

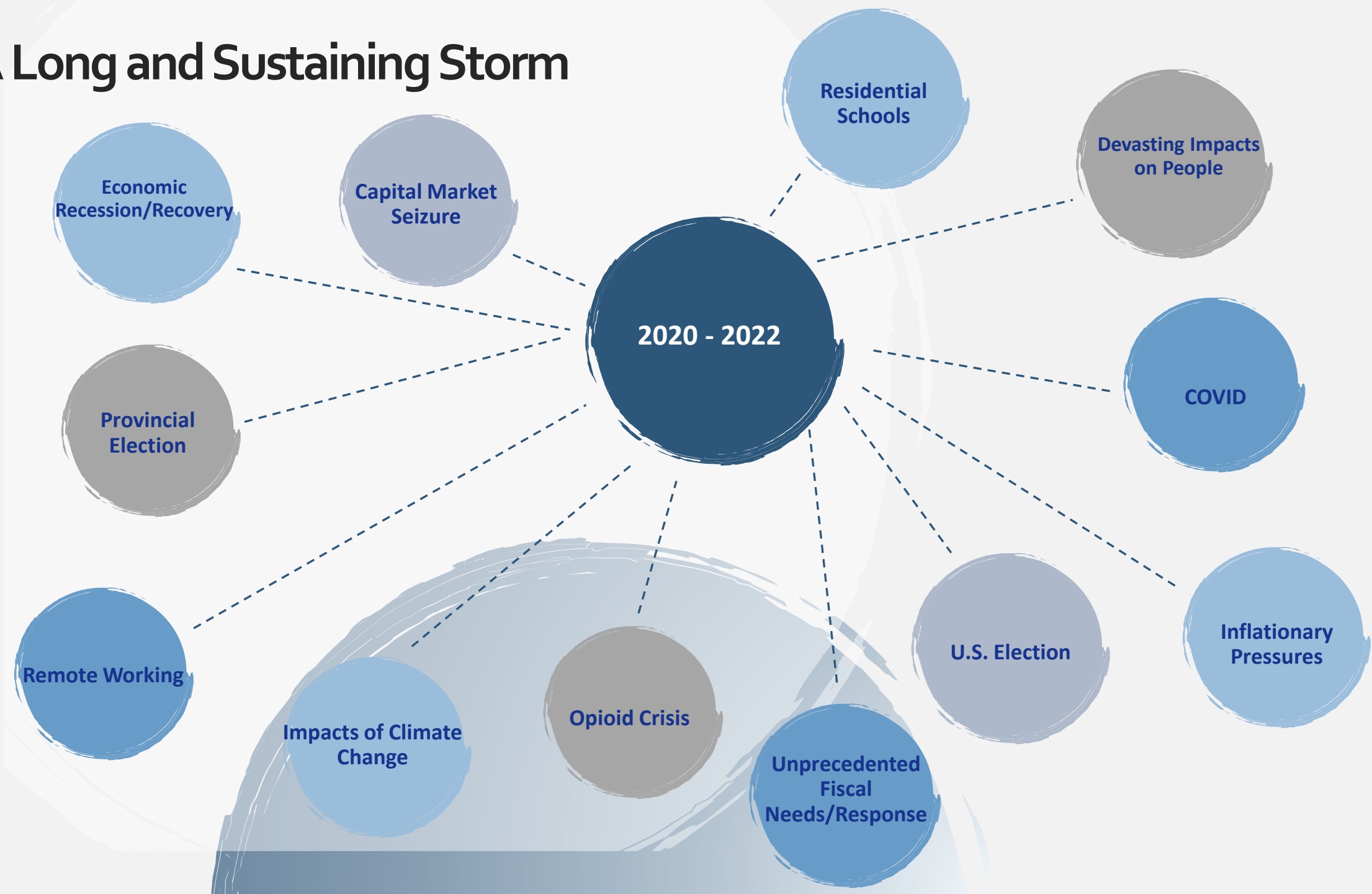
# PROVINCIAL TREASURY MANAGEMENT THROUGH COVID

