

Premier Gordon Campbell
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Check against delivery

Our government has shared goals for the province, and we're working to reach them. We don't pretend for a minute that we've finished the job – in fact, there are many days when we feel like we've barely even started.

Without your direction, solutions and commitment to making this province a better place, I can guarantee you we won't do as well as we should.

So I want to start by thanking [ICBA president] Cindy Kaufman for her leadership. She's the only business leader in British Columbia who always asks how I'm doing first, before she beats me up!

I also want to thank [ICBA executive vice-president] Philip Hochstein. You know, it's not unusual for people to be very nervous about what they tell you and worry about how they tell it to you. But Philip is right there, saying exactly what he believes, why he believes it, and why he believes it will help us accomplish our goals.

Prior to the election, I would often say: "You know, if any of you want to do something, put up your hands and ask and volunteer."

[Former ICBA president] Joel Nauss has decided to volunteer. He is working with us at the B.C. Provincial Health Services Authority, and I want you to talk to Joel about what he's learned, because we as a society face challenging circumstances. We're going to have to put all of our talent, energy and creativity to work if we're going to get British Columbia to the leadership role that it deserves to be in. I know that Joel is spending an inordinate amount of time contributing to the solution in health care. We face lots and lots of challenges, and health care is one, just as it is in every other province. It's one that we're going to solve because of the contributions that people like Joel makes. So Joel, thank you very much for what you do, too.

Finally, let me thank Kurt Krampfl for what he does on the board of governors for BCIT. It's not unusual for us to talk about our universities in British Columbia. It is unusual, unfortunately, for us to talk about our institute of technology, BCIT, and our colleges, as regularly.

They are equally important – arguably, more important – as we build a kind of solid foundation in education and trades infrastructure we're going to need to take advantage of the opportunities in front of us. So to have someone like Kurt, who's willing to make a contribution on the board of directors, is something that I can only say thank you for.

Since the election, we've been sending out a message in this province that we were going to encourage investment, and we were going to encourage people to work hard and get ahead. We were going to be a province where people wanted to work.

Our 25 per cent income tax reduction across the board clearly sent a message to people in the province. We wanted to send it out to tradespeople, business leaders and also to our young people so they would think about building their future here in British Columbia.

I'm pleased that has had some impact. It's had the impact of encouraging employment. We have created 87,000 new jobs this year in British Columbia, and that's an important start. That is 50 per cent greater than the national average in job growth in the country. That's pretty good when you put it in context of the challenges we've faced post-September 11, and particularly the challenges we face with softwood lumber.

In this province, every single one of us – regardless of the community we live in – depends in one way or another on our forest industry. Our forest industry contributes a great deal to our province, and the uncertainty that's been created by softwood lumber has indeed created challenges for us. We are working tirelessly to create a new base upon which to build our future in forestry.

Mike de Jong, who is no stranger to you folks at the ICBA, is currently in China talking about our forest industry and forest products, hoping we can open that market up for all of us. When we do open that market, it's not just opening a market for wood products in China: it's opening the market for forestry investment here in British Columbia.

When we have a vital, vibrant forest industry, we have an industry that's not just taking care of our forests, we have an industry that's investing in capital plant. We have an industry that's investing in mills. We have an industry that's investing in roads. We have an industry that's investing in housing. All of those things are important to our economy.

When you look at the construction industry, there's over 100,000 British Columbians at work. Six per cent of our gross domestic product is from the construction industry. We clearly have to make sure all of our industry sectors – construction, forestry, mining, farming, technology, retail, tourism – are working together. When we have an economy that's firing on all cylinders, everyone benefits.

The challenge in front of us today is similar to the challenge that faced us 18 months ago. We have not finished the task that we began. I want to talk to you about some of the things we said we were going to do, the progress we've made and where we hope to go in the months ahead.

First, we told you we were going to try and get British Columbia's tax position into a competitive place with the rest of country, so we've provided 17 tax-relief measures.

Now, I can tell you that I can't go to a group that doesn't have another tax they'd like us to get rid of. I haven't yet noticed a tax that anyone loves.

