

**Premier Gordon Campbell**  
**Speech to B.C. Business Council and Canada West Foundation**  
**December 13, 2006**

Thank you all for coming today. The agenda you've set for yourselves is important not just for British Columbia and Alberta, it's important for our country.

My comments today are not just for these provinces, they're for our country. We're taking a message across the country to our Canadian institutions, to other Canadian governments, to other Canadian businesses: We have got to be an open country, an open trading country. We have to think of the world we live in today and the world we're going to live in tomorrow and, frankly, decide that if we're going to lead, we have to lead. Leading doesn't mean we're going to be following along with what we've always done in the past and thinking that's going to get us to a different destination. Leading means we're going to actually get out front and take the country somewhere.

So today as you have your meetings I hope that you'll take the time to think about what we can do as two provinces driving a national agenda into the twenty-first century - aware of the all the circumstances that are buffeting our province and our country and, indeed, the globe, in terms of the social, economic and institutional worlds we live in.

I want to touch on those things because I know you're going to have some very good speakers today and very good panels, and I hope that you will challenge one another to find the way forward for all of us. Because it's not going to come from government; it's going to come from all of us. It's going to come from all of us challenging our assumptions about the past, challenging the status quo and saying: how do we change the way we do things to get the results we want ten and 20 and 30 years down the road?

In government we spend a lot of time talking about the results we wanted, and what we wanted is not really relevant. As we look back to what we wanted, we lose opportunities to gather together and to achieve what we want. We're in a time of change, and the currents of change that are sweeping across not just our provinces but our country are substantial.

Aging. We are all getting older. And as we get older we have different demands on our society with different demands on our institutions. We have different demands on our businesses. We also have different challenges.

Let me just give you an example of the different challenges. It connects right back to TILMA. When I was elected in British Columbia we said it's crazy that in Canada it's sometimes more difficult to move goods and people across our country than it is north and south across the border. How can that be the kind of country that we want to have, a country of barriers and borders, a country that

stops people from accomplishing the goals they want, a country that actually has policies that say to people: "Stay where you are. Do not move"?

Think of that. We have this vast country in the northern part of North America, and we actually have created barriers to the movement of our citizens across the country.

The first thing we said to ourselves was: that doesn't make any sense. Then we said: what would be sensible to do? We've got ten provinces and three territories and one federal government; let's get everyone together and let's all decide where we're going to go.

How many of you have sat on committees made up of 14 people? How many of you thought they were the most productive committees you could sit on? That's effectively what we end up with. Unless there's a broader vision, unless there's somewhere where we all want to go, we're going to have difficulty reaching our full potential in this huge, vast, resource-rich place we call Canada. So we said maybe what we should try and do is talk to people other than just ourselves.

When I was trying to get elected in British Columbia as the Premier I had a friend next door whose name was Ralph Klein who I had met when he was mayor of Calgary and I was mayor of Vancouver. I went and I talked with Ralph about some of the things he'd done to try and move Alberta to the forefront. He shared a lot of those things with me.

It struck me that we had a lot of things in common, lots of common goals, lots of common objectives. You know, I don't think the people in the Alberta government sit there and say: I wonder if we can make our highways a little more risky. Any chance we could sort of dumb down the population and not have a successful public education system? Maybe we could stop serving patients in Alberta.

We all want safe roads, safe communities, healthy environments, a great health care and education system. We all want that. We have shared goals. So we said: why don't we get our cabinets together and ask: what are you trying to accomplish? Are there ways we could do it together?

So today, five years later, we have agreements between our governments and a common interest and common objective to benefit our taxpayers and the systems we serve in everything from transportation to textbooks. There's literally hundreds of thousands of savings and significant additional benefits there for taxpayers and for the economies that we're trying to create. And there are only two things required for us to get there. First we have to talk about it, and then we have to do something about it. And we fortunately did both.

As we went through the first cabinet discussions, we realized Alberta and British Columbia had a common goal to create an open marketplace in Canada. So we

pursued what has become the Trade, Investment and Labour Mobility Agreement between British Columbia and Alberta. That wasn't an easy agreement to put together, but what's really been great about TILMA so far is people have been very positive about it, and the rest of the country is starting to look at it.

Here's one of the things that's important as you come out of your conference today: When Alberta and British Columbia act together with common interests and common purpose, it's amazing how that critical mass of activity helps pull other people in the same direction. Not right away. It doesn't happen like that. But in Saskatchewan now they're talking about becoming part of the Trade, Investment and Labour Mobility Agreement.

