

Dialogues

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A glowing lightbulb is the central focus of the cover, set against a solid yellow background. The lightbulb is illuminated from within, creating a warm, golden glow that fills the scene. The filament is visible through the glass, and the base of the bulb is in sharp focus. The overall mood is one of ideas and enlightenment.

**THE ELECTION IS OVER
NOW WHAT?**



Our Vision

A dynamic and prosperous West in a strong Canada.

Our Mission

A leading source of strategic insight, conducting and communicating non-partisan economic and public policy research of importance to the four western provinces, the territories, and all Canadians.

In 1970, the *One Prairie Province? A Question for Canada* conference was held in Lethbridge, Alberta. Sponsored by the University of Lethbridge and the Lethbridge Herald, the conference received considerable attention from concerned citizens and community leaders. The consensus at the time was that research on the West (including British Columbia and the Canadian North) should be expanded by a new organization.

To fill this need, the Canada West Foundation was established under letters patent on December 31, 1970. The first Canada West Council was elected in June 1973.

Since that time, the Canada West Foundation has established itself as one of Canada's premier research institutes. Non-partisan, accessible research and active citizen engagement are hallmarks of the Canada West Foundation's past, present, and future endeavours. These efforts are rooted in the belief that a strong West makes for a strong Canada.

This issue of *Dialogues* is dedicated to the memory of Roy Lloyd who passed away on December 7, 2005.

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a note from the editor

robert roach, director of research
canada west foundation

western perspectives national concerns

In the fall of 2005, Canada West Foundation staff were discussing potential themes for future editions of this magazine. At the time, we were not sure when the federal election would be, but the signs pointed to the first few months of 2006. Given this, it was decided that it would be interesting and fruitful to ask a group of thoughtful western Canadians what they would like to see in the first Throne Speech of the new federal government—**regardless of which party wins**—and to publish the ideas soon after the election. The pages that follow showcase the results of this process.

The goal is to enrich post-election debate and to provide the new government with ideas for positive change generated by western Canadians. Some contributors chose to prepare submissions that read as excerpts from an imagined Throne Speech, while others elected to write pieces that advise the new government on what to include in its first Throne Speech. In all cases, the ideas are rooted in a common desire to see Canada and Canadians excel.

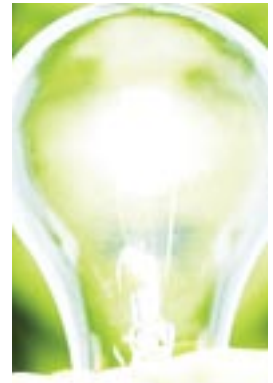
The contributors are not a representative sample of western Canadians, but they are drawn from across the four provinces and represent a diverse set of perspectives. The contributors were chosen because of their extensive backgrounds in, and knowledge of, key public policy issues. I would like to take this opportunity to thank the contributors for sharing their ideas with us.

Ideas are what this issue of *Dialogues* is all about. They happen to be the ideas of western Canadians, which is good because Canada is a huge country with a national government that needs constant input and feedback from its many constituent parts to be effective. The thousands of kilometers that separate the West from Parliament Hill make it worthwhile to conduct this type of exercise and to showcase the ideas and aspirations of westerners.

For my part, I would like to see the new government take bold steps to reform Canada's democratic institutions—from how we elect MPs to how regions are represented in Parliament and the federal civil service. I could add to this list, but I do not want to delay you from diving into the rich and diverse set of ideas brought forward by the contributors to this timely and stimulating edition of *Dialogues*.

You are likely to agree with some of the ideas brought forward by the contributors and disagree with others. In all cases, I am confident that you will find the submissions thought-provoking and informative.

Comments and questions can be directed to Robert Roach via email (roach@cwf.ca).





dr. roger gibbins, president and ceo, canada west foundation

Elections can be frustrating events for people with an interest in public policy, including both high-intensity policy wonks and average citizens. No matter how much information we bring to the campaign, no matter how closely we follow the issues, we are left with a very blunt instrument to convey our policy preferences and advice.

We are given a pencil and the chance to scrawl a single X beside a single candidate. And that's it—no matter how much we know, no matter how carefully we've been thinking through the issues, our policy input has to be channeled through that simple X.

Now we all realize, of course, that elections are first and foremost about picking winners, and that complex policy files are inevitably boiled down to campaign slogans, and then to a choice among competing teams. Nonetheless, the frustration lingers; we live in one of the most literate societies in the world, but the pinnacle of democratic politics—our national election—provides such limited scope for policy advice.

Well, for 45 thoughtful western Canadians, this issue of *Dialogues* provides a solution by giving them the chance to provide more elaborate and thoughtful policy advice to the incoming government. Our hope is that this advice can percolate into the new government's thinking in the critically important interval between taking office and the new government's first Throne Speech.

This is the time when the sound bites from the election campaign are translated into a legislative agenda for the new government. It is a time when campaign platforms are prioritized, and when the new government weaves its vision for the country. This is always a complex and creative act, one rendered even more so by the new government's minority status.

When this issue of *Dialogues* was designed we had no idea what the election outcome might be. Our authors, therefore, undoubtedly had widely divergent possibilities in mind—perhaps another Liberal minority government, perhaps a Conservative minority, perhaps a dog's breakfast with no clear winner and outcome.

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Some have written from an unmistakably regional perspective, staking out issues of particular and immediate concern to western Canadians. Others have written as Canadians who just happen to be living in the West—while their perspectives might well be shaped by living in the West, their policy prescriptions have little to do with immediate regional concerns. Their landscape is national.

Now that the electorate's judgment has been made and a new Conservative government will be taking office, the policy insights of western Canadians take on even greater relevancy. At the same time, the new government will be pursuing a national agenda, and thus the advice from our 45 western Canadian contributors must be woven into a national agenda.

Here it is interesting to note that we have come out of the election with two truly national parties with a demonstrated capacity to win seats across the country. It is the Canada West Foundation's hope, therefore, that the ideas in *Dialogues* will be useful not only to the new government but also to the Liberals as they rebuild. The West, after all, is now a prize that no party can afford to ignore.

In this context it is important to note the different vantage points taken by the authors. Some have written from an unmistakably regional perspective, staking out issues of particular and immediate concern to western Canadians.

Others have written as Canadians who just happen to be living in the West—while their perspectives might well be shaped by living in the West, their policy prescriptions have little to do with immediate regional concerns. Their landscape is national.

The election has settled one thing—the West is now in. It is all the more important, therefore, that western Canadians turn from the old agenda of regional discontent to a new agenda of national leadership through the power of ideas. This issue of is dedicated to this new era in western Canadian political life.





The Ultimate Long-Term Investment

Carl Amrhein

Elections are about many things: campaign platforms, political posturing, sound bites, poll results, and marketing strategies. And at the core is public policy debate, an examination of both who we are and where we want to be.

If we want to find what lies at the heart of our future as Canadians, we need look no further than our universities. They are, first and foremost, an investment in our future. It is here that we shape ourselves and lay the knowledge base for the road ahead. If we are serious about growing our economy and becoming a global leader, the federal government has to invest in the primary drivers of that growth.

1. Innovation and Commercialization

Investing in universities is an investment in innovation, a goal we can all agree on. What most people don't realize is that universities increasingly generate income from that investment. University commercialization is a win-win, taking discoveries into the marketplace and directing monies generated into further research. Canadian universities more than doubled their commercialization income between 1999 and 2003, and with additional support could do much more.

2. International Opportunities

Global competitiveness, both commercially and politically, can only be achieved if the next generation of Canadians learns with students from across the globe. Efforts on the part of Australia, the UK, and the US to pursue international students have boosted the economic, social, and educational systems of these countries. If Canada made recruitment a higher priority and provided grants for more Canadians to study overseas, we would realize similar benefits.

3. Student Research

Investing in university research provides two key benefits that cannot be found elsewhere. First, it brings teaching and research together, making learning come alive for students

and professors. Second, it introduces the minds of tomorrow to the questions and problems of today. Putting more research funding for students into the three granting councils would be a valuable investment in the future.

4. Well Supported Research

Universities receive grants from the federal government to cover the indirect cost of research. The government now recognizes that they are addressing only half of the real costs of facility operations, information management, and regulatory compliance. Full indirect research funding would make a big difference to universities; at the University of Alberta alone, it would add 15 million dollars annually.

5. Education

Canadians believe in public education because we will always need engineers, teachers, nurses, artists, analysts, geologists, and social workers. Canada Student Loans, targeted transfer payments, Aboriginal, disability, and other programs support students and the provinces in important ways. Increased federal funding would translate directly into more spaces for more students, particularly under-represented students.

There are many voices, such as the Emerson Task Force (including University of Alberta President Indira Samarasekera), that can provide detailed recommendations for the newly elected government. The November 2005 mini-budget contained many of the elements I suggest above. Together with my university colleagues, I hope that in its next Throne Speech the federal government takes advantage of our offer to look for opportunities to make a difference by investing in Canada's ultimate resource—ourselves.

Dr. Carl Amrhein is the Provost and Vice-President (Academic) of the University of Alberta. His academic training is in geography and urban planning, focusing on transportation and demography.

New Pathways Lloyd Axworthy

The timing could not be better to launch a new national Aboriginal education strategy that is comprehensive, integrated and holistic. This autumn's First Ministers' Meeting on Aboriginal issues was a starting point. What is needed now is a specific blueprint for making Aboriginal education a priority.

The education of Canada's Aboriginal people is crucial for the development of their human potential and for the advancement of both national and international goals. It is an area of public policy in need of fresh thinking and creative experimentation. What currently exists is not working and what is needed is results. There are far too many Aboriginal youths disengaging and dropping out, a lack of skill preparation in crucial areas, access controlled by limited and limiting hierarchies, a stovepipe approach that segments Aboriginal education into strict categories of K-12 and post-secondary, and there is a critical shortage of Aboriginal researchers, teachers, and school administrators.

The challenge for us here in western Canada is how best to develop an economic growth strategy that makes full use of our human potential, releasing the energy and talent of a young population, giving Canada the edge.

The education of Canada's Aboriginal people is crucial for the development of their human potential and for the advancement of both national and international goals.

What does it take? Clearly, it takes supports for success such as money for bursaries and internships to allow for changing circumstances. It will take housing specifically designed to meet flexible needs. In addition to many more Aboriginal educators, graduate governance programs need to be developed to enhance the capacity of Aboriginal communities to control their own affairs. Universities should walk away from the ivory towers and into their communities to partner with the Aboriginal community, schools, and researchers who can pilot new models for success. It will require fresh retention strategies and research into language and cultural preservation. And it will take enormous effort to expand and extend digital education to overcome the digital divide. In this respect it needs innovation—not just pouring money into old bottles.

We need more than a piecemeal, incremental approach. And, we need the tri-level cooperative federalist approach, pioneered

here in Winnipeg going back to the sixties. The same model of tri-level cooperation and community engagement should be brought forward on urban educational issues and presented to the three levels of government as a way of mobilizing the full engagement of all parts of the community in a major demonstration of how education can open the open door wide to Aboriginal equality.

Aboriginal youth represent a significant proportion of young people coming into the labour force, and this will be most directly experienced in the western provinces. It is a significant transformation which, if developed properly, gives this region the advantage of having a large cohort of young employable adults as compared to the rest of Canada. The question is: will we make available the education tools needed to develop those capabilities and provide the springboard for employment and good living that can be obtained with the right learning opportunities?

Dr. Lloyd Axworthy is Canada's former Foreign Minister, and is currently President and Vice-Chancellor of The University of Winnipeg.

The Ties That Bind David Barnard

There are various reasons for regional allegiance to be at odds with national allegiance in Canada: many in Quebec long for a more well-defined social and linguistic identity than they find achievable in the current configuration of confederation; many in Atlantic Canada want a more responsive recognition of the economic realities of their communities; many in the West feel that the dynamic and creative contributions of this part of the country are undervalued.

Whatever the reasons for regionalism, our nation is weakened when those reasons result in the election of a government that does not strongly represent the views of all parts of the country. In such circumstances, all Canadians are at risk of failing to achieve their aspirations.

A family is not strong if the aspirations of each member are inherently at odds with the aspirations of each other member, and if all family discussions result in identifying winners and losers. Strong families reach toward shared goals. Similarly, an organization is not strong if each constituent part is inherently heading in a different direction than every other constituent part, and if planning processes result in identifying winners and losers. Strong organizations reach toward shared goals. A country is not strong if each region views itself as having different priorities than each of the other regions, and if every political debate must result in identifying winners and losers. Strong countries reach toward shared goals.

Political debate in Canada often begins by demonizing those who have different ideas as being stupid, evil, or both. Such divisive behaviour is not the norm in functional families and productive organizations. It need not be the norm in debate aimed at finding a way forward for a nation. The Government of Canada, and the parties in opposition—unless they are determined to tear the country apart—should find ways to reach out to Canadians in all regions. All participants in our formal political processes should find a way to formulate a political debate that presents different perspectives on shared goals, rather than pitting regions against each other.

In recent years, we have not seen geographically representative platforms with broad support that spans Canada's regions.

The new government, whatever its shape, should transcend the self-interest of re-election in the near future, and construct a political debate that will bind the nation together. Such a debate must be sensitive to regional differences because they exist and they are real. But such a debate must reach beyond those differences to principles and values that bind Canadians of all regions into a nation, and demonstrate a commitment to such principles and values.

Dr. David Barnard is the President and CEO of iQmedX and the former President of the University of Regina.

From Good to Great Loleen Berdahl

In Leonard Cohen's "Bird on a Wire," he writes: *I saw a beggar leaning on his wooden crutch. He called out to me, "Don't ask for so much." And a young man leaning on his darkened door, he cried out to me, "Hey, why not ask for more?"*

As I think of what the federal government should announce in its next Throne Speech, I too am pulled between these two extremes.

When I think of Canada's "problems" in a global context, I feel a bit ashamed. We have an embarrassment of riches, and for the majority of the world's population, our worst days are better than their best days. I feel confident that Canada will never experience the horrors of genocide, famine, or children dying from diarrhea due to dirty water. Our health care system may be expensive and, at times, inefficient, but it provides all Canadians with quality health care, regardless of wealth, race or other factors. Aspects of our justice system may annoy some people, but the idea of the RCMP staging a government coup is ludicrous. Canadian democracy is certainly far from perfect, but our democratic culture is well entrenched and our

rights are well protected. Canadians are truly fortunate, and in light of international challenges, Canada's intergovernmental squabbles and other such problems seem a bit petty.

I would like to see a strong commitment to foreign aid and disaster assistance—a commitment that well surpasses our efforts of the last decade.

And yet, the young man's question hangs in the air: why not ask for more? Why should Canada settle for being a good country when it could be a great country? We could act as world leaders in environmental protection, science and innovation, and economic growth. We could recognize the strengths of our democratic system and improve on them, finding ways to balance the needs of all three orders of government, to increase the engagement of all Canadians in the democratic process, and to ensure that Canadians have confidence in their elected and appointed officials. We could ensure that all Canadians, including Aboriginal Canadians, recent immigrants, and lower-income Canadians, have the opportunity for a high quality of life. American President John F. Kennedy said, "For of those to whom much is given, much is required." It is my belief that this applies to Canada, both globally and domestically. There is so much more we can do on both fronts.

