

## Address by Minister Day to the Union of British Columbia Municipalities

Ladies and gentlemen, as you know as elected people yourselves, elected officials don't like to go too long in the day without doing a poll, hearing a poll or reading a poll. Of course if the poll reflects in your favour, you tell everybody that it was a very scientific poll. If it does not reflect in your favour, you tell them it was not scientific, it was shabby and not a true representation. So I'd like to get a true representation, just for my purposes, to go back to caucus next week and bring back a sense of the representatives here.

I realize we're representatives here from across the political spectrum, and as I look around I can see across the age spectrum, and every walk of life. And I know that people here vote in a variety of different ways. And so I'm going to ask a question. I'm just curious because there seems to be a bit of a debate going on. How many people here, by a show of hands, think it's time for a federal election? Just lift your hand up. OK, one person with two hands up.

OK. Two other brave people. All right, follow them home. OK, thank you.

Well, we have a fairly large room here and we have one person with two hands up and three other people. So I guess I have to be brought back to reality here because what I've been hearing from well-intending, honest, sincere people in the House of Commons—there are some there—is that Canadians are wanting a federal election. So I appreciate that. I'll take this message back to my colleagues and to others who think that there are some people out there who want them. Thank you for the four of you who raised your hands, and I do appreciate that honesty.

But folks, I was being sincere. I do want to get a sense of that. Because it's just like in your council rooms where you have your debates and you do your things, you know that you have to be out on the street and in touch with your constituents to really get a proper sense of what's going on in your areas and how important it is to do that. And that's why I like to be out as much as possible finding out exactly what is going on.

I don't think I have to remind you about the fact that in many ways, this has been one of the toughest years. And certainly from an economic point of view, it's been the toughest year in Canada in probably about 80 years. And worldwide, because of the global downturn, that's also been the case. And I appreciate how each one of us here has kind of risen to the challenge.

You know, we're always interested in what people are saying about us. And I want to talk just quickly about that. Then I want to go over some numbers with you, and then talk about a couple of longer-range policies that we're involved in, which we think are all kind of adding up to help us through this particular time of downturn. And we are still in a global recession.

First of all, I could talk about our own material that we put out about ourselves, which, like the material you put out about yourself when you're running in an election, you usually don't put a long list of your negatives in that material. At least that hasn't been my experience as I read political material. But you do try and stay factual. But I want to look at it from an arm's-length away. I want us to consider just a few things other people are saying about us, even people from outside of Canada, external evaluators.

The World Economic Forum says that Canada has the most stable banking system in the world. Do you feel good about that? I'm not being political; it's just because of rules that we have put in place—some even fairly recently, just before the downturn—which kept banks reined in and kept us from getting into the sub-prime mortgage problem, which they certainly have in the United States. Our banking system used to be accused of being boring. Isn't it great to know

that boring is the new exciting? Everybody's looking at the rules that we have in place relative to our banks, and they kind of get excited about it.

And then the International Monetary Fund said something back in January that it repeated almost verbatim last week. It said that Canada, because of its policies, was the nation best positioned going into this downturn among the G7 countries—that's the major industrialized countries—and is the best positioned coming out of it. That gives me some sense of solace. Obviously, there are issues that we continue to face. I don't think we're out of the woods, yet. But that's an evaluation that I don't mind hearing.

And the OECD says that on the corporate and the business side, we have the most competitive and most attractive tax structure for small, medium and large business in the G7. Do you feel good about that, that our tax structure is seen as relatively light?

So these are some of the things that people are saying about us from the outside. And those are comments that I kind of get excited about.

We've done some things with your help and with your advice that have helped us to attract those kinds of comments. And I want to spend a few minutes just talking about last week and some of the announcements that we were able to make.

Last week, we made announcements relative to infrastructure. We made about 174 announcements. And the total amount of those projects is \$719 million. Anybody here get any of those dollars in their area? Oh, you did? Oh, good. All right. I appreciate that.

