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NOTES FOR A SPEECH
BY THE MINISTER FOR INTERNATIONAL TRADE,
JOHN C. CROSBIE,
TO THE
DARTMOUTH CHAMBER OF COMMERCE

DARTMOUTH, NOVA SCOTIA
October 25, 1989.

I want to speak about two matters of great importance. One is this government's commitment to a strong economy. The other is this government's commitment to a united Canada. Let me begin with our commitment to a strong economy.

In September of 1984, this government faced a monumental task of rebuilding the Canadian economy. Mismanagement over the preceding sixteen years had us barrelling down the road to economic oblivion, with unsustainable deficits, flagging productivity and declining international competitiveness. To turn this around, we had to change Canada's economic orientation. And we did.

We moved to restore investor confidence through means like reducing the deficit, reform of the tax system, dismantling barriers to investment from abroad, economic regulatory reform, privatization and improved labour market strategies.

The results are a matter of public record. In the past five years Canada has out performed virtually every country in the industrialized world.

Since September 1984, the Canadian economy has expanded by 20 percent in real terms. The Canadian dollar is strong. And inflation has been held to the 5% range.

More than 1.5 million jobs have been created. More than half of those new jobs are held by women. Employment has risen in every province in Canada. The national unemployment rate has fallen from 11.6 percent to 7.4 percent; the drop in youth unemployment is even more dramatic, from 18.2 percent to 11 percent.

Here in Atlantic Canada, some 108,000 new jobs have been created in the past five years. Our region has enjoyed real gross domestic product growth of three percent in each of the last three years.

While our regional unemployment rate of 12.4 percent is still too high, it is a major improvement over the ruinously high level of 16.8 percent in 1984.

In Atlantic Canada, no instrument of federal policy is more important to this process than the Atlantic Canada Opportunities Agency (ACOA). The Atlantic Provinces Chamber of Commerce recently declared that ACOA is "the best thing to happen in Atlantic Canada for a long, long time." I agree.

The most important feature of ACOA is that, for the first time, decisions are being made in Atlantic Canada by Atlantic Canadians and not in Ottawa. The financing comes from the centre, but the creative energy and the entrepreneurial spirit that drive the program come from right here in Atlantic Canada.

ACOA has already out-performed all previous regional economic development schemes and then some. To date, Agency officials have fielded more than 68,000 inquiries, received 13,000 applications, approved 6,100 projects, committed \$600 million and leveraged \$1.7 billion in investment from the private sector.

ACOA-aided projects have created 15,000 new jobs and saved 18,000 others. Some 800 new enterprises have been opened, half of those by first-time entrepreneurs. But, despite all this, Ottawa's commitment to regional development is still questioned in some quarters.

Let me put it to you directly. This government has confidence in Atlantic Canada and we are backing up that confidence with unprecedented sums of money. Here are the facts.

Federal regional development spending in Atlantic Canada between 1979 and 1984 averaged \$185 million a year. From 1984 to 1989, that annual expenditure went up by better than 50 percent, averaging \$282 million a year. More importantly, from now to 1994, the annual federal expenditure for regional development will go up again by better than 50 percent - averaging \$425 million a year.

Now before we go any further, I know spending for this year is in the \$500 million range. And I acknowledge that for reasons of budgetary restraint, the funding period was extended from five years to just under seven.

Short term constraints on regional agency budgets will influence the extent to which new funding commitments can be entered into over the next year or so. And, these funding provisions may fall short of expectations in the short term.

But the fact remains that this government has not only maintained but has significantly increased regional development funding over the next five years. We are proud of this. And, we make no apologies for asking regional development programs to bear some of the burden of getting our deficit and national debt under control. The reason is simple.

If we fail in our attempt to control the federal deficit and if the federal government becomes more constrained by huge interest payments to service the debt, then there will have to be far less money for regional development and for the social programs so vital to our collective well being.

As we in Atlantic Canada know only too well, we will be the first to suffer and the last to recover from any dramatic downturn in the economy. This government's commitment to responsible fiscal management has been critical to maintaining a strong, growing, job-creating economy in all provinces. We will maintain that commitment.

Let me turn now to a matter of even greater importance - a united Canada. No issue is more critical to the unity of our nation than the Meech Lake constitutional accord.

As a great Canadian said just last week,

"For the federal government and the provinces to support Meech Lake represents ... a newer vision of a federal-provincial relationship and the end of the debate about the place of Quebec ...

"If Canada throws away this opportunity for national reconciliation, we will well deserve our fate ...

"I ask English-speaking Canadians to use the brains that God gave them, and some common sense, to save our country from disaster."

The speaker was Robert Stanfield. I hope all Canadians will heed what Mr. Stanfield said, but I fear at least one Canadian, Premier Clyde Wells, was not even listening.

Mr. Wells is a sincere man, but he is tragically misguided. He now has the power to wreck the best chance for national unity that this country has today ... and he says that he plans to use it.

