

Federal and provincial governments discuss the economy

Prime Minister Pierre Trudeau and his ten provincial counterparts met in Ottawa, February 2-4, for talks on the Canadian economic situation.

The meeting on the economy, the first in four years, was attended by the ten provincial premiers: Bill Bennett of British Columbia; Peter Lougheed of Alberta; Allan Blakeney of Saskatchewan; Howard Pawley of Manitoba; William Davis of Ontario; René Lévesque of Quebec; Richard Hatfield of New Brunswick; John Buchanan of Nova Scotia; Brian Peckford of Newfoundland; and James Lee of Prince Edward Island.

The 11 governments discussed unemployment, inflation, economic development and federal-provincial transfer payments.

Inflation federal priority

The federal government's policy gives priority to fighting inflation by the means of high interest rates. "If we do nothing about our inflation now," Mr. Trudeau told the premiers, "we will once again find ourselves unable to be fully competitive in the world economy and that means a direct loss of jobs and of economic growth, the very thing that the provincial governments say they want."

The provincial premiers preferred a policy that would lower interest rates and massive investment to stimulate the economy. They added that if the result of their economic policy would be a temporary fall in the Canadian dollar, they

would be willing to accept that, confident that renewed investment and confidence would turn the economy around.

The Prime Minister in his closing address emphasized that the federal government "is not concerned with inflation for inflation's sake. We are concerned with the welfare of Canadians, the solid, genuine long-term welfare of our people".

There was no consensus on a federal proposal that both levels of government agree on a temporary public sector wage guideline which would serve as an indicator for the economy and would provide leadership to the private sector.

Provinces want more money

In addition, the provinces indicated that they wanted the federal government to provide them with more funds in the way of transfer payments over the next five years. The federal government has proposed that some \$107 billion be transferred to the provinces over the next five years. At the meeting, the first ministers suggested that they be provided with another \$1.2 billion next year while a new five-year pact is being negotiated, but this was turned down by the federal government.

In his closing statement, Mr. Trudeau said: "The solution to the country's serious economic problems, as with all its serious ones, requires the exercise of a collective national will.... We have been encouraged by statements from the private sector that solutions to our problems

can only be found through co-operation among all groups in society. We will seek the views of our colleagues in the provincial governments, in business, in labour and others in order to determine if a consensus exists in the principles of economic management by which both public policy and individual and collective behaviour should be guided in the years ahead."

Engineers sign manpower pact

Employment and Immigration Canada has signed a national manpower planning agreement with the Canadian Council of Professional Engineers — the first agreement of its kind with a professional association.

Under the agreement, the department will consult with the engineering federation on a wide range of manpower issues, including immigration, mobility and professional qualifications. In turn, the association will continue to develop an inventory on Canadian engineering manpower which by 1984 will provide up-to-date information on the educational and occupational profiles of professional engineers across Canada.

The Canadian Council of Professional Engineers is a federation of the 12 provincial and territorial associations responsible for registration and licensing of professional engineers.

Institute opens in three countries

The Canadian Mediterranean Institute recently opened permanent offices in Cairo, Athens and Rome.

The institute was set up to assist and promote research by Canadian scholars and artists in the Mediterranean area with emphasis in the fields of archaeology, history, language and literature, philosophy, religion, science and the arts, whether ancient, medieval or modern.

Each of the Mediterranean offices bears a different name: the Canadian Institute in Egypt, the Canadian Archaeological Institute in Athens, and the Canadian Academic Centre in Italy.

The institute, which has its headquarters in Ottawa, is supported by grants from the Social Sciences and Humanities Research Council, the Canada Council, the Department of External Affairs, more than 40 universities, museums and learned societies and over 700 members across Canada.



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Prime Minister Pierre Trudeau (right) and Finance Minister Allan MacEachen (left) at economic meeting in Ottawa.