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A desire to limit the undesirable side effects which often accompany economic growth would seem to, as well, call for a development policy which was not wedded to the ethic of continuous growth; a concept which is deeply engrained in the cultural, commercial, institutional systems of developed regions. The monstrous society, prevalent in "growth" regions like urban Ontario has, in my opinion, contributed to growing dissatisfaction with the life of material affluence among a growing sector of the Canadian populace.

For the most part, only those people who have two cars, a dishwasher, a colour television set, (the fruits of material progress, in other words) are the people largely concerned with the need to reduce consumption, protect the environment and conserve some of the more important qualitative aspects of existence. To the majority of Canadians who are struggling just to make ends meet, any talk about the quality of life plays second fiddle to concern for survival in an environment of rising prices and unemployment.

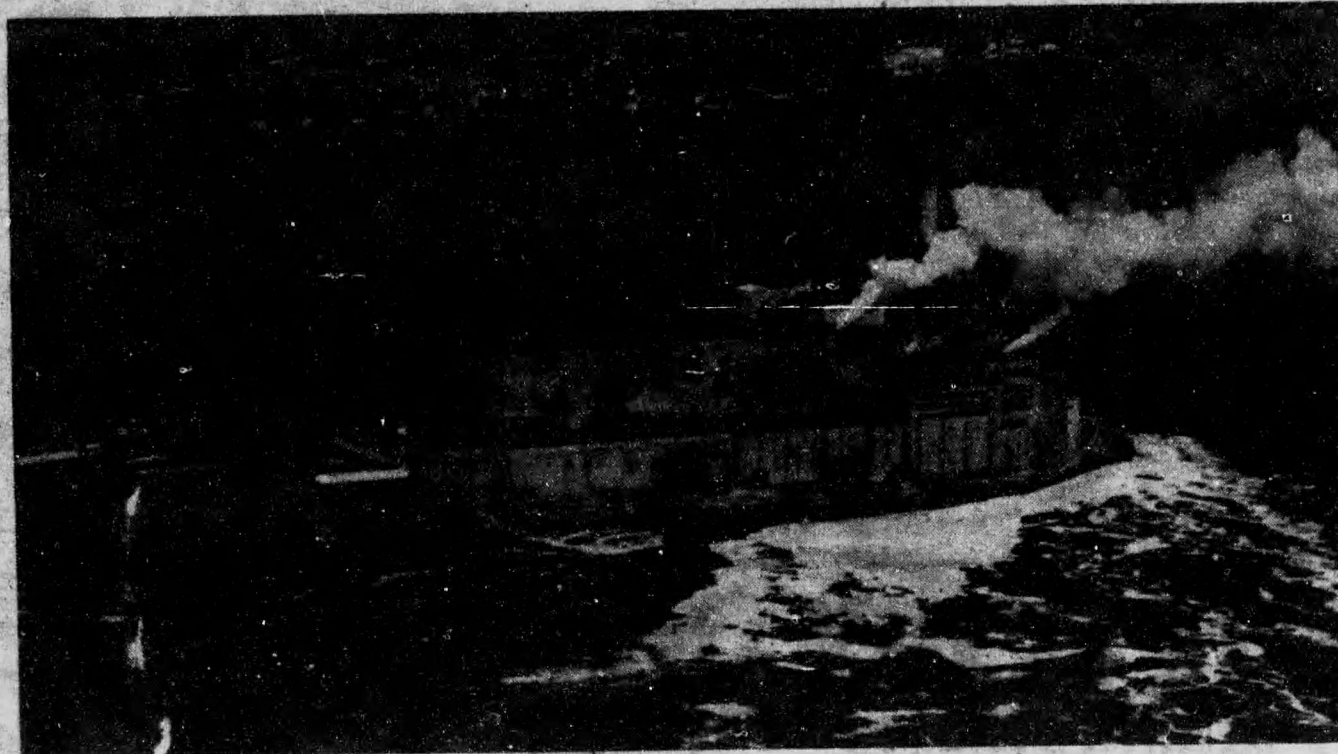
However, many of the factors such as rapid population growth and the discovery of new industrial raw materials which actively promoted "growthmania" may now come to exert a restrictive force on potential growth as the present resource shortages so strikingly indicate. Consequently, although the growth required to raise the Atlantic region from its economically disparaged state may become harder to achieve, the possibility of "growthmania" trends prevailing to the extent that they have in the "growth areas" of Canada becomes limited as well.