So, what would I like to hear in the next Throne Speech? First, Canada needs to be humble and generous on the global stage. I would like to see in the next Throne Speech a strong commitment to foreign aid and disaster assistance—a commitment that well surpasses our efforts of the last decade. I would like to see the military provided the resources to become the world's premiere peacekeeping and peacemaking force. Other western countries should be able to look to Canada as a source of inspiration in international development.

Second, Canada needs to rediscover its national ambition and set our own standards higher. There is no shortage of ideas on this front; some particulars I would like to hear in the next Throne Speech are a focus on improving and expanding urban transit systems; an emphasis on research and innovation in both the economy and health care; and strong investments in providing opportunities for Canada's most marginalized and disenfranchised peoples.

Canada has so much: so much knowledge; so much wealth; so many natural resources; and so many great people. It is time for Canada to recognize our good fortune, and to use this good fortune to greater national and international benefit.

Dr. Loleen Berdahl is a Senior Researcher with the Canada West Foundation.

Putting Water Security on the Agenda

Oliver M. Brandes + Ellen Reynolds

Water, not oil, is the strategic resource of the 21st Century. Yet, Canadians and our political leaders continue to struggle under the myth of water wealth, convinced that the proverbial well will never run dry. It's time to point out the lack of leadership to secure our water resources. This lack of leadership should be reversed, as demonstrated by water security receiving prominent mention in the next Throne Speech.

Pollution, growing populations, overuse and poor management conspire to create water scarcity in many regions of Canada. These threats to our water are further complicated by the uncertainty of climate change. Ensuring water security must be a national priority.

At 20 years old, Canada's federal water policy is stale and outdated. International water sustainability commitments are no more than words quickly proclaimed and then ignored at home. Recent experiences with the US over the NAFTA ruling on softwood lumber sets Canada's collective hearts racing in fear that we will be forced to manage water as a private economic commodity rather than as a shared public good.

Canadians must act now to address these issues; we cannot sit and wait for the water crisis. This requires political leadership. The process for an updated water policy—one that is more than just federal, but truly national in scope—must be initiated.

Water security means safeguarding water sources—protecting fundamental ecological function; ensuring access to good quality water that is locally managed and not-for-profit; and insisting governments, industries and communities take a long-term perspective in managing this precious resource.

Water quality debacles, such as in Walkerton and for the Kashechewan First Nation, signify a disturbing trend in Canadian water management. And one in four Canadian municipalities have reported water limits and shortages.

Water resources are not as secure as we may have believed in the past. Jurisdictional squabbles add to the problem, often leaving water management deeply fragmented and piecemeal at best.

Water governance must integrate ecological realities and emphasize that limits exist. The federal government must ensure that minimum water quality standards apply to all communities and that water withdrawals are controlled and sensitive to ecosystem requirements. The government must also promote source protection at the watershed level and create institutions that promote and embed water conservation across sectors. A final critical step is for the government to make a firm commitment that bulk water will not (and never will) be exported.

The foundation of any comprehensive approach to water management requires commitment to water conservation as the best source of “new” water for the future. But water conservation does not just happen—it requires planning, resources, commitment and leadership. Instead of consuming as if Canada is water rich, we are better off recognizing our limits and working toward water security.

It's time for Canadians to demand that our government renew its commitment to a national water strategy—to turn this looming water crisis into an opportunity to move towards the path of long-term water sustainability.

Oliver M. Brandes is the Project Leader and Ellen Reynolds is the Communications Director for the Water Initiative at the POLIS Project on Ecological Governance, University of Victoria. To learn more about the potential of a national water policy for Canada see: *At a Watershed: Ecological Governance and Sustainable Water Management in Canada*, available at www.watdersm.org.



Connecting the Dots: Addressing Skill Shortages Jocelyn Burgener

We all remember the phrase, “It’s the economy, stupid.” It’s still about the economy with the skilled labour shortage poised to inflict serious damage. It is time to connect the dots between the most important issue facing the economy and government policy. Regrettably, looking through the maze of election rhetoric, the politicians are noticeably silent. The new federal government must make it a priority to work with business to address skills shortages.

Skill shortages are rooted in stagnant fiscal and social policy and exacerbated by cross-jurisdictional in fighting. Impacted by a myriad of policies from taxation, professional elitism to the politics of immigration, the issue is further compounded by a lack of leadership and direction.

Alberta is particularly challenged by labour shortages with an economy creating 90,000 new jobs over the next five years and a further 158,000 throughout the Calgary Region by 2010. The Calgary Chamber of Commerce maintains it is critical to connect the dots and take action.

Innovation

Business needs to lead the discussion and drive solutions at the local and national level. It needs to support *The Talent Pool*—a collaboration of The Calgary Chamber of Commerce, industry, and the federal and provincial governments focused on the integration of Aboriginal people, immigrants, youth, older workers and people with disabilities. It is time to follow their lead.

Calgary’s academic institutions are aligned through *Campus Calgary* to provide 19,000 more spaces by 2010. Further action has been taken with the establishment of *The Career Show*, linking students to specific career paths developed in concert with the post-secondary institutions and industry.

Regulatory Reform

Economic opportunities flow from the certainty of investment associated with regulatory reform. To foster innovation, generate wealth and compete globally for talent and intellect, regulatory reform must be accelerated. Specifically, the *Smart Regulation* process must be integrated, accelerated and implemented.

Tax Relief

On the tax front, Canada is unable to maximize its other considerable social assets when competing for workers. In its recent federal pre-budget submission, The Calgary Chamber of Commerce recommended reducing the corporate income tax rate to 17%, and the personal income tax brackets for medium and high income earners to 20% and 23% respectively. The federal government should also increase the basic personal, married and old age exemptions and accelerate (or expand) capital cost allowances.

Restrictive foreign direct investment rules and pension reforms must be initiated. Business requires a comprehensive package of reforms to alleviate skill shortages.

Federal/Provincial Relations

Regrettably the inability to reconcile political differences compromises Canada’s ability to attract qualified workers. Professional accreditation and certification, immigration practices and ESL funding occur in the absence of a national strategy with provincial mistrust further compounding the problem.

The Canadian Council of Chief Executives argues in *Canada First! Taking the Lead in Transforming a Global Economy* (2005): “To position Canada to compete more effectively in the global economy, it is vital to deal with the structure of our federation, not through constitutional change but through a systemic and pragmatic review of what Canadians expect from our government.”

Conclusion

The Chamber continues to work in concert with stakeholders to focus attention on the solutions available to address skill shortages. Governments need to act if the economy is to withstand the pressures of the global marketplace. Business must connect the dots and drive these critical reforms.

Jocelyn Burgener is Director of Public Affairs with The Calgary Chamber of Commerce (www.calgarychamber.com).

Reaching Out Regionally Jim Carr

If I were to write a section of the Throne Speech, it would read like this:

“In a federation such as ours, the national will must never be diminished by the regional one. That is why my government takes seriously the sense in Western and Atlantic Canada that regional aspirations are not sufficiently reflected in the national government and within national institutions.

My government will take the national government to the regions by placing senior policy advisors within Western and Atlantic Canada; by moving important branches of some government departments into the regions; and by scheduling regular cabinet meetings outside Ottawa.

We are pleased to commit the necessary operating funding to secure the ongoing viability of the Canadian Museum for Human Rights, to be located at the junction of the Red and Assiniboine Rivers in Winnipeg. We believe that important

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national institutions should flourish outside Ottawa and there is no better example than building this internationally significant museum at the very center of our country's geography, from where Canada's multicultural fabric has been so beautifully woven.

The national will is served when regional voices are heard at the center. My government will make the Senate what it must become: the parliamentary chamber that balances representation by population in the House of Commons. The diverse and legitimate interests of Western and Atlantic Canada must be represented at the very center of national decision-making.

My government will take the national government to the regions by moving important branches of some government departments into the regions.

My government knows that a healthy democracy depends on the active participation of its citizens. Regrettably, Canadians are opting out of our democracy, especially many young people whose decision to abstain from voting is a serious threat to our system of government.

Therefore, my government will immediately convene a First Ministers meeting to fashion a coordinated national strategy to re-engage citizens. It is our intention to challenge institutions of learning, public and private, primary, secondary and post-secondary to stimulate public participation to reinvigorate Canada's democracy."

Jim Carr is the President and CEO of the Business Council of Manitoba and served in the Manitoba Legislature from 1988-1992.

The Canada Brand Ken Chapman

There is no doubt that Canada deserved its first place ranking as the best country in the UN Human Development Index from 1994 to 2002, considering the criteria that were used. Aphorisms like "the World needs more Canada" and "if the World did not have Canada it would have to invent it" remain true.

Why have we "fallen from grace" to fifth place and sometimes lower in more recent UN rankings? Why do we have the best fiscal record in the G7 yet languish amongst the lowest productivity ranking in the OECD? We fare less well because of two trends: the appalling plight of Aboriginal Canadians, and our relatively low level of investment in, and application of, new technology, which decreases our productivity rankings.

Negative trends are not destiny—unless you ignore them. In response to these two trends, the Government of Canada should announce in its Throne Speech that it will pay special attention and take positive action in both cases.

Aboriginal leadership in Canada and the Government of Canada have never been more aligned and focused on positive practical actions and approaches to improving the quality of life and economic and social participation of Aboriginal people in building a better Canada.

Results are emerging in areas like self-government, confirming First Nations treaty control over land and resources. New legislation passed in the last Parliament, like the First Nations Commercial and Industrial Development Act and First Nations Oil and Gas and Moneys Management Act, is pointing the way forward to self-governing and self-reliant Aboriginal communities and peoples. Effort to improve the lives and involvement of Aboriginal peoples in the benefits of being Canadian and Aboriginal is underway, but there is a long way to go.

Regarding productivity, we can't be in a race to the bottom competing with developing countries. We must focus on newer techniques to build our potential and strengths. Environment protection and enhancement is not a hindrance to productivity and is more likely to be an enhancement of new Canadian economic growth. Sustainability of the environment and/or economy cannot be lost as mutual goals as we pursue, design and respond to new opportunities to improve our productivity in a new economic model.

GDP as a comparative productivity measure is no longer sufficient in the emerging integrated environ-socio-economic world. New measurement indicators of genuine progress that provide for a full cost accounting of development must be established, including provisions to ensure reclamation and rehabilitation of the environment. New emphasis on preservation and enhancement of our natural capital must be part of the new productivity model for Canada.

The "Canada Brand" of a successful society that is inclusive and accepting, coupled with a strong economy within a pristine environment, is becoming less consistent with our reality. We pride ourselves in this brand but we must continuously nurture and earn it or risk it becoming a mere myth. The next Throne Speech should demonstrate steps to protect the "Canada Brand."

Ken Chapman, a founder and principal of Cambridge Strategies, is a lawyer and advisor on a wide range of public policy areas.

Good Government

Kevin Doyle

As a resident of western Canada,

I want good government: government that has the integrity, honesty and willingness to acknowledge and address the real problems facing Canada. There are a number of issues I would like to see addressed in the next Throne Speech, including municipal funding, healthcare, justice, Quebec separatism, the military, and democratic reform.

As a middle of the road Canadian, I am not a Liberal or a Conservative or a New Democrat. I shy away from extremes on either side of the political spectrum. I am fiscally conservative, yet fairly liberal in social policy matters. I am willing to pay taxes to support necessary social, educational and military expenditures, but I cringe when I see the disrespect of the federal government for our tax dollars as they waste them on everything in sight, and a lot that isn't even in sight. It is not criminal to give back what is not needed in tax reductions, or to pay down debt. The constant dreaming up of new ideas for spending our money is actually insulting.

Canada has been governed increasingly by optics: if a policy or program looks good, then it really isn't necessary that it do any good. Examples include the gun registry, the agreement with the provinces to put five billion dollars into healthcare without addressing the real problems, and the proposed registration of handguns. The federal government needs to be focused on real solutions.

The recent display of throwing money around brings home a fundamental problem in Canada. The federal level of government, furthest removed from the taxpayer, wallows in excess money, while the most immediate level of government— municipalities— starves for funds to provide services and infrastructure. This problem needs to be addressed in a long-term way.

Healthcare costs eat up an ever-increasing share of federal and provincial government budgets, while staffing, services, equipment and wait times all continue to struggle or slip. It is clear to most that the system in its present form is unsustainable in the long-term. Government needs to acknowledge the basic truths of the current system and then diligently begin to develop new approaches that are sustainable. Healthcare is vitally important to me and to all Canadians. By acknowledging the truth of the current system, we can hopefully find ways to preserve basic healthcare for all Canadians that is both sustainable and provides up-to-date and prompt care.

The justice system in Canada has serious problems that need addressing: a ridiculous lack of appropriate penalties for crimes, wrongful convictions, paroling of dangerous criminals, a prison system that is often closer to Club Med than what it should be, a system more often about lawyer's tricks than genuine justice, a Supreme Court that wishes to vie with Parliament in making law instead of interpreting it—the list could go on. The federal government needs to address this matter of justice.

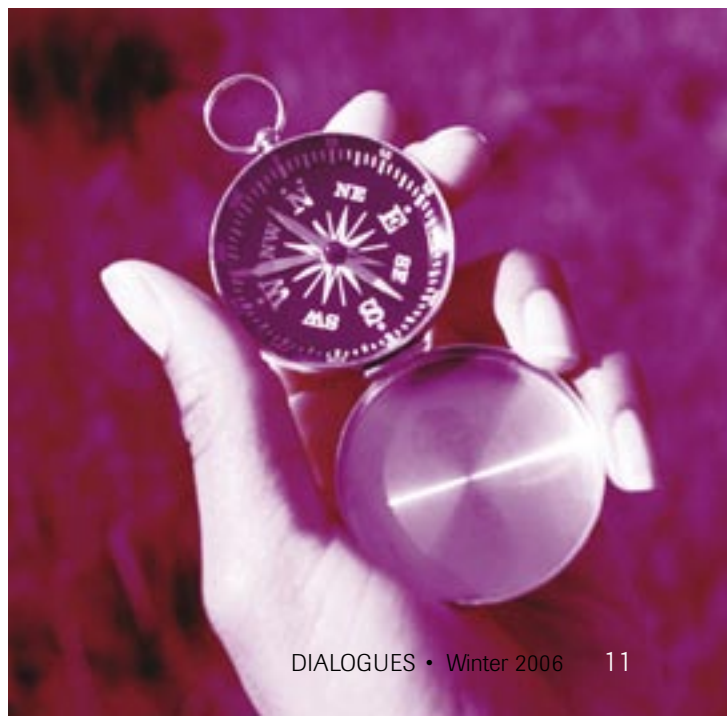
Canada may be the most undemocratic of any democracy in the world. Riding populations vary wildly, giving some parts of the country representation beyond any reasonable norm. Parliament is dominated by the two central, most populous provinces with no offsetting, regionally-based elected upper house. All judicial appointments to federal courts, appointments to Crown agencies and corporations and regulatory boards and so forth are all made by the prime minister. These problems must be addressed to make Canada a real democracy.

