



Making Government Work for Canada

A TAXPAYER'S AGENDA

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*Kim
Campbell*

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Table of Contents

	Page
Open Letter from the Prime Minister	2
Building a Canadian Partnership for Jobs	8
Investing in Canadians	10
Investing in Small Business.....	15
Winning at Exports	17
Improving Science and Technology	19
Sustaining Our Quality of Life	22
Securing the Social Safety Net	22
Securing Health Care for All Canadians	24
Justice that Works for All Canadians	25
Making Government Work for People.....	29
Doing Politics Differently	29
Better Management, Better Results	30
The Deficit and the Debt	32
Conclusion	36

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An Open Letter from Prime Minister Kim Campbell

It's time to make government work for Canadians again.

There are those who will say we can only solve our challenges by turning our backs on the world we live in. While others hint that it's only by turning our backs on each other. That government can solve every problem or that government is the source of every problem. That Canadians can expect everything from government, or that they can expect nothing.



The reality of Canada has never been that simple. The challenges we face now and in the future are enormously complex. They are neither caused nor solved by any one government or any one sector of the economy, by any one region or any one interest. We have to find a new approach to politics that doesn't pit party against party, region against region, or group against group. We need to make government work, so that more Canadians can.

I want to build a new kind of leadership in this country, based on a genuine respect for the voters of this country—for their problems, their opinions, their tax dollars.

Our plan is based on three fundamental priorities:

- 1. To rebuild jobs in a strong economy and give Canadians the tools they need to participate;**
- 2. To sustain our quality of life and preserve its benefits for all Canadians; and**
- 3. To make government work again, not just for a few, but for all Canadians.**

All of these are rooted in our respect for the taxpayer's dollars and priorities. We cannot rebuild a strong economy when investment is crowded out by government borrowing. We cannot sustain the quality of life we have in this nation when a quarter of every dollar we spend goes to pay interest rather than pay for programs. And we cannot ask or expect Canadians to respect politicians or governments if we aren't prepared to respect their tax dollars.

I know the critical importance of getting the fundamentals right. We are absolutely committed to eliminating the deficit in five years. There will be no new taxes. And there will be no increase in existing taxes. There will be new and legitimate demands for action on the part of the federal government. And we will not hesitate to act in the national interest. But any new spending will have to come from savings from within current spending levels. We simply cannot and will not do otherwise. We don't need to spend more as a government, we need to spend smarter.

We believe the best thing we can do to create jobs right across the country is to get the fundamentals right. It's not about quick fixes or make-work schemes. It's about the actions we can take as a government to reduce the tax burdens on people and companies, to reduce excessive government regulation, to bring more trade wins, to encourage new investment in small businesses and research and technology. And it's about providing Canadians with the training and skills they need to participate in those new opportunities. That's what will create more, better and lasting jobs right across this country.

Politics are no frill. They are not a luxury that most Canadians only get to indulge in once every few years. They are the only means by which a community of interest can come together, listen to each other and decide together on the means to move forward together. And in no country in the world is making politics work for people more necessary than in Canada. We do not have a small geography with a large population, a single language or culture that can bring people together more easily to build common ground. We've seen the politics of dwelling on difference, of acting always in narrow partisan or regional terms, of driving Canadians apart. It isn't hard to do. But it's Canadians who pay the price.

Our political system is the only place, the only means by which the country can come together to make decisions in the national interest, in all our interests. We need our leaders, our political institutions and the people who work there to make the best decisions possible on the issues that matter most to Canadians—on jobs, on the deficit, on health care, on education and public safety. We need to make politics and government work, so that Canada can.

Since I have been your Prime Minister, I have begun the work of reforming our government. The day I was sworn in as Prime Minister, I announced the largest reform of the federal government in Canadian history. We cut Cabinet and the number of departments to a sensible size and brought departments that do the same things together, organized around those things that matter most to Canadians—jobs, health, public safety, prosperity.

We've opened up the budget making process, so that the really critical economic decisions we make on spending, on cutting, on taxation will become opportunities for the country to consider together.

We're allowing Members of Parliament more freedom to vote as their electors, and not their Party, dictate and Parliamentary Committees more freedom to produce the best possible legislation and to ensure the best possible appointments are made to public agencies. We've strengthened conflict-of-interest rules for Ministers and Parliamentary Secretaries. And we're committed to strengthening the rules for all Members of Parliament and for all lobbyists.

