

**Premier Gordon Campbell  
Address to the Diplomatic Forum  
Victoria Conference Centre  
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*Check Against Delivery*

Thank you very much. Bienvenue en Colombie-Britannique.

I can't tell you how proud I am to have over 100 heads of mission and 71 consuls general here in Victoria, and how pleased I am to have the opportunity to talk to you about British Columbia and about our great country.

Now, I've heard that this is suppose to be a federal day, so let me start with a couple of critical federal issues for all of you.

First of all, when you arrived yesterday or the day before, it was a little rainy. Weather is a federal responsibility in Canada. That's important because we do have some bad days, but we also have some great days. I also think it's important because you are going to hear today from Minister Manley and Minister Pettigrew.

Minister Manley is from Ontario; Minister Pettigrew is from Quebec. They may not quite understand Canada the way I do: I am from British Columbia. So let me explain Canada to you so you can interpret what they are saying to you. British Columbia is the West; Alberta, Saskatchewan and Manitoba are the Near East; Ontario and Quebec are the Mid East; and the Atlantic Provinces are the far East. That's all you need to know about Canada.

Over the next couple of days you are also going to have the opportunity to hear from four of our ministers. Mike De Jong will be here to talk to you about the forest industry in British Columbia, the challenges we face and the opportunities in front of us that we intend to take advantage of.

John van Dongen, the minister of agriculture, food and fisheries, will be here. I am sure all of you recognize that as a coastal province, fisheries are an incredibly important part of our economy, but agriculture is also an important part.

Ted Nebbeling, the minister of state for the 2010 Olympics bid, will be here. I want to tell you all now: we will accept the votes of all your companies on behalf of the Vancouver-Whistler 2010 Olympic bid. We know you'll love it; we know it will be successful and we will be able to invite you back for that great event.

We also have the minister of state for intergovernmental relations, Greg Halsey-Brandt. I hope we will all have the opportunity to speak with you. There will be one key and critical message you will be able to take back: British Columbia is open for business and we are ready to serve.

During the next couple of days, you are going to see spectacular coastlines and mountains. You are going to hear about incredible energy resources and exceptional forests. You are going to learn about world-class technology, whether it is in entertainment, biotechnology or communications. But the most important natural resource we have in this province is the people who live here.

The true strength of British Columbia is that we are a very cosmopolitan province. People from all parts of this world, from all backgrounds, from all cultural histories and from all traditions come to live in British Columbia and have helped build our province into the great place it is.

You are going to have the opportunity to meet with people from our universities and our colleges. Those educational institutes are a critical part of building a successful future, a new economy and a new era of hope and opportunity. That diversity gives us the strength and resilience to move through the difficult times we will all face in the months ahead to an even brighter future for our province and for the world at large.

What we are doing in British Columbia was reflected here today when we heard from the students from Lester B. Pearson College. We are recognizing how much more we gain when we open lines of communication, and when we open our borders to trade, education and cultural exchange. We believe that strengthens us all and builds the cosmopolitan culture that reflects what the world can accomplish when we work together.

When you learn about British Columbia, you are learning about the future, because British Columbia will be Canada's gateway to the future. There is no province with more in the way of natural assets. We are at the crossroads between the Asia Pacific and the great continent and markets of North America.

We believe it is important that we recognize in our own province – with just four million people and an area geographically larger than England, France and Germany combined – that our future is based on trade. We are a small, open economy, and our future will be based on opening up our borders and serving the needs of our customers across the country and around the world. We need trade.

If you look at what is taking place in our province today and what has taken place over the last little while, you'll see what a crossroads we have become. Sixteen million passengers and 252 thousand tonnes of cargo pass through Vancouver International Airport every year. That is expanding, and we have to keep it expanding.

Right now, 76 million tonnes of cargo and over one million cruise ship passengers a year go through the Port of Vancouver. We want to enhance and expand on that. We have a great deal we can offer in terms of creating cultural and communication links, and also the trading links that are so important to the future. One-quarter of all jobs in British Columbia are directly generated and sustained by trade.

