

Association of Vancouver Island and Coastal Communities

Premier Gordon Campbell

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Check Against Delivery

It's great to be back here because I was thinking, as I was coming up, about the last two or three meetings that I've had with the AVICC and what we've talked about and what we've been trying to accomplish.

I want to tell you that I'm actually pretty pleased with the things that have taken place over the last couple of years on Vancouver Island. I'm very fortunate; I get to come and talk with you and occasionally have some folks tell me what I'm doing right or wrong as I walk into a meeting. But the fact of the matter is it's not about what I do by myself. It's never what you're doing by yourself; it's what we do together.

I've been involved for over 20 years now in public life in one way or another. I started at the municipal level like many of you and like many of my colleagues did. And I know from experience that without a strong team of people with a shared vision who are willing to put their time, their effort and their energy into doing what they hope will be right for British Columbia, you don't make very much progress.

Today I want to take a moment just to introduce my colleagues who are here with you again today because I think they have all done a truly exceptional job: Murray Coell, MLA for Saanich North and the Islands and Minister of Community, Aboriginal and Women's Services; Stan Hagen, the MLA for Comox Valley and the Minister of Children and Family Development; Graham Bruce, the MLA for Cowichan-Ladysmith and the Minister of Labour; Susan Brice, the MLA for Saanich South and the Minister of Human Resources; Ida Chong, the MLA for Oak Bay-Gordon Head and the Minister of Advanced Education; Rod Visser, the MLA for North Island; Judith Reid, the MLA for Parksville-Qualicum; Mike Hunter, the MLA for Nanaimo; Harold Long, the MLA for Powell River-Sunshine Coast; Gillian Trumper, the MLA for Alberni-Qualicum; Brian Kerr, the MLA for Malahat-Juan de Fuca; and Jeff Bray, the MLA for Victoria-Beacon Hill. I know that one of our MLAs, Sheila Orr, is not able to be with us today and Arnie Hamilton can't be with us today. I know all of our hopes are with him as she convalesces from his injury.

You all know this because you're working in government and you work at the local level where everything is immediate and you're right there, but people that run for public office, regardless of their party, are running because they want to make the place they live in better. I want to say thanks to all of you for the contributions you make through your local governments. I want to say thanks to all my MLAs for the contributions they've made to the province of British Columbia. I think they've done a great job.

Over the last four years, we've gone from a time of recovery to a time of discovery across B.C. and especially here on the Island. What we've rediscovered in British Columbia is a sense of optimism, a sense of hope, and a sense of possibility again.

Here on Vancouver Island, while we may face challenges, it is important every once in a while to think about the progress that's been made. Since 2001, there's been 26,000 new jobs created on Vancouver Island. In the last year almost one half of the new jobs created in the province of British Columbia were created right here on Vancouver Island.

I know about three or four years ago, I had a friend in Campbell River who had to sell her house. For most of us our house is our most important asset. It took two years before she could sell her home. She moved with her family down to Victoria. One of the most encouraging things I've heard recently is that homes are selling again – and more importantly homes are building again in Campbell River.

There is economic opportunity in forestry and tourism, in mining. There's potential in terms of building the offshore oil and gas; the potential is there. There are opportunities throughout the north of the island, and Campbell River's feeling it.

B.C. actually had the strongest growth in housing starts in Canada the last year. How does that reflect itself in your communities? Well, it reflects itself in a lot more work for you, a lot more challenges probably at your zoning and your building counters. But the fact of the matter is those housing starts are economic opportunities; those housing starts are jobs in your communities.

Just think of this: housing starts in Nanaimo last year were triple what they were in 2001. They've more than tripled in Courtenay. They're up four times in Campbell River. They're up nine times in Port Alberni since 2001. In fact, there were a billion dollars in building permits that were issued by AVICC municipalities in 2004 - a billion dollars in building permits. That's 70 per cent more than there was in 2001: that's good news. We have to keep that momentum building as we think of the future that we want this province to share, not just on Vancouver Island but across British Columbia.

There's more than 10,000 people that have started to move back to British Columbia in the last two years. After a time when people were leaving the province because they didn't have jobs, because they didn't have opportunities, we have literally thousands of people coming back to British Columbia, and they're coming to your communities. I know that creates challenges, but it also creates opportunities, because the reason they're coming to your communities on Vancouver Island is that you live in a great part of the world. You have a great quality of life here.

