

Premier Gordon Campbell
Independent Contractors and Businesses Association of B.C.
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Check Against Delivery

The great thing about the ICBA is that you come to us with both problems and solutions. Your executive has always been willing and open to meet with us in a constructive and thoughtful way. You think about the province as a whole, and I want to start today by saying thanks for your persistence.

We have a diverse province. It's important for us to recognize that as we try and grapple with the varied opportunities across B.C.

It's also important to note the shared challenges we face as a province. The best way we can confront them is to elect people who are willing to commit to a plan and work on it, to admit when they make mistakes and to find better ways to move forward. That's how we're going to achieve progress in this province.

Your members help us toward that goal, by working with us as we try to solve some of our challenges.

Joel Nauss is part of our Provincial Health Services Authority. Kurt Krampfl is on BCIT's board of governors. Don Goedbloed is a member of the Homeowner Protection Office. Gord Stewart is a director of the new Industry Training Authority Board.

That board is another example of where your organization came and said to us: what do we need? We need to have an industry training program that meets the needs of people who need to be trained. We've got to think about how we meet their needs in a timely and responsive way.

The last thing you want is for the government to decide how to train, when to train, where to train, who to train, and whether or not we think they're trained or not. We have to set standards, we have to agree on those standards and then we have to let you as an industry make sure that we involve the people that are critical to our economic well-being.

We need lots of trained, skilled workers – not just because of the incredible opportunities in construction in this province over the next number of years, but because our workforce is aging. It's changing dramatically. We want to ensure the young people in our workforce see construction, the telecommunications industry and the energy industry as opportunities for them to build the quality of life they deserve.

As we look to the future, the changes taking place in British Columbia are pretty significant. We have opened our economy up for investment. We are watching as more jobs are created in technology and health-care. Even in some of resource industries, we're seeing substantial increases in investment.

I want to share with you some of the challenges we face. When I announced that we were going to invest \$611 million in school construction and renovation and seismic upgrading, it was on page B11 of the Vancouver Sun.

Far, far more interesting to the people of the province was the fact that I was selling my house. That was on page A1. If I was getting \$611 million for selling my house, I could see why it might be on page A1. The fact is, we are doing a lot of things, and it's important for all of us to get that message out.

Six hundred and eleven million dollars is a lot of money to spend over the next few years. It is going to go to upgrading schools – one of our critical infrastructure needs.

I talked to you last year about public-private partnerships. We have some very exciting plans. Partnerships B.C. has got seven or eight specific plans in different stages of development now.

One is a \$300-million hospital complex in Abbotsford in the Fraser Valley. It's a hospital and cancer clinic, and it will be the most technologically advanced health-care institution we have. It's going to be built by the private sector, and I think we're going to get exceptional value for it.

We're also building a \$120-million academic ambulatory care centre under a public-private partnership at 12th and Oak in Vancouver.

The discipline involved in these projects represents a major change from the past. When you look at various infrastructure projects government has done, they lacked disciplined thinking about what they were going to build, by when, how to pay for it and how to operate it.

A public-private partnership requires you to be prepared, because it's about generating private investment. It's about creating opportunities. It's about shifting public risk into the private sector. It's about building on the creativity and innovation of the private sector and delivering services.

This is especially true when you look at the RAV line from Vancouver to Richmond. It's an exceptionally complicated public-private partnership.

It includes the province. It includes the regional transportation authority, TransLink. It includes the Vancouver Airport Authority. It includes the federal government. And it includes the private sector. It could be a \$1.5 to \$1.7 billion project. But we won't get the private sector on board unless they have the information they need.

In the past, that was easy to do in government. I know that last year I talked to you about the Vancouver General Hospital tower. It stood as a shell for almost 10 years, because no

one ever said: gee, if we make this announcement, maybe we should actually put patients in a hospital.

You can't be that unprofessional or thoughtless if you're trying to move into a public-private partnership.

So when we look at the Abbotsford hospital, I can tell you: we're going to build it. We're going to build it on time. We're going to build it on budget. We're going to use the talent of the private sector to do it.

When we look at the RAV line, we will only start it if we know that we can finish it by fall 2009. We're going to put the risk for delivering it on time on the private sector.

Actually, the project team is going to provide incentives for delivering that service even better. There'll be penalties if they don't succeed and incentives if they do.

If it moves ahead, it will be exemplary – in terms of delivery, in terms of service and in terms of quality.

That's the new frontier in British Columbia. We are moving in new directions to try and create cost-effective infrastructure projects that work.

In the past, it wasn't too unusual to have a politician come and say to you: by the way, we're going to invest \$3 billion in the next year and a half on roads.

Then, three or four months later, there'd be an election, and once they got elected, they came and said: gee, our books are way worse than we thought. We're not going to do that anymore.

You can't do that repeatedly and expect to have the quality workers, bids and tendering you need to get the best value for taxpayers.