MAY 25, 2022

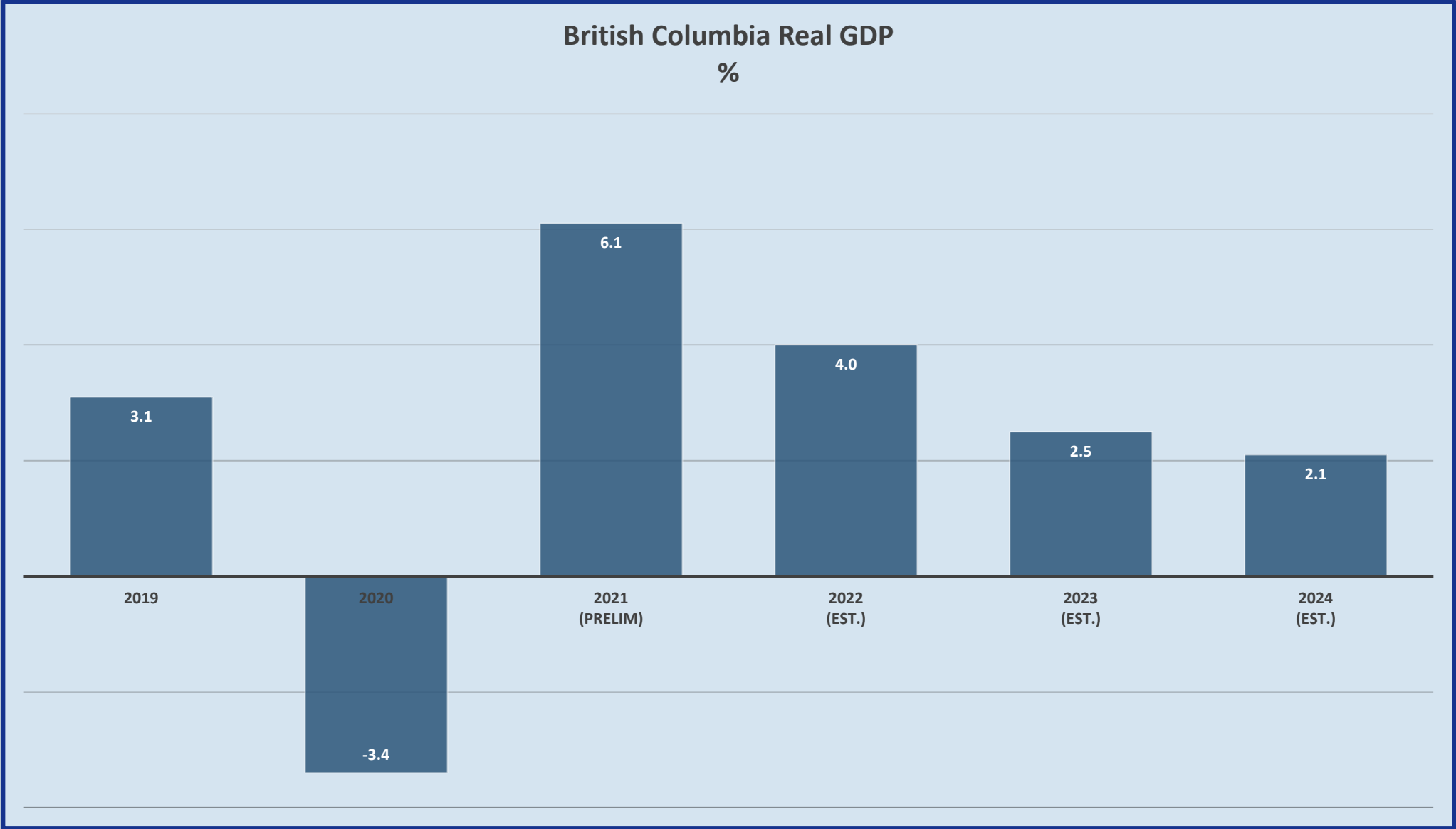


BRITISH  
COLUMBIA

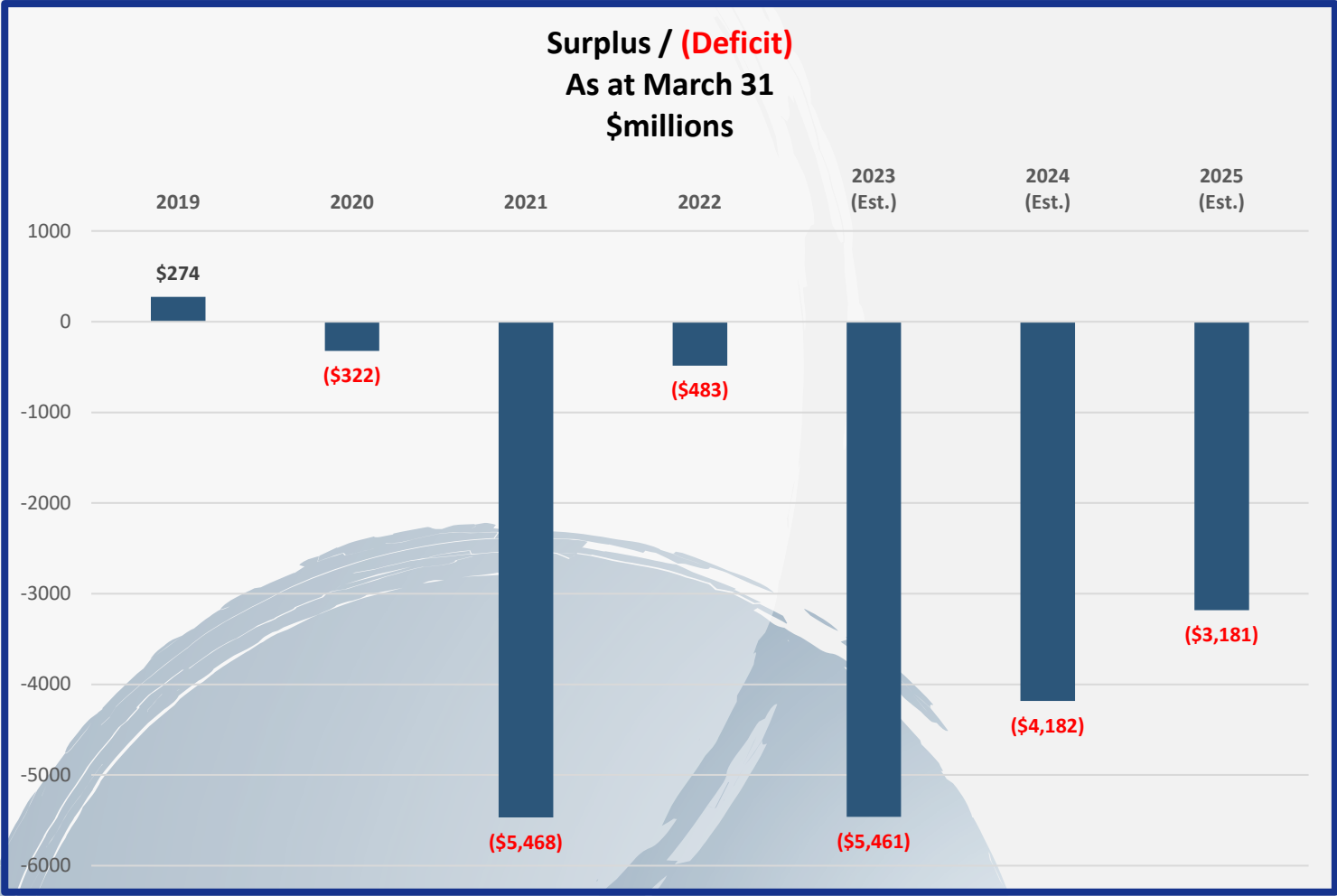
# A Long and Sustaining Storm



# Economic Volatility

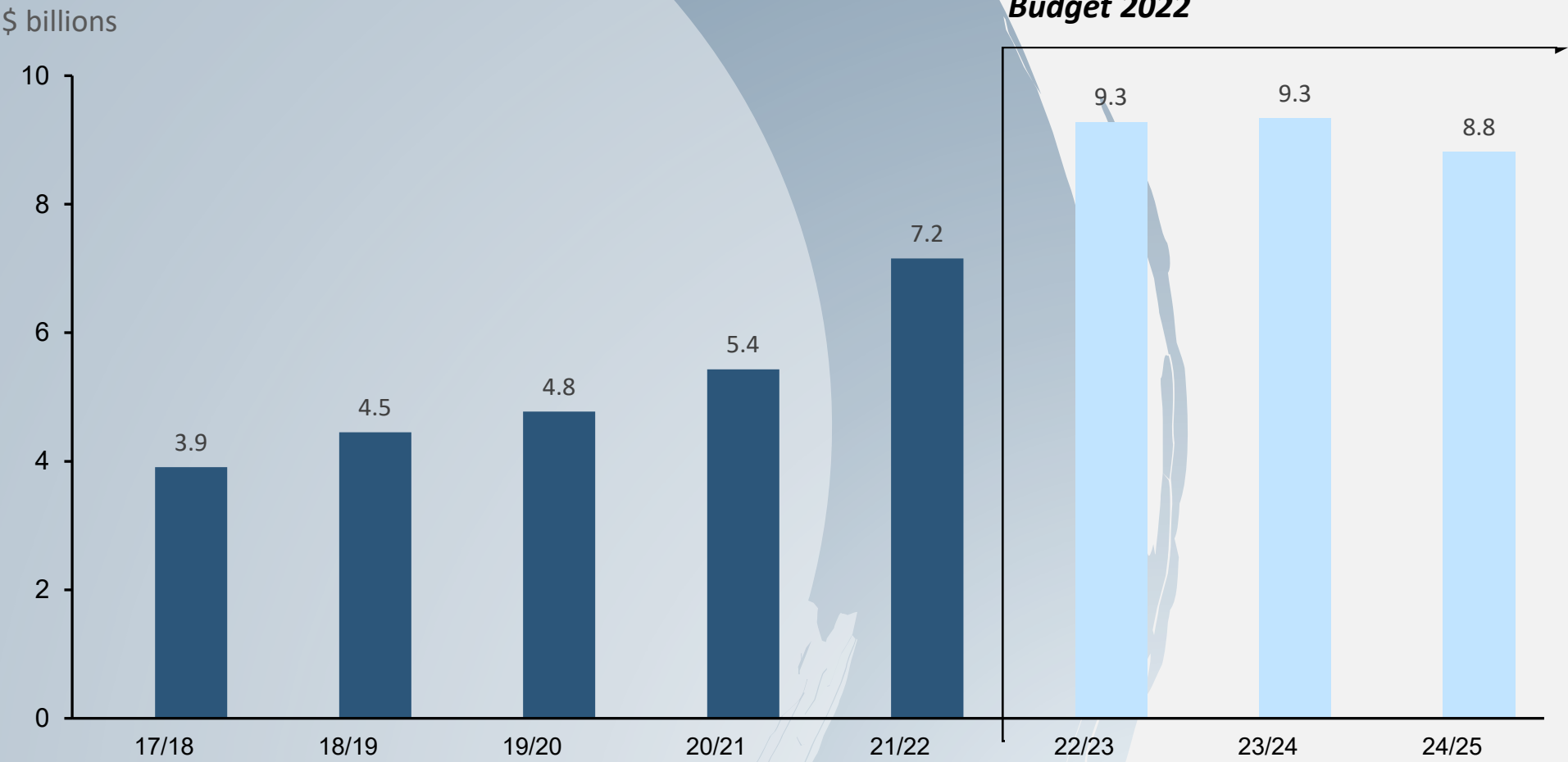


