

2017 **ANNUAL REPORT**

**WHERE LEADERS MEET TO
UNLOCK BC'S FULL POTENTIAL**



Business Council of
British Columbia
Est. 1966

MESSAGE FROM THE CHAIR

As my two-year term as Chair of the Business Council of British Columbia comes to a close, I wanted to reflect on the positive impact this organization has had, and continues to have, on the advancement of thoughtful public policy ideas and engagement between business, governments, Indigenous communities and many others.

The work of the Council contributes to not only a stronger British Columbia, but also to a stronger national and local economy. While its activities cover a wide range of topics and programs, there are two specific recent initiatives that are particularly impactful for our economy and our province's competitiveness which I wanted to highlight.

Over the last two years, the Council has engaged with hundreds of community and business leaders around the province to develop a shared vision of B.C.'s future, and identify a pathway to realize that vision. The result was [BC2035: A Vision for Economic Growth and Prosperity](#), which puts forward substantive and progressive ideas to help build all facets of B.C.'s economy, including child care, land use planning, education and transportation. Many ideas put forward were adopted in the platforms across all parties in the 2017 provincial election and it has become a core document in BCBC's ongoing advocacy with government.

I am also particularly proud of the ongoing work BCBC has undertaken to develop strong, meaningful relationships with British Columbia's Indigenous Peoples. In September 2016, BCBC signed a [Memorandum of Understanding](#) with the B.C. Assembly of First Nations to work together to advance economic reconciliation and improve social outcomes for Indigenous people through sustainable economic development. The [Champions Table](#) was born out of that agreement, and continues to bring together senior business leaders and Indigenous leaders from across the province. The work taking place around this table is based on building trust and respect, and has the potential to make a real difference in the lives of Indigenous people. The Champions Table is helping to build a stronger province, by supporting business and Indigenous communities to work in partnership.

I want to thank the Business Council member organizations and my fellow board members for their leadership, support and participation around the Council's table. Your commitment helps support a strong, credible foundation from which the Business Council is able to advance meaningful policy ideas and actions that will benefit British Columbia's competitiveness and shared prosperity for years to come.

Sincerely,



Marcia Smith

Chair, Business Council of British Columbia



MESSAGE FROM THE PRESIDENT

For over 50 years, the Business Council has been committed to advancing economic growth and sustainable prosperity for all British Columbians. As the world becomes increasingly complex and B.C.'s employers face new competitive and investment risks, the Business Council's role as a reliable, fact-based source for policy solutions and practical ideas that work for all British Columbians is more important than ever.



Advancing economic reconciliation with Indigenous People in B.C. is one of the most important opportunities before our province today. Enabling Indigenous peoples' full participation in the economy, most importantly, will change the social and economic outcomes in their communities, but it will also create new partnerships and contribute to greater certainty for capital and operations in the province. Working with our [Champions Table](#) partners and Indigenous Affairs and Reconciliation Committee, we are advancing policy recommendations and actions with government, Indigenous communities and business to this end.

Driving innovation is key to British Columbia's growth into the future. Working with our post-secondary members and industry leaders on meaningful policy changes, we can create an environment which enables businesses to scale up, compete on the global stage, and generate higher paying, more productive jobs. Initiatives including the [Cascadia Innovation Corridor](#), [Canada's Digital Technology Supercluster](#), our 2017 report [From Good to Great: The Benefit of Scaling Up BC Businesses](#) and our committee work are contributing to the foundations of a more innovative B.C. economy.

These positive growth opportunities, however, come at a time of risk and transition for the province generated by equally impactful internal and external factors. The increasing burden from all levels of government through the volume and breadth of more regulations, taxes, fees and reviews means our province and country are increasingly becoming too costly, too complex and too slow, risking investor confidence. This is particularly concerning as it comes at a point in our economic cycle when growth is expected to slow and our closest competitors are making significant changes in trade, taxation and regulatory frameworks that will further challenge our competitiveness.

It is for this reason our advocacy focus remains on what B.C. must do to enable business growth and create the conditions for capital investment certainty. This can be done through smart fiscal, tax and trade policies, and timely investments in productive infrastructure that supports a competitive and innovative economy for our members, and for the benefit of British Columbians.

As the voices of the converging - and at times conflicting - interests in British Columbia grow in number and in volume, the Business Council is doing more to convene diverse interests, focus on solutions and ensure our ideas and messages are clear, relevant and heard by decision makers and public policy influencers across the province and country.

