

Going Global – A Vision for B.C.'s Future

Premier Gordon Campbell

March 4, 2005

Check Against Delivery

Thanks to all of you for coming today, because this is really a critical time for our province. The world is changing dramatically and the world is changing in ways that we perhaps haven't noticed in the past. It's important for us to take some time to sit down and reflect on where we are and on where we've been, and on what we are and what we can be as we try to build on the values that have made British Columbia such an exceptional place for all of us to live in.

British Columbia has an important role to play. B.C. is a continental crossroads. It is a continental crossroads between Europe and Asia. It is a continental crossroads between Asia and North and South America. It is particularly well positioned to take advantage of the changing world in which we live. Equally importantly, in terms of our national agenda and our national obligations, we are Canada's gateway to the Asia Pacific.

This morning we heard the federal Minister of Transportation saying this is the gateway to opportunity and we have to invest in it, we have to move it forward. That is good news for Canada and British Columbia.

This is a place where we can start to take full advantage of this new age of global connection, global communication and global partnerships. We can establish and open new gateways, new doors to opportunity, new doors to cultural exchange and new partnerships in education. We can pursue endeavours that open horizons for not just the people that live here but for people around the world.

When we were going through the effort to be selected as the host of the 2010 Olympic and Paralympic Winter Games, I remember the IOC evaluation committee came to an event showing off B.C.'s multiculturalism. I don't know how many of you were there, but when the evaluation committee arrived in the Queen Elizabeth Theatre, they felt the enormous breadth of our cultural background here in British Columbia.

We are probably Canada's most cosmopolitan culture. We have people in our communities today that speak virtually every language of the world, and they're comfortable doing it in our communities because we are an open country. We are a place that doesn't just tolerate diversity; we celebrate our diversity. We see our diversity as a strength.

When J.P. Morgan looks around the world to see where it wants to do a major call centre to meet the needs of its international customers, do you know where it picks? It picks Surrey, British Columbia. It specifically picks Surrey, British Columbia because they know that Surrey is a city of diversity – it's a city where there are 80 separate languages

spoken with ease and with fluency. It is a city that recognizes our international place in the world.

I want to make sure that we optimize the natural competitive advantage that we have in British Columbia, because it's the way that we are going to build the quality of life for every British Columbian family in the province. If we think large, if we think and imagine what we can be and what we can accomplish, and if we are willing to be patient and persistent in pursuit of our goals, I can tell you we will be not just leading our country but we'll be setting an example for the world to follow.

Over the last three and a half years we have worked to try and establish a foundation upon which we can stand to look to new horizons. Our economy has moved from a time of recovery to a time of discovery. We have the best job creation record in the country over the last three years. Unemployment is at the lowest level it's been since 1981. We're leading the nation in self-employment, in investor confidence, in housing starts and in small business optimism.

Whether it's in oil and gas or mining or forestry or biotechnology or tourism, our economy is starting to generate the kind of interest and excitement that we want and that will ensure we can meet the opportunities that the global marketplace holds for us.

As we've done that, we've tried to secure and sustain a sensible and solid base upon which government services are supported. In the last budget, we announced the largest paydown of operating debt in the history of the province: \$1.7 billion. We're going to keep working to deliver on that because as we pay down that operating debt it creates capacity for us to create investment, it creates capacity for us to deliver better services and it creates capacity for us to build a more competitive framework for us to participate in the world.

But we have to remember that we live in a small open economy. The rest of the world is out there competing for and with our products. They're competing with our companies, with our entrepreneurs, with our investors, with our forest industry, our energy industry, our mineral industry, and all the commodity industries that remain the foundation upon which our economy is based. So, as we think out over the years ahead, we have to think smarter, we have to act faster and we have to serve better.

What is competition, really? And what does thinking global really mean? It means that we are doing better than our competitors at meeting the needs of our customers. Pretty simple. But to do that we have to get in the heads of our customers and think about what they want. What are their expectations? What are their demands? How can we meet them better?

Think about the economic growth that they are experiencing in China today. Think about the fact that the fastest growing middle class in the world is in India today. Now, what does that mean? And how do we change the way we act to meet the needs of those global marketplaces? How do we make sure that our businesses can take advantage of that?

