

Premier Gordon Campbell
Dream Home China Product Announcement
April 17, 2003

Check Against Delivery

It's great to be here with so many British Columbians as we launch this very exciting program for our forest products and for British Columbians to build on the strength of our forest industry around the world.

I'm pleased to be joined today by Consul Lieu of the Consul General's Office in Vancouver; by John Allen, the President of COFI; by Hank Ketchum and by John Winter of the B.C. Chamber of Commerce. As John will tell you – representing businesses in every community of the province – no one in British Columbia doesn't depend on our forest industry.

It is our number one industry – an industry of the past and the future in British Columbia's economy. As we revitalize this industry, it is important for us to recognize its impact: 260,000 British Columbians depend on forestry for their jobs.

We should understand in British Columbia that our forest industry is globally recognized for its sustainable practices, its quality, the work of the people who are involved in it and the product they deliver, on time and on budget, around the globe. Our forest industry is dependent upon a strong, public foundation of support recognition of its contribution to British Columbia.

I'm pleased to be here with a number of colleagues who recognize the impact of forestry and the strengthening of forestry in our future. I'm joined by Rick Thorpe, the Minister of Competition, Science and Enterprise, and by Harry Bloy, Rod Visser, John Nuraney, Dave Hayer, Ken Johnston, Patrick Wong, Rob Nijjar, Richard Lee and Richard Stewart, all of whom are Members of the Legislative Assembly and are committed to strengthening our forest industry.

A little over a year ago, I went to our primary Asian markets – in Japan, China and Hong Kong. As I met with a number of forestry executives in Shanghai, and with the city's mayor, it became clear that there was an opportunity in China we could not miss.

British Columbia sits on Canada's Pacific Rim as the gateway for the Pacific world into the North American economy. There is no port that delivers more from China into the North American economy than Vancouver.

Our forest companies today in British Columbia generate \$14.2 billion in exports every year. That's \$450 worth of exports every second. British Columbia is a world leader – the largest single exporter of softwood lumber in the world.

We should recognize that that is a huge economic asset that we can build on. Our experience, our talent and the productivity of our workforce are things that we should be exporting – and we will.

Through the Forest Innovation Investment Office, we'll be investing \$12 million to promote B.C. forest products and access new market opportunities around the world. There is no bigger market opportunity than China.

Sitting here in British Columbia, sometimes we forget how fortunate we are. We have a very strong community of 350,000 Canadians with Chinese heritage right here, who can build social, economic, trade and educational bridges to China's 1.2 billion people.

B.C. wood products exports to China doubled last year, to \$40 million from \$20 million. Chinese wood imports are growing at 11 per cent a year and are expected to grow to 9 million cubic metres by 2010. British Columbia currently exports 95,000 cubic metres to China, and we're going to build on that.

To do so, we have to provide the consumers and builders in China with the information and technological infrastructure they need to take full advantage of softwood products that come from British Columbia.

In the Chinese market, 25,000 upscale villas are built each year. That's more than the total number of housing starts in B.C. last year. That's a huge opportunity for our wood frame industry.

When we visited Shanghai, we met with a number of people who were looking to buy a home. Home ownership is now encouraged by the government in China. There are 700,000 families that can afford to buy their own single-family home. Last year, housing sales in Shanghai were up 62 per cent. When we started talking about the flexibility of design, the environmental sense of wood construction, and the affordability, it became clear that all of those things meet the needs of the Chinese consumer.

We want people to have information about how we manage our forests and how our forest products can meet needs in their communities. We also want to make the connection between British Columbia's expertise and consumers in China.

We're going to work to do that with the Dream Home China Project. The Dream Home China Project is a \$12-million investment by industry and government over the next three years. Through this partnership, we are going to build B.C.-wood-frame, high-end, single-family villas, duplexes and low-rise apartments in Shanghai.

Those houses will be built by B.C. companies using B.C. lumber, designs and value-added finishing products. The fully landscaped site will be anchored by a presentation centre to be used by B.C. industry to promote their products and expertise.

Dream Home China will give us a chance to raise awareness of B.C. wood products. It will give us a chance to train Chinese builders, designers and architects in building techniques and the use of our softwood. It will give us the opportunity to work with government officials to update building codes that, in some cases, limit wood construction opportunities.

You and I know how important it is in Canada when people think about buying their first home. That same excitement and enthusiasm is being felt throughout the Chinese economy today. It's an enormous market and, though it will take some time, we expect to increase our lumber sales tenfold over the next five years to \$50 million a year – and we'd like to exceed that goal.

Construction of the Dream Home project will start in September, and the project will be open in time for Chinese New Year in February 2004. It's the launch of an exciting new market initiative that will create investment opportunities, job opportunities and trade opportunities for British Columbia's most vital industry, our forest industry.