I know that Canadians expect and deserve that, as taxpayers, their money will be treated with respect. It's a question of fairness and of common sense. Canadians never asked their governments to create historic and destructive deficits or to develop programs that create waste and inefficiency. They didn't ask their political leaders to award themselves perks and privileges that ordinary Canadians do not enjoy. They simply want their governments to spend their money wisely. They want better management, better results with their tax dollars. They want government to work for Canadians again.

As governments, we can't go on asking Canadians to tighten their belts, if we're not prepared to do something about our own first.

That's why we've decided to change pensions for Members of Parliament—to end double-dipping and to prevent any payments before the age of 55.

And why we've already started a bilateral process with every province to eliminate overlap and duplication of programs and services. Changes we're introducing to cut needless regulation, to simplify the administration of the GST and other programs will allow us to cut out waste and inefficiency, to spend smarter and provide better service to all Canadians. At the centre of these initiatives remains our fundamental commitment—to hold the line on taxes and on spending and eliminate the federal deficit within five years.

The deficit keeps taxes high. It stops us from mounting new programs to meet new needs. It mortgages our future. But it isn't just a \$32 billion federal deficit that constrains our freedom to act. It's a combined \$60 billion national deficit. That's why we've proposed a National Debt Management Plan, to set national targets on borrowing, taxing and spending with the provinces. And why as a federal government, we are committed to eliminating our own deficit within five years.

We need to eliminate the deficit, to restore our freedom to choose in the future. And we have to build a framework for economic opportunity—to help Canadians who have a job to keep it, and to help those who don't have a job to get one.

That means building a new Canadian partnership for jobs through education, training, life-long learning, trading our way to new jobs and markets, small business successes and through science and technology. We have forged a national economic strategy that embraces the principles of openness, partnership, fairness and efficiency, so that Canadians can have—and firms can provide—high-paying jobs, rising living standards, and a greater capacity to invest in our future.

And we must secure a strong national economy in order to preserve the quality of life Canadians proudly and rightly cherish—a strong social safety net, accessible health care, public safety and equal justice for all Canadians.

Part of our challenge here is simply to be frank. Canadians are people of immense common sense. They deserve the facts. And they deserve to be part of a process that listens to their concerns, protects their interests and weighs their rights and responsibilities.

The federal government now spends over \$100 billion on social programs. But those programs have not kept pace with changes in our society and our economy. We are still not meeting the needs of tens of thousands of Canadians. We need to reform our income security system to make it work for them, too. We need programs that reflect and deal effectively with the real-life situations and aspirations of Canadians. We will reform these programs to build a society of opportunity, in which everyone is able to live an active, prosperous and fulfilling life.

Together with the provinces, business and labour, we must integrate the wide range of programs available to focus on the needs and desire of individual Canadians to fully participate in Canadian society. Similarly, we have to ensure that the \$67 billion we spend on health care in this country is spent wisely and well. As a government, we are committed to:

- Safeguarding universal accessibility to health services; and
- Quality health care.

In order to guarantee that quality health care is universal and accessible to all Canadians, we have to reform the current system to place it on a sustainable financial footing and, with the provinces, determine the most appropriate federal role in guaranteeing the principles contained in the *Canada Health Act*.

And we have to address the fundamental concerns of Canadians regarding our justice system. On the one hand, Canadians look at their streets, their schools and their society and believe their safety may be slipping away. They are shocked by violence, on their streets and on their television screens and wonder if the justice system cares

more about the rights of the accused than those of the victims. Canadians simply want their system of justice to protect them better. On the other hand, Canadians have a right to look at their system of justice and feel their reality is understood whether they are women, Aboriginal people, ethnic, cultural or racial minorities. In other words, Canadians want their system of justice to reflect them better.

True safety and security are based in caring homes, good schools, shared values, and communities where people reach out to one another. I have proposed a number of initiatives to ensure that Canadians can continue to expect that kind of life in their communities. I have committed my government to ensuring that quality of life in our nation.

I invite Canadians to review my actions and commitments as Prime Minister. I do not expect that people will agree with every detail. But if we can begin to talk about our problems in an open and honest way, if we can listen to the concerns and considerations of one another, if we can avoid narrow partisanship and embrace common sense and consensus, together we can make government work for Canadians again.



Building a Canadian Partnership for Jobs

The lack of job opportunities and our national deficit are the two biggest challenges facing Canadians today. We believe that if we can build a consensus in this country to focus on these two economic challenges, we will be able to succeed in restoring economic growth and opportunity for all Canadians, and to maintain our position as one of the best countries in the world in which to live.