However, we do need some resources to provide for the public-sector services we all depend on, whether it's health care or education or transportation. We also have to understand that, for a decade, the fastest-growing cost of government was debt service, and that we are going to have to get our costs under control if we are going to succeed.

When I was 22 years old, I graduated from university. And when I graduated, my parents left me a total public debt in British Columbia of \$2.84 billion.

Today, I have a son named Nicholas. Nicholas is 22 years old. He's about to graduate from university. Nicholas is inheriting from my generation a total public debt of \$40 billion. That's how much our generation has taken out of the system.

One of our obligations is to make sure we give our children a province in a financial situation that is at least as good as – if not, better than – it was for us. We have to give them opportunities.

When I was a young person going through university, if you decided you wanted to go to work in the summertime to support your education, you could find work. You might have to travel a little bit to work in the North in a mill. You might work in a construction camp somewhere.

We don't give that gift of opportunity to young people today. And we should. To do that, we have to get our economy perking.

It's starting to. We've seen a significant increase in housing starts. In fact, we're well in advance of the national average in terms of housing starts. We know that creates jobs. But you have to create housing starts in more than the Lower Mainland and the Okanagan Valley. You have to create housing starts in Terrace, Cranbrook and Prince George.

This province is larger than England and France combined. We have to recognize that different parts of the province have different economies.

I'm here tonight with Harry Bloy, who's the MLA for Burquitlam; and Patty Sahota, who's the MLA for Burnaby-Edmonds. They will tell you that when we sit in our caucus and talk to people from different regions of the province – whether it's from the Kootenays or the Coast, whether it's from the northwest or the Cariboo – they all face similar challenges.

We have to encourage investment in our resource industry. We have to reach out with our technology industry and make sure we are connecting people across this province. That, by the way, is a pretty significant construction project.

We have to make sure our tourism industry is able to flourish. We have to make sure our road system is starting to work again, and we're investing in it. All of those require a significant amount of work.

Public-private partnerships are underway. We are recruiting a new CEO for Partnerships British Columbia. We will be building the new MSA Hospital under a public-private partnership. We believe that's a critical component of where we're going.

I have announced a \$90-million academic ambulatory care centre at the corner of 12th and Oak in Vancouver. It's part of the new General Hospital complex. It will create a place for 600,000 patients to come every year. It will bring together hundreds of physicians and caregivers and clinicians to make sure people get the care they need in a timely manner. We're going to have that built with a public-private partnership.

We're examining the public-private partnership route for a number of transportation infrastructure projects.

As an elected official, no end of people come to you and say: "You know, with the taxpayer's money and my brains, we're going to make wonderful music." Often that doesn't work.

I should say this about public-private partnerships: there's nothing magical about them. One of the frustrations that I have and I'm sure you have is that sometimes it takes longer to prepare than we might like, so we do these things properly. We also recognize that there are a lot of vested interests that aren't keen on the changes we have to make.

So people talk to me about that public-private partnership idea and the academic ambulatory care centre we're proposing for 12th and Oak, and some of our friends in the public sector union will say: "That's crazy; they'll never build it properly."

Well, when they say that to you, I want you to remember the largest single building in Vancouver – that great big shell at Vancouver General Hospital.

You're all in business, and you all understand how valuable time is. Well, that shell was started in 1983, before I ran for city council. It was built in the early '90s as a shell because of some of the genius work in government. People drove by and thought it was actually a hospital facility. It was a shell.

In fact, that shell was standing there unheated and empty, not taking care of one patient for so long that finally a structural engineer said to the hospital: "You better start heating this shell because the structural integrity is starting to cause me some concern. I was never expecting it was going to stand here empty, unheated."

So with your dollars, they started heating the shell. Because they were heating the shell, some folks thought it would be a nice place to find shelter. So the next thing that you heard was: "Hold it. This isn't for those folks who are looking for cheap accommodation. We're going to have to hire some security to stop people from being in the heated shell." So you've now spent interest costs, heating costs and security costs.