As the economy comes back, you start to create the foundations for a quality of life that builds into the future. You create a sense of security and confidence in the people that you serve. Mike de Jong was telling me he was visiting in Campbell River and he was at the TimberWest mill. He talked to one of the workers there who had left for Saskatchewan a few years ago but has now moved back. He came back because he found

out in the last year that the forest industry started to hum again in this province, particularly on the coast.

We are carrying out some very substantial reforms in the forest industry. Those reforms affect families; they affect communities. But as we've made those reforms, what we've done is we've created opportunities. The forest industry itself tells us that there are actually almost 10,000 new jobs in forestry in British Columbia on the coast in the last year. A lot of those jobs are in your communities, and they're important for your communities. And it's important for those jobs to be ongoing.

We knew when we went through that transition that there would be some difficult changes to make. So we started it by providing for a \$75-million trust fund for workers and contractors in communities to make sure that they could get through this transition period. We were told that that wasn't going to be enough, so in February we announced that we were adding \$50 million to that fund to make sure that families in forest communities up and down the coast had an opportunity to build the kind of future that they wanted.

You know, with the budget of 2005, we were able to pay down the largest amount in public debt in the history of the province: \$1.7 billion paid down. I know there's a lot of people that think it doesn't matter; we can just keep on building up debt, and we'll do that next year and the year after that. But let me tell you what paying down \$1.7 billion means. It means that every year as we look into the future, we're not having to pay interests costs of \$125 million.

What could that \$125 million go to? Well, I'll give you an example. We announced this year that we would be expanding the number of police officers we have in the province by 215. Many of your communities are going to benefit from that. Every single one of those police officers can be funded as part of that \$125 million, and you can count on them being there.

We announced in December that we were going to provide an additional assistance for people with disabilities on income assistance, the largest monthly increase that we've ever had in the province. That can be paid for by the \$125 million.

The reasons we're concerned about a sensible financial plan is because the first dollar always goes to interest payments. As you know, if you run a balanced budget and you have your finances in control, then you have the ability to provide services for people. That's what we've been trying to do, and that's what we're starting to benefit from in British Columbia.

So as a result of taking the disciplines that you apply every single year in local government and giving them to the provincial government, for the first time in 15 years we had a credit rating upgrade for the province of British Columbia from three separate credit-rating agencies. That means lower interest costs in the long term, too. That's good news for British Columbia.

So how do we make that flow through our economy? How do we make you as taxpayers and you as communities actually benefit from that? What we've done as we've executed our plan is we've been able to generate additional opportunities, not just to create a more competitive tax regime but to reduce regulatory burdens and open up opportunities for new services.

So right now in British Columbia if you're a middle-income or a low-income British Columbian, you pay the lowest level of personal income tax of any jurisdiction in Canada. That's one of the reasons why our small business community in this province is the most optimistic in the country. The Canadian Federation of Independent Businesses just released their latest update on their index of small business optimism. And it showed B.C. businesses are ten points ahead of the national average. Sixty-eight per cent of small businesses in British Columbia think they're going to add jobs in the next year. The CFIB said that's the highest that they've ever recorded. That's jobs, that's people, that's families, that's support for communities, and that's important for British Columbia.

We want to keep building on that momentum as we go ahead. To do that, we have to have some idea of where we want to go. That's why as a government we identified, what we call, five great goals for the decade that's ahead of us. First, we want to be the best-educated and most-literate jurisdiction on the continent. We want to be the healthiest, most fit jurisdiction ever to host an Olympic Games. We want to provide the best level of support for people in need, of any place in the country. We want to be recognized in the world for our sustainable management of the environment and the economy, and we want to have the best per capita job creation of any place in Canada.

We set such high goals on purpose because I'll tell you one thing I've really learned in the last four years: when British Columbians work together, when they focus their energy and resources on accomplishing a goal, no matter how high it seems to be at the time, we will almost always exceed our expectations. When you do that on Vancouver Island, you will almost always exceed your expectations. You have the resources; you have the people; you have the strength; you have the creativity; you have the imagination. There is no reason why we can't achieve those goals.