# Stressed B.C. Income Statement

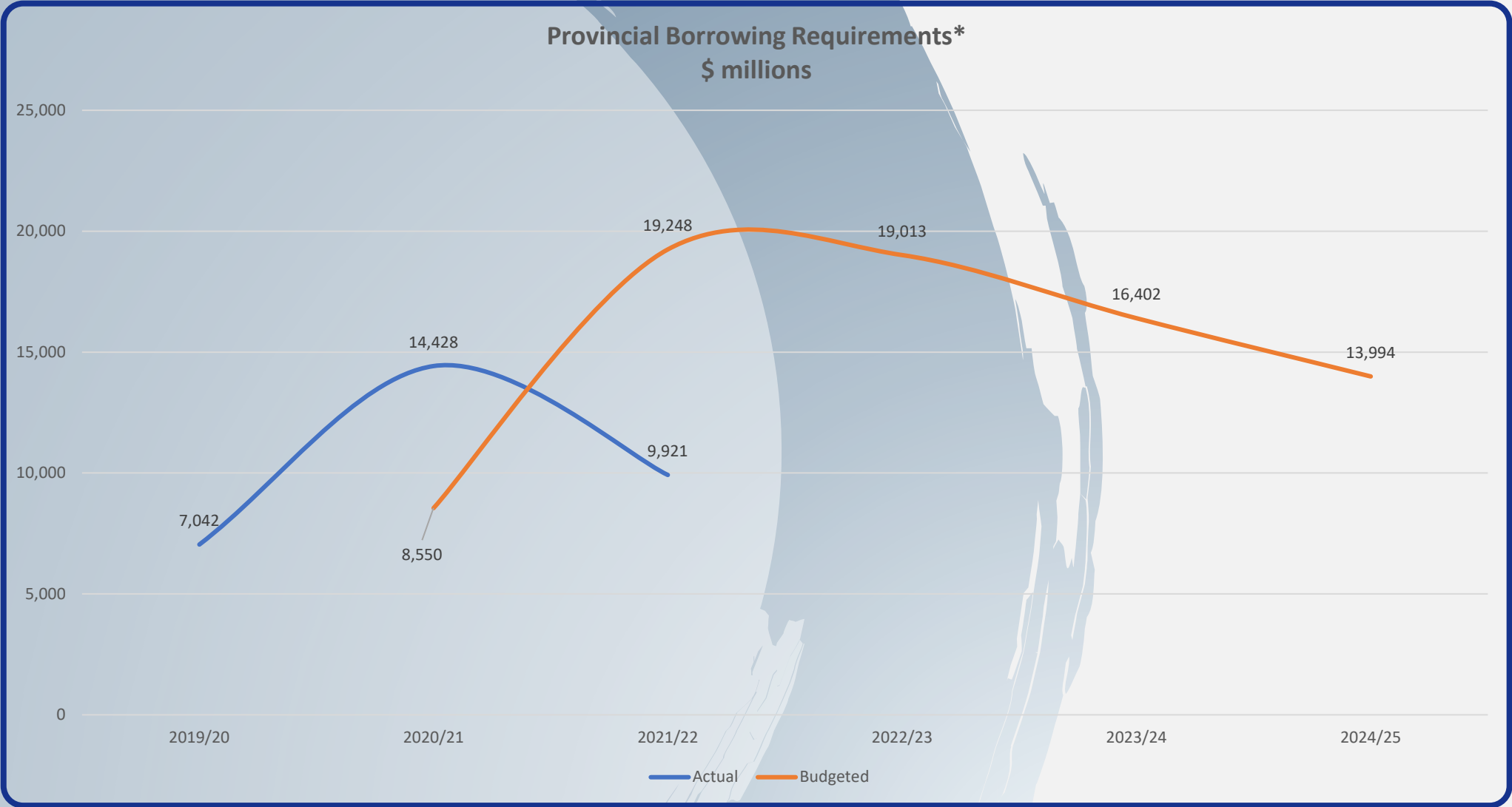


# Capital Spending Supports Recovery

## Taxpayer Supported Capital Spending