Mr. Parizeau, the leader of the separatists in Quebec, is filled with joy by Mr. Wells' promise to defeat the Meech Lake Accord. Why? Mr. Parizeau wants to put the boots to English Canada. The Western Canadian radicals ... the so-called Reform Party ... are filled with glee by Mr. Wells' promise to defeat the Meech Lake Accord. Why? They want to put the boots to Quebec.

Mr. Wells is oblivious to all this. He is mesmerized by the dream of his old hero, Pierre Trudeau, the dream of an all-powerful central government pursuing what it sees as the national interest. Under that approach, Pierre Trudeau put the boots to everyone. Today, Pierre Trudeau is gone ... gone because he divided and angered the nation. But his policies live on with Mr. Wells.

Our Prime Minister sought to bind up the wounds left by Mr. Trudeau. He sought to bring Quebec back into the constitutional family, to spike the guns of the separatists, to achieve constitutional harmony after a generation of dangerous and divisive conflict. Clyde Wells doesn't understand or, perhaps, he doesn't care.

Here's what he said about the threat of separatism (Evening Telegram, October 11):

"What I don't know and I must frankly admit that I can't say with any degree of certainty is whether (separation) is likely to be exacerbated if Meech Lake is not accepted by the rest of Canada or if it is not likely to be affected one way or the other."

This is a cop-out by Mr. Wells. He should own up that he is placing at grave risk the unity of our country.

But Mr. Wells has an answer. He is acting on principle, he says. He is protecting the interests of the people who elected him, he says. He challenges the Meech Lake Accord, he says, because it will prevent Senate reform, because it will split the country and because it will condemn Newfoundland to be a have-not province forever. Mr. Wells' challenges to the Meech Lake Accord are just plain wrong.

Mr. Wells says he wants Senate reform. Without the Meech Lake Accord there will be virtually no chance for Senate reform, because there will be virtually no chance for constitutional reform. He will have destroyed it, perhaps for another generation.

Mr. Wells says that recognizing Quebec's role to preserve and promote its distinct society will destroy national unity. This is not rational. Who supports the Meech Lake Accord ... the federalists in Quebec. Who wants to see it die ... the separatists.

Recognizing Quebec as a distinct society is only recognizing the reality that began with French settlement over 380 years ago. It is a reality that deserves to be recognized if we are to hope for a united Canada in the future. And recognizing that reality does not detract one iota from Newfoundland's or Nova Scotia's or Canada's powers under the Constitution.

Mr. Wells says that the Meech Lake Accord dooms Newfoundland to have-not status because whatever the Government of Canada gives to Newfoundland or Nova Scotia must be given to richer provinces like Ontario. This is simply wrong.

If the federal government wanted to increase equalization to Newfoundland or Nova Scotia ... as this government has done since 1984 ... how much would it have to give to Ontario? Not one cent.

If the federal government wanted to more than double the funding for regional development in Atlantic Canada ... as this government has done since 1984 ... how much would it have to give to Ontario? Not one cent.

If the federal government wanted to build roads, ferries, airports and improve small craft harbours in Newfoundland or Nova Scotia, if it wanted to develop institutions like the Marine Institute, the Centre for Cold Oceans Research or the fighter base at Goose Bay, if it wanted to commit \$2.6 billion in support for offshore petroleum development, if it wanted to commit \$6 billion to build frigates in Saint John or if it wanted to help clean up Halifax Harbour ... all of which this government has done since 1984 ... how much would the federal government have to give to Ontario? Not one cent.

Mr. Wells is right about one category of programs where money would have to be offered to Ontario just as it would have to be offered to Newfoundland or Nova Scotia. That category is for new national shared-cost programs in areas of exclusive provincial jurisdiction.

One example would be a new national Child Care program. All provinces ... at least all provinces that join the federal program or otherwise achieve the national objectives set out under the federal program ... would receive federal contributions toward provincial expenditures. And why not?

That money ... like expenditures for existing programs like Medicare or the Canada Assistance Plan ... would be for have-not Canadians, not for have-not provinces. That is how national shared-cost programs have been used in the past and should be used in the future, to exercise national leadership in providing key social services for all Canadians wherever they may live. The Meech Lake Accord confirms that that national leadership role can continue and it does so without limiting our ability to redress regional disparities.

Clyde Wells is wrong about the Meech Lake Accord. He is wrong and, worst of all, he is putting his own biases from the Trudeau years ahead of what he should recognize as the interests of his country and his province.

As Premier Joe Ghiz has said,

"I think that [the Meech Lake Accord] demonstrates, clearly and unequivocally, to Canadians all across our country that through co-operation, conciliation, compromise and goodwill this country works."

Premier Ghiz got it right. It's time for Mr. Wells to join with the nation-builders, not play into the hands of the nation-wreckers.

I support the Meech Lake Accord because it will break the dangerous constitutional situation we now face. I support the Meech Lake Accord because it will make possible new developments in our Constitution. And, I support the Meech Lake Accord because it will be a great step forward for a united Canada.