We're not the only people that have noticed what's happening in Asia. I've lived in British Columbia virtually most of my life and I actually do think this is the best place on Earth. But there's a lot of other good places too. There are a lot of other places that have the products that we have. There are lots of other places that are going after the same markets that we are. We saw the impact of that in the 1990s. We thought that we could just sort of take care of our existing markets and rest on our laurels, as opposed to move into the markets and expanding our market share – and we lost our market share.

Right now, China is one of the fastest growing economies in the world. It is now our third-largest trading partner. Its markets are going to continue to open up. We should understand that China is no more one place than Canada is one place. Think of it. We think of China as a handful of places, like Hong Kong, Shanghai, Beijing, and maybe a few others. But we don't really understand the full diversity of China. And if we don't understand the full diversity of that nation, we can't appreciate the full range of opportunities there. Just as we have regional differences across Canada, in China there are many languages and there are many economies that are building.

Think of how big the changes are that are taking place in China. China basically decided it was going to close itself down to the world in the 15th century. Before then, they were out exploring and trading. Then they decided to close the door and shrink themselves in. Well, now they're saying they want to open up. It is a huge shift for them. It's more than a 500-year-plus shift for them to open up to the world and to invite them in.

That's a shift that we don't have to make. Canada has actually been a country that has been built on opening itself up to the world. That is a huge competitive advantage. We don't generally feel threatened by outsiders coming and introducing new information to us, showing us new cultures.

We have the largest celebrations for the Chinese Lunar New Year anywhere outside China here in B.C. It adds to a richness and a value in our lives that is incredibly important as we go global, because going global is not just about trade. It's about understanding culture; it's about understanding people; it's about understanding their backgrounds and their traditions. It's about meeting the needs of our clients, our customers.

Just think about language. In the world today, someone who speaks three languages is trilingual, and someone who speaks two languages is bilingual, and someone who speaks one language is English. I know if I go to France, I actually don't speak. My wife speaks French, so I let her do the talking because my French goes something like this: "Bonjour. Do you understand me?" That's what we do. We go to people, and we expect them to speak our language. Instead, we have to expect us to speak their language.

If we want to go global, we have to think global; we have to speak global; we have to be global. It will take us some time, but if we can build the capacity and a generation of British Columbians and Canadians that can do those things, there is no end to the

opportunities that are in front of us. If we decide not to or that it's too difficult, then we will restrict our opportunities.

Last year alone, B.C.'s exports to China increased 50 per cent and we're anticipating that will only continue to rise. But it's not just about shipping goods. Canada has just been approved to receive approved destination status for Chinese tourists. The expectation is that by 2020 there will be 100 million Chinese tourists that will be traveling the globe. Where are they going to want to visit? Well, some of them will want to visit British Columbia, and when they do visit British Columbia, let's make sure we are ready to welcome them in a way that makes them feel as comfortable as we expect them to make us feel when we go to China.

About five or six years ago I visited at Silicon Valley, and they were all saying how smart they were because they were outsourcing software development to India and how effective they were and how cost-effective it was. And now the largest and the fastest-growing software development economy in the world is in India.

If you go to Mumbai in India, you will see one of the fastest-growing film industries in the world; you will see an industry that is building on new media; you will see an industry that is trying to create the same kind of visual and digital entertainment activities that we are trying to do right here in British Columbia with our new media sector. There's a connection there.

If you look at our universities and our colleges, they actually have been at the forefront of connecting B.C. across oceans and across continents with students who will reach out to other communities and become our ambassadors for trade, our ambassadors for culture, our ambassadors for understanding – students who will have a totally different global vision than you or I may have today.

That is what makes this an exciting time for British Columbia and for Canada. Because we do have something that other communities and other countries aspire to. We have a sense of pride in our diversity. We are a welcoming culture and country.

We're looked upon as a place where there are opportunities galore. We are still looked upon as a place where there is an exceptional quality of life, and we are now looked upon as a place where economic opportunities are opening up once again. And as the world changes, we have to be willing to change with it.

That's why I've said that I'm going to establish a B.C. Competition Council that will be independent of government. It will examine the competitive position of sectors across the B.C. economy. This is not going to be a council that sits and says: "This is what government should do." I think they should look at local governments, regional governments, provincial government and federal government. What are the barriers that we put in place that stop our economy from pursuing its full potential and reaching its full promise?

