

Intelligence MEMOS



From: Janet Ecker

To: Canadians Concerned about COVID-19

Date: April 9, 2020

Re: **SOME QUESTIONS ABOUT THE AFTERMATH**

I was finance minister when SARS hit, worked for the minister of environment back when we dealt with the Mississauga train disaster and had a ringside seat for the global financial crisis as CEO of the Toronto Financial Services Alliance.

Those were challenging times, but they are no match for the pandemic.

There isn't a policy playbook for this. We are making it up as we go along, drawing what we can from history and earlier experiences. Our leaders are making lifeboat decisions to the best of their ability and the advice and information they have. I can only wish them well.

That being said, here are some thoughts as I find myself asking more and more questions about the aftermath.

Will this crisis finally shock Canadians and our political leaders out of our fantasy that we have a great healthcare system?

We don't. Not really. We have some great strengths, we have some incredible people, but COVID-19 has put the spotlight on our weaknesses like nothing has before.

When the firefighting is done and we pick up the pieces, will this free our leaders to seriously think, outside our bureaucratic and ideological boxes, about how to build a sustainable healthcare system.

A system with no redundancy is a system at risk of failure. A system that can't figure out how to leverage appropriate private-sector support is a system that will not last.

Secondly, no one has ever shut down a global economy. When the dust clears, we must think about how we rebuild it. As Roger Martin [noted in a recent article](#), we have created efficient companies with complex, just-in-time global supply chains. But we have undermined the resilience of our countries.

Thirdly, after the global financial crisis, financial regulators introduced myriad risk management initiatives to ensure the Canadian financial system would never fail as in other countries. Billions of dollars in buffers, higher qualifications for directors and executives, stringent rules around detailed risk management programs and crisis simulations. It is time to figure out whether (and if so, how) to do this for our health system.

Fourth, we really need to invest more in crisis management training for government bureaucracies. Examples of red tape are too numerous to mention, particularly in the struggles to scale up COVID testing and procure protective equipment. Yes, in some cases, there are legitimate issues that take time to sort out. But there have been too many other examples of petty red tape and useless process that could have been removed with pragmatic thinking about how to communicate and execute.

Fifth, our political leaders need to be ready for the new populism that comes out of this, both from the left and the right. Significant changes are battering our society's assumptions, our expectations, our mutual trust. For example, while literally millions of private-sector workers are laid off or have had salaries slashed, public-sector workers continue to be paid.

What happens to the trust between government and the governed when a struggling small business owner or an unemployed worker is asked to pay higher taxes for all this?

What happens to the credibility of our political leaders or public health experts when they dismiss things like border shutdowns, [use of face masks, and isolation strategies, and then mere weeks later, recommend or](#) impose them.

How should we now value the office worker, the teacher, the celebrity, the bond trader versus the trucker, the front-line healthcare worker, the grocery clerk or the delivery driver? When the chips were down, who did we need more?

Sixth, this is why balanced budgets matter. But will we learn the right lesson from this – that a balanced budget provides flexibility to respond, or will critics assume more government spending is always the answer, all the time? How do we turn off the taps several months from now? Can we? How many generations will it take to dig out from under this?

I have never been so thankful to no longer be in government. Like all of us, we are doing what we can, adding value where it helps. I don't have any magic answers and I can only wish my former colleagues all the best in figuring this out.

Janet Ecker is former minister of finance in Ontario.

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