Adapting to an unfamiliar role

Larry Grossman, as leader of the Provincial Progressive Conservatives, has his work cut out for him. After holding power for 42 years, the Tories are now reduced to being the official opposition and are saddled with a multi million dollar debt and poor showings in the opinion polls.

But with an election call imminent, Grossman is attempting to woo the voters back. At York last Thursday, Grossman spoke to Excal's Lorne Manly about the PC's fortunes and policies.



EXCAL: The PC's fortunes in Ontario at the moment aren't too favourable... The last opinion poll had the Tories at 26 percent. It seems in a normal course of a government's term, its popularity wanes but in the case of the Liberals in this province it hasn't seemed to happen. It has been the opposite, your support has fallen. Do you think that has anything to do with the unpopularity of the Mulroney government nationally?

GROSSMAN: Yes, unfortunately it has something to do with that. I don't say that by way of complaining, it's just by way of looking at the thing historically. There is a large impact federal politics has provincially. I live with that, just as I will benefit from it when the Mulroney government begins to do better.

The other thing that's happening though is that Premier David Peterson is blessed with an enormous growing economy, which I hesitate to add, he inherited. It's just not the toughest thing to do, to be sitting on a billion dollars worth or extra money. The real test of a government comes during a recession when you have to make some tough decisions. I venture to say he hasn't had to make any of those decisions.

EXCAL: The Conservatives had a 42-year reign in this province and no one foresaw that ending in 1985. But in the last election, with the help of the NDP accord, the Liberals are now a government. Was it a fat cat attitude people saw in the PCs that led to this?

GROSSMAN: Let's keep this in perspective. What happened to John Turner did not happen to us. Our vote dropped from 44 percent to 37 percent. It dropped to where it was in 1975 and just a couple of points below where it was in '77. So there wasn't a massive turn away from the Progressive Conservatives. The public elected more Conservatives than Liberals. They essentially voted "no decision" between the Tories and the Liberals . . . Bob Rae made his selection and he selected the government (the Liberals).

Having said that, I think it's clear the public sent a message. The message was that, in my view, we presumed, wrongly, that our very excellent 42 years of service wasn't enough to get us the right to get re-elected. The public just said 'no,' we're more interested in who you are and what you're going to be for the next four years, not what you were in the last 42 years. In

my view they were saying the last 42 years were pretty good . . . but we're more interested in what you're going to do the next four years. And I don't think our Party succeeded in addressing those issues effectively enough during that period of time. And, I wish only that Mr. Miller and the rest of us had chosen to govern for a few months after the convention. I think if the public had a chance to see us in action they would have known more about what the next four years would hold.

EXCAL: You said that the Conservatives didn't address the issues well in the last election but you're saying that the Conservatives are now addressing those issues. What do you see as the key issues for the next four years for Ontario?

GROSSMAN: The economic issues are continually important. The frustration is that when times are good, the public doesn't pay attention to it. Four years ago in the midst of the recession, there would be a headline story, literally daily, either on interest rates or the Conference Board Projections for economic growth in the next six months, or the prime rate, layoffs, all of those things. They would be the news of the day. Now in economic growth, those are not on the front pages anymore. Yet now is the time when a government has to take the steps that will avert the recession or at least soften it. I invite you or anyone to answer this question: what has the government done on the economic front? They have essentially sleepwalked through the last year and a half economically. They've been happy to peel the leaves off the tree of economic growth. But they've done nothing to plant seeds for new trees.

EXCAL: What seeds would the Conservatives plant?

GROSSMAN: Well, firstly we'd put a lot of money back into the economy. We'd cut taxes... and the first thing we'd do is give some economic flexibility out there to people, to expand their companies and invest their own money. Secondly, on the technology side, the Liberals got a big headline, with a one billion dollar high tech fund. This year they spent \$100,000! Their response was and I quote directly, "they couldn't find places to invest the money." That's inconceivable. It is not credible. So we would move the technology area and make the massive investments now.