Today, we have representatives from British Columbia working with countries to combine our knowledge and our talent. They are working with South Africa on governance issues, they are working with Peru on mining safety, and they are working with China on accounting and reforming government institutions. We want to work with all of you. We want to work with the people of the world to build a stronger, more resilient, more vital future for all of us, and we believe we are in an exceptional position to do just that.

One of the greatest priorities we face right now as a province, and as a country, is in working together with the United States to make sure we maintain the mobility and the free flow of people, ideas and goods between our countries in light of the event of September 11<sup>th</sup>.

Our country has no economic asset that is more critical. But I think we often forget it is an incredibly important economic asset for the United States as well. Currently, between Canada and the United States, \$589 billion a year flows back and forth in trade. In softwood lumber alone, \$6.8 billion a year flows to the United States from Canada, but it is important to note that those flows come back to the north as well. The state of Washington – just one of the 50 United States – does \$4.3 billion of trade with Canada.

But this is not just about trade. Freedom of movement is a critical part of building foundations for the future. Every year, 1.6 million visitors go from British Columbia to Washington just to visit – just to be tourists. Thousands and thousands of Canadians go to Mexico every year. Those flows and those movements and those people create economic activity – and they also create a broader range of understanding of the issues we face.

I have just come back from a tour to the East Asia Economic Summit. I visited Hong Kong and Shanghai and Tokyo – communities and economies that have worked very hard to build relationships between British Columbia and themselves. In every single one, there were opportunities not just for British Columbia in those communities, but opportunities for them in British Columbia.

Trade is always most successful when it is two ways. It's critical for us to maintain the free flow of goods and services in the North American market, and indeed, to take the tragic events of September 11<sup>th</sup> and use them to springboard to more diligent security and to a more open and freer flow of trade back and forth across those borders between Canada and the United States, and between Mexico and the United States as well.

Right now, the trip to the Port of Vancouver from the Asia Pacific is two or three days shorter than it is to Los Angeles. That brings you to rail connections to the entire North America marketplace. We want to continue to build on that. We have to make sure the flow of people, goods and services is done in a way that provides for safety and security for all involved: we believe that when we work together, we can accomplish those goals.

Just a few days ago in Qatar, ministers of trade from around the world talked about how important trade was to developing countries. Creating a new platform of educational opportunity, of health opportunity and economic opportunity for developing countries in this world is important so we can move forward together and create a sense of hope and opportunity, regardless of where you live in the world and regardless of what your background is.

When I visited Shanghai, I was impressed by the incredible changes taking place in that country. When we think of China, we think of all of the opportunities it creates. At the World Economic Forum, representatives of the Asian Pacific communities were all talking about shrinking their economic projections for the year, and for two years ahead. Some were talking about no growth; some were talking about maybe one per cent growth. But in China, they were talking about a seven per cent growth rate.

Housing sales in China have increased 29 per cent in the last year alone. The amount of new resources coming into the hands of the people of China is increasing at an incredible rate. We saw an opportunity for our communities in British Columbia with a Chinese background to reach out and help the Chinese and Shanghai governments reform their housing markets.

We intend to work with our universities, our industrial institutes and our building organizations – with the Council of Forest Industries in British Columbia – to develop a new building code so we can open up that marketplace. This is not just for British Columbia wood products: it's also for the newly created and rapidly growing middle class of China that is going to demand improved housing.

We believe there are huge opportunities there. We also think there are opportunities here, and I would like you all to think about the opportunities of working with the province, our universities, our enterprises and our research institutes to help us build a brighter future for all the citizens we serve.

We have made a number of changes in our province since our government was elected last May. As I said to you, we are open for business and we are ready to serve. Make no mistake about this: we believe a strong and a vital private-sector economy driven by private-sector investments is a critical foundation to provide the essential public services our citizens depend upon.

Last summer, when we were elected, we immediately moved to create a dramatic personal income tax cut. Workers in British Columbia now pay the lowest base rate of personal income tax of any jurisdiction in Canada, period: The first \$60,000 of income is taxed lower in British Columbia than any other part of this country. By January 1<sup>st</sup>, we will have the second-lowest marginal income tax rate in Canada.