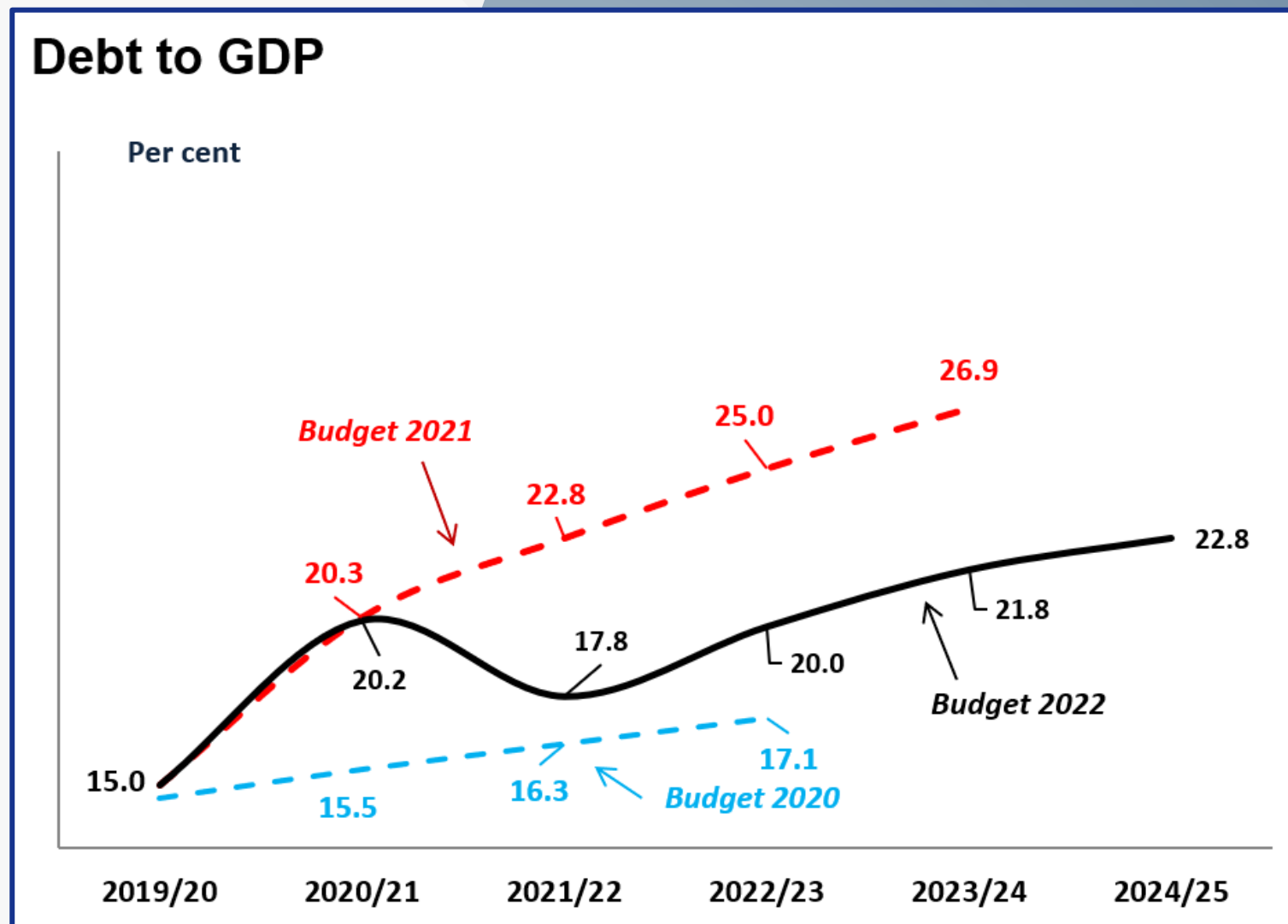


# Unprecedented Provincial Borrowing Requirements



\*Excludes SUCH sector and other non-guaranteed debt

# Rising Debt Burden

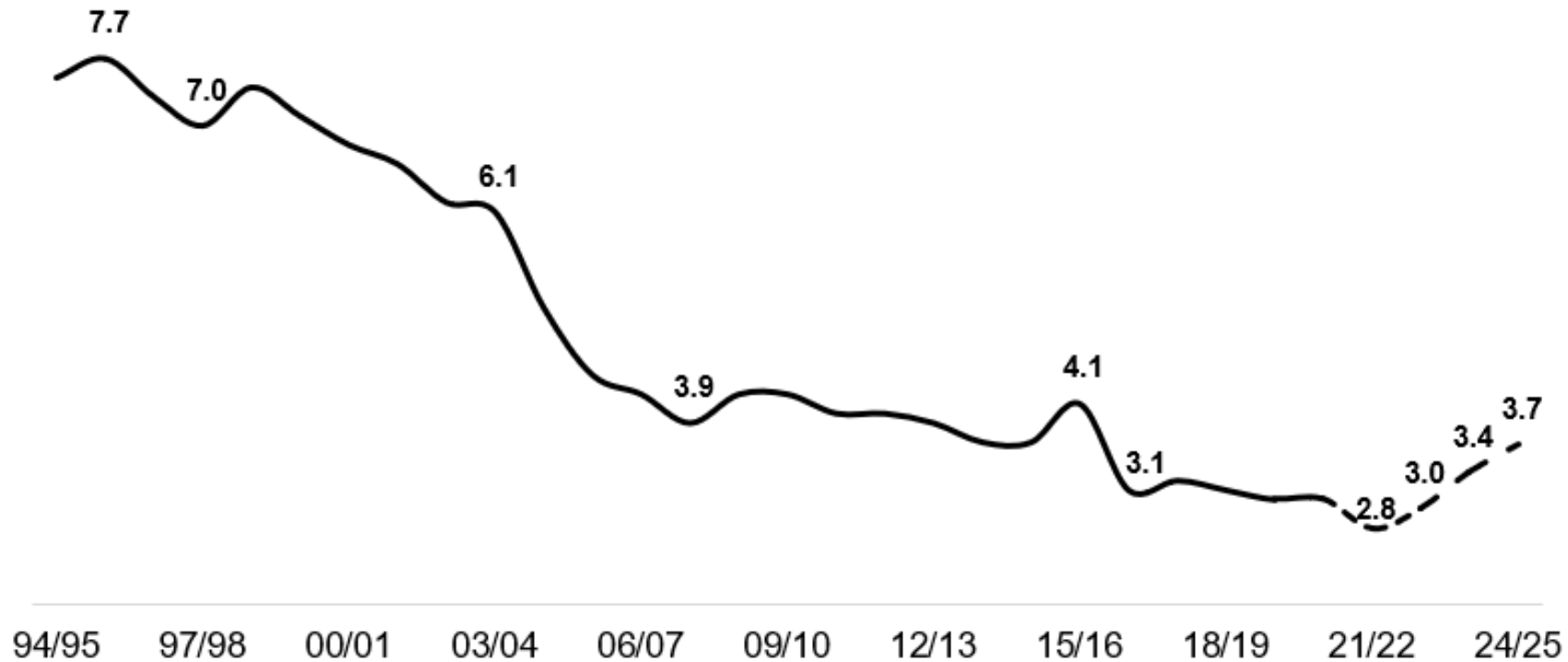