Our military has been treated in a very shabby way for a long time. It is time to revisit the purpose of our military, and train and equip soldiers fully and appropriately so that our military is the best in the world at what it does. This must include the maintenance of our sovereignty in the North and along our coasts.

Quebec will be a major issue in the next few years, with a referendum likely, and an outcome that will perhaps be more favourable to separation. The next federal government needs to begin now to find solutions to this, not by insulting Quebecers or stealing from them, but with solid policies and programs that will win their respect.

If the new federal government tackled these issues with commitment, honesty and respect for the voter/taxpayer, while they may not immediately resolve all the problems, they would earn respect and support from Canadians instead of indifference and contempt. This respect may be critical in managing the strains that may develop in our federation in the next few years.

Kevin Doyle is an Honourary Director of the Western Transportation Advisory Council.



Agricultural Lands Cynthia Edwards

As Canada turns the calendar on another new year, we are faced with many opportunities. We have a vast wealth of natural resources that provide us numerous economic, environmental, and social benefits. We are home to 26% of the world's wetlands, a large portion of the earth's remaining intact boreal forest, and an agricultural land base that continues to provide high quality food for citizens around the globe. Canadians also enjoy an abundance of ecological goods and services (EG&S) provided by our natural areas.

Unfortunately, we are beginning to see the impacts of our vast economic growth on our natural capital. Wetlands continue to be lost to urban expansion, industrial activity, and agriculture. Meanwhile, the loss of natural habitat has caused some of our wildlife and plant species to be put at risk, and our air and water are becoming increasingly polluted. Agricultural landscapes have traditionally supported many ecological services to our society that have never been captured in "traditional economics." Our rural landowners have seldom benefited from economic incentives designed to maintain natural capital.

The time has come for this to change. Led by Canada's governments, society must invest in the natural capital that is managed by private landowners if it is going to continue to provide valuable EG&S to society. The federal government can signal its commitment to this issue through its next Throne Speech.

Perhaps the best way for all levels of government to recognize the valuable contribution that agricultural producers make to the public is through a stronger, better funded, and even more strategic Agricultural Policy Framework (APF). By promoting the valuable EG&S that agricultural producers provide from their production practices, society can ensure that clean water, wildlife habitat, biodiversity, and carbon sequestration continue to be provided to society. Increased investment in our natural capital can occur through incentives offered to landowners to maintain and restore natural areas, improve tillage practices, grow fall-seeded cereals, and manage livestock to minimize environmental impacts. The APF is an excellent start and an additional investment will benefit society many times over.

Western Canada was settled by immigrants who came here with very little and endured unimaginable conditions to pursue their dream of owning and living off the land. As the Prairie provinces continue to evolve, we must ensure that the legacy of these people is not forgotten. An increased appreciation by society for the EG&S produced on our vast agricultural landscapes can keep agriculture as a vital part of our economy while enhancing the natural capital we often seem to take for granted.

Cynthia Edwards is the Manager, Industry and Government Relations for the Prairie-Western Boreal Region, Ducks Unlimited Canada (www.ducks.ca).

Renewing the Federation Faron Ellis

If I were to write a section of the Throne Speech, it would read like this:

"These recommendations have been crafted with two principles in mind: 1) that they will meet with substantial albeit not unanimous support from western Canadians, and 2) that any proposals made on behalf of westerners must be made within the context of the larger federation and have national reach if they are to be taken seriously as something more than mere "regional development" initiatives.

This government will begin, with earnest, what will undoubtedly be a long process of restructuring the fiscal transfers between the government of Canada and the governments of the provinces, territories, status Indians, and other aboriginal peoples of Canada.

All systems, processes and programs of government that have as their effects, unintended as they may be, the placing of specific groups of Canadians in perpetual economic dependence, will be re-evaluated with the intention of being restructured so as to eliminate their detrimental effects. Where restructuring in a manner that elicits positive effects cannot be accomplished, these systems, processes and programs will be abolished.

This process will begin by recognizing that, for the most part, existing regional development programs, equalization formulas, and the Indian Act are not accomplishing their intended goals and must be significantly redesigned or abolished. It will recognize that the national government of Canada is currently not respecting the spirit of the federal division of powers and will therefore seek to extricate itself from areas of provincial jurisdiction in an orderly and just manner.

The initiative will, at all stages, seek to ensure that accountability is provided to the people of Canada as a whole, not to entrenched corporate, regional or ethnic special interests that may currently be the primary beneficiaries of programs.

This government will begin by entering into negotiations with constituents and stakeholders in five program areas:

1. Existing processes of equalization, including but not limited to the equalization formula, will be modernized based on principles of fundamental justice rather than short-term political expediency.
2. Regional development programs will be restructured to ensure that they provide incentives for long-term economic adjustment, or they will be abolished.
3. The Indian Act will be restructured to ensure that all of its processes and procedures provide accountability to the individual band members and that its benefits flow to those members, or it will be abolished.

4. The constitutional jurisdiction of the provinces will be respected. A reduction in the size and scope of federal taxation will allow provincial governments to adequately fund and administer programs under their jurisdiction.

5. The existing Employment Insurance Program will be restructured based on a true insurance program model rather than on the existing hybrid model that attempts to provide both insurance for the temporarily unemployed and regional development.

The national government is currently not respecting the spirit of the division of powers and will therefore seek to extricate itself from areas of provincial jurisdiction in an orderly and just manner.

This government will no longer require that national resources, and particularly resources derived primarily from one region, one province, or one ethnicity, be expropriated to pay for systems, processes and programs that have neither the intent nor the effect of alleviating the long-term disadvantaged conditions of other regions, provinces or ethnic groups.

This government will not be shackled by ideologies of the nineteenth century any more than it will be confined by the processes of the twentieth century in its quest for solutions that meet the needs of Canadians living in the twenty-first century."

Dr. Faron Ellis is Director of the Citizen Society Research Lab at Lethbridge Community College and author of *The Limits of Participation: Members and Leaders in Canada's Reform Party* (University of Calgary Press, 2005).

Boosting Productivity Jock Finlayson

Despite some improvements in economic performance, Canada has much ground to cover if it hopes to narrow, let alone close, the sizable and still growing prosperity gap that has opened up with the US. This argues strongly for framing the next federal Throne Speech around the theme of productivity.

Productivity is the fundamental driver of advances in long-term economic well-being. Unfortunately, Canada's record continues to disappoint, not just vis-à-vis the US, but also against several other industrial nations that have managed to surpass our country in absolute productivity (including Australia, Sweden, the UK, Ireland, and Germany).

Canada's standard of living, as proxied by real GDP per person, is almost 20% below that in the US. This translates into a per capita income differential of more than \$9,000 (Canadian) per year. By far the biggest contributor to this gap is weaker Canadian productivity growth. Labour productivity in the Canadian business sector has stalled for the past two years, while in the US business sector output per hour has increased an impressive 8%. In fact, Canada's productivity growth rate has long trailed that of our southern neighbour. Lower overall productivity and sluggish productivity gains are the main factors limiting real income growth for many Canadians.

A nation's productivity depends on a variety of determinants, including its industry mix, decisions made at the enterprise level in response to market and competitive forces, and the impact of the incentives, regulatory practices, and institutional structures fashioned by public policy. A more productive economy would generate greater resources to support private consumption, long-term investment, and government expenditures on services, income transfers, and infrastructure development. To raise living standards, Canada must develop a more globally competitive business environment, one that fosters innovation and the investments needed to bolster productivity across all sectors.

Accordingly, the next Throne Speech should emphasize the following priorities:

1. A sustained high-level commitment to more efficient regulation and greater federal-provincial coordination, based on the advice and philosophy outlined in the landmark 2004 report of the External Advisory Committee on Smart Regulation. Outdated, excessive, and cumbersome government regulations and administrative practices are costing the Canadian economy many billions of dollars in lost output, foregone investment, and diminished efficiency.

2. Significant tax reforms that reduce the tax burden on capital investment, spur the commercialization and diffusion of new technologies, and make Canada a more competitive location for global companies to put high-value business operations.

3. A stepped-up pace of investment in key transportation infrastructure—especially highways, ports, and the Canada-US border—to strengthen commercial transportation links within Canada as well as connectivity with external markets.

4. Changes in immigration policy to encourage recruitment of immigrants with the skills that our economy actually needs, speed up the processing of applicants, and facilitate recognition of new immigrants' educational and professional credentials.

5. Continued federal support for post-secondary research, commercialization initiatives, and graduate-level education programs in the sciences, engineering, management, and other fields that are particularly relevant to boosting productivity.

Jock Finlayson is the Executive Vice President, Policy with the Business Council of British Columbia (www.bcbc.com).

A Modest Proposal

Joe Garcea

There are at least two major problems of importance to western Canada that the next federal government should address in collaboration with the provincial, local and Aboriginal governments.

The first problem is intergovernmental policy and program coordination in western Canada. Despite the good efforts on the part of all orders of government in recent decades to improve such coordination, substantial problems persist. They persist due to insufficient efforts at developing appropriate coordination mechanisms and protocols needed to respond to the rapidly changing environment in which governments operate. The result is a “coordination gap.” This is the gap between the actual and optimal level of intergovernmental coordination. This gap has many adverse effects for the ability of all governments to maximize their ability to enhance economic, community and social development in western Canada.

The next federal government should propose a partnership with the provincial, local, and Aboriginal governments in establishing a “Task Force on Intergovernmental Coordination in Western Canada.” The Task Force should be mandated to produce a framework for the production of action plans on coordinating the economic, community and social development policies and programs in the West. For that purpose it should consider innovative intergovernmental governance and management frameworks for producing truly coordinated policies and programs in the future. The identification and implementation of such frameworks are likely to be more beneficial for the West than the current preoccupation, indeed obsession, on the part of some westerners to reform the modes for choosing Senators and Members of Parliament.

The second problem that should be addressed by the next federal government is “western alienation.” This is a nebulous grievance which receives much lip service, but little systematic attention. The time has come for the federal and four western provincial governments to shine the proverbial spotlight on it so that it can be analyzed and addressed in a constructive manner. Western Canadians and their governments, indeed all Canadians and their governments, need to understand its precise nature and scope, its causes, and its effects. The reason for this is that it has implications not only for their sense of citizenship, but ultimately also for national unity.

In addressing this problem, the next federal government should establish a “Task Force on Alienation in Western Canada.” The Task Force should be mandated to explore at least two key matters. First, whether the fundamental nature, scope, causes and effects of political alienation in western Canada

are substantially different than political alienation in Atlantic Canada, northern Canada, Aboriginal Canada, Quebec or Ontario. More specifically, it should consider whether there is something fundamentally different about such alienation in western Canada, or whether it is essentially part of a general disenchantment and disaffection with governmental institutions that prevails in all regions of Canada.

Second, it should consider efficacious ways to address this nebulous grievance either through concrete reforms to governmental institutions, policies, and programs, or through some form of “collective consciousness raising and therapy strategy” among westerners who feel it most acutely. The Task Force’s work could contribute to achieving effective and efficient governance, without the counterproductive baggage of this nebulous grievance which, regardless of how legitimate or justifiable it may be, does little to advance the interests of those living in the West.

Dr. Joseph Garcea is an Associate Professor of Political Studies at the University of Saskatchewan, where he teaches Canadian government, local government, public policy and public management. During the past several decades he has lived in all four western provinces.



Once Upon a Time Gordon Gibson

If I were to write a section of the Throne Speech, it would read like this:

“My government will take major steps to improve the functioning of our federation and our democratic process.

An immediate inventory will be conducted to identify all areas where the federal spending power has been used to invade provincial areas of responsibility. Such spending will be ended, and federal taxes reduced by an equivalent amount.

The equalization formula will be adjusted as necessary to leave no province worse off as a result.

In the longer-term, the equalization formula will be changed to reward success rather than failure in provincial economies. This, plus planned changes toward regional equality in the Employment Insurance program, will add to incentives to mobility and productivity in the land.

Policy changes will be instituted in two of the federal government’s most important operational programs. Immigration assessment practices, apart from the refugee program, will focus strictly on net benefit to Canada. Expenditures in respect of Indians will be rebalanced from Indian governments to individuals to enhance individual decision-making and allow families to make the best housing and educational choices for their children.

Scientific research support will be doubled over the next three years, as will foreign aid.

A Citizens’ Assembly modeled after the BC example will be empowered to advise on a new electoral system for Canada, with their recommendation put to a binding referendum.

The provinces will be asked to consider a constitutional amendment adding property rights to the Charter, and to guarantee citizens’ right to all government information with limited exceptions relating to privacy and security.

Legislation will be introduced to provide for fixed four year election dates in the ordinary course, subject to confidence requirements.

Parliamentary committees will be provided with staff and research budgets and stable membership to improve legislative oversight of government operations.”

Gordon Gibson is a Vancouver based public policy writer.

A Post-Colonial Canada Joyce Green

If I were to write a section of the Throne Speech, it would read like this:

“My government has designated five files as priorities over the next five years. We will assume a position of political leadership in moving toward goals that are more important than any single political party and any single electoral mandate. We propose to use the Aboriginal measure of the well-being of those seven generations removed from us as our benchmark for good public policy-making in each of these areas. Rather than being driven by public opinion polls or partisan electoral considerations, we propose to lead, to educate, and to encourage Canadians in these priority areas.

First, Canada, a product of colonialism, must transform itself to a post-colonial political culture. A post-colonial order will erode the deep strands of racism embedded in Canada’s popular culture, and will share political and economic power with Aboriginal peoples. A post-colonial order is a fundamental requirement for a coherent, cohesive, contemporary political culture, and for collective membership in the Canadian citizenship club. Both justice and political pragmatism require us to find this common space. My government no longer thinks it is acceptable for Canada to live off the avails of colonialism.

Second, health care is a foundational pre-requisite for other expressions of citizenship, and identifying, delivering, and funding this public good requires the commitment of all orders of government and of the public treasury. Health care is about professionals, medical services, technologies and diagnostics, drug plans, respite, long-term, and palliative care. But it is also about healthy families, communities, and workplaces. It includes housing, education, culture, and freedom from violence. My government will take a broad and comprehensive view of health, and will commit itself to pursuing wellness as well as treating sickness.

Third, our environment is under immediate threat because of human activity. My government is committed to an economic and cultural order that treats environmental health as a Prime Directive. We will provide the necessary mixture of tax, subsidy, and regulatory sticks and carrots to encourage corporate, municipal, and citizen compliance with a range of policy measures to ensure the Prime Directive. No other issue is as essential for the well-being of our country and of our world, and no delay is possible.

Fourth, the constitutional and administrative expression of federalism must be re-organized. It must give effect to the emergence of the Third Order of government—Aboriginal government. It must enable us to adequately fund and engage municipalities, to provide space for the historic and contemporary expression of Quebecois nationalism within

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Canada, and to provide fiscal transfers and equitable natural resource autonomy to all provinces. And, we must guarantee the national government's capacity to guarantee Canadians' rights and responsibilities of citizenship, and to speak authoritatively for Canada in the international arena.