Worldwide economic forces and technological advances have changed, and will continue to change, the nature of work in this country. When the baby-boom generation was growing up, people could expect to find and keep high-paying jobs without a lot of specialized training. Those days are gone. In today's economy, people must be ready to constantly upgrade their knowledge to keep jobs, and be ready to learn brand new skills to take advantage of new opportunities. The things that used to guarantee life-long employment are no longer a guarantee of any kind.

Our strategy to restore economic growth focuses on getting the fundamentals of a healthy economy right. We must eliminate our national deficit and begin to pay off our national debt. We must create more and better jobs for Canadians. And we must ensure that all Canadians have an opportunity to participate in building and benefitting from a strong economy. Success will bring us real benefits: lower taxes, the dignity and respect that come with a job, and the freedom to make choices about our future and our children's future.

We respect the abilities and judgement of Canadians. That is why we want governments to open up to Canadians about what the available economic choices are and how we go about making those choices. Canadians know that deficits are a serious problem at all levels of government and that the solution lies in governments working together in partnership to tax and spend less than we do now. Our ability to give Canadians the right tools to create and find jobs is greater when we work together than when we compete against one another.

A Kim Campbell Government will:

- Open up the budget-making process so that the provinces and the federal government can meet to share information on the economy with Canadians—so that the public can have a meaningful role in the decisions we make on spending, cutting and taxation, and so we will not be working at cross-purposes on the economy, but working together for all Canadians.

In the new economy, many Canadian workers may change jobs and even career paths up to five or six times before they retire. We have a responsibility to give people the tools to help them succeed in the new economy. We have to target our assistance towards active programs to retrain people, rather than simply treating every unemployed worker as though a new job requiring the old skills will reappear. Passive assistance, paying people to wait for opportunities that are not likely to come back, is a terrible waste of their tax dollars and their potential. And we have to tailor our assistance to the individual needs and circumstances of Canadians rather than forcing them to adapt to an inefficient system.

Right now, thousands of jobs in Canada go unfilled because we lack workers with the skills needed to fill them. It is the federal government's job to work with the provinces, the private sector and labour to make our programs work for people—to give them skills and the chance to participate in the new economy.

The kinds of jobs being created in the new economy are not being created by big companies in traditional resource sectors. Where these companies are succeeding, they are doing so because they have adopted new technologies and so need fewer workers or workers with different skills. New jobs are being created in non-traditional areas: the knowledge sector and the technology sector. New jobs are being created by companies that excel at trade.

Our number one priority in job creation is to help those sectors that are creating jobs by reducing the burden of government; by creating partnerships between government and the private sector; and by implementing government policies that create and encourage investment in high-growth sectors.

In the new economy, jobs will be created through a thriving small business sector; through winning at trade; through improving science and technology; by having a highly skilled and flexible workforce that will attract investment to Canada; and through reducing our deficit so that taxes can come down and interest rates can remain low.

Investing in Canadians

In Canada today, as in other countries, people are being confronted with events and with terms that are difficult to relate to in everyday life. But "structural adjustment" and "global competitiveness" do mean something very real in the everyday lives of Canadians:

- They mean that young people who leave school without skills cannot find jobs in industries where skills matter;
- They mean that single mothers who must work, who want to learn, cannot afford the time and money to do it; and
- They mean that the middle-aged worker in a declining industry is unlikely to have the skills and training for the demands of newer industries.

These realities are painful. They hurt people, destroy hope and damage families. Governments cannot stand idly by, we must meet these challenges head-on.

Part of the challenge we face is to accept how our Canadian reality has changed. Others are able to produce natural resources as cheaply or more cheaply than we can. The trend is towards industry that adds value—value that will be produced by skilled workers. The trend is towards the provision of services, of knowledge, rather than the provision of goods.

We reject proposals to create short-term, low-skill jobs. They cost the taxpayers a fortune and are a disservice to the very people who need real, lasting solutions the most. At the end of the day, we will have robbed ourselves and them of time and money that would be better spent on getting the tools to find and keep quality jobs.

The role of the federal government in education is not to try to duplicate what the provinces are doing, but to help them do it better. Not acting alone, but by working together with unions, parents, teachers, business.

Life-long learning is not a slogan; it is a tool of opportunity. To drop out of school today is to drop out of the future. We must do better at helping young Canadians fulfil their potential whether in school, the workplace or their own business. And we must do better to help Canadians of all ages engage in learning and training over the course of their lifetimes.

