



B.C. Road Builders and Heavy Construction Association

Premier Gordon Campbell December 1, 2005

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I want to start by introducing some of my colleagues. The election was in May and Jack Davidson was on the phone all the time saying: "Oh, you have to make sure Kevin is still the minister. We really, really like Kevin." I'd like to introduce your Minister of Transportation, Kevin Falcon.

Next, the Minister of Agriculture and Lands, Pat Bell from Prince George North; Minister of Education Shirley Bond from Prince George-Mount Robson; the parliamentary secretary for the Asia-Pacific initiative and the MLA for Burnaby North, Richard Lee; the Minister of Economic Development and the man responsible for the Asia Pacific Initiative and the Olympics, Colin Hansen.

A number of other MLAs are in the middle of Treasury Board meetings, so they couldn't make it. But I can tell you that every one of our MLAs knows what an incredible job the Road Builders did for us as we went through the election period last May.

I came and talked to you last December about some of the challenges that we face. You all worked across the province in constituency after constituency and believe me, without your help we wouldn't have been as successful as we were in forming the government. Thanks to all of you.

What I really want everyone to understand is that we always have to be persistent in the pursuit of the goals that we set for ourselves in terms of our public policy initiatives and our public agendas. There is no time to rest on this, because there's no time that the opposition will rest on this.

The people who are taking advantage of the economy that we have created together often take it for granted. They forget where we were. The first time I had a chance to talk with the Road Builders about where we were in British Columbia I was talking to you about a \$4.4-billion structural deficit. I was talking to you about a province that people thought was going in the wrong direction. I was talking to you about some initiatives that we were going to have to undertake to make sure that we put British Columbia on a solid foundation.

Again, because of your work, because of your commitment, today I stand before you, just four meetings later, in a province with a \$2-billion surplus. We've gone from the worst economy in the country, from what we call the B.C. Discount, to a position today where there is no province in Canada that has created more jobs for the people they serve than British Columbia - 250,000 since 2001.

Today we have the lowest level of unemployment we've had in 30 years. What's important is this new employment, these new job opportunities are taking place in every single region of the province, and that's really incredible. We've created two times as many jobs as the national average.

Why is that? It's because we've recognized the importance of a private sector economy; we've recognized the importance of private sector investment; we've recognized the importance of free enterprise and entrepreneurship and creativity and energy and commitment and drive and risk-taking. That's why British Columbia is a province that everyone is looking to in Canada today, to build a better future for all of us.

As I said before, we cannot rest; we can't sit back; we can't get comfortable. There are lots of challenges to be faced. There are lots of opportunities that are presenting themselves to us in British Columbia today. Those opportunities span the gamut of human activity. But we have to remember that to actually take full advantage of those opportunities we have to create a framework that allows the economy to thrive.

We've set five great goals for ourselves in this government. We want to be the best-educated and most literate jurisdiction in North America. We want to be the healthiest place that's ever hosted an Olympic Games. We want to be able to provide the best level of support that children and seniors and people in need and people with disabilities can get anywhere in Canada. We want to create an economy that deals with the balance between economic activity and environmental stewardship and, in fact, environmental enhancement. And we want to have an economy that's continuing to thrive so we can afford to meet those goals.

We've set goals and objectives for ourselves that are purposely high. British Columbia is no longer going to wonder whether or not we can lead. We are going to lead, and we're going to lead in all areas of endeavour. We can do that in Canada as well as here; we can do it continentally; we can do it around the world. We can be seen as setting an example if we put together the energy and the initiative that you show so often in the Road Builders and Heavy Construction Association and that we see in the private sector throughout British Columbia.

The key to building that framework for the future is a comprehensive, integrated transportation infrastructure. Because we sometimes forget how big British Columbia is. We forget how massive the northwest of our province is as we open it up for mining opportunities, for energy opportunities, for oil and gas explorations, for tourism development. And we won't be able to take advantage of that enormous opportunity in assets if we don't have a transportation infrastructure that connects people, that connects us to the airports in Terrace and Smithers and Prince George, that connects us to the continental rail system,

that connects us to the huge markets in the Asia-Pacific, in China and India.

Without the connective tissue that we create, without the connective skeleton that we create with the transportation system, we lose opportunities.