Fifth, we will strengthen the quality of democracy in Canada. We will immediately eliminate the first-past-the-post electoral system in favour of a proportional representation system. We will improve the transparency in the Prime Minister's Office. We will transfer the power of appointments to an all-party parliamentary committee. Further, we will initiate the process to abolish the Senate, and create a non-partisan Council of Elders, whose purpose will be to advise Cabinet and the House of Commons on any matters before them, and to guide the behaviour of Members of Parliament. These elders, a minimum of whom will be Aboriginal, will be nominated by all communities in Canada, and will be chosen by lottery to sit on the Council for a five-year period."

Dr. Joyce Green is Associate Professor of Political Science at the University of Regina, where she works on a theory and politics for a post-colonial Canada.

Investing in People Bob Guthrie

Where will we get the people with the necessary skills to deliver the great economic promise of western Canada? In Saskatchewan, and elsewhere in western Canada, we are facing an increasing shortage of skilled workers. Our businesses are already constrained in their ability to capitalize on the opportunities at hand.

An investment tax credit (ITC) for apprenticeship training is worth a hard look. The conventional argument against targeted tax measures, such as an investment tax credit, is that it involves "picking winners" or a "beggar thy neighbour" policy. It may also require overall higher tax rates to pay for the tax expenditure for the targeted recipients. However, investment tax credits can be justified on the grounds that they attract risk capital and reduce the private cost of capital investment for a public good. An ITC for apprenticeship training passes the test: it attracts risk capital and reduces the cost of private sector investment in a public good.

Hiring an apprentice and investing in his or her training is an expensive and risky proposition today. Employers make a large investment in training apprentices, especially in the first two to three years of an apprenticeship. At the same time, apprenticeship trains and certifies to national industry standards and supports unsurpassed mobility of workers.

Most apprenticeship employers in Saskatchewan are small businesses that employ five or fewer people. It is devastating to a small employer to lose a senior apprentice or newly certified journeyman to a competitor, especially when that competitor is a large public or private sector organization that does not invest in apprenticeship training. When the skilled worker leaves, the employer's investment walks out the door.

In an environment of increasing skills shortages, training and certifying to national industry standards places the employer's investment in apprenticeship training at significant risk. An ITC for apprenticeship training would mitigate the risk taken by employers and therefore attract more capital investment in human resources (i.e., more jobs, more training).

In order to encourage employers to hire more people and upgrade the skills and productivity of existing employees, a targeted tax measure is required. Without a bold public policy initiative to address the skills shortages in western Canada, our businesses and economy will be hobbled. The enormous business investments that are in place or planned for the next few years in the West will be unable to deliver their promise without big increases in the supply of skilled labour.

The Government of Canada would make a significant and positive contribution to the skills agenda in western Canada, and elsewhere, with an ITC for apprenticeship training. And in doing so, it can neatly side-step all the thorny jurisdictional issues that sometimes attach to federal initiatives in the area of education, training and labour market development. The Province of Ontario implemented an apprenticeship training tax credit in 2004, and a number of provincial and national industry groups are calling for such a measure.

Good public policy will leverage private sector investment in skills development. After all, there is a massive investment in plant, state-of-the-art equipment, and skilled workers (teachers) already in place in the private sector. Combining existing and new private sector investment with an apprenticeship training tax credit could make really great things happen. The possibilities almost defy imagination.

R.D. (Bob) Guthrie is the CEO of the Saskatchewan Apprenticeship and Trade Certification Commission (www.saskapprenticeship.ca), an industry-led public and private sector partnership responsible for the apprenticeship program in Saskatchewan.



Greatness Doesn't Come Through Luck or Manners

Todd Hirsch

The world is changing at an unprecedented pace, but Canada is currently struggling to keep up to the competition. In international business, science, politics, sports, and even the arts, Canada is increasingly nowhere to be seen. For a country endowed with such bountiful natural and human capital resources, we punch far below our weight.

If the 20th century started as “Canada’s century,” it ended as “not quite Canada’s century.” Worse, the 21st century appears to be starting off as “The century Canada fell off the radar screen.”

This need not be so. Canada can regain its proud reputation of a world leader in all of these fields. The challenge is to prepare our business leaders, our scientists, our political thinkers, our artists—indeed all Canadians—to be the best in the world.

To be the best, we have to be the most educated and the most skilled people in the world. We will not achieve global greatness on luck and good manners alone; we need to be the best thinkers, creators, researchers, designers, and innovators.

Our system of post-secondary education is primarily a responsibility of the provincial governments, and that should be preserved. Yet the federal government could have a significant role by investing directly in students. Through a revised system of generous student grants and loans, the federal government should ensure that no Canadian be restricted in his or her ability to attain higher training and education because of a financial barrier.

The cost of a good quality post-secondary education has risen dramatically. An alarming number of students have no choice but to take jobs outside of their studies simply to pay their living expenses. This comes at the expense of their academic performance. Even worse, many students are graduating from college or university with a crushing debt load. They are starting off their professional and post-college lives already trapped in the spiral of debt.

The federal government should not only make loans more generous and easily accessible, but also offer greater forgiveness of portions of the loan. This could be assessed on the basis of individual need, or it could be done on the basis of academic achievement, rewarding hard work and good grades. Repayment of remaining portions of the loan could be scaled against income upon graduation.

To match the increased funding available for students, the federal government needs to streamline and improve the administrative portion of the program. Getting a student loan can be a long, painful experience. The applicant can become bogged down and frustrated with the process, and often waits weeks to find out the amount of the loan that he or she is

eligible to receive. The process needs to be simplified and less time consuming for it to work.

There is no investment as vital to the future of this country as the investment in post-secondary education. Our economic productivity would be boosted as our labour force becomes more knowledgeable and skilled. Our achievements as a country would lead the world in all areas of study. And Canada would become the most desirable place on earth to live, to learn, and to work.

It will be “Canada’s century—this time for sure!”

Todd Hirsch is the Canada West Foundation’s Chief Economist and a former President of the Economics Society of Calgary.

Smaller Government

Peter Holle

If I were to write a section of the Throne Speech, it would read like this:

“Throughout the last generation, Ottawa has repeatedly become involved in areas of provincial jurisdiction in which it has little or no expertise. This has inflamed separatism and unduly politicized Canadian society.

The most counterproductive of these interferences, the Canada Health Act, has effectively prevented provinces from meeting the needs of thousands of diverse communities. To modernize Medicare and restore a consumer and patient focus, the federal government will return to provinces the freedom to innovate and experiment with alternate models of service delivery.

From a western perspective, economic flexibility, dynamism, and growth depend on wholesale reform of the perverse incentives in our programs of taxation and regional development. Equalization transfers penalize growth in “have” provinces while inducing “have not” provinces to refrain from creating a more attractive tax and investment climate and developing public sectors focused on results. We will repair this unhealthy dynamic by shifting the GST to the provinces and absorbing a proportion of provincial debt in exchange for an end to equalization and federal social and health transfers to provinces.

Canada’s resource-dependent western provinces depend on open borders. The federal government will work aggressively to reduce interprovincial trade barriers and irritants, and standardize health and safety protocols to prevent market disruption. As part of our WTO obligations, and recognizing the humanitarian need to assist developing nations, we will phase out the privileges and extraordinary agency powers reserved for supply-managed commodities like dairy, eggs and poultry. We will compensate quota holders in a fair way.

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The West contains the highest concentrations of Canada's poorest, most dispossessed people, our Aboriginals. Massive funding increases directed at First Nations through programs with little performance measurement and poor accountability have enriched a small minority and left the underlying, general causes of poverty unaddressed. In the short-term, the federal government will immediately begin redirecting half the existing spending by Indian Affairs as expanded treaty payments to individuals. Provisions for electoral and democratic reform contained in the defunct First Nations Governance Act will be revived. But long-term prosperity depends on major reforms to the Indian Act, to remove the walls that prevent credit and capital from spreading prosperity on reserved lands.

In a competitive global economy, Canada can no longer afford the simplistic tendency to throw money at complex problems. Had federal spending over the last decade held constant, growing only as much as population growth plus inflation, we would have had enough money left over to chop corporate taxes in half, personal income taxes by 20%, or the GST by three points. Research indicates that the optimal size of government, where economic growth is maximized, is somewhere near 30% of the economy. Canada's governments now absorb more than 40%.

We can maintain and expand important public spending initiatives by increasing our economy's growth rate. The federal government will accomplish this by adopting an economic constitution that holds the growth in federal spending to one percent below the economy's growth rate until we reach a combined provincial-federal ratio of 30%."

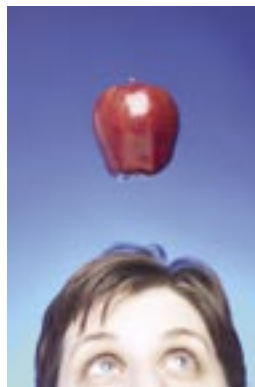
Peter Holle is President of the Frontier Centre for Public Policy, an independent think tank based in Winnipeg (www.fcpp.org).

The Creativity Agenda Colin Jackson

Creativity has always come naturally to Canadians—from ingenious technologies developed by this land's first peoples to cope with an often harsh and inhospitable climate, to the explosion of cultural expression across Canada over the past 20 years.

Politically, though, we are inclined to view creativity—especially cultural creativity—as something of a luxury. While proud of our many commercial and cultural achievements, we default to resource extraction as our economic driver, overlooking the fact that the truly sustainable source of prosperity is not what is underground, but is in the people that walk upon it. Another challenge is that, when faced with a challenge, government designs programs that address symptoms, but fail to address root causes. The public and government are locked in a relationship that is inauthentic and ill suited to modern circumstances.

Our nation faces pressing challenges and exceptional opportunities, and meeting them will require new ways of thinking on the part of government, business, community activists, academics and Canadians from all walks of life. The creative mindset, with its focus on expanding what is possible and on embracing new ideas, is essential to identifying and then adopting those new approaches. Let us launch a "Creativity Agenda" to encourage the creative mindset.



Government must migrate from a "design and deliver" mindset to that of a learning organization, continuously improving its relationships with citizens.

The next Throne Speech presents a considerable opportunity to reposition government as an ally learning along with citizens how to create a gracious society. To signal this shift, the Government of Canada should advance a national creativity and innovation agenda built to promote innovative, creative, self-reliant communities. Such communities would not only offer an advanced quality of life, but would also serve as magnets for talented people.

Government cannot "create" creativity, or even direct it. By its nature, creativity resists regulation and defies instruction. However, the federal and, indeed, all orders of government can work to secure the underlying conditions that foster creativity and encourage innovation. This will be tough work as governments will, themselves, need to become learning organizations.

To begin this shift, the Throne Speech could announce a three year \$500 million fund aimed at non-traditional and "silo busting" initiatives. Available to the widest possible sweep of organizations and individuals, this "Creativity Fund" would support demonstration projects, research, and campaigns that will improve the sustainability of Canadian cities and communities—economically, environmentally, socially, and culturally—through creative and innovative thinking.

Possibilities are as endless as the imaginations of Canadians. Projects could include distance learning and distance health care; ways to include immigrants and Aboriginal Canadians more rapidly and more fully into mainstream society; and brownfield and other beautification rehabilitation in communities across Canada. In some cases, there may be cash investments and grants required to lubricate the concept, in other cases the removal of regulatory barriers or the production of research and benchmarks may be needed. In all cases, the aim is to kindle the entrepreneurial spirit, and for all concerned to learn from the experiments.

Colin Jackson is the President and CEO of Calgary's EPCOR CENTRE for the Performing Arts (www.epcorcentre.org).

Entrepreneurship Dan Kelley

The election campaign has focused a great deal of attention on an issue that has been largely ignored in previous elections—taxation. While Canadians may be wisely sceptical of such promises, the fact that there has been much debate between the two largest parties on which is the best tax to cut, rather than whether tax cuts are necessary at all, should be viewed as good news by those of us concerned about ongoing economic growth.

Whether it is the GST or personal income taxes, the fact that we are now acknowledging that tax reductions will help improve the lives of individual Canadians and Canada's entrepreneurs is welcome news and a significant departure from debates centred entirely on new ways of spending taxpayers' dollars. Ensuring that our new government puts these positive sentiments into action will no doubt be a challenge given the many other promises and priorities in play.

Taxation is the single most pressing issue for western Canada's small business community, but there are other important issues that demand the early attention of our new government. Western small firms are dealing with a rapidly growing shortage of skilled labour, and in some areas actual shortages of unskilled workers, which show no signs of letting up. There are many national policies, such as Employment Insurance and the current review of the Canada Labour Code, which may serve to help address the problem, or make it even worse depending on the decisions of Parliament. Ensuring Canada's labour legislation is flexible and encourages citizens to build skills rather than sit on the sidelines of the labour market will help tackle this growing challenge.

The increasing burden of regulation on western Canadian small firms is also a top concern. A recent CFIB report showed that western Canada's business community spends at least \$10 billion per year to comply with the burden of red tape—representing over 2% of the region's GDP. Much of this burden is imposed at the federal level, particularly the GST, payroll taxes like CPP and EI, and Statistics Canada surveys and reporting. A new government that implements some of the work of the current Advisory Committee on Paperwork Burden Reduction would go a long

way in easing the burden on our entrepreneurs, allowing them to concentrate on creating jobs and growing the economy.

While we have heard some promising messages during the recent campaign, Canada's small businesses will be watching closely for action from our new government. Reducing taxes, creating a positive environment to address skills and labour shortages, and cutting unnecessary red tape would be a great way to start.

Dan Kelly is Vice-President, Western Canada with the Canadian Federation of Independent Business (www.cfib.ca).

Cut Taxes Roslyn Kunin

If I were to write a section of the Throne Speech, it would read like this:

"It is well known that it is not the government that keeps the economy of this country working. It is the individual Canadians who work and start businesses; who spend, save and invest that make this country prosper.

Therefore, we shall be cutting taxes on individuals and businesses by 10% in order to provide Canadian people and Canadian companies the incentives and the wherewithal to continue to make this country great and its economy prosper. Individual Canadians and their companies can and do make much better decisions to generate the wealth for Canadians to enjoy than can governments.

Finally, in addition to leaving more of their own money in the hands of Canadians to use as they see best, we are ensuring that Canadians will have the freedom to spend their resources on goods and services of their own choosing—including on health care for themselves and their families."

Dr. Roslyn Kunin is a Director of the Canada West Foundation and is President of Roslyn Kunin and Associates Inc., an economic consultancy.



Pride of Place

Leah Lawrence

Pride of place. These words define Albertans. Pride in being able to create something where many might see nothing. Pride in our global village that has grown through waves of immigration from around the world for over 100 years. Pride in our natural spaces.

Albertans live the boom and bust cycles of a commodity-based economy. We accept this and have risen to the challenge. Chance put vast reserves of oil, natural gas and oil sands beneath our feet, but ingenuity and a vision of what our energy resources could be have allowed us to create wealth where others saw none. Why wouldn't we believe we could pull energy from stone (or, more specifically to Alberta's case, sand)?

Bullish? You bet we are. Recent years have brought immigrants from other parts of Canada and abroad. Our cities have become the face of the global village, filled with people with ingenuity and a vision of what Canada could be. As the poles of economic influence shift westward, we feel it and are proud of what we have accomplished.