We also moved to eliminate some of the taxes that have held investment back in British Columbia. By September 1<sup>st</sup>, 2002, we will have eliminated the vestiges of the corporate capital tax on non-financial institutions so that we can encourage investments. We

wanted to encourage productivity, so we eliminated the tax on machinery equipment that was holding productivity gains back in the province. We wanted to encourage corporate investment in the Province of British Columbia; we reduced corporate income taxes. So now if you look for opportunities in North America, you can look at British Columbia and say, “There is a government working to create an environment that will allow me to succeed.”

Let me give you one example. Say you are an electronic manufacturing firm and you would like to go to a marketplace where you can develop, manufacture your electronic components and ship them around North America.

Well, if you manufacture in California, your corporate tax rate is 37.1 per cent. Maybe you think that’s too high, so you look at Washington State, where your corporate tax rate is going to be 34.9 per cent.

You know the best place to do it, though? It’s British Columbia. As a result of the regime we have put into place, British Columbia, your firm will pay corporate taxes of 27.6 per cent. We will provide access to the markets you need, the educational support, the universities, the health-care system, the quality of life, the safe and secure communities to live in. Why wouldn’t you invest in your manufacturing firm right here in British Columbia?

Still, we recognize our economy has been – and will be for some time – a resource-based economy. So we intend to make our forest industry the most competitive industry in the world. We intend it to become an example of sustainable stewardship of our environment, because we know if we apply new technologies and new understandings of the environment to our natural resources, we can set an example – and what better place to start setting the example than British Columbia.

Whether you’re thinking about opportunities here in forestry, mining, fisheries, agriculture, high-tech development, bio-technology or research and development, we want you to come and work with us. Our great universities and institutes, and our exceptional health-care facilities are all at your service.

Over the next two days you will meet with some of the leaders in our community and have discussions with our councillors about some of the things we are trying to accomplish in British Columbia. You will recognize that this is a place that you want your citizens to consider, this is a place that you want to work with, and this is a place where we can create exchanges.

While I was in Japan, we talked with leaders of the Japanese community about creating even greater educational exchanges in which our students go to Japan and Japan’s students come to British Columbia so we understand one another and build a future together. We are focusing our ideas and energies around creating a whole new era of hope and prosperity.

We can do that if we build our future on the values we've shared as a community over the last century, and we can do that if we hold up a symbol of our successes for British Columbians.

That is one of the reasons I am excited about the 2010 Olympic bid we are undertaking. We believe we can show the world what happens when we work together in harmony and in open and honest competition. What happens is all of us are improved by the excellence we see. We believe the Olympics in 2010 are an opportunity for us to show people how you can have sustainable long-term economic benefits, social benefits and environmental benefits when you work together.

I believe the future for all of us will be based on an exchange of ideas; on open, honest dialogue and debate; and on values that encourage participation by citizens in the communities they live in. Most important, I think that we are empowered. We are given the strength to create a better future when we give people the opportunity to put their imaginations to work.

I am proud of the capability and talent of the people who live in our province. There is no end to their goals and their dreams. Indeed, our province has been driven by dreams in the past – and will be driven by dreams to the future.

Imagine the first Europeans walking and paddling their way across this continent and reaching the Rocky Mountains. They probably got through the foothills and thought, "Well, that was a pretty high range of mountains" – and then they saw the mountains continuing to climb and climb. Think of the perseverance. Think of the dreams they must have been pursuing to make their way through all those mountains and river valleys, out to the Pacific coast.

Or think of the people who came to British Columbia's coast from Asia. They used to call our province Gold Mountain. It was a place of dreams. They were willing to go through all sorts of hardships to get here because they knew they could build a better future in this great, blessed piece of geography.

I think we have an incredibly bright future ahead of us. We have talented, creative people from all parts of this world, and I hope over the next few days you have the opportunity to meet some of them, talk with them and capture the excitement they have about our province.

I'm grateful you are here for the diplomatic forum, and I hope you will come back time and time again to a place that you can call your second home. Thank you very much.