I want to thank and recognize outgoing Chair, Marcia Smith, for her commitment to the Council and to the advancement of ideas which make a meaningful difference in building a strong, sustainable and prosperous British Columbia for the shared benefit of all who live here. We are most fortunate to benefit from her leadership and creativity, and that of our Board of Governors and members, in making a positive difference in British Columbia's economic future. We are also privileged to be the beneficiaries of a talented and exceptionally dedicated staff to whom I am indebted. It is the diversity and strength of our membership that provides the foundation for our work as the place where leaders meet to unlock B.C.'s full potential.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. D'Avignon', written in a cursive style.

Greg D'Avignon

President and Chief Executive Officer, Business Council of British Columbia

POLICY PRIORITIES 2017

British Columbia's economy remained on a solid path in 2017, as a stronger global economic backdrop boosted exports while domestic activity remained elevated. Momentum in the US picked up, which contributed to Canada's economy posting a much-improved economic performance, surprising on the upside with GDP increasing 2.9% - more than double 2016's pace. A 3.1% expansion was enough to keep B.C. near the top of the provincial growth rankings. Much of B.C.'s robust economic growth can be traced to the residential real estate complex, related construction activity and elevated levels of consumer spending. Following three straight years of above potential growth, B.C.'s economy is operating at capacity. A near record low unemployment rate led to more widespread skill shortages as the year unfolded, and a pick up in wage and inflationary pressures. The Business Council continued to focus much of our policy work on the competitive challenges, tax and fiscal policies and building a durable foundation for our economy.

The 2017 provincial election resulted in a change in government, which shaped much of the Business Council's policy work throughout the year. Released in February, our [***BC2035: A Vision for Economic Growth and Prosperity***](#), offered a series of wide-ranging policy ideas, focusing on establishing the conditions for economic and social prosperity. Many of these ideas and recommendations contained in the BC2035 report became part of the election platforms of the major political parties. In advance of the election, the Business Council prepared a comprehensive summary and review of the three major parties' platforms for our members. Following the transition to a new government, the Business Council has focused on keeping elected officials informed on matters relevant to B.C.'s competitiveness and advancing policy solutions to build a more inclusive and sustainable economy.

As part of a broader agenda to improve productivity and create more high paying jobs, the Business Council prepared a paper examining business demographics in the province. The November 2017 report, [***From Good to Great: The Benefits of Scaling Up BC Businesses***](#), discusses the potential economic benefits that would flow from having more large companies and more high-growth firms in the province. The document encourages government decision-makers to take a fresh look at the current mix of policies in the areas of taxation, business investment, innovation, public procurement, trade, skills and immigration, and industrial development - all with an eye to creating an environment more conducive to scaling up B.C. businesses.

More active government agendas prompted a substantial increase in the Council's engagement with both levels of government. Staff have contributed to, and participated in, dozens of policy submissions, hearings, consultations, and commissions, including the B.C. Fair Wages Commission. The Business Council is closely monitoring tax and policy changes and is especially concerned about the cumulative impact of the myriad of government policy initiatives on business and investor confidence in British Columbia. We will continue to work with both levels of government to advance ideas to support a diverse, growing and competitive economy for all British Columbians.

FEATURED PUBLICATIONS:

- [*BC2035: A Vision for Economic Growth and Prosperity*](#)
- [*From Good to Great: The Benefits of Scaling Up BC Businesses*](#)
- [*Summary of 2017 BC Political Party Platforms*](#)
- [*Immigration in BC: A Complex Tapestry*](#)
- [*The Expanding Role of Renewables in the Global Electricity Market*](#)
- [*Ties that Bind: Economic Ties Between British Columbia and Alberta*](#)
- [*Preparing Canada's Workforce for the Next 150*](#)
- [*Government Focus on Employment and Labour Law Changes*](#)
- [*A Closer Look at BC Exports*](#)
- [*The Relativism of Environmental Indicators*](#)
- Submissions to the:
 - » [*Fair Wages Commission*](#)
 - » [*Hearings on the Oil Tanker Moratorium Act*](#)
 - » [*Environmental and Regulatory Reviews Discussion Paper*](#)
 - » [*Canadian Environmental Protection Act Review*](#)
 - » [*Technical Paper on the Federal Carbon Pricing Backstop*](#)
 - » [*Expert Panel Review of the Canadian Environmental Assessment Process*](#)
 - » [*Clean Fuel Standard Discussion Paper*](#)
 - » [*Provincial Pre-Budget Process*](#)

LEADING THROUGH COLLABORATION

The Business Council works with partners across the economy and public policy landscape to advance solutions and ideas in support of building a competitive BC economy. Over the course of 2017, the Council worked with national and global leaders, presented to key stakeholder groups, led several special outreach initiatives, and engaged members in ongoing committee work.

