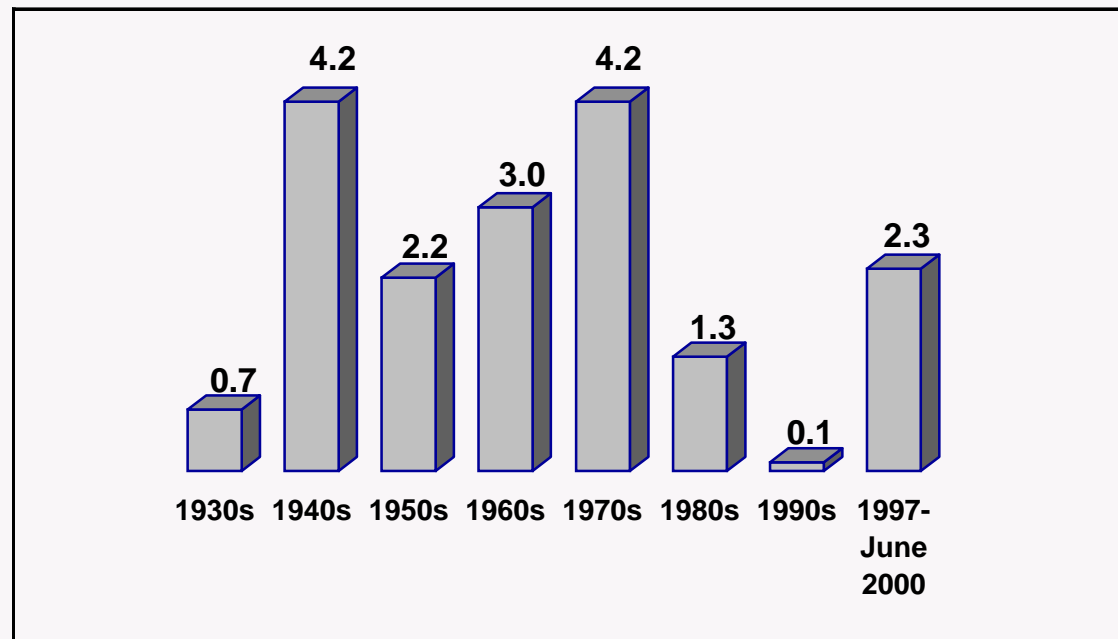


Canada's social and economic choices

Presentation by Judith Maxwell
Canadian Policy Research Networks
to
Queen's Symposium
for New Members of Parliament
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Two decades of hard times

Growth In Real Disposable Income Per Capita*



*Compound annual growth rates; Decades are 1930-39; 1990-99 etc. 1997-June 2000 assumes January-June 2000 is an annual average for the purposes of calculation.

Source: Statistics Canada.

The post-war synergy

- Employment and earnings growth led to
 - Self-reliance
 - Rights to social protections
- Political rights
 - A sense of involvement
- Access to education, health care, pensions
 - Skills acquisition
 - Personal savings
 - Sharing risk with fellow citizens
- A dynamic balance
 - Self-reliance and collective responsibility
 - **A common citizenship**

What changed

- New rules for economic success
 - More market oriented
 - Accelerating North American integration
- More pluralism, less deference
 - Different ways of seeing the country
- Erosion of social protections
 - Markets create greater inequality
 - Cost of being left behind is higher
 - Cuts in programs and services; targeting
 - Failure to adapt to changing needs of citizens
 - Middle class has lost the benefits of sharing

Room to manoeuvre

- The economic house is in better order
- Borders matter -- provincial and national
 - Note differences: Ontario-Quebec; Sask-Alberta; California vs Texas vs Michigan vs Arkansas
- There is tax room to create a different role for government - and we can create more
- The policy challenge is to determine where Canada must fall in line, where it must be determined to be different
- Our major defence (vs North American integration) is “attudinal” (Granatstein)

Suggestions for new MPs

- The focus can now shift from economic survival to social and economic renewal
 - Globalization does not predetermine choices
 - Knowledge-based growth demands full participation by all citizens
- It is time to create the new synergy
 - A new phase of “nation building”
 - Bring middle class back into the social bargain
 - Create access/ opportunity for disadvantaged
- Pace the implementation to maintain fiscal room to manoeuvre

Conclusion

- Canadians are adapting readily to the new economic and social environment.
 - They accept the new market orientation, but they expect governments to be efficient, responsive
- Institutions are not adapting as well
- This Parliament has a chance to reshape our institutions and to define what citizenship means in the 21st century
 - An opportunity not seen since the early post-war years. Good luck!



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