It is now 2002. We estimate it's cost taxpayers in the order of \$100 million in interest and all those servicing costs, and that shell is still not completed. Tell me we can't do better with a public-private partnership.

So with the ambulatory care centre, we're saying: "Look, we want this built. We want it properly operated. We're going to make sure it happens properly, it's built properly, and it's funded. We're ready to go." And we believe there's value in doing that.

We believe there's substantial value in liberating the creativity and entrepreneurship of the private sector, and we're going to do it so it's successful. We're not going to do it so we fail, because we only get one chance to fail. If we fail with the first project, all of us are going to be fighting to get the second one built. We want to make sure we're successful with all of the projects we do under public-private partnerships.

The new CEO will help us do it. We think the framework helps us do it, but I issue this invitation to you: If you have looked at Partnerships BC and you think the framework doesn't work, I need you to tell me that. I need you to explain why it doesn't work and what you're concerned about, because I believe that building the kind of province we want is a partnership.

It's a partnership we identify with public objectives and public goals, and we encourage you as a private sector to help deliver it. I know that when we issue that invitation, we will have a positive response, and I encourage you to accept the invitation in the spirit that it's given.

I have been saying to people that it's important for you to deal with us as a government – with me as an elected official – the same way today as you did before the last election. If you're not willing to say, "Here's how we can fix things and here's how we can make them better," I'm going to lose the benefit of your expertise and your advice. And I don't want to do that because we won't make the progress we need to.

I want to talk to you briefly about the Kyoto Protocol, because it's important for you to think about the impact it might have on you. What we're faced with today is a protocol that the federal government is thinking of ratifying without a plan.

The only projections they've given us so far have suggested that British Columbia could lose between 11,000 and 37,000 jobs between now and 2012. That's 37,000 jobs we can't afford to throw away in this province.

And we said quite clearly to the federal government: "We're willing to work on a made-in-Canada solution. We're willing to work with all the other provinces. We're willing to work, but we have to put this in a framework that says: What are we trying to accomplish? What is it going to cost? And how do we deal with this in the competitive environment that we're living in?"

And I want you to understand this. The Kyoto Protocol is not about air pollution. The Kyoto Protocol will do nothing to clean up the airshed in Greater Vancouver.

The Kyoto Protocol is basically about controlling CO². CO² is a gas. It's invisible. We are breathing it out even as we sit here. And we are the only country in the Western Hemisphere that is thinking of reducing it – of taking a hit when we sign the Kyoto Protocol.

The United States is not a signatory. Australia, which has a very similar economy and markets to Canada, is not a signatory. China is not going to have to reduce any emissions; India will not have to reduce any emissions; Russia will not have to reduce any emissions.

British Columbia has the second- to third-lowest level of greenhouse gas emissions of any province in the country. You as taxpayers have invested hundreds of millions of dollars to do that. We use hydroelectric power in British Columbia. We planted five billion trees in the last 10 years in British Columbia. That's one of the largest carbon sinks in the country. But you as a taxpayer get no benefit for that.

Our industry has reduced its emissions over the last 10 years and is ahead of the Kyoto Protocol schedule in many ways. In Russia – where their industries fail – our government is thinking of sending between \$500 million and literally billions of dollars to them for no improvements to the climate.

My concern about the Kyoto Protocol is that the only climate that's going to be affected is the economic climate in Canada. And it's important for you as individual businesses to let your MPs know – to let the government know – that we should not ratify the Kyoto Protocol until such time as we have an implementation plan that recognizes its impact on individual Canadians' lives. Then we can think about ratifying it. Until then, they should stop talking about ratifying it.

We have made some progress in some areas. We decided that we were going to eliminate a third of all business regulations, and we have just started. The ramp-up has begun, but we're going to continue to need your help.

So far we've managed to eliminate 17,000 regulations. That's an important start. We've managed to eliminate 955 different fees. That's a 33 per cent reduction in fees and has saved almost \$18 million.

But we realize that's just a beginning. And in this industry, of all industries, you understand about the overlapping jurisdictional and regulatory problems that you face day in, day out, week in, week out.