Learning begins well before our children enter the traditional school system. We must recognize the role of physical and mental health and family health in creating an environment where our children have the best possible chance to get a good start. The government's Brighter Futures program has a Community Action Program to help local groups help children at risk.

- We will sign agreements with provinces who have not yet signed onto the Community Action Program, so that children at risk across Canada can have access to this program immediately.

The basics for learning are changing. Computer skills must be added to reading, writing and arithmetic as one of the basic skills every child must have.

A Kim Campbell Government is:

- Committed to a Computers for Schools program. Every government department has been instructed to donate their old computer systems (software and hardware) to Canada's schools; and
- Committed to the SchoolNet project to link schools together by computer, with learning projects in science, technology and maths, that will be expanded from 12 schools to 300. We will ultimately link every school in Canada.

Some schools work better than others. We need to find out why and then apply those practices to all schools.

- We have put in place an Exemplary Schools Project that will tell us what 20 of our most successful schools are doing right and help us to do better in all our schools.

Some government policies act to close doors to education rather than open them up. For example, the existing system of tax credits for education can be improved. It no longer reflects the real cost of education. It discriminates against part-time students and it does not recognize the needs of single parents who need child care assistance to go to school.

We will introduce the Learning Incentives Program. It will reform the education tax credit to:

- Increase the credit for full-time study;
- Make part-time students eligible for a new credit;
- For the first time, make part-time students eligible for a child care expense deduction to help pay for their child care costs; and
- Allow single parents to claim a child care expense deduction against all income, including UI and child support income, not just income earned from employment. This is a critical change because many single parents, especially women, are now living with limited earned incomes from part-time or low-paying jobs, or are collecting social benefits and so cannot benefit from the existing deduction.

These changes reflect our belief that government should give people who want to acquire new skills, or upgrade old skills, the tools to do so.

The Canada Student Loans Program, too, is in need of reform. Some students who don't need loans get them, while others who do need loans don't get them or don't get enough. Part-time students do not get nearly enough, even though we know that, increasingly, part-time study is more common and more necessary. In addition, we have a chronic and severe under-representation of women in Canadian doctoral programs, particularly in the areas of science, mathematics and engineering.

We will improve the Canada Student Loans Program by:

- Increasing the loan limit from \$3,500 to \$5,100 per academic year for full-time students, and for part-time students, raising the limit from \$2,500 to a maximum of \$4,000 total;
- Providing deferred grants for the neediest students;
- Expanding interest rate relief to low-income borrowers;
- Pursuing defaulters much more aggressively; and
- Providing special opportunity grants to students with disabilities, certain students at risk, and to women pursuing doctoral studies.

Young graduates often have the energy and fresh ideas to launch a successful business, but lack the management skills and access to start-up money to get their business off the ground.

A Kim Campbell Government will:

- Put in place a Youth Business Initiative to provide these young people with training, ongoing managerial support and access to start-up loans, averaging \$10,000 each.

We believe that with a modest investment, we can help create over 200 new businesses, fulfilling the dreams and potential of energetic young Canadians everywhere.

We believe that government has a responsibility to help Canadians who are willing to invest in themselves. Training and retraining can be costly for people—but life-long learning has become a reality for many Canadians—particularly in a changing economy.

Governments have been notoriously bad at training people for the real demands of the real job market. The private sector, business and labour, are on the front lines of the new economy and know what needs to be done to ensure Canadians have the skills required in today's job market.

Both the federal and provincial governments have important roles to play, along with the private sector and unions, in ensuring that Canada has a skilled labour force that is training for the value-added industries and jobs of tomorrow.

Our objective in the area of training is to ensure that Canadians have the skills they need to participate fully in the changing, growing world economy. It is a disservice to Canadians to encourage them to acquire skills that are no longer needed.

Needs and circumstances vary greatly from one part of Canada to another. Common sense dictates that the programs of federal and provincial governments, educators, business, labour and social agencies be tailored to meet these different regional needs. We must coordinate programs such as Unemployment Insurance, social assistance, training, retraining and placement, and design them with individual Canadians in mind.

We intend to enter into agreements with each province which are geared to the needs of the people of each province.

These agreements will help us improve services to Canadians by eliminating duplication and waste and enhancing administrative efficiency. Furthermore, we will increase the role of the private sector in designing training and other job-related programs.

We have already agreed on principles for bilateral arrangements with the provinces of New Brunswick and Quebec, and we have invited other provinces to pursue such agreements.