So we've said to Saskatchewan we'd like to tell you how the agreement's working; we want to show you how the dispute resolution works; we want to show you the penalties; we want to show you what we're doing. We'd love you to join us, but these are the rules.

I talked with Premier McGuinty in Ontario about Ontario joining British Columbia and Alberta. I said to Premier McGuinty: "You're the biggest province in the country, Dalton. You guys are important to all of us. By the way, we're not changing the agreement, but you're welcome to join."

I think there is a good chance that if we keep the momentum behind this and keep driving it forward, Saskatchewan will join. If Saskatchewan joins I can almost guarantee you Manitoba will join. I think if Ontario joins, both Saskatchewan and Manitoba will join. But we're not pushing this. We're letting them decide it's good for them.

In British Columbia we did an economic impact study before we signed the agreement. We think it will create about \$4.8 billion of extra economic activity across the province, with every single region of the province benefiting and about 78,000 new jobs across the province over the next four to five years.

In 2001 when I was first elected, if I had said we would be creating 78,000 new jobs, people would say: "Great. We can have people flooding into those jobs. We can reduce our unemployment. That's going to be just great for the province." In 2006 when you say that, people say: "Well, that's nice, but where are we going to get the people to do the job?"

Both of our provinces have the lowest level of unemployment we've had in 30 years. The single largest constraint that we have is human resources. Skilled human resources will deliver the potential that we have in both of our provinces, in all the regions of our provinces. In every region of our province there are opportunities that can be pursued if we can find the human resources to pursue them — another good reason to take down the barriers in Canada for labour mobility, for moving people back and forth across the country.

Today I am pleased to let you know that we will be signing yet another agreement between British Columbia and Alberta, and that that agreement will have a huge impact on providing for some of those skills that we need.

We're very fortunate to have Liz Ashton, the chair of the B.C. College Presidents, representing 14 B.C. colleges and institutes with us today. She will be initialling that agreement. Sam Shaw, the president of the Alberta Association of Colleges and Technical Institutes, representing 17 colleges and institutes, is also here to sign that agreement.

The MOU will expand innovation programs; it will provide additional education and training opportunities and will focus our resources on matching them with the skills required in our different provinces. We can benefit from these new educational opportunities in Alberta. Albertans can benefit from these new educational opportunities in British Columbia.

For example, Keyano College in Fort McMurray is providing technical training to help fill severe shortages of equipment operators in Alberta's oil sands. In our north, in the Peace River country, we have a severe shortage of skilled equipment operators as well that is constraining our economic opportunities in the northeast.

In Capilano College they're providing aboriginal students with film production training as camera operators, as film editors, as writers. Like British Columbia, Alberta has a growing aboriginal population who need to develop the skills that will help them to contribute.

When we work together, when we maximize the benefits of that, we build the social and education infrastructure of both of our provinces, and we both benefit.

I want to congratulate both of you for coming together and for bringing that memorandum-of-understanding to conclusion because it will benefit all of the people we serve and both of the economies we have. Because of that, it will benefit Canada. That takes leadership, and that takes institutions saying we'll break down our barriers to achieve a public goal. I want to say thanks to both of you for your contributions.

I want to say, though, as we look to the future and we talk about what we can do, we do have to look at our institutional framework in Canada. How many of you noticed that there was a political leadership convention federally ten days ago? Did any of you catch that on television? Did any of you notice anything about that leadership convention?

I did. I noticed as I listened to the leaders speak that not once in their speeches did I hear the two words "British Columbia". Not once did I hear the word "Pacific"

Now, I'm a little biased, being from Canada's Pacific province British Columbia. But I think that we actually should stand back from all that and from whatever my politics are and say to ourselves: if you were looking from outside at North America at what else was taking place in the world what would you focus on? You would focus on Asia and the closest, the fastest-growing economies in the world. This is not something that is going to happen; it has happened and is going to keep happening. And if you stand back and look, you see an opportunity in this great country of Canada and it's called the Pacific coast.

I should tell you a quick story about Ralph and me. I'd just been elected mayor of Vancouver, and before I'd been sworn in, I was asked to sit in on a big-city mayors' conference. Laurence Decore and Ralph Klein were there. They were both mayors of Edmonton and Calgary at the time. They started talking about themselves being Pacific Rim cities. I said: excuse me; the Rocky Mountains are between you and the Pacific. Alberta, Saskatchewan and Manitoba are the near east. Ontario and Quebec are the mid-east, and the Atlantic, of course, is the far east. The important thing is this, though: Canada's Pacific is really going to help define Canada's future.

