

## **Olga Ilich, Minister of Tourism, Sports and the Arts**

March 13, 2006

### **Speech to Vancouver Board of Trade**

Olga Ilich: I want to thank the Board of Trade for inviting me to speak today, and I'd also like to thank Tourism Vancouver and Rocky Mountaineer Vacations for co-sponsoring this lunch. Tourism Vancouver has been an energetic and proactive advocate for many initiatives that have benefited this city, including the convention centre expansion. Tourism Vancouver was also an important and early participant in the process that led to winning the 2010 Olympic and Paralympic bid.

And I'd also like to congratulate Rocky Mountaineer Vacations on having recently won the prestigious World Travel Award for the world's leading travel experience by train. They beat out heavyweights like the famous Orient Express and are the first Canadian company to ever win this award.

It is obvious that these two organizations have a vision that has lifted them to new levels of growth and achievement, so congratulations.

When I initially talked to the Premier about what I might be able to contribute to government given that I had a background in business, I told him I would like to deal with economic development, and I was therefore happy to become the minister responsible for the newly created Ministry of Tourism, Sport and the Arts. This ministry brought together for the first time in 2005 a diverse set of government responsibilities under one single umbrella.

The ministry is responsible for tourism and Tourism B.C.; amateur sport and fitness; arts, culture and heritage; archaeology; provincial resorts development and the adventure recreation sector; provincial recreation sites and trails; volunteers; the B.C. Pavilion Corporation, which includes B.C. Place; the Film Commission; the Vancouver trade and convention centre expansion project; the Royal British Columbia Museum; and the Provincial Capital Commission; so it's a large and vigorous portfolio, and we have a lot to look after.

We all get that tourism is big business in British Columbia. It's our third-biggest industry, and it's worth an estimated \$10 billion to our provincial economy. Over 18,000 businesses employ over 114,000 people, and our challenge there is to help our industry partners double tourism revenues over the next ten years.

We're sometimes asked why we don't have responsibility for the Olympics, since that's one of the biggest tourism, sport and the arts events that we're going to have here in the next number of years. And it's very exciting to be part of that, but our job is to take a look at the opportunity that the Olympics has or brings to us and make sure that we use that opportunity to further advance tourism, sport and the arts for the long term. So I'm not talking to you very much today about the Olympics. We're going to be talking about some of the other things that [our ministry's doing], and we all are obviously very closely tied and working very hard with people in another ministry, Colin Hansen's ministry, looking after the Olympics.

Anyway, our challenge here is to help our industry partners double tourism revenues over the next ten years. Tourism is one of the sunrise industries that will drive our province and our economy forward in the coming years, but it's this synergy between tourism, sport and the arts that will give us the biggest bang for our buck.

I want to talk to you today mostly about the arts part of the ministry rather than tourism and sport, and I want to talk today about why the arts, culture and heritage part of the ministry is so important to the economic health of our province. Investment in art and culture is more than just a frill. It is more than hanging a pretty picture on the wall or going to listen to a musical concert. Investment in art, culture and heritage is part of a concerted economic strategy to attract and retain the brightest minds. According to the 2001 census, fully 35 percent of Vancouver's workforce is involved in the creative economy — that is, they are knowledge workers or work in industries that support knowledge workers.

Investment in art, culture and heritage is an important economic strategy, and that is because they represent key components in [building] strong, vibrant and culturally diverse communities that are capable of attracting and retaining the brightest and best creative individuals to live, work and play in our province. It is knowledge and technology that are driving the new global economy. It is these forces that are transforming our planet.