As well, we have provided an additional \$250 million to help business and labour invest in training in their own industries through the Sectoral Partnerships Initiative announced earlier this year. Through these Partnerships, governments, business and labour are able to work together to develop human resource strategies in different economic sectors and help Canadian workers in those sectors plan for and adjust to changing market conditions. These Partnerships have been highly successful.

A Kim Campbell Government will:

- Build on the success of the Sectoral Partnerships Initiative to include at least another 33 private sector Councils in addition to the 22 now in place and to allow for the development of national skill standards in different occupations.

Canadians who have worked their whole lives in one industry, sometimes for one company, can face a situation in the new economy where skills that were in demand for the past twenty or thirty years suddenly are not, or will not be in the near future. These are experienced, hardworking people who have been displaced by circumstances they did not create and market forces that are not going away. It was for these Canadians that we developed the Special Initiative for Displaced Workers.

Under this program, assistance is highly targeted, recognizing the special needs of people who have always been employed and have not had the opportunity or the need to acquire different skills. These workers need to update their skills, get new skills for today's jobs, learn job search techniques, and find ways to use their existing skills in a new way.

We are committed to doing more for displaced workers.

A Kim Campbell Government is:

- Committed to continuing the Special Initiative for Displaced Workers, providing specialized assistance for up to 50,000 Canadians a year.

Investing in Small Business

A key element in creating jobs right across Canada is the small business sector.

- **Right now, the small business sector accounts for 85% of the new jobs created.**
- **In Canada today, there are more than 850,000 businesses with less than 50 employees each.**

Our future prosperity depends on our ability to help these small enterprises grow and succeed.

A big part of helping small businesses in this country lies in removing barriers that have been put in their way—barriers that have often been put there by governments. We have put forward a number of measures to assist small businesses:

- We have reformed the administration of the GST for small businesses so they can file one return, once a year, to reduce the paper burden they face; and
- We will continue to reduce burdensome government regulations, so that fully 50% of current federal regulations will be either changed or eliminated.

Too often, government has designed programs to assist small businesses in a way that makes it difficult and cumbersome for entrepreneurs to take advantage of them. People get frustrated when they are passed around from phone call to phone call, sometimes never getting the information they need. This has to stop. It is a waste to have programs that not everyone can get access to.

- We are putting Canada Business Service Centres in place from coast to coast. These Centres will provide small and medium-sized businesses with one-stop access to government services.

One of the greatest barriers to small business growth is the difficulties they face in getting money to survive and expand during critical periods in their business development.

A Kim Campbell Government will:

- Assist small businesses in their communities through the Community Venture Capital Program. The program will encourage private investment in small but growing businesses—especially in knowledge-based areas.

This program is unique in recognizing that different communities have different needs and will need to take their own approach to investments. Local investors will share the costs, with government, of identifying and structuring investment proposals and of providing

ongoing management help to the small businesses in which funds are invested. And it demonstrates how working in partnership with Canadian entrepreneurs can help our economy grow and create jobs. An investment of \$32 million of taxpayer dollars will be leveraged into \$200 million in new investment and economic growth.

We changed the *Small Business Loans Act* earlier this year to improve the access to debt financing. These changes have resulted in a dramatic increase in loans to small business. The dollar amounts of these loans have more than tripled since this legislation came into effect. So far this year, the amount of small business loans by banks is greater than the total amount for the entire preceding fiscal year.

We need to encourage more Canadians to invest in small business. We have instructed the Department of Finance to design a tax credit for investors who put money in a pool of capital that experienced business people then invest in small business.

Finally, the housing sector is a large employer of small business. In order to encourage home building and home ownership:

- We will extend the First Home Loan Insurance program, which has allowed tens of thousands of Canadians to buy their first homes with only 5% down, for a further five years.

Winning at Exports

Winning at exports means creating jobs for Canadians. Our population is simply too small to sustain a modern and successful economy by only trading with one another.

- **Right now, one in six Canadian jobs depends on foreign trade.**
- **A \$1 billion increase in exports means 15,000 new jobs for Canadians.**
- **One-third of our economy depends on trade.**

We believe Canadians have what it takes to compete, and compete well. Our view on trade treaties is straightforward. Trade treaties are entered into out of necessity to safeguard Canadian jobs, and to create jobs for Canadian workers.

We reject proposals to tear up trade treaties we have signed.

The Free Trade Agreement forces the Americans to abide by the same rules for trade as Canadians. It was and remains a treaty of necessity. It has also been a treaty of opportunity in many key sectors. And we have won the majority of trade disputes that have been brought forward under the agreement for decision.