But pride sometimes yields to self-righteousness. And wealth can lead to greed. In the booming economy that currently characterizes Alberta, we seem to have lost sight of the importance of our natural spaces: our clean air, clean water, and mountain and prairie vistas.

As thousands move to our cities, agricultural lands, forests and mountain slopes are being overtaken by urban sprawl. Albertans, like the rest of Canadians, believe in responsible and sustainable development, although we are still defining what we mean by this. "Environment" was ranked as the third most important issue on voters' minds during the last provincial election.

Assuming leadership on national environmental matters won't be easy, but it can be done. Case and point is federal action to take control of climate change regulation by classifying carbon dioxide as a regulated substance under the Canadian Environmental Protection Act. The next federal leadership needs to continue to take charge, and this commitment must be restated in the Throne Speech. And, as with health care, it is time for the provinces to publicly report their progress on Canada-wide environmental goals.

Machiavelli once wrote that it's tough for a Prince to change things because those who will benefit from the status quo

understand well that they will lose if things change. On the other hand, those who would benefit from changes are unsure of how great their benefit will be, and so are difficult to rally in support of change.

But change we must, or the landscape of Alberta will be indistinguishable from the urban sprawl of any other major metropolitan area. And where is the pride in that?

Leah Lawrence is the President of RDA Inc., an energy and environmental consultancy in Calgary.

Empower Cities

Bob Linner

We have not accepted that our cities are capable of making their own choices, determining their own destiny, and building their own capacity. We have not provided them, despite their transparency and immediate accountability, with the authority and the resources to make the most appropriate choices. The greatest respect one can give another is having confidence in them and trusting them. Municipalities are not given this respect and are still treated as "junior" governments. This needs to change.

The fundamental nature of the demographics, socio-economic fabric, and physical infrastructure of our cities has changed, and is changing, in dramatic fashion. Yet, we continue to try and govern this environment with the fiscal and legislative relationships of the last century. The forces that are undercutting civil society in our communities are behind the property line where municipalities have no formal role and responsibility. Modern urban communities cannot ignore these elements of malaise and have chosen, to their credit and often by default,



to redeploy their resources to address them. This diversion of resources comes at the expense of urban infrastructure and quality of life attributes. If we do not act, we risk undermining the quality of life in, and economic contributions of, our urban communities.

The first Throne Speech of the new federal government should meet this challenge and outline a federal urban strategy for working with the provinces and cities to modernize the intergovernmental relationships that exist among them. A new deal cannot just be the allocation of additional funding from the federal government. As laudable an initiative as that is, and a major step towards seizing the opportunity for cities, it continues to leave cities caught in the mesh of priority choices of other governments.

Empowerment obliges that responsibility, authority, and autonomy go together. We cannot continue to subscribe to the dated notion that municipal issues will fall somewhere in the line of choices of someone else. Our communities, their quality of life and economic competitiveness are too important. The false illusion of solving our problems with someone else's gratuity will not allow long-term strategic and fiscal planning.

An agenda to recognize the autonomy and accountability of municipalities in a new fiscal and governance relationship will open the door to community capacity-building and enable municipalities to build on their unique attributes and aspirations by making their own choices. Our communities can never be fully accountable for what they can be, and the choices they can make, as long as they are dependent on someone else for their funding and priorities.

A. R. (Bob) Linner is the City Manager of the City of Regina.

Time for Nation Building Chris Lorenc

Walt Disney once said: "The way to get started is to quit talking and begin doing."

This statement could not be more applicable to Canada's massive transportation and core municipal infrastructure deficit. This deficit or "debt" is the amount Canada would have to reinvest to bring core municipal infrastructure and transportation assets up to today's engineering and safety standards.

While not scientifically exact, consider the problem's magnitude: with Canada's core municipal infrastructure deficit at about \$60 billion, and the National Highway System and the remaining grid of provincial highways each at about \$30 billion, Canada's total transportation and core municipal infrastructure deficit is approximately \$120 billion and growing exponentially.

The western transportation ministers, in a report released in March 2005, identified \$15 billion of required transportation infrastructure investments. They identified broad agreement that our transportation system would not be able to meet the needs of citizens, communities, and businesses in the future without significant investments. They stated that the consequences of deferring renewal were becoming more serious: lower economic growth; highway safety concerns; less competitive cities; traffic congestion; and pollution.

At the August 2005 meeting of the Council of the Federation, Canada's premiers made transportation and infrastructure a top priority. They identified the transportation system as one of the most important foundations of our country's international competitiveness, and stated that it was key to ensuring a better standard of living for all Canadians. They released their national transportation strategy in December 2005, calling upon the federal government to make significant financial contributions to Canada's transportation assets aimed at further improving Canada's lagging economic productivity.

And so while there is momentum at the provincial level, which recognizes the importance of transportation and infrastructure, where does the new national government stand? What priority does infrastructure investment play in rebuilding the nation and positioning Canada to new levels of economic and social greatness?

Does it appreciate the need to commit to a sustainable national infrastructure program addressing municipal infrastructure investment objectives? Will investment in Canada's National Highways System, which strategically links the nation, be embraced as an economic and social enabler? Will there be a vision advanced by the new government committing to transparent and accountable collection and allocation of federal fuel taxes and their reinvestment to Canada's transportation system?

These are fundamental questions that our national government should address. They are fundamental to this nation's progress, economic health, national security and quality of life.

This is not to suggest that defense, childcare and other "promises" are not significant. It is however important to remind Canadians that none of the quality of life investments are possible without a productive, competitive economy, able to manufacture, export and import goods at competitive rates, and able to compete in a global economy where investment and location decisions are but the cost of a plane ticket away.

It is this sense of national vision and purpose that infrastructure can underpin and the Throne Speech should speak to this. Only by moving from talking about transportation and infrastructure to taking action to address its needs, will we have the nation building that Canadians deserve.

Chris Lorenc is President of the Manitoba Heavy Construction Association (www.mhca.mb.ca) and the Infrastructure Council of Manitoba (ICM).

Governance Matters

Janice MacKinnon

If I were to write a section of the Throne Speech, it would read like this:

“Governance matters. Dysfunctional national institutions nurture regional alienation, cynicism and disengagement. Restoring the integrity and effectiveness of our institutions and re-engaging citizens will be my government’s highest priority. We will fully implement the recommendations of the Gomery Report. We will also re-establish the independence and effectiveness of the public service. As the Auditor-General said, more audits and rules are not the answer. Instead, my government will immediately end the policy that gives ministerial staff preferred access to civil service jobs and it will legislate effective whistle-blower legislation. Too much power is concentrated in the Prime Minister’s Office (PMO). To change this, Parliamentary Committees will play a greater role in appointing the boards of directors of government agencies like Crown Corporations and the boards will have the power to choose their own CEOs.

Parliament will also be strengthened. There will be more free votes, Parliamentary Committees will be strengthened and ministers will be held more accountable. The federal government will also respect the right of provinces to elect Senators.

A democracy cannot claim to be healthy when less than 25% of young voters participate and when its electoral system encourages the development of regionally-based parties. Thus, we will follow the lead of provinces and establish a Citizens’ Committee to examine ways to change our electoral system and re-engage citizens in the political process. Election dates will also be fixed.

We will establish a Royal Commission to examine federal-provincial-municipal fiscal relations. Its members will be chosen by all three levels of government and its task will be to ensure that the various governments have the tax bases required to fulfill their constitutional responsibilities. Under our watch, the federal government will concentrate on areas within its jurisdiction rather than trying to tell provinces how to run programs that are clearly within provincial jurisdiction.

We believe in gun control; however, the current gun registry has been a colossal failure. Hence, my government will end it and engage in a dialogue with citizens about the most effective means to control firearms and reduce crime.

It is also time to change the way that we deal with Aboriginal peoples. All governments agree that First Nations and Métis people must share equally in our prosperity, opportunities and other benefits of common citizenship. However, achieving this will require breaking down the jurisdictional barriers among governments. While the majority of Aboriginal people live

off-reserve, the majority of federal dollars are directed to the minority who live on-reserve. We have to move to funding arrangements based on need, where dollars follow the Aboriginal people and support their choices. My government will also introduce legislation to ensure that Aboriginal organizations are accountable for the funds that they receive. While we respect the rights of Aboriginal people to run their own affairs, any group that receives taxpayers’ dollars has to account for their use.”

Janice MacKinnon is a Fellow of the Royal Society of Canada, a Professor of Public Policy at the University of Saskatchewan, Vice-Chair of the Institute for Research on Public Policy (IRPP), and a former Saskatchewan Finance Minister.

Support for the Nonprofit and Voluntary Sector

Vic Murray

Recent years have seen a growing awareness of the size, scope and impact of the “Third Sector” in Canadian society. While the activities of business and government dominate public debate, opinion leaders are coming to realize what the estimated 160,000 nonprofit and voluntary organizations contribute to the economy and our way of life.

This is the sector that represents 8.6% of the national GDP, with revenues totaling \$112 billion a year. Over 2 million Canadians are employed in it and over 19 million contribute more than 2 billion hours a year of volunteer time to it. But, most importantly, it provides vital services in all facets of life and is critical in creating the sense of community that keeps our democracy strong.

The nonprofit sector represents 8.6% of the national GDP, with revenues totalling \$112 billion a year.

For years the voluntary sector was taken for granted by government policy-makers, though this began to change in 1999 with the federal government’s creation of the Voluntary Sector Initiative (VSI). During the five years of its existence, the VSI accomplished many things, including publication of several studies that identified a number of issues that inhibit the sector from being as effective as it could be. Many of these issues are related to public policy.

Unfortunately, since the VSI came to an end, there has been a precipitous decline in the willingness of government to address the issues that were revealed by it. Chief among the initiatives that the new government should consider are:

- Allowing some proportion of the costs of performing volunteer work as deductible expenses from the federal income tax (as is currently the case in the US). This would be of direct assistance in countering the declining rates of volunteering that have been experienced in recent years.
- An improvement in tax deductions for donations to registered charities to provide a further incentive for philanthropy.
- Changes in the laws governing the ability of registered charities to participate in public policy debates and policy formulation processes in their fields of endeavour. While no one wishes to see charities enter the field of partisan politics, they do possess areas of expertise that can contribute significantly to decision-making. Yet, at present, they are restricted to using no more than 10% of their expenses for advocacy activities.
- The creation of a Charities Commission comparable to that in the United Kingdom. This commission would provide a focal point for the Third Sector. It could take over the business of defining charities, registering them and gathering data on their activities and impact. It could also provide critical support in areas such as governance, financial management and accountability.

In general, I would urge the new government to actively take the next step in supporting Canada's vital nonprofit and voluntary sector by immediately striking a parliamentary task force to study needed changes in public policy such as those suggested above.

Vic Murray is an Adjunct Professor in the School of Public Administration at the University of Victoria.

Strengthen the West Within Confederation Graham Parsons

If I were to write a section of the Throne Speech, it would read like this:

"At the start of the 21st Century, continued federal benign neglect and procrastination towards western issues are recipes for separation. Canada's fiscal foundations are in urgent need of reform to leave more money in the hands of Canadians, to deliver government programs and services, including health care, in new and innovative ways, and to provide for

an equalisation formula that does not constrain economic growth. New federal approaches can strengthen the West and Confederation.

Trade and transportation are still central to the western Canadian economy, society and its future. Western Canada's transportation infrastructure has growing capacity constraints. BC's Lower Mainland shows no sign of breaking its logistics logjam. The 1949 federal commitment to a Trans Canada Highway remains incomplete out West—a narrow ribbon along the US border. The new West needs an interprovincial divided highway network from southern border crossings to northern and western seaports connecting all fourteen western cities. Federal fuel tax revenues will finance the network.

Rolling hills, golden fields at harvest, and picturesque rural towns and villages are the heart of any vision of Canada; most are located in the rural Prairies, the Peace River and the Okanagan. But agriculture, farming and the smaller rural municipalities serving them are endangered species. The custodians of Canada's rural heritage are leaving the land in response to debt burdened farm economics and cheap food policies without the protections available to US and European farmers and at times further attacked by destructive international trade and border policies. Canada must act promptly to protect its only custodians of rural Canada, its future food security and one of the largest export sectors in the country. A Canada Farm and Food Security Bill will compete with the world.

Global warming is already seen in the dry West with more droughts and floods. In the Dirty Thirties, the federal government reacted quickly to the human, economic and environmental disaster on the Prairies. The Prairie Farm Rehabilitation Administration was formed and drought adjustment programs were introduced. In the 21st century, Canada must again address the new challenges of climate change in the West. A Western Water Council will fund water planning, infrastructure, rehabilitation and research to assist westerners and their provinces to secure safe drinking water, protect watersheds, increase storage to replace melting glaciers, conserve and treat urban and rural water, and support environmental, economic, urban and social growth.

The federal government lost its relevance to many western Canadians. It is not just physical distance separating the West from Ottawa, but a contextual, intellectual and informational wall well beyond any level of democratic representation. Too many western Canadian views are not seen in political or bureaucratic landscapes. More federal operations must move west to place policy-making, consultations and administration closer to the people they serve. The offices of the Privy Council and the Prime Minister need senior western representation in Ottawa and in the West. Western youth should be able to aspire to working at the highest levels of their national government without moving to Ottawa."

Graham Parsons is an economist and President of the Organisation for Western Economic Cooperation who lives in Regina, Saskatchewan.

Less Chatter, More Passion

Monica Pohlmann

I am worried about Canada. As a proud first generation Canadian and parent, I know our country can do better. A yawning gap is emerging between our values and self-perception and Canada's performance. This is certainly true environmentally, if not in the myriad of other ways we still don't connect the dots, creating a risk to our long-term resilience. For example, virtually every Throne Speech for the last decade has cited our intention to build a "sustainable" society, yet Canada ranked 28th out of the 30 countries in the Organisation for Economic Cooperation and Development, making us one of the worst environmental performers in the wealthy industrialized world. We typically talk a good game about the environment, and about many other things, but we consistently do a much poorer job on delivery. Worse, we seem to think that a lot of tactical activity can make up for the lack of a defining, motivating national strategy.

Like a talented teenager brimming with potential not quite manifest, our country needs an inspiring dream to rouse the masses and focus its ample good ideas and intentions, a wise mentor or two, and a change of attitude. Enough bickering in the schoolyard; enough glib promises to appease specific

We typically talk a good game about the environment, and about many other things, but we consistently do a much poorer job on delivery.

interests. And stop with the boasting about the occasional "A" on international scores. Like a nagging mother I ask: what lasting legacy and contribution to the world will Canada make with its abundant advantages?

To see our promise translate into action, we need to raise the level of debate about the future of Canada, and invite all Canadians to be part of this conversation. Therefore, the next Throne Speech needs to spell out a compelling long-term (50-100 year) vision for a sustainable Canada, followed by an articulation of a national sustainable development strategy with clear 25-year targets. The Government would then outline how it will progress toward these targets over their next term.