I invite you to get in touch with [Minister of State for Deregulation] Kevin Falcon. He will spend as much time as you want to talk about how we can eliminate unnecessary regulation from this industry.

Finally, I want to talk about one last area that I think is important to this association. When we were first elected, we put some projects on hold. The ICBA said: “You know, we think you have to make sure you’re moving forward with those capital projects.”

I’m glad to say that we have taken your advice on that. There’s \$67 million for 12 capital projects in colleges and universities across the province that we’ve announced will be proceeding. And we’ve been able to do that within the budget framework we set, which was the goal.

So we are starting to make some of those commitments that I think are going to be critical to our long-term future.

Let me close tonight by talking about one specific project that’s underway: the Vancouver 2010 Olympic bid.

I’m going to go through some numbers for you, because I think the numbers are significant. We commissioned an economic impact study after the election. We had endorsed the Olympic bid from the outset, and what we found was that the Olympics could generate up to 220,000 new jobs and up to \$10 billion in growth in the provincial economy. We felt that made quite a bit of sense.

The cost for British Columbia – to you as taxpayers – as a result of us hosting the Olympics is about \$600 million over the next eight years. To put that in context, our health-care budget over the next eight years will be over \$80 billion. Our education budget over the next eight years will be over \$55 billion.

The advantage of the Olympics is it gives us a huge opportunity to put British Columbia back not just on the investment map, but on the world map, in terms of what we can do.

Just think of this. The opening of the Salt Lake City Games had two billion viewers. They generated a \$100-million surplus. Now, just because you didn’t sound too excited by that, I want you to know it was \$100 million US.

If you want to talk about Sydney in Australia, they figured the first year after the Olympics they generated an additional \$6 billion Australian for the tourism industry.

In Lillehammer, Norway, in the four years prior to their Winter Olympics, there was a 43 per cent increase in tourism.

If you went to Calgary today and you said to them, “Would you like to have the Winter Olympics?” they would be cheering. The Calgary Winter Olympics put them on the map in 1988. Tourism grew by 12 per cent, and it continued to grow after the Olympics. They had a \$50-million surplus.

We don't want to lose this opportunity in British Columbia. There's \$310 million we have to invest for venues, many of which we would be investing in anyway. Many of them are sports facilities. There's also \$40 million for Olympic Live centres around the province, which can be used in the long term to complement tourism or sporting activities or whatever a community wants them to do. All of those dollars are matched one for one by the federal government.

We put \$310 million in for venues; the feds put in \$310 million for venues. We put \$87 million for security; the feds put in \$87 million for security. And just to make sure that we are being conservative, we have a \$200-million contingency allowance.

Now, for that, we could get literally thousands of new jobs. A new economic impact study will be out within the next two weeks, and I invite you to have a look at it.

You know how economic impact studies work. Assumptions are made. Numbers are generated. So I invite you to look at the assumptions and, if you want, make your own.

Let me ask this question: If the economic benefit is only 100,000 new jobs, would we turn our back on the Olympics? If the economic benefit is only \$5 billion, would we turn our back on that?

When you listen to the voices that are opposed to the Olympics, I want you to think back to 1983, '84 and '85. Those were the same voices. They're not just the same groups. They're the same people who were opposed to Expo 86. And how many people would give back that experience and that economic engine that drove us until we elected a New Democrat government? Need I say any more?

We know there's lots to do. I'm as impatient to drive our economy forward as you are. I'm as impatient to make the changes so you have only half as many people here at this meeting because you're all out at work making lots of money and hiring lots of people and building lots of stronger economies in communities across the province.

I want this to happen. And I'm going to work hard to make it happen. But I can't do it by myself. Neither can my 76 colleagues. We need your help. We need you to be honest and straightforward and direct with us. We need you to tell us what the solutions are. We need you to continue to contribute your expertise.

There's one other thing I have to say. We still live in a great province. We've got great resources. We've got great people, and there's nothing that's holding us back from the future except ourselves. So let's get in it together. Let's work in it together, and let's succeed together.

Thank you very much.