Author Richard Florida, the Hersh Professor of Public Policy at George Mason University and a senior scientist with the Gallup organization, made a strong case for the creative economy in his book *The Rise of the Creative Class*, and he has since updated his work in another book, called *The Flight of the Creative Class*,

which is what happens if you don't pay attention to the creative class. In his research, Florida set out to understand why it was that some cities with identical tax structures, financial incentives and infrastructure grow and prosper while others lag behind, and what his research indicates is that the cities that flourish are those that attract the best people, and these people are attracted to those cities that are diverse, tolerant, creative and open to new ideas. So by focusing on those aspects of our society and our economy that foster diversity, tolerance and creativity, we will be developing a strong, creative economy which can move our province into a higher realm of economic success and social progress.

And it is our art and culture sector that most epitomizes our creative communities and which will be so instrumental in realizing our potential in the years ahead. Art and culture are one of the building blocks of innovation, invention and understanding. Our future relies on our ability to unleash the talent and creativity and skills of all of our citizens. Government has a role to play in helping articulate a vision, supporting innovation and providing infrastructure so that a creative economy can flourish in our province.

Being competitive in the new global marketplace will require more than just economic incentives. Today's companies are relocating to or starting up in places that have people, rather than people moving to where the companies are. The greatest asset today is a pool of creative individuals who will be drawn to a particular community because it is able to offer the greatest choices in terms of lifestyle.

As UBC president Dr. Martha Piper said when she spoke on this subject to you, the Vancouver Board of Trade, a few years ago, companies move to a particular city not for the tax breaks or physical facilities but rather because the city has a bigger and better stock of talented, creative people, and as a result, the role of cities is changing. Cities must now attract the creative and talented people who in turn attract the investment that follows them around.

Electronic Arts recognizes the importance of a dynamic and creative location in attracting talent. Go to their recruitment website and you'll see a prominent Vancouver link that offers detailed information on all the city has to offer in sport, recreation, arts and culture. John Schappert, senior vice-president of Electronic Arts Canada says — and I quote: "Vancouver is a dynamic city that provides a diverse mix of creative, intellectual and athletic opportunities to live and work. When recruiting candidates to Electronic Arts Canada, a combination of what Vancouver has to offer as a multicultural city and what EA, as the most

successful gaming developer and publisher in the world, has to offer creates a once-in-a-lifetime work-life opportunity for job candidates. Creative people want to live and work in cities like Vancouver, with its unmatched physical beauty, ocean and mountain setting, and its wealth of quality opportunities for sport, recreation, culture, the arts and other lifestyle-enhancing benefits."

And also, as David Howard, chair of Angiotech Pharmaceuticals, noted, world-class companies need to seek employees from a global pool being recruited by other strong and equally attractive metropolitan areas. Often, a future employee and a potential future resident of B.C. will arrive at a decision to come here not only based upon salary or the prospective job itself but on the city's attractiveness and its cultural amenities. This cultural and social capital advantage must be visible and significant, and it must be part of our offer in the global bidding war for human, financial and corporate resources.

These thoughts are being echoed throughout the business community, and I couldn't agree more.

So our ministry and government are committing significant resources to making British Columbia a magnet for creators and innovators. Just look at B.C.'s film industry. We have extended the international and domestic film tax credits, which are among the most competitive in North America; we have a seasoned film community with expertise that rivals any other jurisdiction — two good reasons why we are North America's third-largest production centre after Los Angeles and New York.

But what we hear over and over again is that people like making films in B.C. Quite simply, they like being here. And when you've got an A-list talent spending months on a location shoot, having a world-class cultural city is an ace in the hole.

Our film and television production numbers just came in for 2005, and I'd like to take this opportunity to announce that our film and television industry is up a staggering 50 percent over 2004. That's a \$1.2 billion investment, up from \$800 million in 2004. There were more than 200 productions completed in B.C. last year, including 63 films, feature films; 31 television series; 77 movies of the week, pilots, mini-series, documentary-type films; 16 short films; and 24 animation projects. This is a major turnaround for our film and production industry, and this level of production activity has not been seen in the province since 2003.