# ...Yet Debt Burden Remains Affordable

## Debt Affordability

Interest bite for Taxpayer-Supported Debt  
(cents per dollar of revenue)





# Adapting to a pandemic world



Urgency to  
Respond



Expert and  
Committed  
Staff



Leveraged  
Internal and  
External  
Relationships



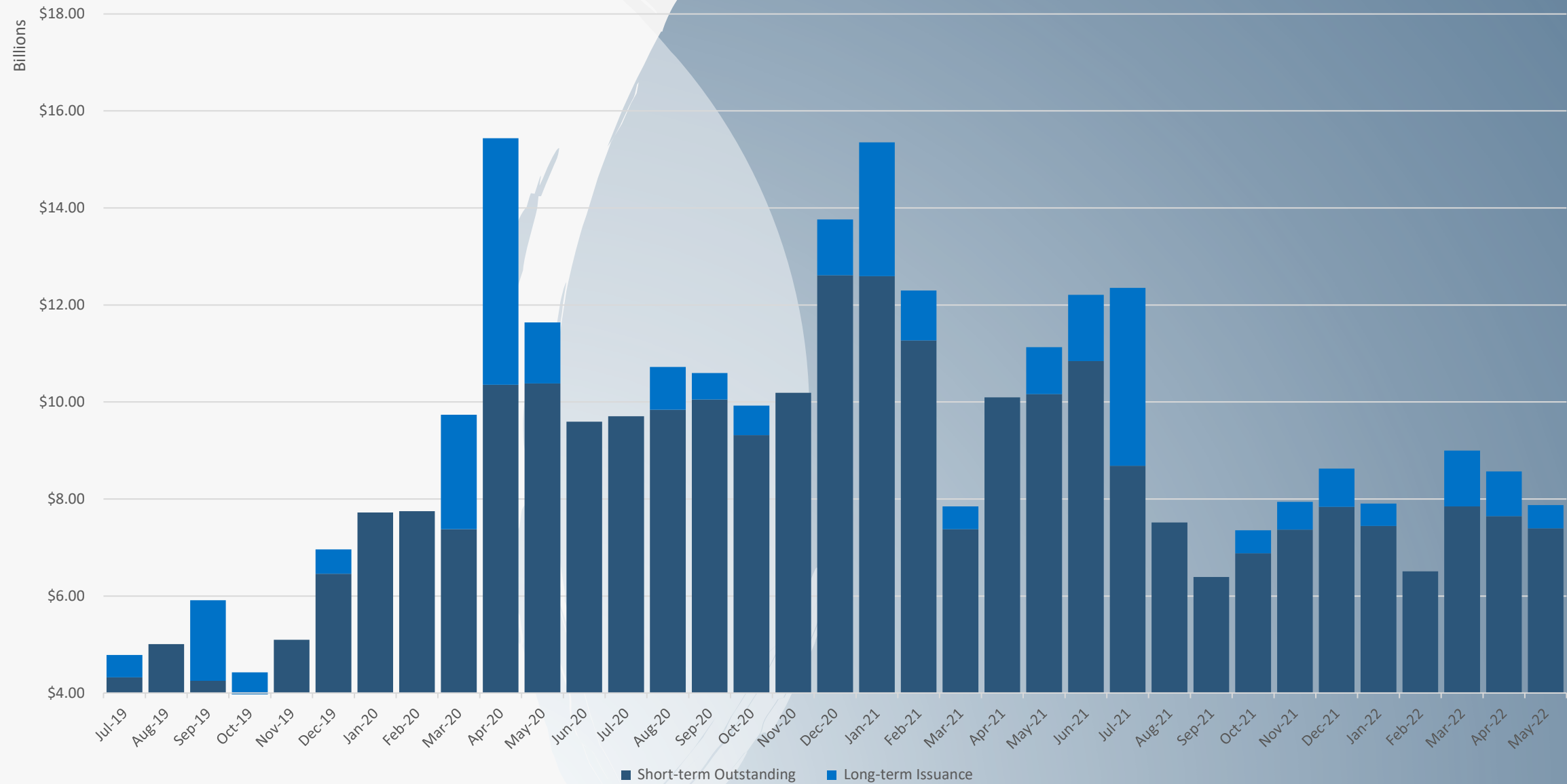
Technology and  
Virtual  
Communication

