

PRESIDENT'S MESSAGE



Judith Maxwell

Transformation

There are moments of recognition in life when you realize that someone has changed. The person is the same, but she or he has transformed. It happened when my son came back from a month at camp, and again after a term at university.

Looking back from the year 2000, it is clear that Canada and Canadians have changed fundamentally in the past 20 years. The key driver for that change was economic, but the country is now different – politically, economically, and socially. The transformation goes so deep that the meaning of citizenship is changing.

The economic revolution began in the early 1980s. Governments stripped away layers of state regulation, ownership, trade barriers, and protections, exposing firms and citizens, as well as public and voluntary organizations to market forces, unemployment, poverty, and homelessness.

Today, former crown corporations like Air Canada and Canadian National have become hard-nosed competitors in the North American market. Tariff and other barriers to the movement of goods, services, and people across borders in North America have been minimized. Federal and most provincial government budgets are in surplus. Tax and debt burdens are beginning to decline. The new growth markets are in cyber space.

More important to Canadians, unemployment has finally dropped back to 1970s levels, core inflation remains low and steady, productivity growth seems set to rebound, and real earnings are now rising again after years of stagnation.

The Macdonald Royal Commission called free trade a “leap of faith” when it reported in 1985. Canadians were reluctant to accept that argument at the time. Now, there is broad, though not unanimous, acceptance of the role of markets, despite the scars on the political, economic, and social landscape.

On the political side, the transformation has reinforced the long-term decline in confidence in government. The high levels of interest on the public debt leave a large wedge between what citizens pay in taxes and the immediate value they receive in public services. The state of public infrastructure – from highways to schools to hospitals – falls short of public expectations. And there are deep divisions between federal and provincial governments generated by cuts to transfer payments and

CPRN Events and Publications for the period July 1999 – June 30, 2000

1999

July 6, 1999
Building Better Outcomes for Canada's Children, Jennifer Tipper and Denise Avard

July 30, 1999
Values and Preferences for the “Best Policy Mix” for Canadian Children, Joseph H. Michalski

September 1, 1999, Ottawa
Public Dialogue: The Next Generation

radically different views of the role of the state. The overall effect has been to weaken Canadians' capacity to find common ground and to solve problems.

On the economic side, many families are struggling to make ends meet because they have not recouped the earnings lost in the 1990s downturns, or because they are among the "working poor", that is, employed, but not earning enough to stay out of poverty. They are also suffering from time-crunch, which affects their capacity for civic and political engagement.

And the shape of the economy is changing. Many cities have become doughnut shaped, as the middle class and the good jobs have migrated to the suburbs, leaving the poor and the low-paid in impoverished neighbourhoods in the inner cities. Regions that experienced commodity shocks – in fishing, farming, forestry, and mining – are losing population and offer less paid work. Radical organizational change continues to alter the workplace in the public and private sectors. Employers have shifted risk to their workers, and the employment relationship is being transformed. Many professionals and new graduates have moved to the United States, attracted by the opportunities to work in well-endowed institutions and at the leading edge of new technologies.

On the social side, inequality has increased to a degree that would have been unthinkable in the 1970s. New technologies with new skill requirements, workplace changes, social isolation, and cuts to income supports all bear responsibility. Unequal chances to make a living

afflict people with shortcomings in skill and literacy, people located in declining regions, lone parents, and those with disabilities or racial distinctions. Studies show that new immigrants in the 1990s have not made the same progress integrating into the Canadian way of life that earlier waves of immigrants did.

Despite these concerns, few Canadians favour a simple return to the old model. But they differ on where to go next with the market-driven, pluralistic society emerging in the 2000s. As prosperity returns, we have the luxury of making choices – choices that will shape the future of what it means to be a Canadian. Even prosperity brings its challenges.

A major matter at stake is the way we define the rights and responsibilities of citizens. In the new market-driven context, what do we owe to others and what does everyone owe to Canadian society? What is the appropriate balance between citizens' responsibilities and their access to social, political and economic rights? And, since being a citizen means being treated, and participating, as an equal, how do we ensure that every citizen has the chance to be part of a political community, to participate in economic and social life, and to enjoy community support in case of need?

In this exciting but turbulent time, the Canadian Policy Research Networks is poised to help clarify the issues through its research and dialogue with experts and with citizens. Here are some of the issues we want to tackle in the coming year:

- **Youth citizenship** – how do young people make successful transitions to work, family formation, and civic life in the radically different economic and social climate of the 2000s?
- **Ageing society** – what are the expectations of younger and older generations about caring for and supporting each other as the population ages?
- **Employment relationships** – what are the most constructive and fruitful ways for employers to relate to employees in a more fluid and knowledge-driven labour market?
- **Quality of employment** – as the role of knowledge work increases, labour force growth slows, and labour shortages emerge, how does Canada rate on job quality?
- **Quality of life indicators** – as Canada changes rapidly, what matters to citizens about their quality of life? How do we track progress on a mix of economic, environmental, and social goals?
- **The voluntary sector** – who works for voluntary organizations and how are they paid? How do workers build careers in this growing sector? And what is their economic and social contribution to Canadian life?
- **Governing social policy** – how should power be shared, decisions taken and how do citizens have their say on policies, when the political balance between Ottawa and the provinces is shifting and when citizens have such different ways of seeing the world?

In the pages that follow, we report on our activities of the past year and each of the Networks sets out its plans for the year ahead. Our common goal is to help make Canada a more just, prosperous, and caring society. Thank you for your interest and support.


Judith Maxwell

Judith Maxwell is President of the Canadian Policy Research Networks (CPRN). She is Adjunct Professor at the University of Ottawa, and is a Fellow of the School of Policy Studies at Queen's University. She is a member of the Board of Directors of Clarica and BCE Inc., among others. She is a member of the Order of Canada and has been awarded honorary degrees by seven Canadian universities.

Mrs. Maxwell has long experience in both public sector and private sector think tanks. She was Chair of the Economic Council of Canada from 1985 to 1992. Prior to 1985, she worked as a consultant, as Director of Policy Studies at the C. D. Howe Institute, and as a journalist.

Senior Provincial Official:

"Thanks for trying to explain what we are attempting to do with the Social Union discussion. It is about how Canadians take care of each other."

October 7, 1999
*A Policy Blueprint for
Canada's Children,*
Jane Jenson and Sharon Stroick

October 14, 1999
NetworkNews,
Number 6

October 18, 1999, Toronto
"Just for the Health of It"
Roundtable

October 26, 1999, Ottawa
Roundtable on New Models for Online Engagement:
Implications for Government Departments and Officials