So one of our goals, as the guarantor of the Olympic facilities and the infrastructure that's required, is to plan that infrastructure out between now and 2010. We actually think that if we're smart about this, we'll create facilities and venues now, early, that allow us to train our athletes. Even international athletes can come and train in those facilities.

And young people who get involved in building in 2004 or 2005 will be experienced workers on sites in 2008 and 2009. We're building not only physical infrastructure, but also the human infrastructure that will support the Olympics.

The development of our industry training and apprenticeship program is critical to this.

You are already involved in a number of pilot projects to try and ensure we're developing the human-resource software we need to make sure people have the connections they

need. We're looking at Web-based training for industry. All of these things are part of thinking in a new way about delivering services people need.

There's no sense in government trying to force people into a particular area of activity. Some people love doing what you do. Some don't.

That's okay. But let's make sure we connect those who do love doing what you do with the activities that are available, so they can build the quality of life they want.

I think we can do that if we keep working together and if we keep the communication open between those who build and those who want building done.

We see a booming construction market – not just in institutional and public infrastructure, but also in residential infrastructure: we've seen that; we've felt that. We've watched as home sales have gone way up.

And we recognize that your industry has led British Columbia in its recovery.

We were elected a little over two years ago. Our economy had not been doing well.

In the last two years, we have created over 100,000 jobs in this province, with the second-largest employment increase in Canada. We are moving ahead; we are making progress.

This year, for the first time in three years, the number of small businesses created in British Columbia has gone up. That's another important indicator for us.

But this won't continue if we don't continue to focus on providing an environment for economic growth, investment and job creation. It won't continue if we don't reinforce our efforts to date.

Let me ask a question: how many people in this room would really like to see the corporate capital tax reinstated?

How many people in this room would like to give me your income tax cut back?

It's important to think of this: if taxes can be reduced, they can be increased.

Our opposition wants to increase your taxes. Our opposition introduced the corporate capital tax, and the last thing you want, I would suggest — and it's, frankly, the last thing I want — is for our opposition to get back into government.

We need to create an international sense that we're going to get to 2010 by continuing to encourage private-sector economic activity, as we have over the last two years. It's critical to us right now, because opportunities are opening up.

Let me give you a couple of examples. We worked with the energy industry, and we said to them: tell us what we need to do to encourage you to come and take advantage of British Columbia's vast energy storehouse.

Our energy storehouse really is exceptional. I've just come back from the United States. Every single meeting I had — in California, in Texas, in New York, in Washington — the first thing they talked about was energy.

Americans have a pretty simple choice to make. They can decide whether the cornerstone of their energy security, in the future, is going to be Saudi Arabia or Canada. I expect them to pick Canada.

We asked the energy industry what they needed to grow. They said: first of all, you have to change your royalty regime, so deep wells are treated differently from shallow wells, and low-productivity wells are treated differently from normal wells.

We did that in May, and in September we had the largest single sale of petroleum and natural gas rights in the history of the province — in fact, in the history of the country — worth \$418 million.

The president of EnCana phoned me up, and he said, “The changes you made in royalties allowed us to do this.”

Our theory was simply this: it's better to get part of something, than all of nothing. And we did: \$418 million, which will probably generate \$4 billion to \$6 billion of exploration activity, of drilling activity, of economic activity in British Columbia. That's just in one part of the province.

There's an enormous reserve basin, called the Nechako basin, just southwest of Prince George. There's another major basin, the Bowser basin, in the northwest.

B.C. has an estimated 42 trillion cubic metres of natural gas offshore.

We have enormous reserves of coal.

We have incredible opportunities in alternative energy – run of the river activities, independent power producers. We've just awarded \$800 million in alternative energy projects, touching every single part of the province.

Whether I was talking to the Secretary of Commerce or the Vice-President, whether I was talking to the oil and energy industry in Houston or the technology industry in California, they're interested in our energy.

You take our energy; combine it with our forest industry; add our tourism industry, which is going to take off over the next five years as we move towards the Olympics; you look

at what's taking place in our construction industry. I, for one, am very excited about the economic future of this province.

It's been a tough year. I'm not going to look back at it and say, "Boy, I hope we have one of those again." When we started this year, we'd never heard of SARS. We'd never heard of BSE.

We've had the worst forest-fire season in the history of the province. We've watched as we've been hit with drought, and then floods. We've been hit with the rising Canadian dollar. We've watched the collapse of the tourism market.

All of these things have buffeted our economy. But, working together, we can recover.

The people of this province are ready to move forward. They're ready to invest. They're ready to work hard. They're ready to use their ingenuity. They're ready to use their imagination.

Tonight, I want to close by asking you to remain committed to the Olympic spirit. Stay involved and keep driving us forward; keep telling us what we can do to improve the economy for people in your communities.

I need you to do that. Our MLAs need you to do that.

Let's set the sights high. Let's strive for the best that we can be. Let's recognize that we can do it together – whether it's winning an international competition like an Olympics or dealing with the incredible forces of Mother Nature.

We have a great province. Working together, we'll make it even better.