# Debt Markets and Central Banks' Response to COVID-19

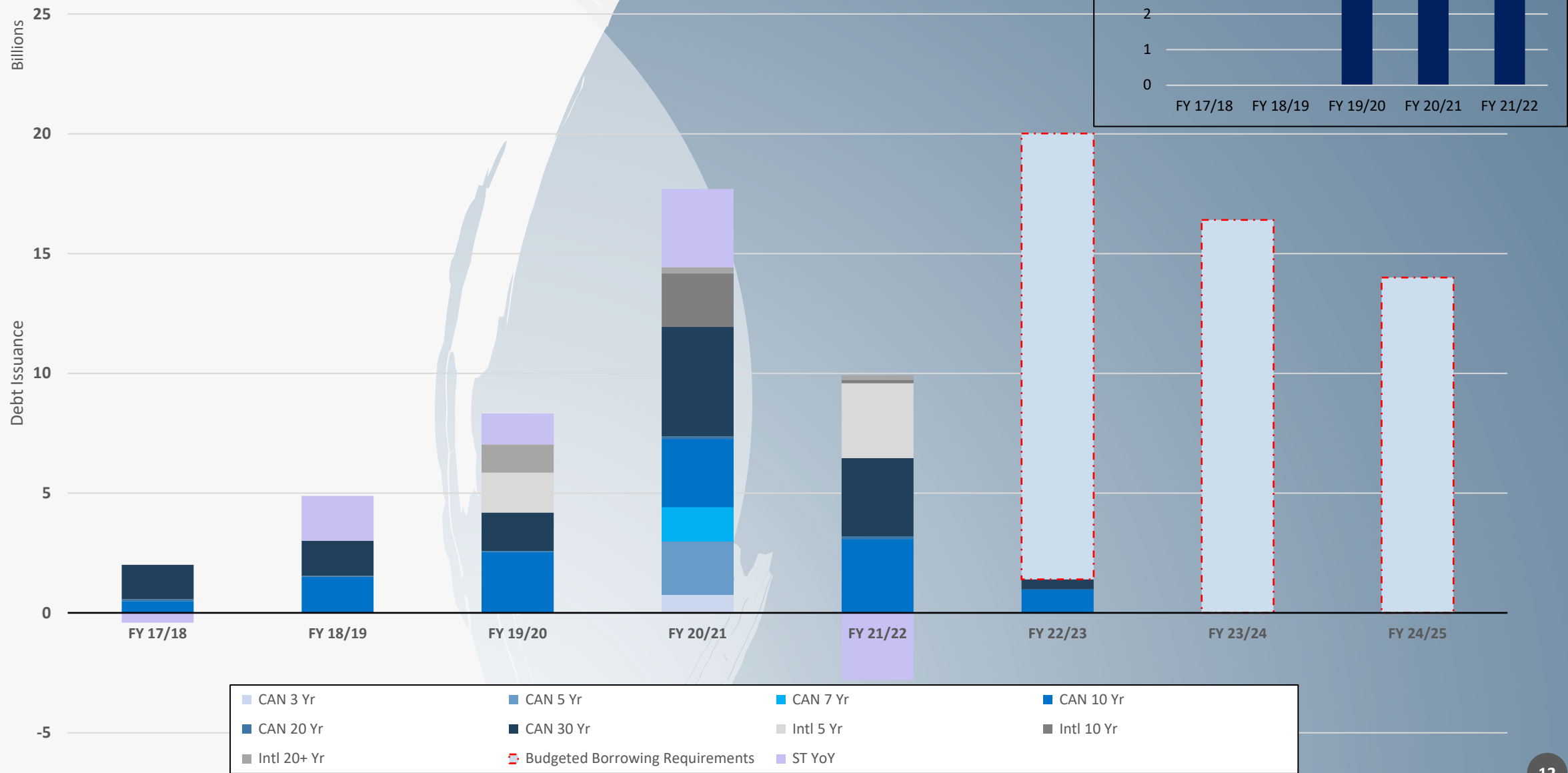
- Dysfunctional Capital Markets
- Supply and Demand Imbalance
- Unprecedented Quantitative Easing