SPECIAL INITIATIVES

- **The Champions Table:** Building on the partnership between the BC Assembly of First Nations and the Business Council of BC, we have established the Champions Table where Chiefs and Business leaders come together, and through relationships built on trust and respect, explore opportunities, discuss barriers and work jointly to develop and advance sustainable economic development based on reconciliation with First Nations. ([Click here for News Release](#))
- **BC2035: A Vision for Economic Growth and Prosperity:** BC2035 is about creating a long term pathway to improving prosperity in B.C. in the face of disruptive change we don't control. In early 2017, BCBC issued the BC2035 report following a series of consultations around the province. The report has helped informed government policies and continues to provide a foundation for BCBC's advocacy efforts. The report also includes actions and recommendation for business and communities as we work together towards a future of shared prosperity. (bcbc.com/bc2035)
- **NEXT Leaders Council:** This initiative, launched 6 years ago, gives voice to the next generation of business leaders by engaging them in timely public policy issues impacting B.C.'s economy and business environment. (nextleaders.ca)
- **Cascadia Innovation Corridor:** The Cascadia Innovation Corridor is built upon a shared spirit of creativity, innovation and entrepreneurship in the region between Greater Vancouver and Greater Seattle. The Corridor boasts world-renowned research organizations and global corporate leaders in a diverse array of existing and emerging technology disciplines. Working with partners in B.C. and Washington State from government, post-secondary education, tech and business, we are working to elevate the region as a global centre for innovation. (bcbc.com/cascadiacorridor)
- **HQ Vancouver:** Working in partnership with the Federal and Provincial Governments, BCBC has welcomed 19 new headquarters to Vancouver through the work of HQ Vancouver. HQ Vancouver was recognized by the International Economic Development Council for its work on the "This is My HQ" promotion project. HQ Vancouver, a pilot project in partnership with the federal and provincial governments, concluded in Spring of 2018 following three successful years of raising the profile of British Columbia as a destination for global headquarters. (hqvancouver.ca)

BCBC COMMITTEES

- **Indigenous Affairs and Reconciliation Committee**
- **BC Business Caucus**
- **Environment Committee**
- **Energy and Climate Policy Committee**
- **Employee Relations Committee**
- **Human Capital Committee**
- **Innovation and Productivity Committee**
- **NEXT Leaders Council**

bcbc.com/committees



EVENTS 2017

In 2017, the Business Council hosted 37 Senior Executive Roundtables, Member Forums, conferences and other events which afforded members the opportunity to connect directly with policy, economic, business and thought leaders on current and pressing developments.

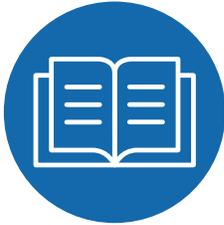
2017 SPEAKERS INCLUDED

- **Honourable John Horgan**, Premier of British Columbia
- **Federal & Provincial Cabinet Ministers and senior government officials**
- **Jeff Immelt**, Chairman and Chief Executive Officer, GE
- **David I. McKay**, President and Chief Executive Officer, RBC
- **Professor Santa J. Ono**, President and Vice Chancellor, University of British Columbia
- **Jeffrey Simpson**, National Affairs Columnist (ret'd), Globe and Mail
- **Martha Hall Findlay**, President and Chief Executive Officer, Canada West Foundation
- **Brad Smith**, President, Microsoft
- **Tracey Arnish**, Chief Member and Employee Experience Officer, Coast Capital Savings
- **Doug Suttles**, President and Chief Executive Officer, Encana
- **Linda Coady**, Chief Sustainability Officer, Enbridge Inc.
- **Delna Bhesania**, Chief Executive Officer & Co-founder, Bardel Entertainment
- **Sue Paish**, President and Chief Executive Officer, Lifelabs Medical Laboratory Services
- **Kim Baird**, Former Chief, Tsawwassen First Nation
- **John Stackhouse**, Senior Vice President, Office of the CEO, RBC
- **Jon Slavet**, Managing Director, United States and Canada West, WeWork
- **Janice Fukakusa**, Inaugural Chair, Canada Infrastructure Bank
- **Kenneth G. Peterson**, Executive Chair of the Board, BC Hydro



BCBC BY THE NUMBERS 2017

Click on icons for further details.



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ROUNDTABLES,
FORUMS AND EVENTS



WHERE LEADERS MEET TO UNLOCK BC'S FULL POTENTIAL



Business Council of British Columbia Team, September 2017



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Est. 1966

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