

Premier Gordon Campbell
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Check Against Delivery

Thank you for asking me back. I said last year that if I was successful, I would return – and here I am.

You know, there are certain advantages in having 77 members of the legislature. Seventy-nine would be even better. Because of the number of people we have in the legislature, we are forced to think of the province as a whole. We are not in a position to forget about one part of the province or the next. The challenges we face to our values, goals, directions and dreams are provincewide. It is important for us to have our eyes focused on our long-term objectives and results, because if we don't, we are going to fail in the future as we have failed in the past.

Let's assume the previous government wasn't trying to destroy the forestry industry or the mining industry or to hurt small business or to more than double the debt in a decade of the most incredible economic growth we've seen globally. Let's give them all the benefit of the doubt – and now let's look at the results.

Did the policies they put in place deliver to British Columbia? During the most robust and consistent economic growth in the history of the country, our province went from the best economy in the country to the worst. The lowest level of private-sector capital investment of any jurisdiction in Canada was in British Columbia over the last decade.

Whether the policies sounded good or not is not what is relevant. What is relevant is that they did not deliver the results we wanted.

Say your hotel has a marketing plan that's going to get occupancies up to 90 per cent, and you put that marketing plan in place. If after the first year you notice that your occupancies are 50 per cent and after the second year, you notice they are 40 per cent, I hope someone in your hotel is going to say, "Ahem, we might be moving in the wrong direction here." And that's what we have to do in government, too. When things aren't delivering the results we want, we have to ask ourselves, "Are we moving in the wrong direction?" And if we are, we have to be willing to change it.

When we were sworn in on June 5th, the extent of the damage that had been done in the last decade was not visible to us. As we looked out over the landscape, we could see some sort of surface land mines were left behind. But the structural challenges we face in British Columbia are far greater than anything we anticipated.

I don't say that to make excuses for the actions we take. I say it to put in front of us the challenges we must confront if we are going to create the new era of hope and prosperity we've told British Columbians we want to deliver.

We had an independent fiscal review panel examine the government's books – seven British Columbians from all walks of life, all professionals: they know how to deal with the books. They looked at them and they reported in the middle of July.

Without one change from this government – if we had left the status quo – in the year 2002-2003, we would have been facing a \$3-billion deficit; in 2003-2004, \$3.8 billion. And at that time, they thought ICBC was going to be contributing to government, and now we know that it had a \$147-million deficit.

These numbers just roll off my tongue, but I can tell you it is way easier to say \$3 billion than it is to save \$3 billion. Let me tell you this, too – that's your money; it's not the province's money.

We were sworn into government on June 5th. On June 6th we created a dramatic personal income tax cut for every British Columbian. Today in British Columbia, people who earn \$60,000 or less pay the lowest base rate of personal income tax of any place in the country.

We did that for two reasons. First, we said we would. Second, we think people are more capable of making a number of decisions about how they want their dollars spent than the government is.

I need a show of hands here. How many people in this room would like to give me all of your income, and I'll decide how you're going to spend it? That's where we were moving in our province.

Nurses will say they have to be competitive; teachers will say they have to be competitive. We are saying to our workers, "We want you to know that we are competitive." We are saying to people who will invest in our province, "We have a competitive jurisdiction to invest in because we believe that is how you build a private-sector economy that generates the dollars we need to support public-sector services."

So we undertook that initiative, and we have already had seen some significant changes in consumer spending. It is quite interesting to me to listen to some of the pundits. They never seem to value private-sector jobs. Have you ever noticed that? I had a friend who ended up with a tax cut. He said, "You know what I did with my tax cut? I invested in renovations to my home. I spent it already." No one counts those jobs for that renovation. No one said that tradesperson has an important job that needs to be done.

How much fuss did we hear as 8,500 people lost their jobs in the forest sector over the last five years? The B.C. Federation of Labour is going to be complaining this week that we have a workplace adjustment program in place for public-sector employees. I don't

remember them complaining about one out of two people in the mining industry losing their jobs. I don't remember them worrying when the tourism industry was hit.

What we have to do as a province is recognize that we face some difficult times. These difficult times are going to require all of us to come together and to move forward on the basis of the values we hold.

September 11 was not something anyone anticipates. That great tragedy – that incredibly evil act – has clearly had an enormous impact on a sector of the economy around the world. As I mentioned, I have just come back from a trip to Asia. The first time I visited Narita Airport in Tokyo, it was swarming: there were people everywhere. This time there was virtually no one in the airport.