I was in Toronto, and a fellow says: "I'm really pleased to introduce Premier Campbell. He's been spending a lot of time in the far east." I said you've got it wrong; I'm spending a lot of time in the near west. The country has difficulty with that.

For the first time in our history the combined populations of Alberta and British Columbia are greater than the population of Quebec. Our population is growing rapidly not just from within Canada, but also from outside of Canada. And as we look to the future and we think about the skill shortages we have, it seems to me we have to ask: how do we encourage immigration, how do we encourage the skilled workers we need to come and help serve our needs?

In 2005, in B.C. and Alberta nearly 47,000 people moved to our provinces, 42,000 into Alberta. That's a lot of people and creates both opportunities and challenges for us. Our combined GDP growth in Alberta and British Columbia was 4.2 per cent, which is nearly two points higher than the rest of Canada. Fixed capital investments were up 13.3 per cent, compared to 4.1 per cent for the rest of Canada.

So we have today both an opportunity and an obligation to carry the country forward. And we have to do that as business institutions; we have to do it as governing institutions; we have to do it as public institutions and social institutions if Canada is to take advantage of the 21<sup>st</sup> century.

I should tell you that one of the great things about being next to Alberta is that Albertans often see the benefits that British Columbia can provide. And that's a

good thing. For example, through the 1990s the strongest proponent for the great North Pacific port of Prince Rupert was the Premier of Alberta. He saw it as an opportunity that we should pursue together. And, indeed, Alberta invested in the Port of Prince Rupert. Now, because of a public-private partnership involving the federal government, the provincial government, the private sector and CN Rail, we have started the first phase of containerization for Prince Rupert: 600,000 TEUs.

There's a tendency for us to think "Well, that's nice for British Columbia", but actually it is great for the entire western part of the country. Our job today is to make sure we use that incredible location and geographic advantage to maximize the economic and social benefits for the country. We won't do that by looking at it in an 8½ x 11 brochure. We will do that by changing the way we think about it.

So here's the first change. Right now we're thinking of 600,000 TEUs. But in the next ten to 15 years we're going to have to develop between three and four million TEUs in Prince Rupert.

Since 1988 we've focused most of our attention south of the border. Those of us in British Columbia, and to a certain extent in Alberta, certainly felt what happens when you become overly dependent on one market. That market tends to dictate what you can or can't do. We're for free trade; we're for open trade.

The softwood lumber agreement, by the way, is not about free trade and open trade. It's about managed trade. It took us five-and-a-bit years to get to a place where we at least have seven years of stability there. But seven years out if we haven't changed our dependency on that market and taken advantage of the markets that are starting to expand in Korea and China, in India, in Japan, we are going to lose out because we will be at the beck and call, frankly, of the private interests in the United States.

If you look at China, the statistics are staggering. In the next 15 years it's estimated 300 million people will move into the cities in China. That's more people than lived in the United States after 200 years. That generates demand for our resources, which is a good thing for resource-rich provinces. But it also creates an opportunity for us to build our knowledge base and an imaginative and creative economy that will actually help us move into the next century with a sense of confidence.

I was in Guangdong province, the sister province of British Columbia. Every year around Chinese New Year 30 million visiting workers leave Guangdong province for their home province at the beginning of Chinese New Year's, and 30 million come back at the end. That's the population of Canada going in and out of the province to work in a two-week period.

The average wage of a Chinese industrial worker is about the same level as it was in 1850s Britain, and they save 50 per cent of all they earn. We're going to have a little difficulty competing with them. Our industrial base will have a little difficulty competing with them. So we have to add value; we have to add imaginative content; we have to add design content. We happen to live in provinces that allow us to do that because we have the resource base. But we won't get there if we don't change our institutional infrastructure, if we don't change how we see ourselves and how our country sees us.

Let me just give you another statistic. According to a recent survey across Canada, 32 per cent of the people that live in Canada think we're a Pacific nation. If you do that survey in British Columbia, it's 70 per cent. We have thousands of miles of coast along the Pacific Ocean, and an opportunity in front of us, but what I think we have to do is try and have all of Canada embrace that opportunity.