So not only are the numbers good, but the international profile of B.C.'s film makers also had a real lift at the recent Academy Awards. I want to acknowledge [William] Vince and Infinity Films for five Academy Award nominations for the film *Capote*, and Vancouver can also lay a partial claim to independent film studios Lions Gate, which is now based in California but was founded here in B.C. Their movie *Crash* took home Best Picture and was nominated for six Oscars.

The success of our film, television and music production industries are evidence of what Richard Florida refers to as the essential foundation of a creative economy, the three Ts — the first, technology, evidenced by a critical mass or concentration of innovation and high-tech industries. And the second is talent — the number of people actually engaged in creative occupations. The third T is tolerance. Places that are open and tolerant have an edge today in attracting a broad range of individuals and generating new solutions and new ideas.

On Saturday I had the honour to participate in an event with Vancouver Mayor Sam Sullivan as he departed for the Paralympic Games in Torino. It was an opportunity to introduce a new guide that will help cities determine how they can make their communities more accessible and inclusive for people with disabilities, and the guide has been developed in cooperation with the leaders of the B.C. disability community and with funding from all levels of government.

The goal there is to help communities identify barriers faced by people with disabilities against their progress in removing those barriers. This is important, because tolerant communities are communities that value the contributions of each citizen, and they are also communities that commit their creativity and efforts to making positive change.

In the few short weeks since he took the stage at Torino in front of millions of television viewers, Sam Sullivan has come to represent the possibilities and potential for people with physical disabilities. I for one am proud of Sam, but I'm also proud to be part of a city that has a proactively inclusive culture — one that does not discriminate and force people into boxes. Tolerant societies are inclusive of all people, and it's these three Ts that are shaping our economic future.

We also have the technology, and we're continuing to invest in leading-edge technology. Our government recently announced \$40.5 million for the development of a new digital media centre of excellence in partnership with industry, UBC, SFU, BCIT and the Emily Carr Institute of Art and Design, and

this will further cement our position as Canada's largest digital media hub and develop the creative tools and individuals that will lead industry tomorrow.

So just how important are our arts and culture sector economically and why does it make sense to increase our investment in this area? It is a sector that has demonstrated remarkable and rapid growth. Total Canadian economic output for the sector was \$29 billion in 1996 — that's ten years ago — but by 2001 it had climbed to \$40 billion. That's a 37-percent increase in a five-year period, and I don't think you'll find many other sectors that performed as well.

And in that same period, B.C.'s economic output for this sector increased from \$3.4 billion to \$5 billion, and the proportion of the workforce employed in the cultural sector and the rate of growth of employment was higher in B.C. than the national average.

What's particularly worth noting is that while the economy grew at an annual average of 2.3 percent between 1996 and 2001, the cultural sector grew at an annual rate of 4 percent. Arts and culture are growing faster than our more traditional industries. They deliver well-paying jobs, and it shows no sign of slowing down.

We have almost 80,000 talented, creative individuals in our cultural sector, and we often fail to recognize the significant contributions these individuals make to building our cultural resources that so enrich our lives. From the Vancouver Symphony Orchestra to the Arts Umbrella to the opera and our many museums and art galleries, these institutions make creative contributions every day and help build stronger and more vibrant communities.

Government recognizes the important ongoing contribution that they make to support our arts and culture sector, and we are a significant supporter of arts, heritage and culture, but we are by no means the only supporter. The private sector has long demonstrated that it values our creative individuals and cultural endeavours with generous financial support. The private sector has known for some time that there are very real advantages to investing in the arts.

Many people already know that [inaudible] has an art collection valued in the multimillions of dollars. A large part of this collection is northwest aboriginal art, and anyone who has come through the international arrivals terminal at the airport has experienced the magical capacity art has to capture the essence of

place. You know, entering the terminal, that you have arrived in Vancouver and British Columbia.

Other than that, the airport is superbly managed by a great team of terrific professionals who are sitting right there, and I must be part of the team, so I have to say that. I'm sure that our airport continues to win awards because people feel good in our airport. And this is just one example of how the private sector has supported our local artists but also benefited through the exchange.