Thirdly, you talk about the economy you talk about the education system, because your jobs in the future are the jobs that will be created by the people coming out of the school system. If you don't invest now in those institutions, in my opinion, you'll be in real trouble again somewhere down the road. Unfortunately, no one pays too much attention to that during economic growth. So I'm going to be talking about the economy, the education system and the environment.

EXCAL: The university and community college system has been woefully underfunded for the last 15 years and that's a legacy of the PC government. The funding formula announced by the Minister of Colleges and Universities, Gregory Sorbara, just a few weeks ago addressed some of those issues but still hasn't addressed others, especially the issue of York. Now, if you're cutting taxes, where are you going to get the money to put into the education system?

GROSSMAN: Let's cover some points. One, York was built by the previous government not all that long ago. It was funded fairly well through most of those years until the recession came. I know a lot about the decade of underfunding. I believe, if I remember correctly, (that in) four of the 10 years the transfer payments to universities were above the rate of inflation. In one it was about the rate of inflation and in five it fell below the rate of inflation. But to suggest that there is a decade of underfunding doesn't quite jive with the facts.

EXCAL: But, even if it's increased more than inflation, the funding formula itself discriminates against institutions such as York, which is still funded seven percent below the system average. Raising it up slightly above inflation doesn't help that.

GROSSMAN: I understand perfectly and I want to agree with that point. The government this year has funded the university system just slightly above the rate of inflation. They have \$919 million. That is enough flexibility to cut taxes and to use the \$919 million to increase the transfer significantly to York University. If they used one percent of the \$919 million it would make a massive difference at York University.

I'm not here to say that universities got what they needed. They didn't, no one did. But to put some balance on it, in the 1970s, the previous government built 10 universities and 22 colleges. There has been no government that has ever made that massive a commitment to a system ever. Sure, the funding the system became tough to maintain but I also have to point out that one of the reasons the economy is growing as quickly as it is today is because we managed our affairs in such a way that we didn't end up with a staggering deficit or staggering taxes. That's part of managing the system. We took some tough steps during those years.

What needs to be done now is not to buy off the universities with three million dollars more. That doesn't solve the problem and if all they have was three or four million more during the recovery times what's going to happen during the recession. So what you have to do is say there's a major commitment. We've suggested a 28 percent increase over three years, but will ensure that when the recession does come the base of the universities is built up high enough so that you can get through the next crunch.

EXCAL: Would you consider a one-shot injection fund into York specifically because it is one of worst-funded universities in the province?

GROSSMAN: I've always felt this. The government has hospitals, nursing home, chronic care facilities, universities, colleges, school boards, municipalities, all on funding formula. You build a very complicated formula to try and factor everything in. The government is being silly if they believe that a funding formula is in fact going to work for every institution. It is not. In my view, the government must retain the option of making ad hoc discretionary decisions over and above what the transfer payment formula kicks out. If you don't do that then why bother with having elected politicians; just have bureaucrats run the system. Plug in the formula and the bureaucrats can push the keys on the computer and send out the cheques to the institutions.

In my view, the difference comes at the political level where the Minister says look I know what the funding formula says but I've also listened to them, I've been there, I know what the situation is and they need more money. You may have heard my comments earlier when I said that I believe that we should get as many youngsters as possible to stay in the system. And you can't do that without paying for it. It doesn't come free.

EXCAL: Then, you're saying York is being considered for this increase. Would York get it under a Conservative government?

GROSSMAN: I do not mean to be equivocal, York needs more money and yes (it would get it under a Conservative government).

EXCAL: With the NDP accord ending in June, there are rumours flying around that there will be an election. Do you think there will be an election?

GROSSMAN: I don't know if there is going to be an election. Peterson doesn't know. While they're playing games with themselves, we're busy worrying about pensions and pay equity legislation.

EXCAL: Over the last few months, a number of senior Tories, namely Dennis Timbrell, have announced that they won't be running in the next election. Is this loss going to hurt you?

GROSSMAN: I don't think so. It depends on how

cont'd on p. 7



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