

Friday, July 19, 1991

Comments on the recession and the Tory government

Some people have asked me to comment on the recent recession and on the overall performance of the Mulroney government. A touchy subject, for a person like myself with strong friendships within the Conservative party, but... let us give it a try.

It is certain that the policies of the federal government have caused undue hardship to Canadians. The stated objectives were to make Canada more competitive and wealthier, (the Free Trade Agreement), to fight inflation, (the high interest rates), to attract foreign investors (high interest rates), to reduce national debt and the deficit (taxes, reduction of services). The results: high unemployment, job losses to the States, still a high debt, thousands of bankruptcies, a recession, a six per cent inflation.

Nothing to be proud of.

The mistake(s): a lack of fully appreciating the impact of free trade on our economy, an inability to reduce spending and develop a national economic consensus, a misjudgment of the impact of interest rates on the economy.

While I cannot find - and probably few people do - anything wrong with the stated objectives, it is clear that the implementation plans were not well thought-out. To ask the Canadian industry to compete with the Americans, burdened by high interest rates and a high dollar clearly did, and does not make sense.

On the positive side?

For the moment just a glimmer of hope, but a glimmer which if it would fully develop would indeed make Canada a better place to



Another View by Carlo Testa

I guess most of us have been confronted by examples of sloth in economic machine. Some examples, fresh on my mind: a local banker makes an appointment and does not show up, keeping two of us waiting for two hours. Another banker makes a

promise only to be trounced by his head office. A supplier promises a delivery ... and forgets. A national newspaper does not follow up on an advertising contract. A request for additional (1) service to Bell Canada takes six phone calls to be answered. I can go on, but what we have seen in Canada has been the daily decay of our standards of services and performance - I remember, five or six years ago, a banker referring to a colleague stating: "If he cannot keep his word he will not be in banking for long."

So let us assume for a moment that somebody up there - a politician or a top civil servant - saw the degradation of our performance and decided "for this country to get strong, it needs a major kick in the pants," or words to that effect.

And just imagine that indeed the suffering and hardship we went through made us more efficient, more responsive to customers, less greedy, more reliable. We would still have problems. Unemployment will stay high for many more months, the public sector has not yet shed thousands of unnecessary employees, a consensus between unions, the private sector and the government is still a hope. But maybe, just maybe, we are getting there.

But if a plan to make us more efficient and competitive does exist, it is time for the Feds to come out in the open and lay the cards on the table. We know that we have to get better, but to rely only on the "invisible hand" of the marketplace is not enough. And not fair on Canadians.

Community Focus



A family affair

Seated in her favorite chair with her four children behind her is Louise Lindsay who celebrated her 75th birthday Sunday with family and friends in St. Alban's Parish Hall. Her children (left to right) Marg, Don, Jim and Mary-Jane had tried to keep

the party a surprise but when Mrs. Lindsay entered the hall, she announced that they hadn't fooled her. Ms. Lindsay has lived in Acton for 73 years and was married to Clayton (Dude) Lindsay who passed away 12 years ago. (Herald photo)



Easy does it

Trying to be fast without spilling water is a difficult feat but Branden Gwilliam managed to speed to the bucket and still have some water left to dump in it Friday at the Safari Day Camp mini-olympics at Holy Cross School in Georgetown. The camp is sponsored by the Halton Lung Association and is for children with asthma and their siblings. (Herald photo)



Steady aim

Peter Enn (left) and friend Doug Cudney (right) of Acton thought it would be a "hool" lot of fun to fake part in the Hoola Hoop Toss at the Annual Nickel Carnival at Acton Arena Wednesday night. The event was organized by the Town of Halton Hills Recreation and Parks Department. (Herald photo)



Rec leaders

Acton leaders with the Town of Halton Hills Recreation and Parks Department gathered around their sponge toss booth at the Annual Nickel Carnival held at Acton Arena Wednesday night.

Leaders are (front, left to right) Phil Landriault, Kevin McMurray and (back, left to right) Darrell Ford, Dee Dee Haynes and Heather Willmott. (Herald photo)