Our government recognized that the difficult economic times of the 90s created financial problems for many of our arts and cultural organizations, as head offices left town and left the province and took our cultural endowments with them. So we have been investing more in the last little while in arts and culture, and to help our arts and culture organizations regain some of the ground lost in the 90s, last year we established the B.C. Arts Renaissance Fund, which was a \$25 million fund matched by the Vancouver Foundation, and it matches contributions raised to build permanent endowments that will bring long-term financial stability to arts organizations all across B.C.

This year I'm pleased to tell you — it's our first year of distributing grants — the fund provided \$5.4 million in assistance to arts and cultural organizations. Forty-eight grants were awarded this year at 40 agencies, and 40 new permanent endowments have been created.

The important thing to recognize is that for every dollar that our government contributed, these organizations had to secure matching funds from private donors and companies, and I want to thank those generous donors and contributing companies. I see many of them in the room tonight, and I'm sure that you recognize that you're contributing widely to our economy when you do that.

We also provide support through the B.C. Arts Council's grants. Last year our government supported artistic and cultural programs in 224 communities across the province, and these include everything from art galleries to symphony performances to festivals and to book publishing. And we also launched the ArtsNow program under LegaciesNow to strengthen and enhance the creative capacity of individuals and communities throughout the province.

We recognize that there's more that we can do, and this year's provincial budget provided a \$1.9 billion increase to our ministry's culture section. We're also

confident that the federal government will increase its funding to further support our provincial arts and cultural organizations.

The three western provinces receive the lowest funding from the federal government. In 2003, for example, British Columbia received \$49 per capita, which was up significantly. That was up 29 percent from 1996. But get this: Quebec received \$156 per capita and Ontario \$119 per capita.

But more funding alone will not ensure that we will have the capacity to meet the challenges of a creative economy. If we are to take our cultural economy to the next level, we need a shared vision, new ideas and a new road map for the future, so to that end, we will hold an arts summit next month with arts, culture and heritage stakeholders to identify new strategies that will help this vibrant sector realize its full economic and social potential.

We're fortunate to have Max Wyman, the noted British Columbia art critic, writer, author and visionary, to help plan and facilitate this important forum, and together our arts organizations will identify needs and priorities and develop new strategies to increase public engagement in the arts, improve access and ensure growth and sustainability. We will look at all aspects of arts and culture, including capital and infrastructure needs and financing and partnership models, and we will also identify how we can utilize our cultural resources to take advantage of growing interest in cultural tourism given the opportunities leading up to and including 2010.

We need to look at how to engage all British Columbians in all communities, large and small. To borrow another quote from Richard Florida, the key thing to understand is that the solution — that is, the capacity to develop a creative economy — lies in the hands of each region and the knowledge, intelligence and creative capabilities of its people.

This is true in our first nations communities as they seek ways to maintain their traditions while becoming more actively engaged in our changing economy. It's true in our resource-dependent communities buffeted by change in resource access and demand, and it's true in all corners of our province, from our rural to our urban centres, and we want to make every effort to support and encourage all communities as they shape their future.

An area related to art and culture where we see great opportunity for growth is cultural tourism. B.C. offers a unique natural experience with our beautiful



scenery but so also offers a unique cultural experience. Cultural tourism is expected to grow at 15 percent per year over the next decade. This is an emerging demographic.... Or there is an emerging demographic, I should say, that is thirsting for unique and authentic cultural tourism experiences.

Any of you who were watching the closing ceremonies at the Olympics.... You saw the focus on fishing and some of our natural things. I think that some people were disappointed, and I think that one of the things that we could probably do is show off a lot more of what we have as far as our cultural.... [Applause.]

I gather you agree with me.

