals
- stimulated mineral exploration by providing \$500,000 in grants to 68 prospectors
- provided infrastructure funding to support mine expansion and development:
 - facilitated \$9 million in funding for infrastructure for the Quinsam Coal expansion through the BC Transportation Financing Authority, and,
 - settled compensation, amounting to \$29 million, with Royal Oak Mines on the Windy Craggy claim in Tatshenshini Park and assisted with the development of the new Kemess South and Red Mountain mines through a \$166.16-million funding agreement.
- issued Environmental Assessment Certificates with the Ministry of Environment, Lands and Parks for three mine developments under the Environmental Assessment Act for Kemess South, McGillivray Coal and Nazko Lava Quarry
- regulated mine worker safety and mine reclamation practices, and administered laws relating to mineral rights and oil and gas tenures:
 - presented the Annual BC Mine Reclamation Award for outstanding achievement in mine reclamation to Line Creek Resources for

- their Line Creek Mine
- awarded citations:
 - ◆ metal mine reclamation: Homestake Canada, Giant Nickel Mine
 - ◆ sand and gravel reclamation: Fraser Valley Aggregates, Columbia River Road Project, and,
 - ◆ exploration reclamation: Lac Minerals, Hank Property.
- key member of BC Acid Mine Drainage Task Force, which coordinates provincial research into solving acid mine drainage problems—assisted the national MEND program in hosting the Fourth International Acid Rock Drainage Symposium in Vancouver in June 1997
- managed the Reclamation Securities and Funds—all mines operating in B.C. must deposit money with the government to ensure that reclamation costs do not fall on provincial taxpayers (i.e., if a mining company goes bankrupt)—where the value of security deposits in the past few years has increased to reflect more closely true reclamation costs: total value of securities held by the provincial government rose from \$10 million in 1985 to \$137 million as of March 31, 1997
- established, under the BC Advisory Council on Mining, a multi-stakeholder Mine Reclamation Security Policy Task Force to study several key reclamation security issues and to recommend policies and procedures to minimize government and public risk while meeting the mining industry's needs—the task force tabled its report in April 1996 and its recommendations are being adopted
- held the 34th Annual Mine Safety Awards
- held the Provincial Mine Rescue and First Aid Competition

- conducted 2,045 inspections:
 - ◆ 999 sand, gravel quarries, and rock inspections
 - ◆ 532 coal and metal mine inspections
 - ◆ 266 exploration site inspections
 - ◆ 190 placer inspections, and,
 - ◆ 58 other inspections.
- investigated seven fatal accidents
- issued 3,926 orders
- completed 59 special investigations, and,
- conducted six mine safety program audits.

Encourages the revitalization of traditional industries

Job Protection Commission

The ministry supports the Job Protection Commission in helping viable companies restructure themselves—to ensure their continuing competitiveness—and preserves jobs for British Columbians. The commission:

- provided consulting, counselling or mediation services to businesses that are economically significant to their communities or region
- assisted 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, ship building and repair, and fishing, and,
- undertook special projects and recommended government financial participation with qualifying businesses.

The commission:

- received 949 inquiries—between its inception in March 1991 and March 31, 1997—resulting in 478 cases requiring assistance and

- involving more than 39,000 employees
- provided counselling and mediation services, and developed economic plans to maintain jobs in strategic industries affected by restructuring:
 - developed 29 mediation and 37 economic plans, resulting in 12,402 jobs being saved
 - provided counselling to 247 firms, involving about 19,000 people, and,
 - carried out special projects.
- *and Natural Gas Act*
- collected fees of \$3.6 million to recover ministry costs related to the natural gas industry and \$2.7 million for ministry costs related to health and safety inspection of mines and gravel pits, and,
- collected \$7.4 million under the *Mineral Tenure Act* and the *Coal Act*.

Collects revenues generated by petroleum and mining activities in the province

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

- collected royalties and freehold production taxes of \$76.9 million under the *Petroleum and Natural Gas Act* on oil production from 847 wells, and \$155.6 million on natural production from 1,388 wells
- collected \$38.6 million under the *Mineral Tax Act* on mineral production from 70 mines
- assessed and levied taxes of \$735,000 under the *Mineral Land Tax Act* on 6,127 owners of title to minerals under 637,066 hectares of land—these taxes are levied on land for which the provincial government has granted ownership of one or more minerals, as opposed to renting rights under the *Mineral Tenure Act*
- collected \$170.6 million in bonus bids for the disposition of oil and gas rights under the *Petroleum and Natural Gas Act*
- collected \$35.3 million in fees and rents for tenure administration and exploration and development approach under the *Petroleum*



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
- managed and/or provided support for strategic and operational planning processes within the ministry and on key projects or corporate initiatives for the deputy minister and the ministry
- 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, 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
- operated various government companies, and,
- managed introduction of central agency capitalization of assets policy.

Human Resources:

In February and March 1996 the provincial government announced:

- the amalgamation of the Ministries of Employment and Investment and Energy, Mines and Petroleum Resources into a single organization, and
- the closure of the BC Trade and Development Corporation with the transfer of its business function to the ministry.

About 170 positions in the three predecessor organizations were eliminated due to these changes.

In October 1996, the provincial government required the ministry to meet new budget targets involving a reduction of staffing by 109 positions. The Human Resources Branch:

- managed processes to place employees, who were in jobs identified for elimination, into available vacancies
- supported and advised clients on organizational change and restructuring
- recommended on training and orientation programs for staff placed in vacancies
- worked with unions and employee associations, and
- managed programs to create vacancies.