That has been a huge event. It is something that keeps politicians humble. It used to be that in the United States, American politicians would talk about isolationism – and Americans would travel all over the world. Now, the American politicians are saying, "Travel all over the world" – and Americans are staying at home.

All of us have to stand up and do the thing that made our countries and economies great. I want all of us to work together to encourage travel around our province, around our continent, and around the world. Keep mobile and keep that economy moving, because I can tell you, in the long run, every single one of us will benefit.

We have worked very hard with the federal government to make sure that one of the unseen casualties of the September 11th tragedy is not the 49th parallel. The Americans have two choices right now. They can create a security perimeter at the 49th parallel, or they can include Canada in their secure marketplace and social infrastructure.

I think we all know this, but I think we have to say it again: One of our strongest economic assets is the open border between Canada and the United States, and we have to do everything we can to maintain that open border.

The federal government is working to put into place a number of initiatives that will give us the opportunity to open the border more in the future than it has been in the past. When we put in place things like the Nexus system, it allows us to share information. It allows us to be far more disciplined and far more diligent, and it also allows us to get the flow of goods and people taking place in a far more rapid way.

I am sure some of you will have seen the news reports of the transit back and forth across the border over the American Thanksgiving weekend. For the first time in the history of the United States, there was more automobile transportation than air transportation moving people around.

One American waiting at the border at the Peace Arch said he spent a weekend in Canada and a weekend waiting to get to and from Canada at the border. That is not a message we

want to get out. We have to open up that border, work with the Americans and push with every single ounce of energy we have to make sure we maintain that economic aspect.

As we do that, it is important to remember this: an open border does not just benefit Canadians. Five hundred and eighty-nine billion dollars of trade goes back and forth between Canada and the United States. People go from Canada to the United States and generate economic action there, and they come from the United States to Canada to generate economic action here. Take tourism alone: in 1999, 1.6 million Canadians visited Washington state. That generated \$176 million US for their coffers. In the same year, 1.6 million Americans visited British Columbia. When I talk with people from the Seattle Chamber of Commerce or from the governor's office in Washington state, they are as aware of the negative economic impact of slowing down at the border as we are. Our job now is to think of what we can do to speed that up.

For example, why can't we figure out a system where goods that are landed in Canada are effectively goods that are landed in the United States? Why can't we figure out a system where we are working together constantly in co-operation and collaboration to make sure people who live in Canada are safe and secure, just as the people who live in the United States are safe and secure?

It is also important to recognize that we have to maintain not just our automobile traffic, but air traffic and ocean traffic. This government has reduced the domestic jet fuel tax to two cents per litre from five cents per litre, and the aviation fuel tax to two cents per litre from three cents per litre. We have also eliminated the seven per cent tax on bunker fuel to make B.C. more attractive to cruise ships: we knew it was a detriment to cruise ship activity growing and expanding British Columbia.

When we cut personal income taxes, opportunities were created for people to use the additional resources, if they so chose, to travel around the province and enjoy themselves. Those tax cuts were critical to families in British Columbia.

We have about two million jobs in the province right now. People depend on their jobs for their income, and when you can say to a single worker in Cranbrook that we have just put \$430 more in your pocket, that worker is appreciative because they're getting more dollars for the hard work they put in to earn their paycheques. It's also worthwhile to the couple in Fort St. John making \$60,000 per year: they have almost \$1,000 more.

But the critical thing for us is to recognize is that our world has changed for more reasons than September 11th. It is changing generationally, and that puts challenges on us, and it creates huge opportunities for you and the B.C. and Yukon Hotels Association. People are getting older, and they are going to have more discretionary income. We want to be sure that they are spending it here in British Columbia in your hotels.

Don't have any illusions about the size of that shift as you look at the challenges we face in government, whether it is with regard to health care or education. When you think about it, both of those are directly connected to what your population's shape is, what

their age is, what their demands are and what their concerns are. When we look at these things, we should certainly recognize the challenges they present, but on the other side, we'd better look at the opportunities they present as well.

Tourism is exceptionally important to our province's economic future. Currently it generates about \$1 billion in the provincial coffers every year. We'd like to double that. We'd like to know how we can double it. We don't believe you do it by being more onerous on taxes, regulations and direction from government. We think we do it by opening government up and opening the province's economy up to your entrepreneurial spirit and imagination, to allow you to pursue your goals, your dreams and your objectives in a way that is thoughtful, within a strong and a cohesive framework.