They could be regulatory barriers. Over the last three and a half years, we've managed to eliminate over 37 percent of the regulations that used to be imposed on B.C.'s economy: 143,000 regulations have been eliminated. We have to go the next step and ask ourselves: can we be smarter about how we use those regulations? Are there regulations that still make no sense? Should we focus in on particular areas of concern? We'd like to hear that from the competition council.

But we also want to hear from the competition council about what the private sectors does that holds itself back from being competitive, because this isn't about one sector of our economy being against another or about labour being against management. It's about all of us working together to maximize the benefits of living in a place like British Columbia.

I'll give you an example from the film industry at the beginning of this year. The industry came to us and said: "We need you to create a competitive tax framework for us, or we're going to lose a lot of jobs and a lot of investment." They knew from last year that there were a lot of things that the film industry itself had said they needed to do to be more competitive. They also knew that they hadn't done them.

We said: "We will take the steps and act quickly to create the competitive environment you need in the film industry, but we need to know that you're going to act within your industry to be competitive." They agreed to do that.

We need to do that in pulp and paper, in construction, in forestry, in mining and energy and tourism and retailing and wholesaling and transportation. We need to look at all of those components of our economy and see what can we do and also ask the question what can the private sector do?

I will be naming both the chairs of the competition council and outlining its mandate within the next three weeks, and that council will report out within a year. It's not going to be an ongoing review of our competitive position. We're hopeful that they will have some specific, focused recommendations by the end of this year so they can be part of the 2006 budget cycle. It's a very important part of laying out a strategy that will work for everyone's benefit in the long term.

I also intend to establish an Asia-Pacific Trade Council that will help us focus down on true areas of opportunity and expertise. They will look at China, Japan, India, and Korea. They'll look at Hong Kong and Taiwan, because we know those are places where we already have connections and we already have some advantages. We want to keep our markets and try and build them, and we want to use the Asia-Pacific Trade Council to try and help us focus our energies and our objectives.

Let me give you an example of one of the things that we've done together with industry in British Columbia that has had an enormous benefit. The Dream Home China project was launched about two years ago, with the forest industry and the province of British

Columbia mutually committing investments and resources to show China the opportunities that wood-frame housing creates for them.

Forestry is the foundation upon which we have done an awful lot in British Columbia. And here in B.C. it's unusual to see a home that isn't made of wood. In China, there are ten million housing starts a year. As a result of the Dream Home project in Shanghai, we actually saw a 40 per cent increase in the wood-frame housing market in China. Forty per cent's a lot, but in China that only equals 200 homes. Out of 10 million homes built each year, about 500 are woodframe houses. We generated an additional 200. When you put it that way, it doesn't sound like much, but it's a start.

We also took another important step. For the first time ever, they actually have a building code in China that allows for wood-frame housing, and B.C. played a lead role in helping them craft that. Now, once you've done it nationally in China, you may think: good, we've done it. But then there the local building codes, so we have to go and create local building codes in China. We're doing that in Shanghai now.

We want to build on what we've learned from the Dream Home project in Shanghai to showcase all sorts of B.C. products and expertise. So we already have decided that we will be launching additional Dream Home projects in primary markets in China and probably in India that will allow us to start to expand the base of understanding and the connection between the markets, the traditions and the cultures of our countries, and that will strengthen our economy.

There is another natural connection we have. There's a natural connection between the 2010 Olympics in B.C. and the 2008 Olympics in Beijing. There's a natural connection between Expo 2010 in Shanghai and the expo we had in British Columbia. We should build on that. We have a natural connection between the Commonwealth Games we had in Victoria in '94 and the Commonwealth Games that they're going to be having in New Delhi. We should build on that.

We've got lots of natural connections that we should use as we expand our global competitiveness and expand our opportunities for B.C.'s companies and the people that live here, and as we do that, we have to know this: we have aggressively market our place in the world. We have to aggressively market British Columbia to new markets but also to Canada and to the United States, our primary customers.

It's our job to make sure the world knows about what we've done in British Columbia, so we're going to have a very direct marketing campaign. We're going to invest lots of money in it, and we're going to invest those dollars to make sure that our customers there know what we have to offer and that we know what they want. At the end of the day, we have to know what our customers want.

I've told this story before, but I'll tell it again. The best fisherman on the coast comes down to the dock in the morning. A bait boy looks at the fisherman, and he says: "What bait would you like today, sir?" The best fisherman on the coast looks at the bait boy, and

he says: "That's the wrong question, son." The bait boy looks, and he says: "The question is, what bait do the fish want today?"

