

Premier Gordon Campbell
Speech to B.C. Business Council Summit on Skills Shortage
May 17, 2004

Check Against Delivery

I want to start by saying thanks to the Business Council for organizing this event to address an issue that's very important to our province and the people that live here.

We were elected three years ago with a pretty clear mandate from British Columbians to build a new economy in British Columbia, to bring people back home and bring young people back to our province.

The issue for us is how do we make sure we're meeting the needs of individual British Columbians? How do we make sure we're providing enough of the tools and skills and the technologies that they need so they can achieve their objectives?

In 1998 I recall sitting in my office and I had a call from one of my friends who was working in the construction industry. It wasn't that she couldn't find work. It was that she couldn't find workers. The workers were leaving the province for two reasons: first, they felt that their taxes were too high and they could get better results for their skills in Alberta and in Washington. And second, they didn't feel they were getting enough in return for their taxes – there wasn't much happening in the province and the economy that made them feel confident about their future and how their taxes were being spent.

Well, I'm pleased to say that today we have people coming back to British Columbia.

The other day, that same friend of mine said that she was very pleased because, in fact, she had always wanted her kids to come home and now they are back home in B.C. They've both got families here, they're raising their families here, and she has grandkids here.

I was in Campbell River the other day, and one of the forest companies I met with said: "Well, with these new policies you guys put in place, we've got a whole new set of problems." I said: "Well, what are they?" He said: "We're having difficulty getting people that will fill the jobs that we have." That's a big shift from what we had before. They found that they're already having difficulty staffing up, for people that are in the contracting business. They're looking for people who can fill the jobs that are there. Right now, they're falling short.

As we start to build a new process in British Columbia, I do think it's important for us to recognize what we face in terms of a skills shortage. It's estimated that we'll have about a million new jobs created between now and 2015 - a million new jobs. Seventy thousand annually are created, and only about half of them are filled.

Prior to the last election, communities came forward prior and said they were having a challenge in creating economic competitiveness. Now they're coming forward with a common theme: we have to find a way to meet the challenges of prosperity by developing skills for the people who live here. We have to find a way that responds that's not institutional, that's not saying you fit into our boxes and you fit into what's convenient for us. We have to say to ourselves: what can we do that works for you as a citizen, as an individual? What can we do that responds to your needs and your interests and your passion?

The new prosperity is generating an awful lot of opportunity out there. It's generating opportunities in private sector industry. It's generating opportunities in the public sector as well. In construction alone we're expecting over \$13 billion of economic activity between now and 2010.

We don't just have the fastest growing housing sector in the country. We don't just have a thriving housing market in which every house we build creates probably between three and four jobs in the economy. We don't just have that. We've got major public sector investments that are taking place. We have major transportation investments that are taking place.

The mining sector in British Columbia has seen exploration double we took office three years ago, and it's forecast to double again this year. Do you know what the mining industry is saying to us right now? They're saying they are being held up by lack of skills – they can't find the people we need to go out and to explore.

Of course, the oil and gas industry has enormous potential. Let me tell you what's happening. This quote is from a drilling rig operator talking about how badly they need workers in the Northeast: "We'll train people on site. We'll feed them. We'll house them. And if they work hard and don't mind getting dirty, they can make \$80,000 in ten months." There is a real people shortage in the northeast of our province as they start to build a year-round oil and gas industry.

We really face three challenges at the heart of the skills shortage: prosperity and the changes it brings, population and they changes it brings; and perception.

We've talked about prosperity and how it means we have too many jobs today. Let's talk about population for a minute. Look at the person across the table from you. Have a look. Don't be afraid. Have a quick look. I know it's early, but have a look. Now that you've had a look, tell me whether they're looking younger this year than they did last year. We're not getting any younger.

I'm at the front end of the baby boom. Remember in the old days when they used to tell us we were all going to retire comfortably when we were 55. Well, turns out for me it may be a little later, but people are starting to retire, and we're going to have trouble filling those spaces, let alone filling the spaces that will come on top of that because of economic growth.

There's a whole series of things we have to be aware of as we look at the aging of society. First of all, today's seniors are a more active population. Secondly, think of what it says about what government needs to do to meet their needs.