You'll all know that the WCB review is underway. One of the things we think is critical to understand is this: your employees are your most valuable natural resources. We want employees and employers to work together to create more viable, healthy, vital workplaces that will allow them to take advantage of the opportunities in front of them and to mutually benefit from that.

The competition you all face isn't just with the hotel next door. It could be with the hotel in another region of the province; it could be with the hotel in Alberta or Washington or Oregon or California. We want to create a better experience for people when they come to British Columbia so they'll come back. I believe we can do that if we tap into the expertise of this industry and the people involved in it.

We are working on a review of employment standards. The first paper is out, and we are hoping for comments from the association and individuals by December 15th.

We want to create a flexible workplace that recognizes that different people, different industries and different parts of the province may have different requirements. It has been a long time since we've made significant changes to modernize employment standards. Minister Graham Bruce said, "Here's my deadline." We don't want to do things that don't work, so if you feel that deadline is too tight, you should let us know. On the other hand, if you feel government is acting too quickly, that would be a bit of a first.

We do want a process, we do want to understand the challenges that are in front of us, and we do want to know what you think will work for you in your industry – but we also want to get on with it.

Last year, when I talked with you, I told you we were going to open up our Crown land to the huge opportunities in backcountry tourism and ecotourism, for guide outfitters and for new resorts. When we were elected we faced a backlog, which according to the previous government, was costing our economy about \$1 billion a year and cost us about 20,000 lost jobs.

Obviously we want to be sure we are not losing that private-sector investment and we are not losing those thousands of jobs. So Stan Hagen, as the minister responsible, has taken on the responsibility of streamlining the processes for access to Crown land.

I want to be very clear about this: Streamlining does not mean the answer is always yes. It means we will do everything we can to get to you, but we will give you the answer “no” quickly so you are not spending year and year after year wondering what the answer might be. We think we can do that. Stan is committed to eliminating that backlog by the spring of next year. That is only five months away, Stan, by the way. We are all counting on that.

Previously, applications could take over a year to get through. Stan has imposed a deadline of 140 days on any application, and that includes difficult decisions involving First Nations and other users.

Our goal is to deliver a province that encourages investment, that encourages the tourism industry, and that gets out of your way. That doesn't mean we forgo our environmental assets; it means we enhance them and are known for environmental stewardship. That does not mean we undermine our social obligations; it means we focus on our social obligations and make sure we deliver them. It means we work with you so that when an operator is undermining your whole industry, we will hold that operator to account.

I recognize the immediate past has been difficult for you in your businesses; it has been difficult for many of us who were elected to government. But I think the difficulties to date should not hold us back from being excited about the future. We can create a province that is driven by individual dreams and that gets excited about the success of communities and enterprises as people apply their imagination.

We have seen, over the last little while, significant changes in our world. Significant changes create problems, but they also create opportunities. Our job is to identify those opportunities and to move forward.

Our government has decided there is a great opportunity ahead of us. It is called the 2010 Winter Olympics. The Winter Olympic and Paralympic Games give us a chance as British Columbians to crow – to be proud of what we are doing as a province again, and to be the leaders of our country again as Canada, British Columbia, Vancouver and Whistler vie for the honour of hosting the 2010 Winter Olympics.

It will generate literally hundreds of millions of dollars into the economy. It will generate literally thousands upon thousands of jobs. It will require each of us to think in the best, most exciting ways we can about the future. It will require discipline and dedication, and it will require us to bring together volunteers from all over our province and, indeed, from across the country to make sure we succeed in the global competition.

The reasons I am excited about 2010 is it gives British Columbians an opportunity to rebuild confidence in ourselves and in what we can do when we set our sights on a goal

that seems higher than we normally would reach for or attain. Think about what we can do for the young people of this province and for our cultural agencies as we generate excitement about the Olympics in 2010 around the world and build towards it.

Australia's economic analysis suggests they've had \$2 billion worth of global publicity as a result of their Olympic Games. We believe we can generate that publicity and that kind of excitement.

Our job is to remind the world about those special things British Columbia has to offer. Our job is to remind the world of what we can do when we combine the thrust of strong economic policy with vital public resources and public services so we have the best quality of life anywhere.

What I want our government to do is to help you kindle that excitement. I'd like you to feel we're part of building that excitement and building towards your success. As we face the challenges ahead, I don't want anyone in this room to forget: you're a British Columbian, you're a Canadian and there is nothing that we can't do when we set our minds to it. Thank you very much.