Creighton says, "Without doubt, Canadians have shown increasing disgust with many of the painful consequences of unrestrained growth." For thirty years, we have acted on the principle that continuous economic growth and prosperity are the only road to the good life, but the harsh realities of a slackening population growth rate and the depletion of the world's resources may mean for a much-altered manner of existence in the not too distant future. The consequences of unrestrained economic growth have become painstakingly clear. Our underdeveloped state provides us with the opportunity to avoid the pitfalls encountered by the "growth" areas. It remains up to the regional developers to exploit our position to full advantage in order to attain quantity with quality growth.

With respect to specific policy measures to limit potential "diswellfare" effects of growth, it would seem essential to concentrate on developing industries not prone to generating disamenities such as environmental pollution. Our slow rate of economic growth has not caused significant environmental degradation as of yet, but our existing inducement

schemes for industry coupled with the growing trend to relieve industrial congestion in growth areas could have unfavourable repercussions in the years to come. Maine's string conservationist lobby has managed to repeatedly defeat proposals for coastal oil refineries but New Brunswick diligently presses on for the development of Lorneville; a project whose importance in the development schemes for the region is overrated and whose potential "spillover" effects, even in the face of tight control measures, tend to be underestimated.

The provincial governments obviously contend, with considerable merit, that their main priority is providing employment and raising the income levels of the electorate and what means they undertake to accomplish these ends must



necessarily receive a lesser priority. However, the essential point is that the two do not have to be incompatible; a more carefully construed, co-ordinated and applied strategy for industrial development could, I feel, largely eliminate potential disamenities and more successfully accomplish government priorities with regards to employment, investment and income targets.

Emphasis on establishing a high-technology, high value-added secondary manufacturing base would prove valuable by providing good employment possibilities and high rates of growth as well as being not associated with a high potential for unfavourable "spillover" effects. Two of the most prominent industrial polluters, pulp and paper and base metal mining and refining, have not only incurred huge social costs but have occupied a prominent position in our industrial structure for many years. Emphasis on these primary sectors has imparted a permanent extractive bias in our industrial makeup. Their capital-intensity and low growth rates in comparison to secondary manufacturing would seemingly indicate their inadequacy as vehicles for regional

development where unemployment is the key problem.

New England economic development in recent years exemplifies basic trends which very well could prove advantageous is incorporated in our own development strategies. New England, known as the heartplace of the industrial revolution, is now presently engaged in altering its traditional emphasis on old, low-income manufacturing like textiles, to a reliance on high technology, high value-added production of secondary goods and services. The headnote of a recent Business Week Special Report aptly denoted the transition as "the struggle to achieve quality rather than a quantity growth."

What development lessons could the Atlantic provinces gain from the New England example? In my estimation, a move to develop a sound high technology manufacturing base could satisfy our modest manufacturing employment requirements, provide the needed increase in per capita income levels, in addition to preserving the qualitative aspects of life in the Atlantic region. The necessary transition from an extractive based economy would inevitably create the same difficulties New England has experienced, most surely to a greater degree. It would be in our best interests to develop such a base fully utilizing our particular locational and resource advantages.

McCain Produce Ltd. has already

demonstrated some technological expertise with respect to potato harvesting equipment but Canadian technological innovation, as the Science Council of Canada has pointed out, is severely hampered by our basically branch-plant economy dependent upon and subservient to the industrial powers of the United States. As Servan-Schreiber so strongly asserted in his work "The American Challenge", the key to industrial power in the future lies in developing innovative capacities, and unless national policies can somehow break the yoke of foreign domination, any regional development policy bent on developing definite technological advantage in certain areas will have powerful American interests to contend with. It appears logical that our greatest opportunities would lie in areas which would require linkages and inputs from extractive pursuits — forestry, fishing and agriculture.

Success would be necessarily dependent on a closer level of co-operation between governmental, business, and educational sphere in all stages of planning and execution.

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