I was in Creston a couple weeks ago. I met with lots of volunteers who were working very hard on one of their priorities in Creston. They were looking at building a library. They wanted some support from the provincial government to do that. I was really pleased because we were able to find the resources that could help them move their library and expand it to meet the needs of the volunteers and the community.

Then I visited a bakery over there, and met a couple of older ladies who said to me: "We've got something to talk to you about." I said: "I know, and the library's going to be okay; we're going to get it done." And they said: "No, we know all about that and that's great. But what we want is a new aquatic centre."

Twenty years ago they would have said, "We want a new aquatic centre; our kids need it." But these women said to me: "We want a new aquatic centre; our seniors need it."

That's the kind of change that's taking place throughout the province. As people get older, we're looking at how we can care for them and meet their needs. And that's going to have a significant impact on our workforce as well.

We also have to think about another challenge and that is: how people perceive our skills development? How many of you want your kids to go to university to get a degree? Most parents want their kids to be able to go university to get their degree. What we all know is true is that everyone doesn't have to go to university. Twenty-nine per cent of the jobs over the next ten years will require a traditional university degree. But 44% will require some other form of skills development and training.

One of the things that we're trying to do is we're trying to create new mechanisms to make sure that if a young person decides that he or she wants to go into plumbing they can actually get a credential that meets their needs. One of the things that we've decided to do is add 25,000 new advanced education student spaces in the province over the next six years. That's the largest expansion of post-secondary spaces that we've had in 40 years. It is required to meet the needs of a growing province that's creating growing opportunities.

So, for example, at BCIT we've just added 1,145 new spaces. And BCIT will take those spaces and tailor those spaces to meet the needs of their students. We also just announced that we will be building a new technology centre at the Kwantlen University in Cloverdale, and we're adding 1,800 spaces at Kwantlen campuses. And we've just announced 250 new spaces for Northern Lights Community College in the north.

Governments can create programs and create responses, but if we don't have strong partnerships between people, our private sector and the public sector, we probably will

not maximize the benefits or create the training facilities that we need to make sure that we do fill all the requirements over the next ten or 15 years.

For example, Duke Energy is investing \$2 million to provide skills training for high school kids in the northeast - \$2 million. It's working in the Peace River North and Peace River South school boards and it's working with Northern Lights College.

On Friday I announced a new million-dollar partnership between the oil and gas industry and northeast schools in the province to train workers for oil and gas jobs. As part of it, oil and gas topics will be introduced in the K-to-12 curriculum. They'll be told about the opportunities available to them in the Northeast.

The reason we've been able to do that is because the industry came to us and said: we want to be part of education. They came to us and said we have to start focusing on skills development; we have to start focusing on human resource development. So the industry said: we understand that people are the most valuable asset we have, and we're willing to provide the resources to make sure that the people can develop in the way that they want.

So a year ago Encana offered \$3 million to devise industry-specific training programs. This new partnership I just spoke about is the first to take advantage of that funding. We need to find more of those opportunities. We need to find more ways to ensure an open flow of information, an open flow of skills development between the private sector and government and the people when they want to be help build careers. We have to be able to connect that in a way that meets their individual needs.

Our old apprenticeship program did not do that. There were 16,000 people who were in apprenticeship programs, and half of them dropped out.

We're hoping that we can generate better results if we work with industries and with people who are directly involved. We will increase the number of apprenticeship opportunities by 30 per cent across the province and we'll be able to retain them, because it's a flexible method of making sure that people develop their skills in ways that work for them and for their employers.

And let me just give you some examples of successful projects. The Home Builders' Association has a framing technician program. They're partnering with the University College of the Fraser Valley in Abbotsford and Vancouver school districts. Thirty high school students are now enrolled, and we're expecting up to 60 First Nations students to be added, in partnership with the Squamish, Lill'wat and the Musqueam First Nations. And as that program fills, we expect to expand it across the province, adding about 300 participants in that framing program. That's because of the leadership of the Home Builders' Association and because of the responsibility of the education institutions involved.

Nabors Production Services is another oil and gas firm. Nabors view was that they needed to make sure that we had workers that could provide services to the oil and gas

industry. So they completed a successful pilot at Northern Lights College to train young people in the oil industry. They donated an oilrig. It was set up on campus as a teaching tool.

Local restaurants in the northwest and Prince Rupert's Northwest Community College are now providing a two-year culinary arts program. Prince Rupert is growing and expanding its community again. Their cruise ship activities in that community have increased ten-fold this year over last year.