While aware that "the vision thing" may be tired in some quarters, I advocate appealing to our natural sense of competition (think Canada versus Russia in hockey) and colloquially calling it "the strategy to make Canada the envy of the world," both in terms of being a model global citizen and by Canadian communities being places where the good life is really good, as well as shared by all. Far from being utopian, I believe this is within our reach. Or to put it another way, if we can't pull this off, who do we think can? Come on, I dare ya...

My vision of Canada is a place where social well-being is supported by a vibrant economy and sustained by a healthy environment. It is also a place where we remember that play and having fun is not only essential for children but core to the best of who we are, so we invest wisely in arts, culture, recreation and sport. While we have been making strides, particularly economically, sustainability proposes enhancing our resilience by living and managing activities in a way that balances social, economic, environmental and institutional considerations to meet our needs and those of future generations. It's about developing new, collaborative models of leadership between the public sector, business and civil society that can effectively grapple with the big issues. It's about new ways of thinking and new market opportunities. It's about acting on Michael Porter's recommendation to the federal government to embrace bold innovation to ensure we remain globally competitive. None of this is easily done, but the smart money, and our own nose for the truth, tell us this is the way to go.

Poet Mary Oliver cuts to the quick of this argument in *What I Have Learned So Far*: "Can one be passionate about the just, the ideal, the sublime, and the holy, and yet commit to no labor in its cause? I don't think so. ...Be ignited, or be gone."

This time in our history practically yelps for the emergence of some real passion that ignites our latent patriotism. The last spike marked the completion of the only other national dream that comes to mind. Let this Throne Speech outline a 21st century version to galvanize hearts and minds. Let's not get distracted by short-term chatter; let's declare what we want to forge as our 21st century legacy. Let's be ignited.

Monica Pohlmann lives in Calgary and is passionate about Canada and its potential.

Remove Restrictions on Containers

Barry Prentice

The increase of value-added agricultural exports is a policy objective of the Government of Canada. Moving agriculture up the value chain is necessary to confront the surge of commodity market competition from South America and the former-USSR. Also, value-added exports can help improve depressed farm incomes.

Better quality transportation and logistical services are required to move value-added food products. With the exception of NAFTA, all value-added exports use intermodal containers. Opportunely, international container shipping is expanding rapidly and costs are falling. Annual growth rates for loaded containers through the west coast ports are forecast to grow at 10% annually over the next ten years.

The advantages of containerization to agriculture are significant. Refrigerated containers are essential to maintain quality of perishable products. For grains and special crops, containers offer identity preservation, traceability and the ability to provide the economics of Just-in-Time supply chains. The preservation of identity and traceability are rising in importance because of security issues and the greater differentiation of crops thanks to advanced crops breeding. Containers allow farmers to shift from commodity markets to segmented markets that pay more with minimal difference in the costs of crop production.

The volume of grain shipped in containers is increasing, but federal regulations impede growth. Customs rules on the use of foreign containers in domestic markets (cabotage) increase costs, and the Canada Transportation Act (CTA) 2000 biases the railways against the shipment of grain in containers.

Canada Customs regulations on international containers are more restrictive than in the US where containers can circulate for 365 days and are treated like “re-useable packaging.” In Canada, international containers must exit after 30 days, and use for moving goods point-to-point within Canada are very restrictive.

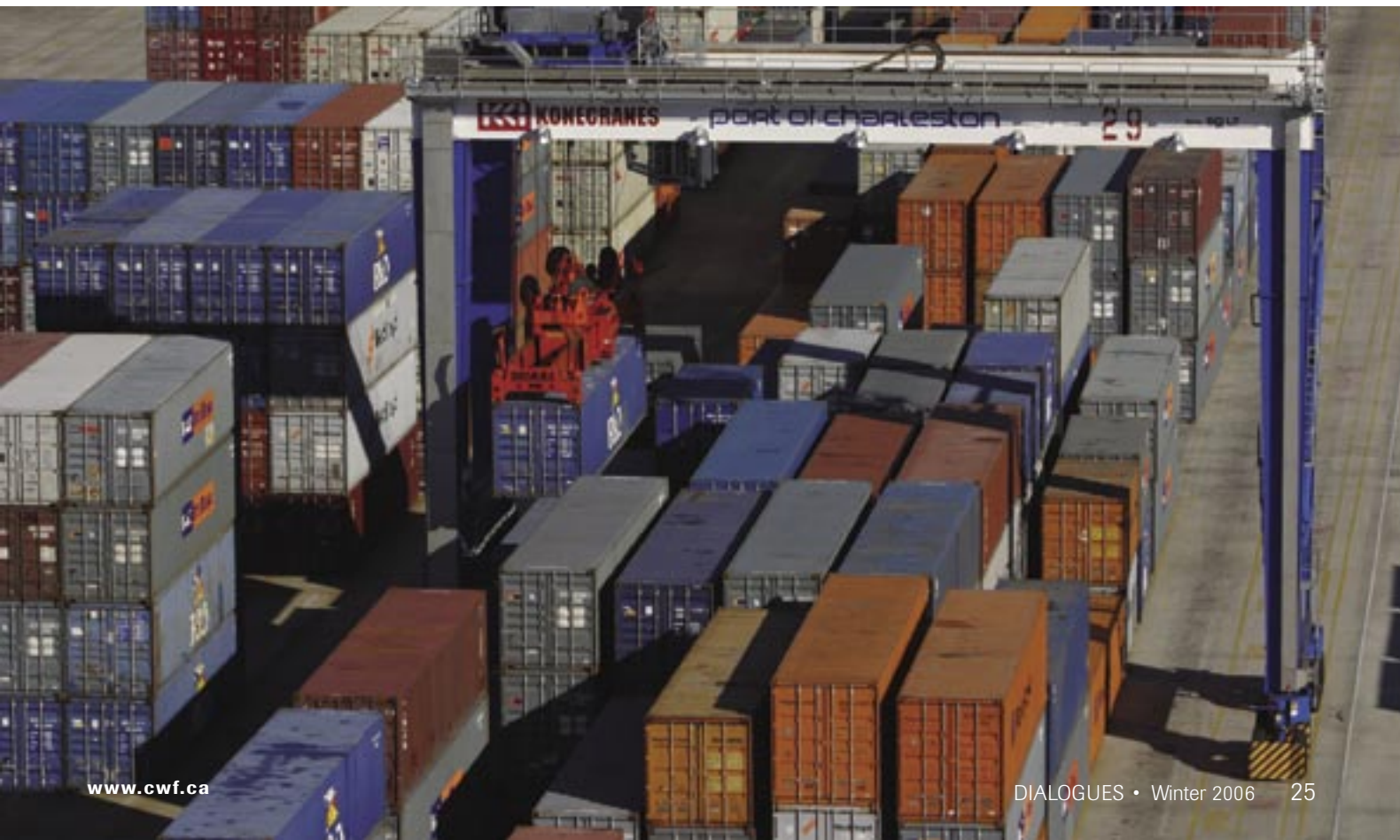
Container cabotage restrictions make it more expensive to reposition an empty container in western Canada for a shipment of grain. Erica Vido recently examined the impact of container cabotage restrictions for lentil exports. She found that harmonizing Canadian container regulations with the US would reduce costs and increase lentil exports by \$10 million

annually. Lentils represent 20% of special crop exports, and 2.5% of all grain and oilseed exports. Deregulation of Canada Customs regulations on container cabotage could increase value-added grain exports by \$50 million to \$400 million annually.

The railways’ bias against the containerization of grain is an unintended consequence of the Revenue Cap imposed on the railways under the CTA. The railways are limited to a revenue ceiling on grain transportation with no reference to cost. Containerized grain costs the railways more to move than bulk, and containers generate more revenue. Consequently, every container of grain carried imposes a financial penalty on the railways. Revising the Revenue Cap to allow containerized grain to move freely does not reduce farmer protection. Container shipping lines negotiate the rates paid to the railways, and their market power ensures equitable treatment.

Regulations are blunt policy instruments. Container cabotage regulations and the CTA Revenue Cap are in conflict with the policy of encouraging value-added agriculture exports. Surely, the benefits of higher incomes for western Canadian farmers should trump the questionable value of restricting containerization. For these reasons, the next Throne Speech should include a commitment to remove restrictions on containerization.

Dr. Barry E. Prentice is Professor of Supply Chain Management at the I.H. Asper School of Business, University of Manitoba.



Democratic Renewal Tracey Raney

If I were to write a section of the Throne Speech, it would read like this:

“The interests of western Canadians are the interests of all Canadians. When the voices of some Canadians are not heard in Canadian government, it is a matter of importance for the entire country and not just for those who live in areas that have little to no effective political representation. Canadian democracy is founded on the recognition and promotion of the values of diversity and equality, and it is up to the Canadian government to stand up for these values by ensuring that westerners and members of groups who make up the diverse landscape of the West—like youth, women, ethnic minorities and Aboriginal people—all have adequate and fair representation in Canadian government.

Fair representation is not possible without the federal government taking the democratic renewal agenda seriously. The citizens of this country know that the best way to bring the voices of Canadians into government is through a committed agenda of meaningful democratic reform. Within a committed plan to democratically reform our institutions, continuously low voter turnout is not acceptable. The federal government needs to look at whether the interests of western Canadians and the country as a whole are best served in the current electoral system, which over-inflates majorities, exacerbates regional tensions, and is a root cause of voter disenchantment.

Westerners also need a seat at the federal public policy table in areas that relate directly to the region, such as trade, a new plan for cities, healthcare, natural resources and the environment, and also for all public policy issues that shape the lives of Canadians. At the national level, western Canadians have felt excluded from this process for a long time. Yet they continue to be proud of their country and proud to be Canadian; they believe that Canada has a great economic, cultural and democratic future as a strong and unified country. They want to be a part of the national policy decision-making process, and they want the federal and provincial governments to work in concert with one another because they believe that better public policy is born from competitive and collaborative effort on the part of both levels of government. This government is committed to building stronger partnerships with all of the provinces and territories of the federation.

Canada’s future relies upon sound economic and social policy decisions and upon equal and fair political representation. This government will offer a new nationalist vision—not a vision of one province, one region or one politician—that takes seriously the issues of territorial and non-territorial representation in elections, parties, the Senate, and the House of Commons. We believe that diversity and equality are not just ideas protected in our Constitution, they are values that need to be upheld

every day by the Canadian government. Democratic renewal is a part of that process and we are committed to following through with this agenda.”

Dr. Tracey Raney, formerly of Calgary, Alberta, is now with the Department of Political Science at Wilfrid Laurier University.

Cooperation is Key Sophie Sapergia

In a country as large as Canada, it is obvious that different regions will have their own particular concerns. However, I am concerned that these differences are being increasingly overemphasized in the media and by most provincial and federal politicians. As a result, important sources of common ground that can serve as a foundation from which to work toward addressing these different issues and concerns are being overlooked. Canadians can actually find a lot of common ground in terms of concern for the environment and health care, for example.

While each region undoubtedly has legitimate concerns, it is very important for the country as a whole to work constructively and respectfully through these issues so that Canada can move forward into the future. In an increasingly competitive globalized world, Canada has a wealth of social diversity, economic strength and natural resources to offer the world. However, if we are constantly focused on internal differences and concerns, it is difficult to address concisely the issues that negatively impact the country’s continued social and economic success and global influence, such as declining productivity, lagging investment in post-secondary education, and relatively small contributions to international aid and development.

However, I am also encouraged by some recent examples of leaders working successfully together to address important issues. The recent agreement reached by Aboriginal leaders and First Ministers to address the quality of life of Aboriginal peoples in Canada shows that federal and provincial leaders are able to find common ground and move forward constructively on an important issue when they really decide to do it.

Constantly antagonizing various individuals and groups does not, and will not, serve the country. Working together to address the important concerns of each region is the only way that Canada will be able to develop the strength and cohesiveness required to utilize its great wealth and participate effectively in the global community. The next Throne Speech should reiterate the importance of cooperation within and between governments as Canada moves forward.

Sophie Sapergia is a student at the University of Calgary and a former intern with the Canada West Foundation.

Building a New Country With Old Values

Sam Shaw

If I were to write a section of the Throne Speech, it would read like this:

“Canada is a country noted for its peacekeeping and humanitarian efforts. At a time when the world faces disasters from weather, war and famine, causing great human loss and deprivation, people from around the globe come here to explore new opportunities and contribute to our plans for the future. They come to experience the great Canadian values of diversity and respect.

From this day forward, the Government of Canada will focus on initiatives that are central to federalism in context and nature. This will lead the way for each province and territory to develop its responsibilities in a federated union on a utilitarian basis. In so doing there needs to be agreement on the delivery of healthcare, education, training and social programs at the provincial level so the federal government can concentrate on international development, immigration, justice, national defense, international relations and economic trade.

Our goal is to create a Canada where all areas receive a standard of health, education and living that places us among the top countries in the world to live, work, play and retire. A Canada where no one gets left behind.

In keeping with this direction, the Government has prepared a ten-point plan to ensure that Canada remains a strong nation respected among nations of the world—ready for the future, but emphasizing our values of the past.

Taxation (reinvest in ourselves)

1. Create a flat federal income tax of 30% for every tax-earning individual to realign those jurisdictions that need assistance and for delivering areas of federal responsibility.

2. Develop a tax credit so the provinces and territories can provide a corporate training credit, or if not used, a levy for employee training.

3. Enact legislation to redistribute any future surpluses back to the provinces and territories on a per capita basis.

Educational Promise

4. Create a federal framework serious about preparing our youth—an Educational Promise to all of our children for the opportunity to complete at a minimum two years of post-secondary (K-14)—to ensure Canada has the most highly-educated workforce in today’s knowledge economy.

Healthcare Framework

5. Maintain a sustainable, world-class healthcare system that responds to Canadians when they need it, regardless of their geography.

Aboriginal Framework

6. Fund a system where every Aboriginal person has the same opportunities for health, education, and living conditions as any other Canadian.

Governance Restructuring

7. Restructure the Senate to have equal and elected regional representation from the five regions of Canada: North, East, Central Quebec, Central Ontario and West.

Protection of Citizens

8. External: Fund a specialized defense force with the US to protect our borders, and a force that specializes in peacekeeping and humanitarian operations anywhere in the world;
Internal: Zero tolerance for violence.

Economic Outreach

9. Create regional economic prosperity through programs that optimize the human capital pool and the resources of the region.

10. Negotiate trade agreements to support Canada’s diversified economy to export markets around the world.

The Government will then be in a position to foster relations with the provinces and territories to focus and execute on those priorities that directly impact all Canadians with the assurances that all Canadians are healthy, educated, and prosperous.”

Sam Shaw is the President of the Northern Alberta Institute of Technology (www.nait.ca).



We in Alberta, Oh How We Suffer! (rolling of the eyes in the East) **Michèle Stanners**

We do. But it's not because we don't get any respect or we're "not in." Or because we keep getting French shoved down our throats. Or because of the Crow rate, the Senate, equalization payments, Kyoto and/or the NEP (God help us if we should ever forget that!) And it's certainly not because of same-sex marriage, although most of us would be happy with SOME sex marriage!

We suffer from a serious image problem. An image that many of us are right wing, red-necked, shallow, selfish, private health care promoting fire-wallahs. Perhaps we've come by that image honestly and to the extent that we have, we are responsible for our own makeover.