So one of the things that we've initiated is a major undertaking to improve our transportation infrastructure in British Columbia. I'm going to take a moment to talk to you about this because it is critically important to our future. Let's start with a couple of things that I think are important for you to recognize.

First government can't do it by itself. Second, we don't just have demands for transportation routes. We have demands for hospitals and new schools. We have demands for new universities and new colleges. We have demands for better water treatment facilities. We have demands for better sewage facilities. We have demands in every part of the province.

Remember, there's no such thing as government money. I can't tell you how important it is to keep that in mind when we try and build the right future for the next generation of British Columbians. There's only your money.

Once, I was on the Sea-to-Sky Highway before we called it the Sea-to-Sky Highway and a fellow was demanding that we improve the quality of the roads. I said, well, you know, we've got a heavy financial burden. He says: "I don't have any more money. Why doesn't the government pay for this?" The only way the government can pay for anything is to take more money from you. So as we look to the future we have to understand that the province can't do this by itself.

In British Columbia, last year, we received about \$811 million in fuel tax in B.C. We invested over a billion dollars in transportation infrastructure. We're going to continue to do that. But here's the opportunity that is in front of us. The federal government received \$918 million in fuel tax. They invested \$46 million. Remember those are dollars that you generate out of this province. It's not unreasonable to say to our federal elected officials: will you commit to closing that gap, taking the \$918 million and focusing it on transportation improvements across the province?

We have just completed the Council of the Federation. For those of you who don't know, the Council of the Federation is made up of the 13 Premiers from across the country, from the north, from all jurisdictions. We come together and we talk about the things that we have in common and the goals we set. We've just completed a major national transportation framework plan that we're going to be taking to the federal government for their support.

It's estimated that the costs that we will face over the next ten years to improve our transportation infrastructure are \$97 billion in Canada. It doesn't actually sound that much when you say \$97 billion, does it? It's a lot of money. So how do we bridge that gap? Well, first of all, we recognize that currently the federal government takes almost \$50 billion a year in fuel tax across the country annually.

So we said let's start by our province and other provinces committing 100 percent of their fuel tax for improving the transportation infrastructure. And I don't want to take anything from Prince Edward Island that they don't deserve. I don't want to take anything from Newfoundland or Quebec or Ontario. We'll just get the federal government in each of the provinces to say we will commit the fuel tax we generate out of your province to transportation improvements in your province.

Now, I can see why any right-minded person would say: well, we should invest way more in British Columbia because there are mountains and valleys and rivers. It's very, very difficult to build there, so we should double the take. I'm willing to settle for just what we actually generate in British Columbia. That would be \$10 billion over the next ten years from the province. There'd be probably in the order of about \$30 billion over the next ten years that would come from the feds.

What we can do is start to think about a national transportation framework that meets our comprehensive and integrated needs for transportation infrastructure. But you know what? There's still a gap: \$97 billion. If you take away the provincial share, if you take away the federal share, there's still a gap.

I was just talking to Jack, who by the way is doing a great job. The thing that's important is this: For us to really meet our transportation needs, we are going to have to be strong, active, leading proponents of public-private partnerships in British Columbia. Others may not take that road, but I can tell you this: If we do not take that road we will not succeed in meeting our transportation needs in British Columbia. There's not enough money in the province with all the other things you ask us to do. There's not enough money at the federal level.

So we have to look at public-private partnerships. We have to look at tapping into the creativity, the ingenuity, the design expertise, the project delivery expertise of the private sector. I think there's lots of reason to expect that we'll get better value for our dollars.

The Sea-to-Sky Highway, which is a public-private partnership, is generating about \$120 million, plus additional benefits according to the auditor general. \$120 million in better service and better safety. All of that is because it's a public-private partnership. Why wouldn't we take advantage of that in every opportunity that we've got?

Look at the challenges we face in British Columbia right now: we still have to complete the Kicking Horse Canyon. It's a \$730-million project. We still have the Sea-to-Sky Highway. We still have to do the Cariboo Connector, a \$200-million project over the next ten years. We still have to get the William R. Bennett Bridge completed in Kelowna. That's \$144 million and a public-private partnership as well.

But as we think of the future we have to challenge ourselves to think differently about how we deliver things. We have to think differently about what the public's interests are. Why not lay off some of the risks on the private sector? Why not tap into the private sector's ability to deliver projects on time and on budget.