One of the authentic cultural tourism experiences is the aboriginal cultural tourism, and we believe that aboriginal British Columbians can lead the province and the world in cultural tourism products and experiences, so in December 2005 we launched the aboriginal cultural tourism strategy with the Aboriginal Tourism Association of B.C., and we're going to continue to work with the Aboriginal Tourism Association of B.C. as they move to implement that strategy. We're also going to encourage our first nations in the development of a new national gallery of aboriginal art.

Our aboriginal arts and culture are recognized worldwide. Right now in Washington, DC, for instance, the Smithsonian Museum of the American Indian is featuring an exhibit of native art of the Pacific Northwest. The exhibit features art and artefacts from all over the Pacific Northwest. The exhibit represents two aboriginal communities from Washington State, one community from Alaska and ten from right here in British Columbia.

So the world recognizes the rich resource that we have right here, and we need to do more to celebrate that vibrant heritage. A new national gallery of aboriginal art will give us new eyes to see these treasures as part of our past and part of our future.

Another cultural initiative is to establish a new Asia Pacific museum of trade and culture, and that's something that we're working on very much at the moment. The Asia Pacific's now the world's front door to growth and opportunity. We [need to] fully capitalize on our strategic potential as Canada's Pacific province, and in order to do, we need to reach out to the Asia Pacific.

We are fortunate to have strong historical and cultural ties to this region. People of Chinese descent helped us build a railway, as many of you know from your Canadian history courses, and that tied us to the rest of Canada. And actually, Chinese people were sailing our waters and settling here as early as the 1790s. The Indo-Canadian community of British Columbia has a similar long history, especially in our forestry business.

The new museum will acknowledge our shared history and help build cultural bridges that recognize the inclusive, multicultural society that we have built together, and the museum is just one way of helping build closer ties with Asia.

We are also going to work with our tourism associations to help B.C. become a destination for Asian tourists, and as China opens its door for increased foreign travel, we have to use our competitive advantages in cultural tourism, ecotourism, agritourism, resort tourism and aboriginal tourism to capture the world's attention.

Finally, we're going to be working with the museum to do a world women's history museum, which will appeal to some of the feminists in the crowd — and I see two here today, me being one of them.

When these facilities come on stream in the near future, they'll serve as our new cultural assets, giving people more reason to visit our province, turning to increased understanding and tolerance and celebrating our shared heritage and future province.

Finally, I just want to talk about one of the other major initiatives that we have coming up. In 2008, B.C. is going to celebrate the 150<sup>th</sup> anniversary of the founding of the colony of British Columbia. We're going to be celebrating 150 years of progress and positive change. It's going to be a time to showcase our rich arts and culture, to celebrate our diversity and explore our cultural roots and heritage, and we're going to be celebrating this with everybody: first nations, Chinese British Columbians and many other communities that make up our diverse province.

We have a budget, and we're going to be starting to take a look at some of the things that we can do. We're going to be working with government ministries, agencies, communities, First Nation communities, heritage and sports organizations. It's going to be a significant milestone in our history.

So B.C.'s tourism, sport and art sectors are more than just multibillion contributors to our provincial economy. They are the foundations for building the kinds of creative cities and towns where the world's best people want to be.

In the short time I had today, I wanted to focus primarily on our arts and culture sector and the important role it has to play in building a stronger economy, but I can assure you that we are paying equal attention to the enormous potential in resort development, amateur athletics and tourism promotion and marketing.

So just to wrap up, I'd like to recognize the Vancouver Board of Trade and your important role in helping to lead our economy into the future, and I applaud the leadership of the board chair, Daniel Muzyka, and the entire team.

To Tourism Vancouver, Rocky Mountaineer Vacations and all the other tourism people here today, I thank you for continuing to deliver tourism products and services that are the best in the world. We all owe a debt of gratitude to you for making British Columbia the major international destination it is today, and we'll keep supporting you to help you put B.C.'s best face forward as we welcome the world in 2010 and beyond.

The Ministry of Tourism, Sport and the Arts has a vital role to play, and we're going to be moving forward with confidence over the next number of years. Thank you very much for being here today.