We have so much to offer in Alberta. We have the highest standard of living in Canada, and therefore people are moving here from all regions, putting us in the plus column in the human resource equalization ledger. Post-secondary

Why not relocate selected offices and ministries like Natural Resources to western Canada?

education is now a priority for our government, which will propel our four universities and our many colleges to be competitive on a worldwide scale. We are pioneers in every sense, innovating our way to prosperity and abundance, leading the way in areas beyond natural resource development. Our arts and culture scene is recognized both nationally and internationally – Calgary is the only Canadian city to be home to three international music competitions. Who knew?

We do not do a very good job of showing this side of ourselves to the rest of Canada. Somehow, we are missing the mark in demonstrating our capability to be leaders, to share our knowledge and expertise, to create, to innovate, to be generous of spirit.

The federal government, on the other hand, has a way to go to ensure equal opportunity in all regions, regardless of the number of seats elected; to clear the way for ideas and innovation from the West; to be open to alternative ways of looking at challenges; to set a place at the table so that our voice will be heard; and to get proactive in solving the age-old regional discontent issues. Why not relocate selected offices and ministries like Natural Resources to this region? With the technological advances of this era, there is no longer any excuse or rationale to justify the centralization. How about ensuring that funding strategies for investments like arts and

culture be heavily geared to the regions or the rest of Canada, and that there be mechanisms in place for touring and exchanges? When will our health policies promote wellness and create incentives for fitness rather than provide and fund a system that rewards unhealthy lifestyles?

There is no shortage of ideas and solutions, many coming from Alberta. The country will be stronger when Alberta becomes a full player on the federal scene. And Alberta could benefit from toning down the "poor me" routine and acting in a way that is befitting a wise, prosperous and blessed jurisdiction.

Michèle Stanners is the General Director of the Alberta Ballet in Calgary.

Engaging Canada's Youth **Liam Stone**

In the mid-1990s, during the national debate on reforming the Canada Pension Plan (CPP), the intergenerational equity of a significant federal program came under close scrutiny. As might be expected where economists are involved, there were many opinions regarding the CPP's intergenerational equity. In the end, governments responded to the argument that maintaining the status quo could present a significant financial risk to future generations and, in turn, challenge the sustainability of the Plan. Governments increased contribution rates, ensuring that baby boomers pay more into the Plan during their working years, placing the CPP on sound financial footing. Today's young Canadians will not enjoy the same level of benefits relative to contributions as their grandparents, or even their parents, but they will not be left paying the escalating price of a CPP struggling to maintain sustainability as baby boomers retire.

The 1998 CPP reform is notable because the federal government and the provinces took action out of concern for costs to future generations. Unfortunately, declining youth voter participation creates dwindling incentives for governments to consistently take the interests of today's youth into account. Out of necessity, political parties focus their messages and policies toward those who actually vote. Thus, we see a mutually reinforced spiral, with young people failing to participate and, consequently, political parties speaking to fewer issues that could inspire youth voter participation.

To address this situation, the federal government should not seek to sell youth on the merits of politics as currently practiced; the government should seek to inspire participation by showing what government might be. Intergenerational equity must be at the heart of the discussion. There are many policy choices, such as the costs levied on current generations to combat future climate change or government spending on health care at the expense of other programs, with significant implications for intergenerational equity. As with the CPP debate, rigorous



research should inform opinions on the implications of current policies for Canada's youth.

In order to ensure that Canada's youth receive unbiased and non-partisan information regarding how their federal government might serve them better, the federal government should announce in the Throne Speech that it will endow an independent research body charged with critiquing policies from an intergenerational equity perspective and communicating research results effectively to youth. This is not a call to sow the seeds of intergenerational warfare, but rather a recognition that demographic shifts require a balancing of generational interests through the political process. This process is not adequate or effective unless it engages today's youth. An organization with an independent voice, with a mandate to engage youth through rigorous research and effective communication, can return some needed dynamism to the democratic process.

Declining youth voter participation is a generational issue with real implications for the current and future equity of federal government policies. It is time for a response based on a consistent acknowledgement of differing generational interests.

Liam Stone, formerly a Canada West Foundation Intern, is a MPA student at the University of Victoria.

A Long-Term Strategy Gail Surkan

As I watch the federal election campaign unfold, I am struck by the singular lack of any new or engaging policy issue. All parties focus on the same relatively small list of policy items judged to be uppermost on the minds of Canadians. The differences in policy positions among the parties are essentially nuances. I find little in the form of a "call to action."

I watch as the debate slides down the slippery slope of "personality politics" and the public discourse on important

issues is pushed aside by the energy focused on adversarial, caustic, and oversimplified characterizations of our political leaders.

What policy issues should be the core of the new government after the election? I don't dismiss those "evergreen" issues which have monopolized our attention for years—health care reform, daycare, reducing our tax load, and addressing global environmental issues. All of these deserve thoughtful debate and commitment. Why do I continue to feel there is something profound missing?

My angst comes from a sense that we are not being pushed as Canadians to truly understand and respond to the challenges which Canada faces in the global economic and social environment of the next generation.

I am acutely aware of the "productivity gap" between Canada and its major and emerging trading partners, for example. I am not confident that we fully understand the factors creating that gap, much less understand how we must respond.

Intuitively I know that we need to build effective strategies for human resource development, transportation, sustainable energy and public/private capital investment. I am heartened that important components such as research, post-secondary education, immigration, tax policy and urban infrastructure are at least making it into the discussion. Still I hear little to convince me that there is a comprehensive and agreed understanding of the role each of these must play in securing our future. Where is the long-term strategy? Perhaps even more important, where is the process we must have to build consensus around such a strategy at the political level—and across the entire nation?

I look to the first Throne Speech of the new government to outline both a long-term strategy on these fronts and to articulate a concrete plan for building the national consensus needed to implement the strategy.

I am a hopeful person. I believe Canadians are capable of understanding and galvanizing around a policy agenda which is proactive, positive, and long-sighted. What we seem to be lacking is the political system that will build that agenda for us to discuss.

I believe Canadians are tired of adversarial, partisan political discourse. We know it will take the creative genius and political will of all parties to develop a sound consensus on our future direction and the steps needed to take us there. We want a more profound and shared understanding of the challenges we face. We want respectful discussion on the policy alternatives to confront those issues. We are tired of doctrine and disrespectful, disruptive political behaviour. It is causing us to disengage and disenfranchise. We deserve better.

Gail Surkan was the Mayor of Red Deer Alberta from 1992-2004 as is a freelance consultant with Surkan Consulting.

Seeing the West for What It Is

Paul Thomas

If I were to write a section of the Throne Speech, it would read like this:

“The four provincial economies that comprise western Canada are increasingly diversified into manufacturing, services and the knowledge industries of the future. A large proportion of the region’s population lives in vibrant cities with diverse economic strengths and tremendous social diversity and creativity. Alberta, BC and Saskatchewan have been the fastest growing provincial economies over the past five years and Manitoba, always a relatively stable economy, has enjoyed a strong period of growth as well.

Federal financial assistance and partnerships between the federal and provincial orders of government on a wide array of policies and projects has contributed to many of the successes within the region. Canadians expect their governments to collaborate for positive public purposes, rather than constantly confront one another over money and responsibility. The Government of Canada is committed to strengthening the West in economic, social and political terms.

The starting point for a successful collaborative approach is recognition that the West is not a homogeneous economic, social and political community. It is rather a region of regions, both provincial and local in character. Reflecting their separate geography, histories, traditions, social composition and economic circumstances, each of the provinces has its own distinct identity, including different perspectives on its role within Confederation. There is a new sense of confidence and optimism in all four provinces.

Looked at from a national perspective, Manitoba represents a province in the middle, whether we are talking in geographical, economic or social terms. Its economy is diverse, but lacks a sector with fast growth potential. It is a “have less” province that depends upon federal financial support. Its social composition mirrors the country in many ways, being bilingual and multicultural, with a large and growing Aboriginal population, and two-thirds of its people living in the capital city of Winnipeg.

The Government of Canada has identified the following priorities for Manitoba, which it will address in partnership with the provincial government.

Based upon the November, 2005 agreement among First Ministers to spend \$5 billion of federal money, the Government of Canada will work with the Manitoba Government to improve economic opportunities, housing, education and community services for Aboriginal peoples. In addition to this service strategy, the Government of Canada will commit to new approaches to treaty obligations, land claims and models of self-government.

Post-secondary education has been overshadowed by all the debates over healthcare. It is time for the national and provincial governments to invest more in universities and colleges in order to develop the knowledge workers of the future who will enable Canada to remain competitive and to improve the quality of life of its citizens in all regions.

Rural poverty has been largely neglected as an issue. Yet, there are larger gaps between rural and urban incomes within provinces than across provincial boundaries. The Government of Canada will use its Rural Policy Framework as a foundation for concrete programs and investments to meet such daunting rural challenges as depopulation, lack of investment capital, a shortage of skilled jobs and the negative impacts of crises like BSE and trade disputes.

These steps will benefit not only Manitoba, but Canada as a whole.”

Dr. Paul G. Thomas is the Duff Roblin Professor of Government at the University of Manitoba, St. John’s College.

Government Ethics

Allan Tupper

In early 2006, government integrity concerns Canadians. The federal election campaigns in 2004 and 2006 have been full of fiery rhetoric. Revelations before the Gomery inquiry have fuelled public concern. Pollsters allege deep public cynicism about the motivations of public office holders. Opinion leaders worry about the corrosive impact of such cynicism.

But have Canadians seriously debated government ethics? Or, as I argue, have major questions been glossed over in the heat of partisan controversy? First, what is the magnitude of the “integrity” problem? Is there evidence of widespread wrong doing among Canadian public office holders? Alternatively, what about the substantial evidence that the vast majority of Canadian public office holders are deeply committed to public service? Second, little of substance has been said about the standards by which public officials should be judged or the characteristics of an “ethical” public official. Is it good enough to assert “higher standards” without clearly defining those standards? Third, in 2006 most “integrity” solutions are quick fixes—extend controls over public officials, expand the power of controllers like the Auditor General, intensify scrutiny of public officials and limit their discretion. But is rule bound government a desirable goal for Canada in the millennium? What are the tradeoffs between control and other democratic ideals like effectiveness and responsiveness? Finally, compared to other policy areas, political parties and governments have

monopolized the “integrity” agenda. Citizens and “civil society” organizations have not made a sustained mark.

As a key element of its 2006 Throne Speech, the new federal government should commit, prior to substantive policy or structural changes, to a national dialogue about government ethics. Discussions should be undertaken through partnerships between universities and independent bodies like the Canada West Foundation. They should engage Canadian society. Discussions should be held in at least five major locations throughout Canada with a summit to be held in Ottawa within a year. The summit would produce a major report including recommendations for reform. Such a national dialogue is no panacea. But it would probably lead to a more robust “integrity” debate and feasible, possibly original, reforms.

Good government concerns all Canadians. It is also an issue with western Canadian aspects. Western Canadians have long worried about the responsiveness and fairness of national political institutions. Anxiety about integrity in the federal government adds a worrisome issue to an already long western agenda. The legitimacy of the Government of Canada is one thing. Its effectiveness is another matter. In an era of international turmoil and escalating demand for natural resources, western Canadians need a federal government that represents the national interest vigorously and nimbly. Are more restrictions on federal decision-makers really in western Canadians’ interests?

Dr. Allan Tupper is Professor of Political Science and Associate Vice President (Government Relations) at the University of British Columbia.

A Lumber Quota G. Cornelis van Kooten

Canada and the US are each other’s most important trading partners. Free trade has benefited Canada, tripling (nominal) merchandise trade between Canada and the US. These benefits should not be overlooked when examining ongoing trade disputes such as forestry. While Canadians may have legitimate complaints about US intransigence in resolving these disputes, it is necessary to keep in mind that trade in forest products is “small potatoes” compared to overall trade between the two countries. Certainly, we should not threaten the US with unilateral withdrawal from NAFTA, nor should we focus more on Asia or Europe at the expense of our trading relationship with the US.

The recent lumber dispute dates back to 1982 when the US Coalition for Fair Canadian Lumber Imports alleged that provincial stumpage fee systems and methods of managing

public forestlands constituted countervailable subsidies. A countervail duty (CVD) was first imposed on Canadian lumber in 1986, but was quickly resolved by a Memorandum of Understanding (MOU) between the countries that resulted in Canada imposing a 15% export duty. Canada felt the terms of the MOU were met by 1991 and withdrew the tax. New US duties followed and, after much dispute, the two countries settled in 1996 on a quota regime, known as the Softwood Lumber Agreement (SLA). It lapsed in 2001 and was not renewed.

With the expiry of the SLA, the US again imposed CVDs amounting to some 28%. Since 2001, the US has collected about \$5 billion in duties from Canadian lumber producers, and has returned some of this money to US producers under the 2001 Byrd Amendment to US agricultural/forestry trade legislation. Despite five NAFTA dispute panels ruling in Canada’s favour (the most recent in August 2005), the US continues to keep import duties in place. Canada’s frustration is understandable, but it should not hinder clear thinking and policy on the matter.

In anticipation of an election, the Liberal government announced it would make available nearly \$1 billion to help the softwood industry. This is a big mistake as this will only lead to greater insistence that Canada is subsidizing lumber producers and that the US is right in failing to abide by dispute panel rulings. It is also an enormous burden for Canadian taxpayers.

The best approach to the softwood lumber dispute is found in economic theory. Any action that results in trade restrictions creates what is known as a scarcity rent that can be collected by government (by the US through an import duty, by Canada via an export tax) or by the lumber producers via a quota. Canada can best help lumber producers by agreeing to a quota set equal to the amount of lumber or share of market under the current US CVD. Had this been done in 2002, Canadian lumber producers would have gained \$5 billion now held in escrow by the US Department of Commerce. It is surprising that, while the US has agreed to a quota regime, Canada has waffled because agreement between provinces could not be found.

The next Throne Speech should announce a Canadian commitment to a lumber quota, allowing Canada to put the softwood lumber dispute behind us.

Dr. G. Cornelis van Kooten is Professor of Natural Resource Economics and Canada Research Chair in Environmental Studies and Climate in the Department of Economics at the University of Victoria.



Reforming Parliament

Michele Veldhoen

If I were to write a section of the Throne Speech, it would read like this:

“Managing the national affairs of a country the size of Canada is a daunting challenge. The combination of our immense physical size and tremendous diversity of local culture and needs led Canada’s founders to choose federalism as the means of managing this political reality. And what a good idea that was! While each province in our federation is endowed with power over its social and economic affairs, our national government provides security and international representation. Thus, Canada has evolved into a country of regions sharing the common values of freedom, equality, and peaceful pursuit of individual and community success, while at the same time many strong local identities endure. Yet regional discord and dissatisfaction with our federal government has become a defining characteristic of our nation. Why?

The daunting challenge has proven too great for many governments, and so our national politics has become a game of strategic calculation involving everything from gerrymandering to blatant disregard of regional concerns and opinions as political parties vie for the title of Government of Canada. Years of such self-serving political performance have led to a balkanized national Parliament, where regional differences, rather than national commonalities, are accentuated.