We were pretty excited about that. That doesn't count announcements that were made two months ago. It doesn't count announcements that were made as far back as January. This is part of an actual strategic approach that we set out when this global recession hit us. We said that among the things we have to do like keeping our banking system stable, keeping our taxes down, looking forward into the long term, managing our money carefully—among the things we've got to do is make sure there's some stimulus going into the economy that can help pull us through the trough a little bit. And that's why we went out to you—the Province, the municipal governments—so that we could work together to identify projects. And then accelerate those projects so that we could have some stimulus in the economy and move it forward.

Do you know, for the first time in 30 years, our unemployment rate is actually better than that of the United States? I think that's a pretty good thing. I'm kind of excited about that. It's the first time in 30 years.

Now, I focus on these points because sometimes it's not always the most positive news that gets accentuated. I realize that. I know how that has to work in the grand world of reporting. But these are things that we need to keep in mind. In September 2008, I attended a lunch here in Vancouver with former U.S. President Bill Clinton. There were about 800 people there. It was a great luncheon. It was about one of his initiatives related to the mining and the extractive sector, and some of the things that his foundation is doing and that Canadian mining companies are involved in. It was a very positive event.

When he began his remarks, the room was packed. And he started by saying that he wanted to congratulate the Harper government. He actually used the name, Stephen Harper. And he talked about our fiscal policies and the fact that Canada was in relatively good shape. He contrasted that with some of the U.S. policy. I won't do that; that was up to him to do. But he basically talked about our economic policies and gave us great praise for them.

And you ask, why am I talking about that today? Well, right after that, I thought, Bill Clinton comes to town, mentions Stephen Harper to a packed room, lots of our friends in the media there, and I thought that's the headline for tomorrow. And it wasn't. It wasn't in the news at all. Of course I was wounded and grieved by that and have been masking my grief from then. But I can now talk about that now. The reason I raise it again is that it's another external evaluation about how we're doing. And we're doing not too badly. We're still in tough times. But you think about those announcements that were made last week. Do you know that about half of those were for communities of under a hundred thousand people? Do you think that's encouraging, that they're not just the large cities?

And of course some of those announcements had to do with this area right here, which is also exciting. Some had to do with our Green Infrastructure Fund, a billion dollars that's been set aside for projects related to emissions reduction, projects that have to do with easing the load on our atmosphere and on our environment. Included in that was an announcement about the northwest transmission line—\$130 million for that project.

We also need to keep in mind that we have announced through this whole process a considerable amount of funding, even over the last couple of years, for our Asia-Pacific gateway corridor. The fact is that we believe we've got something here in the Lower Mainland, here in British Columbia and in Prince Rupert; we have a port system and a shipping system that is very competitive. As a matter of fact, when I was over in Asia and Singapore, as I was not too long ago, it was great to talk about the Vancouver and Prince Rupert ports; about our integrated rail and road lines; about the fact that the sailing times are shorter between Asia and Vancouver than they are between Asia and Seattle or even Asia and Long Beach; about the fact that our dwell times here in our harbours are much less—they're about 24 hours usually for containers—than in other congested harbours; and about the fact that people can get their incoming goods from Asia from tidewater into the major areas like Atlanta and Chicago in about 100 hours. These are very positive things. And we continue to make announcements and continue to build on that particular infrastructure.

We also talked last week and we continue to talk about the fact that the gas tax, which goes to municipalities, we've established it to be long-term, multi-year, predictable and in fact double what it was two years ago. Are you pleased with the long-term gas tax stuff?

And on the administrative side, we have told our officials that we have to move the dollars quickly. Now, in 2005 and 2006, before we were in government, for the first cheques to arrive to municipalities related to these kinds of dollars, the average wait time was about 140 days. We have said over the last couple of years to officials that we have to do better than that. Municipalities need these dollars. They're all approved. Everything's through the budget. We've got to find ways to move them out faster, working closely with your officials. And this year we achieved—because we monitor this—an average wait time for you to receive your cheques that went from 140 days to 9 days. Do you like getting those cheques a little faster?

We're trying to, not just on the overall dollar amount of these things, but even on the administration, we're trying to move them a lot faster.

