



Richmond Chamber of Commerce

Presentation

to

**The Select Standing Committee on Finance
& Government Services**

**October 17, 2006
Coquitlam, B.C.**

By:

Richmond Chamber of Commerce:

- Barbara Tinson, Chair
- Bruce Rozenhart, Chair, Policy & Public Affairs Committee
- Craig Jones, Executive Director

Mr. Chair, Members of the Committee,

It is a pleasure to be here representing the Richmond Chamber of Commerce to provide input to your consultations on the 2007 Government Budget.

Our input is based on Richmond's role as a dominant player in Asia Pacific trade, commerce and travel, as a key coastal port, as the home to Vancouver International Airport, and as a participant in the 2010 Winter Olympic and Paralympic Games.

1) Public Consultations

First, we would like to compliment the Government on its bottom-line oriented approach to B.C.'s overall economic sustainability.

Your broad outreach gives all British Columbians an opportunity to be a part of the Budget 2007 process.

We look forward to the government being equally diligent in the transparency of this process and the results of your consultations.

2) Fiscal Responsibility

Second – and equally important – we want to congratulate the Government on the greatly improved financial status of the province. The Province's improved economic performance, and the recent move up to triple A credit rating by Moody's is a true reflection of fiscal prudence matched with economic opportunities.

We also appreciate the responsible approach to capital and program spending with an eye to the return on investment.

However, we encourage the Government to keep a tight reign on spending. We want to ensure that there is a definable return on investment for increased spending that will not increase our debt load over time. We do not want to see the Government entering into an overspending mode.

3) Debt Reduction

We acknowledge the Government's commitment to debt reduction and we strongly encourage the Government to continue on its path to reduce the legacy of debt to future generations. This must remain as much a commitment to the people of B.C. as balancing the budget.

4) Investing in Our Future: Looking Inward

a) Education

Investing in our children is key to our future economic and social stability, and essential to BC maintaining its status as a "have" province.

Therefore, we support the B.C. Chamber's recommendations to review the student loan system to alter restrictions that impede the ability of our children to benefit from our educational system, such as:

- Credit restrictions.

- Awards reflecting the true cost of education.
- Funding formula to ensure adequate funding for courses

We also support the B.C. Chamber's recommendation to introduce a pool of \$50 million for funding access to educational opportunities for adult students.

b) Skills Training

We acknowledge that there is a severe shortage of job skills in B.C., and we appreciate the Government's attention to this matter.

We support the B.C. Chamber's recommendations to introduce a review of the success of the Government's Training Tax Credit and make any changes that will ensure more investment in broadening the availability and uptake of skills training in B.C.

c) Healthcare

Our 1100 members are like most British Columbians – we see healthcare as a privilege and a right. But we need to get our healthcare spending under control. However, we are comforted to some extent by the fact that the government is cognizant of the problem of escalating healthcare costs.

We support the Premier's Conversation on Healthcare as the initial outreach to British Columbians to give all of us a direct voice in identifying our fears, concerns, wishes and needs for healthcare now and in the future. The Chamber calls for public spending on healthcare to rise by no more than inflation until significant reforms are undertaken.

d) Transportation Infrastructure

The Richmond Chamber has been active in supporting Government transportation initiatives that will enhance our economy. We were active with business, labour and tourism organizations in our support for the Canada line, despite minority opposition interests trying to set it aside. We support the development of the Gateway program because of the beneficial economic and social impacts it will have on the Lower Mainland and the province.

However, it is apparent that the whole picture of the short and long-term economic and social benefits of large transportation projects is not necessarily being efficiently conveyed to, or understood by, the public of B.C. Moreover, some of the parties involved are also not taking a broad, regional approach to infrastructure issues.

We look to the Government to provide guidelines so that projects may be assessed on the basis of the regional benefits of these investments. This is an area where some municipalities have shown reluctance to expand capacity and there needs to be a compelling case made for why maintaining the status quo is not a viable option. Therefore, we see the need for the government to include a risk analysis of maintaining the status quo – or doing nothing – in the budgeting for all transportation projects.

5) Investing in Our Future: Looking to the Asia-Pacific

Richmond is Canada's gateway to the Asia-Pacific. Our demographic make-up and the number of our Asia-Pacific businesses reflect this. Our roots with the Asia Pacific go back to the early 1900's when Japanese immigrants helped to build B.C.'s commercial fishing industry.

Today, we have the good fortune to have hundreds of businesses with direct linkages to China. Many of our members travel frequently to China, Hong Kong, Taiwan and other Asia-Pacific nations to develop business opportunities. We, together with the City of Richmond and Tourism Richmond, also regularly host a number of trade missions.

Asia Pacific trade is a high priority of our City and our Chamber.

We acknowledge and support many of the recommendations made by the Government's Asia Pacific Trade Council. We believe initiatives such as this will help enhance our province's long-term economic and social stability.

We recommend that the Government undertake the recommendations, but we stress the need to ensure that all programs and investments are measured by their quantifiable economic impacts on the province. We also recommend that business organizations such as ours, with links to the Asia Pacific, be consulted in building action plans for those recommendations.

Additionally, we recommend that the Government look to the current business relationships of B.C. businesses with the Asia-Pacific to so that the Government can help enhance already-established positive relationships. The City and our Chamber are working on programs to enhance our relations – cultural and business – with China. We look forward to the Government including us in the recommended initiative.

6) Summary of Priorities

To sum up, our two top priorities are tax reduction and debt reduction. While there are other spending recommendations made in this presentation, there can be no sustainable fiscal management of this province without paying attention to these two priorities first.

With respect to infrastructure, we advocate investment but advocate limiting our borrowing and keeping debt affordable. If there is less debt to service, there will be more revenue available for other programs.

6) Final Comments

There is much we have not said.

We support all of the key recommendations of the B.C. Chamber of Commerce relating to fiscal policy and taxation initiatives in that these points represent the results of considerable discussion of all of the members of the B.C. Chamber of Commerce, including our Chamber.

We appreciate the opportunity to make this submission to the Committee and look forward to seeing the Committee's report. We also look forward to seeing the 2007 Budget and how recommendations are represented in it.

Finally, we pledge to work towards an enhanced relationship between the Government and ourselves and look to you and our own MLA's to help make that happen.

Thank you.