One of the things we tried to help make that happen is to take a number of initiatives and make it so you in local government can actually drive some of the agenda. Last year when I was here, I announced the \$2 million that we provided to the UBCM so that local government could start thinking and studying and reviewing how we're going to deal with an aging population and the aging services that people might need. The UBCM is doing that, not us; we're saying to the UBCM: it's up to you.

We told you all that you know your communities better than we do, and we provided \$1.5 million for Picture B.C. so you can think of the images that you want to share with the world in each of your communities. Whether you live in Zeballos or Port Alice, whether you live in Victoria, whether you live in Sooke, you decide what you want to show off to the world. As you do that, we will actually encourage more people from the world to come and visit, to enjoy the place that you are living in.

We said we wanted to try and form some new partnerships, so last fall we did a couple of other things. Last fall we delivered on our commitment to return a hundred per cent of your traffic fines to your communities. We actually said 75, but we delivered on a hundred. We delivered on that because we know that at the end of the day you're best able to decide what are the good crime prevention programs and policing programs that will work in your communities. We complemented that with the 215 officers I was just mentioning to you before. Again, we're trying to create a new kind of partnership that allows us to deliver services to people in a way that's cost effective and works in the place that they live - your communities.

We said last fall: let's try and get together and end up with a cohesive, thoughtful and locally focused tourism strategy. To do that, we provided \$25 million to UBCM for local governments to decide how they want to generate tourism opportunities and tourism products. We've also given \$2 million to each regional tourism authority across the province. So on Vancouver Island there's \$2 million specifically for you to generate opportunities in tourism. We've also doubled the tourism budget for Tourism B.C. on top of the \$25 million for local governments and the \$2 million for each region, because right now we are about to enter into an exceptional time for tourism.

Let me talk to you about two more partnerships that we are going to work on. One of our great goals is to make sure that we have the fittest, healthiest jurisdiction on the continent. We want to make sure that we are the healthiest jurisdiction every to host the Olympics.

So I have to ask you some personal questions now. How many of you had vegetables and fruit when you had lunch? What we're trying to do is get British Columbians to think of two numbers: 30 and five. Thirty minutes of physical activity a day and five servings of fruits and vegetables. Thirty minutes of exercise can be a walk around a few blocks. But 30 minutes of exercise makes a difference, and we know that it has a huge impact on the long term health costs that we've got. There is a huge amount of cancers, heart disease, and other diseases that we actually can prevent if we take personal responsibility in how we live and what we do. So we're trying to promote that.

The UBCM has said they're ready to help us. So I can tell you today that we will be providing \$5 million to the UBCM and their healthy community strategy to make sure that we are reinforcing what's taking place at the provincial level at the local level, and with agencies across the province. I know you'll use that \$5 million well.

As we build these partnerships, we're looking at partnerships as well in economic development. I don't know why I'm talking about Campbell River so much today. Maybe it's because I'm going to talk about this: we've been told by community after community up and down the coast that they're ready to come forward and to try to meet the cruise ship opportunities that exist along the coast of British Columbia. Campbell River has done what we've all sought to do. They've had a vision; they've made a financial commitment. They're working with Campbell River first nation. They've brought together their resources.

The province and the federal government provided \$500,000 to support some of the planning. The first nation is willing to provide land. The community is willing to provide resources. And I'm pleased to tell you today that the provincial government will be providing \$3.75 million, bringing our total contribution to \$4 million, because we can get that terminal underway and we can have it open by 2006. When we open it, it will generate \$2 million in extra economic activity. It's not just Campbell River that will benefit, though. It will generate benefits for the entire region.

As I arrived today in the Comox airport, I saw the new air terminal there. There was a contribution from the province for that. It was driven by the community; the province contributed. The whole island, the whole North Island is benefiting from that airport. They also benefit from the Campbell River airport. They benefit from Victoria's airport. We have to start thinking in big terms as we look to the future and as we try and take full advantage of the opportunities that are in front of us, and that's what the AVICC can do.

Whether it's building a tourism infrastructure or whether it's trying to make sure that we have a forest industry that looks long term and takes full advantage of the opportunities that are there for us, we know that when we work together we accomplish far more.