This situation threatens Canada’s foundations, and therefore, must change. We must either banish regionalization from our national Parliament or construct a deliberate version of regional parliamentary representation that can fairly and effectively respond to Canada’s national interests. To this end, this Government commits to immediately opening a debate in Parliament and across the country to explore options for change. We further commit to closing the debate within one year, and following within three months with a formal proposal for reform to be voted on in Parliament.

Today, we wish to put forth two options for reform. The first: mixed proportional representation (PR). The degree of cooperation that PR requires could serve to lend structure to, and make sense of, a fractured Parliament. If we decide that we wish to have a regionalized Parliament, then let us arrange it so that Canada’s regions are actually served by such a format.

The second option would remove regionalization from our Parliament. This option would require registered political parties to run candidates in every province in the country, in a minimum of 75% of ridings. In order to facilitate such a radical reform, registered parties will be entitled to a cash grant relative to each riding in which they run a candidate, providing that candidate has undertaken training in democratic politics through existing Canadian educational institutions. This training will be at the cost of the candidate or his or her

party, and will be rigorous in its requirements and overseen by an independent board to be established for such purpose. Non-registered parties and independents would not be excluded from participation in national elections. However, by introducing these incentives and reforms, we believe parties with a truly national scope will develop, thereby mitigating the regional nature of our existing parties and Parliament.

Let the debate begin.”

Michele Veldhoen is a former Councillor in the Municipal District of Foothills, Alberta.

Reforming First Nations Policy

Robert Westbury

If I were to write a section of the Throne Speech, it would read like this:

“This government recognizes the dire plight in which Canada’s First Nations people are mired. We realize and acknowledge that conditions on First Nations lands are unacceptable. Addiction, poverty, family break-ups, violence and unemployment have become the norm. Educational facilities are in a state of disrepair and the rate of truancy is high. We live in an economically prosperous country, and in many ways Canada is a global leader. Yet, amongst us are people who are not able to enjoy the many benefits that are available to Canadians.

In a country that prides itself on its public health system, we have permitted an entire nation to become subject to conditions that have created a population with serious health problems. Type 2 diabetes is of epidemic proportions on Treaty lands. Teenage pregnancies and low weight babies are all too common. Yet these and a myriad of other health issues have been allowed to sap the energies and the well being of our First Nations people.

This government sees with clarity that the current model we are utilizing to relate to and communicate with First Nations peoples is not working. In blunt terms, it is an abject failure.

Over several decades, we have spent billions of dollars trying to ease and improve conditions on native lands. Clearly the adage of buying a fish as opposed to teaching how to fish has had no impact. In fact, if anything, conditions have deteriorated.

The first step in our process will be to reinvent Indian and Northern Affairs Canada. The model of Big Brother has not worked. We will create a process that allows our First Nations people to be involved in their own destiny. To determine what is important to them and to develop the plans to put into practice

their ambitions. We will dismantle INAC and, with First Nations people, invent a new collaborative process.

The second step will be to create a research fund to provide this government with reliable and valid data regarding housing conditions, addiction problems, family break-ups, education methodologies, and health concerns. We will fund research that will look at best practices and we will utilize this research to inform First Nations leaders. We will financially assist the leaders to make these best practices operative. The government will also assist in development ongoing monitoring procedures.

We live in an economically prosperous country, and in many ways Canada is a global leader. Yet, amongst us are people who are not able to enjoy the many benefits that are available to Canadians.

Finally, the government, through Justice Canada and Health Canada, will examine the possibility of creating healing centres where First Nations people can obtain the physical and spiritual support they deserve.

This government recognizes that the fastest growing Aboriginal populations are in the western provinces. We will work with these provincial governments to ensure that the future for all people, including our Aboriginal peoples, is one of hope, health and happiness.”

Dr. Robert Westbury is Chair of the TELUS Community Board, the Alberta Centre for Child, Family and Community Research and the Enoch Paragon Group, and is a Director of the Canada West Foundation.

The Politics of Recognition

John Whyte

Westerners take their political interests too seriously. Certainly, there is much Sturm und Drang over the changes in provincial governing parties in western provinces, and western debate in national elections is invariably squeezed through the filters of, first, whether the West is understood and, second, whether there is any prospect of an end to the cruel indifference of national politics. Questions about which party is best able to discern national challenges, develop national capacity and construct deep national political health are considered effete preoccupations.

It seems misguided. So many western issues and the political responses to them are completely determined by forces greater than the choice of public policies. The current success of resource-based economies, social pressures of demographic changes (such as the rapid growth in the Aboriginal population and the metropolization of all the population), the imperatives of competition for investment, the connection between high levels of human skills and prosperous societies, world pressure to check environmental destruction, rising costs of publicly funded social supports, and so forth, are all basic social phenomena that place political platforms and ideologies in the shadows. There is no idiosyncratic western condition that requires special political sensitivity; the West, like most political societies on the globe, is simply caught in the gyre of great forces that are both relatively easily understood and substantially resistant to political management.

Perhaps, the West should focus on the policies that can make a difference to a nation and its people—and make a difference in a way that goes to the foundations of the political order. We sometimes ignore the fragility of our political order and the deeply harmful consequences for us all if the bonds of political society—the expectations grounded on law, social order, fair markets, security of title, orderly political transitions—were to lose their force. All political societies should fear political instability and especially now when nations, like Canada, are comprised of many minority communities, each with its own strong demands for recognition, empowerment, cultural integrity and survival. It is this politics—the politics of recognition of minority communities—that can make a real difference to the political health of a nation. This is the politics that can limit degradations that come from systemic exclusion, inter-societal bitterness, ethnic conflict, loss of shared values and commitments, racial hatred, the waste of needed human resources, and the loss of reputation for tolerance and civility.

When we in the West talk of political health through the accommodation of minority communities, we speak primarily of Aboriginal/non-Aboriginal relations. What the West needs are these sorts of policies: acceptance of difference and places for difference to operate; continuing development of the sense that minority communities can have different relationships within Canada; recognition that we are all treaty people and, therefore, carry serious obligations of mutual respect, including respect for both spheres of autonomy and the practices of co-ordination; and that Ottawa needs to include provinces in every element of its plans for First Nations social and political development. What the West wants is what a good state always wants: respectful accommodation of the cultural differences that define our identities so that we may continue as a peaceable nation.

Dr. John D. Whyte is a Senior Policy Fellow with the Saskatchewan Institute of Public Policy (www.uregina.ca/sipp) and Professor of Political Science and the University of Regina.

Coming Up NEXT

The Transformation of Western Canada's Economy

by Todd Hirsch
Chief Economist

International Trade
Interprovincial Trade
The Labour Force
Post-Secondary Education
Skills Development
Energy Resources
Non-Energy Resources
The Knowledge Economy
The Service Sector
Manufacturing
Venture Capital

Western Canada's economy is currently the envy of the nation. Natural resource prices are booming, provincial government finances are in good shape, and our cities are growing. But what will happen tomorrow? What challenges lie ahead? How can the West take advantage of today's economic boom to prepare for the future? To help answer these questions, the Canada West Foundation is releasing a groundbreaking report on the western Canadian economy on **February 22, 2006. The focus of the report is the transformations underway within major segments of the western Canadian economy. Where are we going? Where do we want to be? How will we get there?**

Hard copies of the report are \$15. Order online at www.cwf.ca or call 403.264.9535. An electronic version of the report will be available for free from our website on February 22, 2006.

The report will be available in both English and French.

Investing in Natural Capital

Karen Wilkie

Natural capital is a vital component of Canada's social, economic, and environmental well-being. This form of capital provides Canadians with places to recreate, vistas to photograph, and products to harvest and trade. Natural capital also supports Canada's rich diversity in flora and fauna, and produces valuable ecological goods and services. Soil development, nutrient production, and water and air filtration are just a few examples of the goods and services produced by natural capital. In addition, natural capital is linked to the health of Canadians and to our economic success.

Simply put, investing in Canada's diverse natural capital is critical to the country's future and must become a top priority for the next public policy agenda. The federal government needs to make a commitment to invest in Canada's natural capital, and specifically our land and water assets. This commitment must go beyond the current focus on climate change and the implementation of the Kyoto Accord. This is not to say that reducing greenhouse gas emissions is not a worthy undertaking, but it is limited in scope and does not address broader natural capital challenges and opportunities. To a large extent, the stewardship of natural capital is a provincial responsibility. However, there is still opportunity for the federal government to play a coordinating role and to address federal level natural capital concerns.

More specifically, the federal government must commit to develop monitoring systems and reporting mechanisms to track and record the state of Canada's natural capital. This data collection should be coordinated with the provinces and territories and be made accessible to all Canadians. Measuring and monitoring Canada's natural capital can keep track of federal and provincial stewardship efforts and help to promote the benefits derived from diverse natural assets.

Also, the federal government must establish a National Water Council. The Council should be comprised of diverse representation ranging from industry and government to environmental nonprofit groups and research organizations. The National Water Council will be charged with the task of identifying and developing strategic solutions to federal level water issues both within Canada and at the international level.

The National Water Council's first priority should be to establish a safe, secure, and accessible water source for all communities in Canada. Each rural, remote, and Aboriginal community in Canada must have access to a clean, safe, and high quality water source. The National Water Council will need to work with provincial, territorial, and community leaders to achieve this goal.

Furthermore, the federal government needs to renew its commitment to Canada's network of parks and protected areas, and recognize the role of parks in conserving natural capital and generating economic return. More specifically, the government needs to explore opportunities to expand the network by adding new sites and enhancing existing sites. Also, the federal government must provide the necessary resources to conduct research and undertake monitoring and evaluation in order to effectively manage the ecological integrity at individual sites.

The next Speech from the Throne will identify a number of opportunities and priorities for the federal government. Canada's diverse natural capital is a critical asset to this country's future and must be identified as a policy priority. Or, at the very least, just a mention of the term natural capital would be a step in the right direction.

Karen Wilkie is a Senior Policy Analyst with the Canada West Foundation.

An Interconnected Society

Shelley Willson

If I were to write a section of the Throne Speech, it would read like this:

“The future of Canada depends upon responsible stewardship of the natural resources which underpin our economy and communities. These resources are our natural capital: the foundation of our great country’s past, present and future prosperity. We believe that the prudent management of the environment best serves the long-term best interests of business and society. We pledge a balanced “triple bottom line” approach to building and sustaining the economic, environmental, and social health of our communities. These we consider to be the three legs of the stool, each of which is essential to ensuring the success of the others.

Our vision of the future transcends the outdated ideologies of political left or right. Instead, we trust in the power of people, connection and community. We believe that through dialogue, teamwork, and transparent processes, Canadians can identify and act on our common interests. We commit to acting on principle; values-based leadership; and thinking of the long-term public good, not expediency. We recognize that much of which gives meaning to our lives is the spiritual and non-material: genuine relationships between human beings; commitment to higher ideals; service to the community. We cherish and encourage this uplifting of the human spirit, in all its diversity of religious and non-religious practice.

We seek the empowerment of local people, local businesses, and local communities to make decisions that are right for themselves and their futures, within a framework of common law. We recognize that strong communities are the foundation of a strong society, and we will defend the integrity and health of both rural and urban communities. In the spirit of these understandings, we specifically commit to open dialogue, listening and shared understanding with the First Peoples of Canada based upon their cultural, spiritual, and human capital assets.

We treasure our natural capital and we pledge to ensure cities are built up, not out. Urban dwellers will enjoy a walkable and pleasurable lifestyle. Rural folk—our farmers and ranchers—will enjoy our steadfast support as the stewards of our countryside. All of us are proud as Canadians to champion our historic love of the land. We envision maintaining a vibrant and sustainable agricultural sector, a clean environment, and lands forever wild, for the sake of our own and future generations.

We commit to non-partisan political reform, to help re-engage Canadians in the democratic process. This will include electoral reform; introduction of improved checks and balances to improve accountability; and improved public consultation and dialogue with youth.

Every Canadian child deserves a good start in life and equal opportunities to succeed. Every Canadian will benefit from the investments in our education and healthcare which are necessary for our long-term well-being. We proclaim that Canadians, of all our different backgrounds, are not just individuals. We have far more in common than we have differences. We are a society, and we are all interconnected.

As the new leaders of Canada, we commit to practicing fiscal, ecological, and social responsibility, for the sake of this and future generations.”

Shelley Willson is a Principal with S A Willson Consulting Inc.

Intellectual Capital

Jeff Zabudsky

Education is the key priority for the future prosperity of Manitoba and western Canada. We are living through a time of immense transformation due to advancing technology, rapid innovation, globalization and changing demographics. The future is not guaranteed. Long-term success will be determined by intellectual capital growth. To achieve this growth, we need a renewed emphasis on providing post-secondary educational opportunities for all.

In particular, expanding capacity in post-secondary college-based education is essential for building a 21st century workforce. Colleges and institutes of technology are ideally positioned to provide the focused, applied education directly related to the needs of the knowledge economy. They provide the workforce for such key economic sectors in western Canada as energy, manufacturing, natural resources, construction, health and community services, agriculture, technology and transportation.

Education is a provincial responsibility but the federal government has played a key role, and can play an even more sustaining role in supporting post-secondary education. Federal transfers must keep pace with the accelerating need for skilled workers, productivity improvements, and applied research and technology transfer. In the Throne Speech, the federal government should pledge to:

- separate post-secondary education funding from the Canada Social Transfer, and negotiate a post-secondary education transfer with the provinces that responds to western Canadian requirements.

- implement a college and institute infrastructure enhancement fund for facility and equipment modernization. In colleges across western Canada, aging physical plants, deferred maintenance, aging program equipment and older classrooms require upgrading to maintain capacity.
- strengthen the innovative and commercialization support capacity of colleges by targeted funding for colleges and institutes of technology to build sustainable applied research and development capacity. Colleges traditionally have worked with business and industry in western Canada on the application of knowledge to deliver real world solutions.
- strengthen workforce and workplace skills development with particular attention paid to enhancing apprenticeship programming in colleges to overcome an existing and emerging skills gap.
- support the access initiatives of colleges to increase Aboriginal Canadian participation in applied education and training and in apprenticeship programs. Currently, 13.8% of Manitoba's population is Aboriginal. This is projected to increase to 18.4% by 2017. It is also a very young population. We know First Nations high school students have high aspirations for post-secondary education. The future prosperity of Manitoba

and western Canada relies on a highly educated Aboriginal population.

- support the initiatives of colleges to provide opportunities for immigrants to gain skills required to participate fully in the Canadian economy. Population growth in Manitoba is being driven in part through immigration. All colleges can provide assessment services and language training programs along with career and technical programs and workforce training to facilitate integration into the economy.
- alleviate student financial barriers by working with the provinces to provide scholarships and loan remediation programs.

We at Red River College in Winnipeg believe every qualified person should have the opportunity to achieve the benefits of higher education. Investments in post-secondary education and skills today will have big returns for individuals and society in the future.

Jeff Zabudsky is the President of Red River College in Winnipeg (www.rrc.mb.ca).



A STRONG WEST IN A STRONG CANADA



TO SUPPORT THE WORK OF THE CANADA WEST FOUNDATION

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