We've committed, certainly in the Lower Mainland, when it comes to BC Transit and our transit systems, something like \$450 million to the Canada Line, \$350 million to the Evergreen Line, \$88 million to the West Coast Express and the Sky Train lines.

I don't know if you have done this yet. How many of you have had the chance to, from the airport, come all the way down to the waterfront or just into the city on that beautiful train? How many have done that? Isn't that a nice ride? That is a real treat.

Twenty-four minutes from the airport to the waterfront. I'll tell you, that is a treat. It's fun to ride, and my staff here at our department's regional office really like it, too, because now I can't ask them to come out to the airport to pick me up. I have to take the train downtown, which I love doing.

It's so fantastic to see these types of initiatives moving along. So, on the infrastructure side, that was what we did last week. And by the way, that doesn't include about 161 different projects we announced in March related to the Towns for Tomorrow and the Local Motion projects. This is just focusing on the announcements from last week. A lot has been done; there's still more that we can do.

So that's the numbers. That's on the economic side of what we've been doing to rejuvenate things and meet the needs of not just the important infrastructure issues, like wastewater treatment, the twinning of highways and the building of bridges, but also with our RInC program, the fact that we deal with recreational areas, the fact that we also have made announcements for the 27 universities and colleges in this province—great announcements in terms of renovations, new buildings, refurbishing—to keep B.C. right on the leading edge in terms of educational capabilities. So that's been a great effort on the part of a lot of people, and it's bearing some considerable success.

The other thing I want to talk to you briefly about related to my portfolio is the fact that we have looked at the world situation. We've looked at this global downturn that has hit each of us and has hit all of our country and all of our provinces and territories, and we've said that now is not the time for countries to recoil into protectionist mode. If they really want to protect jobs, if they really want to protect an industry, then what they have to do is open the doors of opportunity, not close them.

And that's why we've been very aggressive on our trade policy. I've basically said to our officials, "Free trade deals are us." We have got to move ahead and open doors of opportunity. And, here's why.

We are, of course, a member of the World Trade Organization—the WTO. That's about 154 countries that meet regularly throughout the year to continue to reduce tariff walls and to look at ways to avoid protectionist behaviour and to avoid things like dumping and anti-dumping and countervails. Now, I want you to picture your own council meetings, where, depending on who might be away on a given night, you might have anywhere from seven to maybe a dozen people around the table. Pick the issue. Think about the amount of debate you have on one issue on your council in your area with anywhere from 7 to 12 people. So picture representatives from 154 countries talking about things like tariff lines and sectoral industries. But in spite of that, the WTO rounds are moving along. The lines are being reduced.

We talk about sometimes the glacier-like speed of government, and it's a bit like that. So as much as we are full participants in the WTO process, we believe strongly that we have to pursue bilateral arrangements, one-on-one with other countries. As the WTO process moves along, we have to be able to do things with other countries. Because it's our view from the federal level that business people should be as lightly encumbered as possible when they're making their decisions. So, as a federal government, we have to do everything we can to make sure the tax load is as light as possible. We need some level of taxation. But sometimes governments can get carried away. We need to keep the regulatory load. We need regulation. We have to have products that are safe. We have to know that the environment's safe. But we need to keep the regulatory load as practical as possible. And then we need to keep the playing field as level as possible.

You know, as I travel around the world, it's clear to me that most countries envy the fact that we are joined at the hip with the United States, that we have this incredible trading relationship that is actually unparalleled in modern history. But the fact is, when the United States goes through a downturn, many businesses realize they've got to find their markets elsewhere. And when they're doing that, we don't want them to have to compete against producers or investors from another country who aren't facing certain tariffs and certain penalties because those countries already have a trade relationship with that other country. So it's our view that we've got to lighten the load as much as possible to level the playing field.

And that's why even just in the last few months, as you may have heard, the Prime Minister announced the conclusion of free trade deals with Panama. As of August, we completed our free trade deal with Peru. I was in Jordan at the end of June, early July doing a trade deal there. In May, I was in Prague with the Prime Minister as we signed, for first time ever, the beginning of formal negotiations with the European Union. The EU: 27 countries all bundled up there.

