

(49) We must be sure that provincial policies do not contradict federal ones. A modicum of co-operation is vital for sustained growth and can be achieved through better national leadership to demonstrate the need for certain actions.

(50) The economy has been lagging in all provinces; involuntary unemployment has been excessive in every province.

(51) Productivity has lagged in every province.

(52) The improvements in productivity get dissipated through the distribution, organization and management systems.

(53) Nevertheless, federal/provincial co-operation is needed to evolve policies relating to government revenues.

(54) Capital investment, unemployment and productivity are areas which must be addressed before any other problems can be solved.

(55) Investment is critical.

(56) These have worked in the past in Canada yet we have been discouraged due to the experience of macroeconomic policies of the U.S.

(57) Specific regional instruments are necessary to take care of productivity and regional disparity (Weldon, para. 4).

Interview with Dr. Doug Peters
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(1) During the '50s and '60s — decades of high growth — government spending was the major contribution to the economy with such developments as the TransCanada highway, many of our universities and so on.

(2) These projects were encouraged by the federal government and implemented by the provinces.

(3) It is vital to realize that much of the current investment is in fact, energy investment in, for

example, hydroelectrics, which is dominated by government investment. Business investment, therefore, has not been increasing.

(4) If we were to reduce the deficit and remove government from capital market activities, business could expand its spending. This would create problems with adjustments in the balance of payments and so on.

(5) We could also move to a monetary policy; but lower interest rates would have to be accompanied by a lower exchange rate. Would the U.S. allow us a lower rate? Such policies would encourage spending. This spending would have to be done with consideration for the impact on employment.

(6) If we look to create socially useful jobs, we must realize that it is the near-to-full-employment regions which have the greatest need for services (day care, elderly care etc). The regional problems are crucial.

(7) Mobility becomes important. During the boom in Alberta, people moved out very effectively; the move back has been neither quick nor efficient.

(8) Disadvantaged regions do not believe that policies should be designed to encourage movement.

(9) Ontario cannot grow more rapidly without inflationary problems. To counter inflationary pressures, an industrial policy should be developed through concertation with social partners.

(10) Although the AIB was successful, it turned the attention of business away from what it does best — management and production — to deal with inflation at the expense of productivity.

(11) Localized approaches to employment will reduce the bureaucratic problems often associated with direct job creation.

(12) Business will respond to true economic opportunity; multinationals can and will move plants in attempts to rationalize expenses.

(13) Multinationals would be attracted to an environment of low unemployment, high productivity if Canada were to provide it.