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Dusting off old projects isn't enough to get Canada's economy back on track

Thomas S. Caldwell, C.M.: Professional politicians need to stop thinking about re-election and start putting Canada first

By **Thomas S. Caldwell, C.M.** Special to Financial Post
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From Canada's perspective, U.S. President Donald Trump is difficult, threatening, mercurial, egotistical and even ludicrous. But I would like to suggest that he is not our real enemy.

A better way to look at him is as a catalyst for change — a wake-up call for Canadians to see our vulnerabilities and recognize how we have sleepwalked into our present difficulties.

Our political responses to President Trump are a good starting point.

The national call to arms, "elbows up," is both lame and infantile. It does, however, play well for hockey fans and helps us believe we are tough and can handle our opponents. Great political stuff, but we are not all Gordie Howe.

Our policy response at both the federal and provincial levels has been to dust off old projects that have been on the books for decades, such as pipelines, liquified natural gas production and the Ring of Fire in Ontario. Even if all are developed within five years, they will not generate the kind of growth Canada needs for the future. Perhaps our slogan should be: "We are really going to do it this time," or something equally impotent.

The current situation is the result of years of superficial thinking by all levels of government.

A previous Canadian prime minister suggested our professional politicians "think of Canada first." The unspoken message was to move beyond their primary goal of getting re-elected by buying votes with the earnings of hard-working Canadians. Our professional politicians have for years catered to special and regional interests in order to garner support. In doing so, we have become a tyranny of minorities, not a vibrant democracy.

In this self-interested quest, our politicians have forgotten to encourage the people who actually build our economy. Yes, we need to help those who cannot contribute, but we should start to think of the former first. Economic progress makes everything possible.

Our professional politicians are now in a debt bind and again are sticking with the old policies that have put us in this weakened and vulnerable state. Big projects, more spending, greater debt and empty slogans remain their standard fare. These projects will do little to contribute to our country's long-term growth, but are useful for making a show, with ribbon cuttings and photo opportunities.

As noted above, all levels of government bear responsibility for our current predicament. Remember, governments like to blame outside threats to mask their failures.

Without further complaint, let me suggest a few thoughts to re-ignite our economy and enable those who contribute to build our country. At the federal level — reduce taxes, including the capital gains tax. At the provincial level — cut the level of regulation, in all areas, to enable enterprises to raise funds and be truly productive. This can be a major growth engine. At the municipal level — just recognize the truism that ease of transportation and economic growth are connected. Enough social experimentation and ignoring the blatant evidence of failure. Safe, clean and efficiently run cities, with reasonable taxes, will grow — the others will not.

Without these policies in place our greatest export will be smart young Canadians to the United States. That exodus is already underway.

What Canada needs is a paradigm shift in the thinking of those who govern. We need policies that help those who contribute to our economic growth. That does not include more taxes, more government spending and more programs. The true role of government should be to establish and maintain the conditions necessary for Canadians to reach their greatest potential — in Canada. This is not the case at present.

I implore our professional politicians to remember their true calling: Think of Canada first.

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