We've had an announcement from the federal government of \$590 million for the Pacific Gateway: a great first step. But we need significantly more resources to actually accomplish the goal, to meet the vision of a Pacific Gateway to Canada. And we shouldn't forget that when we talk about a Pacific gateway, well over 50 per cent of the goods that flow through the ports of Vancouver come from outside of British Columbia. They come from Alberta, from Saskatchewan, from Manitoba; they come from Ontario.

Right now, institutionally, we hold ourselves back in terms of air structure from Pacific gateway. We hold ourselves back in terms of our ports structure. We have to get smart enough, aggressive enough, and bold enough to break free of the constraints of the past so we can take advantage of the future.

When I say to you that we need about \$6 billion from the federal government to make the Pacific gateway even start to reach its potential, how many people here think, boy, that's a lot of money?

Could you write me the cheque if you don't think that?

Well, the feds think it's a lot of money.

Here's a comparison: In the 1950s there were rising economies in Europe coming out of the ashes of the Second World War. We had a national vision that said let's open our country up so that we can reach the continental economies of Europe and deliver them to the continental economies of the United States and Canada. They had this project called the St. Lawrence Seaway. We were going to engineer one of the largest river systems in the world to make sure that we could deliver those economies from Europe to North America. And Canada was going to be the gateway. Our cost in Canada was about \$6.1 billion in today's dollars.

So all I'm saying, folks, is let's do what we did 50 years ago, and we will have the same benefits 50 years hence as the St. Lawrence Seaway's had for Canada. British Columbians and Albertans helped pay for the St. Lawrence Seaway. So all we're saying to the rest of the country is why don't we now share a vision to expand into the emerging economies of Asia; why don't we open up our economy, our country, our provinces to those economies, both for our goods going to them and their goods coming to us?

When I travel in Alberta and British Columbia, there are lots of shared visions about what we can do. But there are institutional constraints that hold us back. And if we can't find ways that we can reduce those constraints so we are allowed to move forward, then the next generation of Canadians and Albertans and British Columbians actually lose. Because one of the things about the world that we live in today is it's not this stable, relaxed, "nothing's changing" world. This is a fast-moving, high-paced, "everything's changing" world, and we are that change.

So you should know when you look in the mirror in the morning, you're changing. You are totally different today than you were 20 years ago. And you will be totally different in 20 years than you are today. The world is going to be different, too. For example, China is going to be the dominant economy in the world. It is not today, but it will be. The Olympics in 2008 in Beijing is China saying to the world: we are here; we are confident; we are real; we are a player and if we do this together, it'll be great. If you don't work with us, that's fine because a whole bunch of other people will work with us.

Our Olympic budget in British Columbia, Canada's Olympics in 2010 is \$1.2 billion federal-provincial. Beijing's Olympic budget is \$33 billion and counting. This is a country that is moving.

What we should know from our little place in Canada is that that opportunity diminishes if we don't get bold enough to get out there and say: Canada, it's time for you to listen; it's time for you to learn. We're here to strengthen the country; we're here to make the country a better place for our kids. We're here to make sure that Albertans and British Columbians and Saskatchewanians and Manitobans and Ontarians and Quebecers, and everyone else can benefit from these great Pacific opportunities in front of us. We are the people that are going to have to make that happen.

When officials in Ottawa say, 'We're concerned about your Gateway project; it might alleviate some local traffic,' I want to say please come and stand on the coast and see what we have here, see what is happening here, and imagine what can happen here.

We have a huge opportunity as Alberta and British Columbia work together, through TILMA, through new agreements with our colleges, through new understandings in our transportation and our business communities to drive the country forward.

But we should know that sometimes it'll be a rough ride because we are saying to institutions: change. Not change because we want to take something away from you, but change because we want to give you something, because we want to be something bigger, better, stronger, healthier, more vital, more vibrant, more full of opportunity, more full of optimism.

That's the word I want to leave you with today: optimism. Alberta and British Columbia have the people, the resources, and the will to drive this country into the 21<sup>st</sup> century with a sense of excitement, with a sense of commitment, a sense of focus, and a sense of optimism.

The world is changing. We can change with it, and we can drive it to an even brighter future for Vancouver, for Calgary, for Edmonton, for Prince George, for British Columbia, for Alberta, and for Canada. That's the new west: driving, dedicated, committed, optimistic, and leading the country into the 21<sup>st</sup> century.

Thank you very much.