The aboriginal employment program is another important example. One of the things that we as a province are starting to recognize is that we have failed aboriginal young people in the province for a long, long time. But we're hoping in the next year to meet in the communities and work with aboriginal leaders to build the skills that they need, to participate in the economic future of the province.

We are investing about a million dollars, right now, in aboriginal education partnership so we can focus the resources we have on skills in sectors where employers have identified a need and an opportunity. We've also had seven employers who've signed on to this program: Duke Energy, Vancouver Police Department, RBC Royal Bank, London Drugs, Vancouver Island Health Authority, Royal Roads University, and the City of Dawson Creek.

Over the next couple of days you are going to talk about the provincial nominee program. The provincial nominee program has helped 240 workers become landed immigrants in B.C., today. It's a very valuable tool. It's one that John Winter, who's the chair for the B.C. Chamber of Commerce, tells us is not used to its full potential.

I think we can see why. One of the challenges that we face, right now, is that large companies use it, but smaller companies have a lot of difficulty in taking the time and the effort to participate in the nominee program. So one of the things you might think of doing is taking industry associations and partnerships to work together and create some pool from the nominee program. As associations work to develop that pool, you could create kind of a go-to centre for people who want to come, so that they know where to go to make sure that they get those trained workers that they want.

I think we have to look at those opportunities, and we have to examine whether we're able to do them. If there are institutional barriers to doing them, we should think about changing the institutional barriers, knocking them down, opening it up so that people have the opportunity to ensure we have enough skilled workers in the workforce helping us build the kind of economy and the future we want in the province.

Now, tomorrow I know that the Business Council will be releasing a report: Raising the Bar - Advancing Workforce Literacy in B.C. I do want to take one moment to talk about this. For some time I think we as a society have not recognized the challenge that literacy presents. For those of us who can read, it's easy to underestimate the challenge. You can go through that notebook and you can read that stuff, and you take it for granted that you

can read it. We still live in a society where it's very difficult for someone to say: "You know, I'm having difficulty getting it done."

I just visited Port Alice on the west coast of Vancouver Island. While I was there, the mill manager told me about one of the workers. He worked for that mill for over 30 years, and they may have to change some of the technology that they use at the mill for it to be able to adapt. They've already made some changes. And this worker who's been there for 30 years - he's dependable, and he's always been hard working. But he is not very literate. When they installed a new piece of equipment, to try and keep that mill running and try and keep it competitive, what they found was that worker couldn't keep up. He couldn't read the instruction manual. He couldn't understand what the changes were. Now, they're working very hard to try and make sure that that worker can stay with them.

I used to be mayor of Vancouver, and I got to know the person who cleaned up the office. His name was Oscar. Oscar was great and he did a great job. He came from Central America and he was having difficulty with literacy. We had a program in the city where we got together with the union and we brought city management and we developed a literacy program.

I was fortunate enough to be there for the first graduation, and to my surprise, there was Oscar in the first graduation ceremony. Oscar came up to me and said: "This literacy program is so much more. I am now more comfortable reading and writing. I'm there for my family. I can do more with kids. I feel more confident about my future. "

So I encourage you to look at literacy because, we're putting a new program in place over the next couple of months called Literacy Now. Literacy Now is about recognizing that we have to create open, easily accessible programs, not stigmatized programs, that allow people to try to grasp the gifts of literacy because without that primary skills foundation, we can't move to the next level of skills development.

So as you go through your exercises in the next couple of days, I hope you'll think about telling us what we need to do. I believe that the most important natural resource that we have in the province is not the mountains, and it's not the forests - it's the people. And we have to recognize for those people to be able to pursue their dreams and to accomplish their goals, we have to find ways to give them the skills that they need, to give them the opportunities that they want so they can create the future for their families.

I know that by taking the time in your lives today and tomorrow and by working with your workforce, day in and day out, and week in and week out, you are making a substantial difference. Sometimes we may fall short, but we will do our best to respond to your ideas and follow the agenda for action that you are developing. The leadership that you show by being here helps us to create a better province, and, most importantly, it helps create better lives for the citizens who live here.

On behalf of all British Columbians, let me say thank you to each of you for your contribution. Let me say thank you to each of you for making the quality of life of British Columbians a whole lot better. I appreciate it. Thank you.