# Accelerated Borrowing



# More Diversified Borrowing

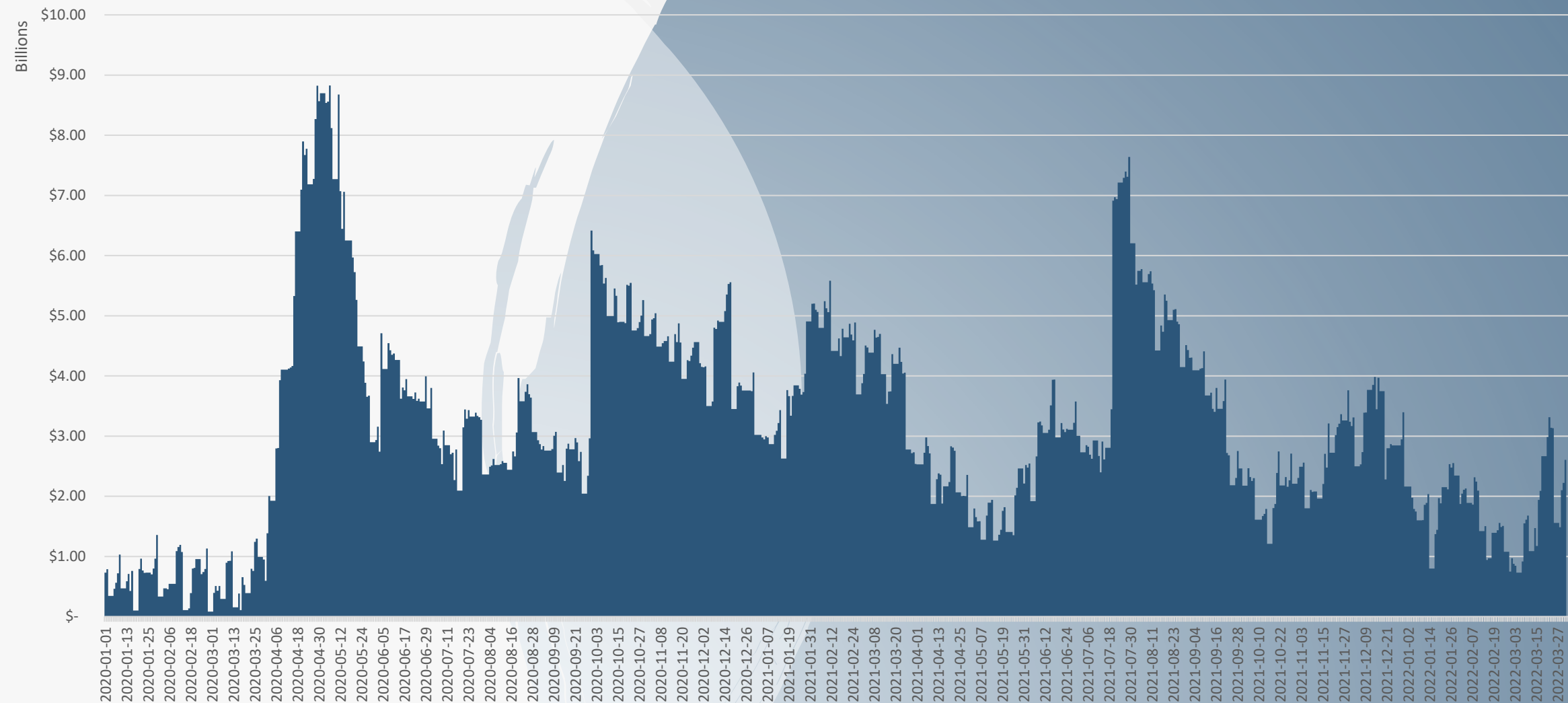


# Capital Markets Investor Relations

(March 2020 to May 2022)




# Province of BC Cash Balances




Total Cash Balances  
Jan 2020 to Mar 2022

# Banking Cash Management


## **British Columbia Investment Corporation (Bci)**




Bci is the provider of investment management services for BC's public sector



With \$199.6 billion of managed assets it is one of Canada's largest asset managers




Offering units in pooled portfolios ranging from liquid overnight rate funds to Bond




Based on client risk and timeline Investment strategies, they can customize to achieve investor goals


## **Leveraging Relationships with Banks**




Our Banking Relations unit negotiates and administers bank service contracts with 7 different financial institutions



Provincial Treasury obtains best value for the variety of banking services used by the Province



There are three main banks that hold the Consolidated Revenue Fund (CRF) temporary surplus funds



The Cash Management unit provides twice daily balance forecast updates and weekly forward balance forecasts



# Relief and Recovery

- Relief and recovery response during this time was significant: \$10.0 billion
- Programs were targeted to individuals, families and businesses across the Province
- Treasury managed payment logistics among ministries, recipients and banks

Safe Restart Agreements	
TransLink	\$820 million
BC Ferries	\$308 million
BC Transit	\$114 million



# British Columbia Recovery Benefit Program / Emergency Benefit for Workers

- BC Recovery Benefit Program - One-time payment of up to \$1000 for eligible families and one-time payment of up to \$500 for individuals
- BC Emergency Benefit for Workers - One-time, tax-free \$1,000 payment

	Fully Adjudicated	Approved	Amount Approved
BCRBP	2,038,684	1,987,437	\$1.358 billion
EBW	681,957	643,811	\$643.8 million

# Expediting Payments

- Mandated use of Electronic Funds Transfers (EFT)
- Reduced set up times for EFT payments from 7 – 10 days to 3 days
- Created special handling process for replacement cheques for Income Assistance clients
- Secured additional staff to support increased EFT payments



# BC's Strong Credit Rating

Agency	Rating	Outlook
Moody's Investor Service	Aaa	Stable
Standard and Poor's	AA+	Stable
Fitch	AA+	Stable
DBRS Morningstar	AA (high)	Stable

# Sustainability

Helping people,  
communities, and  
businesses through the  
storm and into recovery



# THANK YOU

Questions Welcomed!