When I was in India recently—I was there again last week—we opened another trade office there. That brings up to eight the number of trade offices that we have there. India isn't quite prepared at this time to look at a full on, comprehensive free trade agreement, but it does want a more comprehensive economic agreement. So I've met with the Indian prime minister, the minister of commerce, the national security adviser. We're working on a foreign investment protection agreement with India and a nuclear cooperation agreement. We have great opportunity there for our scientists and for products related to that particular industry.

It's the same with China. We've opened six trade offices there. That was just before the downturn. And we are pursuing economic arrangements not just with those two countries who are experiencing huge growth, but also with Indonesia, with the South-Asian community. We are aggressively pursuing trade arrangements there, as we are in South America. I was in Trinidad and Tobago two weeks ago, and we got agreement from what's called the CARICOM group of nations. That's the Caribbean community, about 21 nations that have now said they were prepared to enter into free trade discussions with us.

By the way, I told them in Trinidad and Tobago, I said, "You know, I love being here at the end of August. It's very exciting. But next meeting, please call me down here in November, January, maybe in February. Let's try to coordinate these meetings a little better."

But the basic message, ladies and gentlemen, is that we need to keep the doors open for the hard-working, entrepreneurial people within our constituencies. They are the ones who get the money for us to be able to run the programs. If we ever forget that, we are in big trouble. It's our hard-working constituents who bring in the revenue that allow us to—the beautiful T word—that allow us to tax them and get the revenues to do the things that we really need to do.

We are on a track through this time of global downturn that I believe is in the right direction. Here's to me one of the most critical and yet one of the most positive parts of what we have done over the last year in terms of these infrastructure announcements. We've had to work together. What a concept, I know. Having worked with many of you, I know we really didn't have to be forced. We work well together. But in an unprecedented way, at the federal, provincial and municipal levels, they have caused us as elected people and they've caused our officials to work together in a way we never have before, because the needs were so pressing. We couldn't have made the announcements we did last week without the input from you, from your officials, from the Province, the provincial officials, and from the federal level. And I don't mind saying at all, I've said this openly for months: it has been very encouraging to work with Premier [Gordon] Campbell, his elected people and his officials in a non-partisan way. I will say

the province has been aggressive—sometimes very aggressive—in terms of rolling in what I think is even more than our fair share of those federal dollars. I don't want people in other parts of the country thinking we did better than anybody else. But we did very well, and it's because of the high level of cooperation and the forward looking of the Premier and his colleagues and officials and the speed at which your officials have also been able to come forward and tell us the priorities were, and how we could move them ahead. And it's helped us really to work well together.

I think we have sent a message to our shared constituents—and we do share these. And my colleague Ron Cannan [MP for Kelowna-Lake Country] is here, and I think there are other members of Parliament in the room. I can't see them right now. But I think we've sent a message that there really is only one taxpayer, and we have to take care of his or her needs, to address his or her concerns as best we can. That's the way we're going to have productive, healthy and forward-looking communities. We've accomplished that together through these funding announcements, and I want to thank you, each and every one of you, so much for being a very real part of the overall health of the most fantastic province in the most fantastic country in the world. You have done a great job on that.

And I'll just close with—not that we need to be reminded, but we've got some fantastic events coming up very shortly with the Olympic and Paralympic Games. And everywhere I go around the world, I'm telling people that we're looking forward to them coming here. When I was in Trinidad and Tobago, I mentioned that I was looking forward to all of its winter athletes coming to the Games. I can tell you from when I was in Russia, that the Russians have their minds on one thing, and it has something to do with hockey. And when I go to these countries everybody knows about the Olympic Games, everybody knows about Vancouver and British Columbia, and Canada of course, and I invite them to come and to have a wonderful time here. I tell them we're going to do everything we can to make sure they take home great memories but no gold.

Thank you very much, again, for making this province as great as it is.

Thank you.