One of the things that's great about public-private partnerships is that it requires government to do a lot more work. It requires us to say: what are we looking for? How are we looking for it? What are the standards we expect? And then through open tendering you discover how you can get the best value. Our primary motivator is to find the best value for the taxpayer to deliver public sector transportation infrastructure, and that serves your needs as well.

We've laid out eleven specific principles we want the federal government to embrace. You're going to hear about those from us, from the Council of the Federation within the next couple of weeks.

Now, here's where I need your help. Here's where we all have to work together. I don't know if you've heard this rumour, but there's a federal election on. That's the time when you can ask them what their vision for the transportation future of Canada is. We talked about Canada and talked about how the transportation network brought Canada together.

About half a century ago we decided to invest in the Trans Canada Highway, just to upgrade the national highway system. The primary highway system is about \$17 billion plus. Transportation connects us to one another. It's one of the ways we hold such a vast expanse together.

When I talk to the Premier of Nunavut, do you know what he says is one of the most important things for him? Transportation. How do I connect all those marketplaces and activities to the south? Nunavut's transportation objectives I think is about a billion dollars. It's a lot of money, but it's something that will help us build a stronger country. When you talk to everyone in the north they talk about the transportation network that connects them to the south in the winter and in the summertime. It's important for us to understand that.

If you go to Prince Edward Island they've got the Confederation Bridge. Anyone travelled across the Confederation Bridge? Great bridge, public-private partnership. They love it. But they need to make improvements to their transportation system in Prince Edward Island so they can build the kind of economy they want.

We all have a shared economy. We have a shared goal of creating a transportation system that's interlocked and that will allow us to take advantage of what's going on.

So over the next few weeks I would hope that each of you and your employees would ask the federal parties what their transportation plan is. Tell them what you think it should be, because I think it's important for you to know this. If we launch this national transportation framework over the next couple of weeks as Premiers there's no lack of people who, frankly, will go to a federal representative or a provincial representative and say something along these lines: with my brains and the province's money or my brains and the federal government's money we'll make wonderful music together.

So here's what's important. This is part of a federal initiative. Do you want Canada to be independent? Do you want Canada to be productive? If you want Canada to take advantage of the fact that we are a Pacific nation that has enormous potential in the Asia-Pacific, you have to invest in transportation. If you want us to be able to compete with the United States you have to invest in transportation.

In the United States it's about \$240 billion over the next six years they're planning to invest. That makes our investments pale in insignificance right now. So why do we want to do this? Well, we're expecting containerization in the container ports of British Columbia in both Prince Rupert and Vancouver to triple the number of containers that can come to our coast. There's an estimated 300-percent increase in the container traffic from China and the Asia-Pacific onto the North American continent.

There are no better ports to arrive at than the ports of British Columbia. Prince Rupert is the closest port to China and Tokyo of any port in the North American continent, and we plug it into an international railway system that connects them immediately to Prince George, which connects you two days faster to the centre of the heartland of the United States. If we can deliver our customers the service, our customers are coming, I can guarantee that.

I can also guarantee another thing. If we don't invest and we don't deliver, our customers are leaving. It's as simple as that. There is no status quo. Things are getting worse or they're getting better. Over the next 15 years we have to think way bigger than we've thought in the past.

I traveled to Toronto and I was speaking to the Canadian Club, and a fellow said: "Here's Premier Campbell from British Columbia. He's been spending time in the Far East." Did you hear that? "He's been spending time in the Far East."

Here's the critical thing. I've been spending time in the near west. I've been spending time with countries that are right on our doorstep, China and India. Most of Canada still thinks of themselves as an Atlantic nation. We're a Pacific nation. We're going to see a Pacific opportunity generating a 300-percent increase in container traffic - 300 percent. Let me put this in context for you. A 1-percent increase in container traffic translates into \$250 million of economic activity and 4,000 new Canadian jobs.

I'm glad that our unemployment rate is the lowest it's been in 30 years. I want to keep driving it lower; I want to keep driving opportunities. I want to keep driving choices to people in British Columbia. I want us to drive Canada into the future, into the Pacific future so China, so India, so Japan, so Korea, so the Asia-Pacific sees us as their servant in delivering their goods to their marketplace, and that's going to be great news for British Columbia.

If we build on those opportunities what would our natural share be? The natural share for British Columbia would be 50,000 new jobs and \$1.7 billion a year in wages alone. Of all people, you know what an investment in transportation builds.