When we think globally, when we think of expanding our markets, we have one question we have to ask: what do they want? What do they need? What will make them feel that when you work with British Columbia, when you're trading with British Columbia, when you're dealing with British Columbia, you get better value. Those are the questions that we have to ask ourselves.

And as we do that, we have to recognize that the true asset that we have in this province are the people that live here. The multicultural nature of the province, the multilingual talents of the people that live here, the vast understanding that they have of different cultures around the world is a huge economic advantage for us.

I am pleased to say that we are going to establish a UN-affiliated World Trade University in British Columbia. Next week, I'll be in the United Nations talking about that expansion. It offers new programs for people from around the world to come here and to learn about trade, economies and cultures. They'll be doing that right here in British Columbia.

We expect to have a world trade forum that will be coming to British Columbia, providing a chance to different nations coming in our province to talk about what we can do to build stronger economies for them and, in doing that, for us.

In the throne speech in February we announced the establishment of a new One World scholarship fund. The new One World scholarship will take our students and give them opportunities to study in international locations outside of the G8, so they can come back and be part of our culture and part of our understanding as we build a stronger and stronger base, not just to go global but to be global.

We have an opportunity right now for us to open ourselves up and to reach out across the Asia-Pacific and across to the continent of Europe to make sure that people do know what Canada has to offer and what British Columbia has to offer. We're hoping that the world trade forum will be here in 2006, and we think that will create enormous opportunities across the province and for businesses in British Columbia. All of this is part of opening up a decade of exceptional opportunities for British Columbia.

If we're going to be truly successful, we have to take the federal Minister of Transportation at his word and remind Ottawa that there is only one Pacific province. We are Canada's gateway to opportunities in the next quarter-century, and our challenge is to make sure that Canada understands that we are the key partner in a national initiative to stretch across the Pacific. We are the leading and the cutting edge of that national initiative, and it will require true partnership for all of Canada to fully benefit from that.

Yes, the province will invest, but the federal government and the private sector also have to invest in our port infrastructure and our rail infrastructure and our road infrastructure.

When we talk about 100 million people coming from China, they're not going to be able to get here on one plane, and they're not going to get here by flying to Toronto first. We want them landing right in British Columbia. We want them in Vancouver; we want them in Kamloops; we want them in Cranbrook; we want them in Victoria. All we need is for access to be opened up so we can be as good as we can be – and we need to federal government to help us do that.

When it comes to our ports, we know that all of our ports are going to be needed to meet the demands of growing trade between North America and Asia. The port of Vancouver, yes. New container access, yes. New gateway investments and road infrastructure, yes. That's important for the port of Vancouver. It's also important for the port of Prince Rupert. Prince Rupert is the gateway to a northern corridor that will provide not just for our northern resource industries in British Columbia but for the entire western half of our country. And you know what? The entire western half of our country is saying to the national government: open it up, get it going, put the investment into B.C.'s ports, because that's where their future is too.

We're going to open up those ports, we're going to invest in those ports, and we're going to make those ports work, because if we don't, we're going to lose the opportunities. It is as simple as that, and you all know it. If we don't meet the needs of the people that want to come through our ports, there is going to be massive investment south of the border in Seattle, in Long Beach, in Los Angeles and they'll take our customers away. That requires us to act now, not next year, not in five years. This year let's get on with it. Let's build it. If we build it, they're going to come to British Columbia, Canada.

We will surprise ourselves. We will exceed our goals. There's nothing more exciting than exceeding your expectations. There's nothing that gives people more confidence to take the next step and move farther and reach farther than exceeding the expectation that you set to begin with.

So as you think of going globally today, as you leave the conference, I hope you will set your expectations high and that you will put your goals in a place that seems a little beyond your reach. Whether it's to double the amount of traffic that we have going through our ports in British Columbia in the next ten years; whether it's to make sure that we are the healthiest jurisdiction in the world within the next ten years; whether it's to be sure that we are the most literate, the best educated jurisdiction in the world; where we're a place where people from all over the world can come and pursue their dreams and their goals and objectives - if we set those tasks for ourselves and goals for ourselves, we can achieve them. I ask you to join me in doing that.

Let's set great goals, let's reach for those goals, and then let's exceed those goals as we build an even better future for British Columbia, for Canada, and for the world.

Thank you very much.