In other activities, the branch:

- updated and communicated standards of conduct requirements for Ministry staff
- organized personal safety seminars for staff
- managed ongoing health and safety programs, and,
- co-ordinated the Ministry's multiculturalism initiatives.

Information Management:

- completed the move of ministry workstations from 712 Yates Street to 1810 Blanshard Street
- relocated the main servers from 712 Yates Street to 1810 Blanshard Street and migrated the operating system from Novell to NT
- processed 208 Freedom of Information requests, including 13 large requests related to BC Hydro's Raiwind project
- provided weekly training sessions to staff on various end-user personal computer topics
- set up System Management Server (SMS) to provide remote electronic support to clients;
- set up an industry profiles database on the internet
- completed the Royalty Management System (RMS) conversion
- installed a new public web site and a new Intranet site with search engines
- consolidated and revamped budgets relating to changes in BC Systems Corporation
- initiated the Year 2000 project to bring the ministry into compliance on date fields to ensure programs run successfully after January 1, 2000
- provided ongoing records management advice and training throughout the ministry, and,
- provided desktop support throughout the ministry as well as to the Chief Information Officer's office, the BC Transportation Financing Authority and Columbia Power Corporation.

Resource Revenue:

Besides collecting resource revenues:

- completed a review of the mechanism for determining the value of natural gas for royalty purposes and implemented changes to make valuations fairer and easier to determine
- completed a review of the application of the *Mineral Tax Act* to placer mines and consulted with industry representatives on problems and possible solutions
- completed rewrite of the Mineral Land Tax computer system to make it Year 2000 compatible and more user friendly
- increased electronic filing of oil and gas production reports to about 80 per cent of all such reports by making electronic filing mandatory for producers having more than 20 wells
- implemented changes, in consultation with industry, in the Mineral Tax Reclamation regulation to clarify some aspects and to make it more functional and easier to administer, and,
- revamped the mineral tax information management system to make it Year 2000 compliant and developed an electronic mineral tax return to facilitate reporting for mine operators and the ministry.

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, Carnegie 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 Woodward's 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.



Communications

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

- disseminated information through 134 news releases on many provincial government initiatives, such as:
 - B.C.'s position on internal trade
 - Memoranda of Understanding with Ehime Prefecture of Japan
 - participation in the 1997 Team Canada Mission to South Korea, Thailand and the Philippines
 - 1996 BC Export Awards
 - provincial assistance to Canadian Airlines
 - the Task Force on Public-Private Partnerships
 - the economic development of the northern rail corridor
 - the economic plan to save Repap employees' jobs in Smithers and Prince George
 - the Job Protection Commission's analysis of the federal government's Pacific Salmon Revitalization Strategy (the Mifflin Plan)
 - the gaming expansion review and the Request for Proposals process for new charitable and destination gaming facilities
 - the Canada-B.C. Infrastructure Works projects
 - the Request for Proposal process for a new Vancouver Trade and Convention Centre
 - the capital spending freeze
 - the integrated energy package—freeze of BC Hydro and Power Authority's residential rates, and independent power production initiatives
 - the Island Co-generation Project in Campbell River
- B.C.'s agreement with Bonneville Power Administration resolving disputes over the return of downstream power benefits
- the IBM-B.C. agreement on a Pacific Development Centre
- the more than 140 events during Science and Technology Week—October 18-27, 1996 inclusive—with the theme, *Discover the World Around You*
- the Technology Assistance Program
- mining reclamation awards
- mine rescue and first aid competition
- the Prospectors Assistance Program
- the sale of oil and gas rights
- the Cordilleran Geology and Exploration Roundup, and,
- the Westcoast Gas Services Inc.'s natural gas processing plant and pipeline project near Fort St. John.
- provided oversight for the communications plans of Crown corporations reporting to the Minister
- provided communications support for the opening of Four Corners Community Savings, a Vancouver downtown eastside institution, the opening of the People Responsible for Improving Downtown Economy (PRIDE) Centre in Vancouver and the announcement of two training projects—Victory on Ice Creates Employment (VOICE) and the Community Bank Training Program
- provided ongoing operational and full marketing, media and public relations support to Victoria Line's operation and its evolution to a private-sector operation through the Request for Purchase process

- arranged special events and openings of capital projects, such as those undertaken under the Canada-B.C. Infrastructure Works agreement
- produced a revised version of *British Columbia—Canada—The Place to Be—Investment Climate* for distribution in markets around the world, and,
- drafted speeches, arranged news conferences and media interviews, produced ministry publications and assisted other agencies and Crown corporations in producing their publications.



Legislation

Legislation administered by the ministry:

- *British Columbia Buildings Corporation Act*
- *British Columbia Railway 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*
- Health, Safety and Reclamation Code for Mines in B.C.
- *Horse Racing 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
- *Job Protection Act*
- *Lottery Act*
- *Lottery Corporation 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*, in so far as it does not relate to the development of science and technology, and does not relate to aid in the development of communications systems for British Columbians
- *Ministry of Transportation and Highways Act*, Sections 61-67, pertaining to the Victoria Line Ltd.
- *Natural Gas Price Act*
- *Natural Resource Community Fund Act*
- *Pacific Racing Association Act*
- *Petroleum and Natural Gas Act*
- *Petroleum and Natural Gas (Vancouver Island Railway Lands) Act*
- *Petroleum Corporation Repeal Act*
- *Pipeline Act*, Part 7 only
- *Special Enterprise Zone and Tax Relief Act*
- *System Act*
- *Telephone (Rural) Act*
- *Trade Development Corporation Act*, and,



- *Vancouver Island Natural Gas Pipeline Act.*