I want you to think about the Asia-Pacific. I want you to think about the Pacific Gateway. You know, because of your work, because of work from people like Jack and your executive and Kevin, we actually have the federal government in Canada, for the first time that I can really remember, talking about Canada's future on the Pacific.

When the minister came and announced \$590 million as a down payment on the Asia-Pacific gateway, that was good news for us. But if we don't continue to remind people in Alberta that 40 percent - 45 percent, I think - of their goods travel through B.C. ports; if we don't keep working with Saskatchewan and reminding them that their economic interest is tied directly to the transportation investments that we make as a nation. In fact, as far east as Ontario they are directly benefiting from investments we make in transportation.

We're on the doorstep. It took us about two years to get people to see this and see a different picture of Canada. But you are critically important in helping us translate that picture in the minds and imaginations of people not just in British Columbia, but in other jurisdictions as well.

When Lorne Calvert from Saskatchewan says to me, "You know, I'm really excited about what can take place at this Pacific Gateway. I'm thinking maybe we could do an inland port," I'm saying, "Good idea, Lorne. Let's do that together."

When Gary Doer is talking about the potential for an inland port so he can service Minnesota and places in the south, I'm saying: "Great idea."

When Alberta talks about the opportunities that are presented to Alberta and to prairie farmers because of the new port in Prince Rupert and the containerization of those facilities, I'm saying: "Good on you, let's go. Let's do this."

When we can get the national government to say, "British Columbia is the route to our future; the Pacific is the way forward," we are all going to benefit. But we all have to work at it. We can't be distracted, and we can't be allowed to get down because we're not getting it right away. If we're persistent, if we're relentless, people will recognize the importance of transportation infrastructure. They'll recognize the importance of building the foundation for the future.

So to each of you I want to say that we are committed. Right now, a competition council is looking at how we can improve our transportation and the competitive nature of our transportation infrastructure. Because transportation is a critical part of our future.

We've just gone through municipal elections talking about the transportation improvements we have to make in British Columbia, in the Lower Mainland. Here are the facts. When you move people faster there's lots of places to go in the Lower Mainland besides downtown Vancouver and there's lots of people going there. There's also huge environmental degradation because people are sitting in their cars 13 hours a day in, effectively, a traffic jam.

We can fix that. We can improve that. We can design our communities so that they're responsive to the needs of people in terms of jobs and places that they can live and places they can play and work. We can also design them so goods can flow.

We are on the edge. We're on the edge of a really incredible future if we're just willing to invest in it. We're going to double the Port Mann Bridge and it's going to improve public transportation. It's going to improve cycling opportunities. It's going to improve the flow of goods and services and the economic opportunities we create in British Columbia.

We're going to work with communities to make sure the design works, that the economics work, so they can build it and they can own that opportunity. But we're all going to have to be advocates for it.

So this year, in 2005, let's look forward. Let's look forward to 2015. Let's ask ourselves: what do we want this province to feel like? What do we want it to be like? What do we want to be able to say that we've left to the next generation of British Columbians so that they can build their future the way they want?

I want a transportation system that's second to none. I want it to be known for its innovation, for new technologies, for moving people, for moving goods, for moving services around as freely and as environmentally sensitively as we can. I want us to use our brains and our creativity to make sure that we are setting an example and are the ones that everyone else is trying to follow. We're the ones that they're saying about: if we could just get it 80 percent as good as B.C. wouldn't that be great? I know that we won't do it in government without your help.

So let me close by saying you've been great. You've been open. You've been honest. You've been direct. You've told us when we were doing things badly. You've told us how to do them better. I need you to keep that going. We're going to keep our ears open: we're going to keep learning from you and we're going to keep advocating for you and we're going to be successful.

British Columbia has an enormous doorway that's ready to open up on an incredibly bright future. It's a bright future that's built on a strong foundation of private enterprise, of individual investment and risk-taking and built on a framework of transportation that works for people, for goods and for services.

About 50 years ago they said: why don't we build a national highway system, and it connected us. Let's build a transportation framework for the future that will connect us not just to our tradition and to our colleagues in this great country but connect us to the global marketplaces that actually call on us for service. Let our kids look back and say those guys made the right choices. They made them for us, and they made them for Canada.

Thank you very much.



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