I think that one of the challenges that governments always have is we tend to fragment ourselves off. We fragment ourselves off into communities or into regions. We have to find a way that we bring people together, that we find common purpose and common initiatives. We actually tried one of those projects like that up in the north, and it's working very well. It's called the northern development initiative.

So coming out of the Island Summit organized by the MLAs in November, we started thinking to ourselves: how can we do the same kind of thing for Vancouver Island? How could we try and take away some of the friction takes place when you go into your communities and come up with great ideas and then need to come to Province or the federal government for assistance to make it happen? What if we created a new kind of umbrella initiative that would help you generate new opportunities for Vancouver Island in forestry or mining, opportunities in transportation, opportunities in tourism development, opportunities in technology?

So we talked about that with our caucus. What we decided was that when you come up with a good idea and it seems to work, there's nothing wrong with using it again. So we came up with a good idea in the northern development initiative and it seems to work. In the north they are very encouraged by what's taking place there as they look at their future. We decided that it is important that we try and provide you with the same opportunities.

So I can tell you today at the AVICC that the provincial government this fall will be passing legislation which will establish the North Island-Coast development initiative. We're going to have two regional advisory committees that we will plug into this. Each of the regional advisory committees will include regional district representatives and mayors of communities with a population of 500 or more. And there'll be one advisory committee

from the North Island-Sunshine Coast and one advisory committee from the Central and South Island, not including the Capital Regional District. From those committees, they'll select reps to sit on an advisory board that will oversee North Island-Coast Trust Board. The North Island-Coast Trust Board will include four representatives from each of the advisory committees and five provincial appointments. That's the end of the provincial involvement.

Now, that sounds nice, and I'm sure you're all fascinated to hear how we're going to do that, but I think what you might actually be more interested in is that we will be providing \$50 million to the North Island-Coast development initiative trust so you, not the province and not the feds, can decide how you can best invest those dollars.

You have shown that you're not just capable but you're anxious to do that. I've heard all sorts of plans from you. I've heard the plans from the communities up and down the E&N Railway about what we could do and how we could do it. Maybe you could use some of the \$50 million for that.

Think of the potential derived from being Canada's only Pacific province. Twenty-four per cent of our exports go to the Asia Pacific. Does anyone in the room have any idea how much of the trade from Ontario goes to the Asia Pacific? It's 2.4 per cent. We are Canada's Asia Pacific. We are in the front door of that opportunity. We have not just the economic capacity to deal with that, not just the resources to deal with that; we have the people to deal with that.

Canada has now been given approved destination status by China. It's anticipated there will be 100 million tourists from China by 2020 - 100 million. Now, if you're in China and you feel like going on a tour, where do you want to go? Don't you want to go to the best place on earth; don't you want to go to British Columbia? Don't we want to ask them to British Columbia? There is a huge area of opportunity there. You probably can think of what you want to do with \$50 million that will help you take full advantage of that.

Maybe you want to use it in forestry. Maybe you want to do some things that are innovative and create product development opportunities in your communities up and down the island. You decide. The critical part of the North Island-Coast development initiative is this: it's your dollars, it's your decision, and you are going to be the ones that drive the energy that will make this economy sing on Vancouver Island.

As you look out over the decade ahead and as you spend time today, I ask you to think of these words that Bill Gates once said: "Things change a lot less than we expect in two years, but they change a lot more than we expect in ten." So for a couple of days, raise your sights up. Think of what you would like to be able to say about Vancouver Island in ten years. What would you like it to feel like? What would you like young people here to feel like their opportunities were? How would you like the seniors who are here to feel? How would you like to create the economic opportunities? Whether it's in mining, whether it's in the potential offshore oil and gas, whether it's in forestry, whether it's in

tourism, whether it's in technology, whether it's building on the educational infrastructure we're building across the island - how would you like it to be?

You imagine it, you dream it, and you help put in place a plan because you are the leaders. You are the ones that commit your time, your effort and your energy every single day to your communities. And you know this: the quality of life and the quality of opportunities in your communities is going up. Vancouver Island is benefiting. If Vancouver Island's opportunities and quality of life are going up, British Columbia is benefiting.

So I ask you over the next couple of days to dream a little; think out over the next ten years because I do know this: we do live in the best place on earth, and you can make it even better.

Thank you very much.