

Intelligence MEMOS



The C.D. Howe Institute's second Regent Debate took place last month. Four prominent voices sparred over the following question: Is Canada Facing an Existential Crisis in Competitiveness? Today: rebuttals from former Ontario finance minister Dwight Duncan, arguing in the affirmative, and Brad Duguid, former Ontario economic development minister arguing against.

Dwight Duncan: Well I'd like to, first of all, respond by saying that Joe (Oliver) and I are patriots and I'm a proud Canadian and there's a lot to cheer about in this country. Janet (Ecker) mentioned our financial services sector and if you look at the global numbers we are in fact Number Two. Number Two in the operation of them. Number One or Number Three in the regulation of them. But any of us who come from other parts of the country can point to factories that left a long, long time ago in part because of competitiveness. And yes it is important to sing our praises, kind of like being a Leafs fan.

There have been a lot of good things over the last 30 years, they just haven't won the Stanley Cup. And at the end of the day you want to win the Stanley Cup, right? I mean good goaltending once in a while, but they just can't put it all together. I'd much rather win the Cup than win individual points.

So as thought leaders, as business leaders, as elected leaders, former elected leaders, our challenge is to sing our praises, absolutely. But we cannot turn a blind eye to what has been identified not just this year but repeatedly since before the Great Recession: we have things to do better and if we put our collective minds to it we will do that.

Brad Duguid: I want to begin my conversation here with a quote from a great Canadian leader, which goes as follows: "the Canadian economy is in pretty good shape despite the fallen oil prices we shouldn't be unduly pessimistic, Canada is doing well. We've created 1.2 million jobs. We're better than most other countries and Canadians should be reassured by that." Those comments would suggest that we are hardly in a competitiveness crisis and they were made just 36 short months ago by none other than the Honourable Joe Oliver.

So Joe I want to tell you Janet (Ecker) and I agree with you on that. And since then (it takes a while to lose the political piece of being a politician) but since then Canada's economic prospects, if anything, they've improved. You know Canada is up 600,000 net new jobs in the last 24 months alone? Janet and I have already shared with you a number of credible statistics, international reports and other things that support our case, but the true judge of competitiveness is not theoretical discussions among former politicians but what companies are actually doing. You simply can't dismiss the impressive list of real investments Janet shared with you earlier on.

So let me add to Janet's list: \$5.6 billion over the last three years alone have been invested in Canada's auto sector, half a billion dollars recently invested by Sanofi Pasteur in their pharmaceutical manufacturing facility, a record \$2 billion invested by Nova in a revitalized Sarnia chemistry industry. If we were in a crisis in competitiveness there's no way we would have landed those investments. Janet and I agree that we have some serious challenges to overcome, no question, but the sky is not falling.

The Regent Debate series is generously sponsored by Aaron and Heather Regent.

To send a comment or leave feedback, email us at blog@cdhowe.org.

The views expressed here are those of the author. The C.D. Howe Institute does not take corporate positions on policy matters.