Now, we are looking towards NAFTA. It opens up the Mexican market of 85 million people for Canadians. That means Canadian jobs. NAFTA gives us the opportunity to bid on billions of dollars in government contracts. That means Canadian jobs. NAFTA opens up trade in services. That means Canadian jobs.

NAFTA also presents an opportunity for Canadians to look beyond Mexico to Latin America and the Caribbean.

We are providing Canadians with the tools to succeed at trade:

- A Blue Ribbon Commission on Latin America and the Caribbean will report to the government within six months of its appointment on how we can create Canadian jobs through the opportunities available in this hemisphere.
- Through the Foundation for the Americas, we will put in place a National MBA Intern Program to put Canadian business students into the region to make contacts and learn about opportunities there. And we will provide language training opportunities for Canadian graduates in international economics and business.
- The Canadian Business Centre in Mexico City will provide services to Canadian firms doing business in Mexico. It will offer a site for Canadian trade shows and seminars.
- The New Exporters to Mexico program—NewMex—will provide up to 20 NewMex trade missions for Canadian exporters in each of the next four years.

We must increase trade with the Pacific Rim. Asia is the fastest growing economic area in the world and there are opportunities for Canadians to create jobs here, by selling our products and services there. Part of our strategy for increasing trade in the Pacific Rim is

changing the trade rules—opening up that region to Canadian products and services.

A Kim Campbell Government will:

- Propose an Asia-Pacific Economic Trading Community; and
- Propose and commit to a new Pacific round of trade negotiations to open up the Pacific Rim through investment, common standards, and a system for the resolution of trade disputes.

A successful conclusion of the current talks on the General Agreement on Tariffs and Trade will help Canadian manufacturing and service companies compete better in world markets. We have negotiated hard to promote and protect our farmers' interests in the GATT talks.

A Kim Campbell Government is:

- Committed to pursuing a successful completion of the current GATT Round.

While we seek trade success abroad, we cannot ignore the need to secure trade success here at home. It is simply ridiculous that there are fewer barriers to trade between different countries in the world than there are between the provinces in Canada.

A Kim Campbell Government is:

- Committed to removing inter-provincial trade barriers in Canada by March 1995.

Improving Science and Technology

Tomorrow's economy will be built upon the ideas we develop today. That is true in all sectors of the economy, not just in those areas we normally think of as high-technology sectors. The forestry, agriculture, and manufacturing sectors are all applying new, knowledge-based tools to their production techniques. If we aren't good at generating and developing ideas, and getting those ideas to

market, we will simply not be able to succeed in building a healthy economy.

- **The federal government spends about \$6 billion a year on science and technology.**

The government provides the major funding for research and development in Canada—spending by business, in spite of some of the most generous tax incentives in the world, is far from adequate.

- **Only four out of 100 Canadian companies are doing any research at all.**
- **And 40% of all the industrial R & D in Canada is done by the top ten companies.**

A Kim Campbell Government will:

- Build upon the Industrial Research Assistance Program (IRAP) which helps Canadian businesses get their ideas to market by assisting them in developing, acquiring and adapting new technologies. We will work to create an integrated national technology diffusion system.
- Hold a Science and Technology Summit to determine what practical action is needed to ensure that Canadian companies turn their lacklustre performance on R & D around;
- Revamp the decision-making system to ensure that federal research dollars are being spent on the right things and not simply continuing to fund tired old programs that are no longer an appropriate use of research dollars. We will develop a new federal strategy for science and technology; and
- Restore the funding for the Networks of Centres of Excellence program. The purpose of these Networks is to get better technology to industry, faster. Researchers, scientific experts and industry made compelling arguments to sustain the funding for this program and we have listened. The program deserves our support.

Restoring strong economic growth in Canada can be achieved when we recognize that we are and must be partners, focused on doing the important things right, focused on creating more, better and lasting jobs for Canadians.

All of these commitments reflect my belief that governments have a responsibility to work in partnership with individuals, business and labour, and the provinces to give Canadian workers the tools to succeed in the new economy. And they get Canadians' tax dollars working for Canadians.

Sustaining Our Quality of Life

Securing the Social Safety Net

Governments allocate enormous resources to our social programs in Canada—resources provided by Canadians. The federal government alone spends over \$40 billion per year on transfers to individuals. But the world has changed profoundly since our programs were first established. People's needs have changed dramatically here in Canada. Our programs have simply not kept pace with societal and economic changes. And too often, they are just not as efficient or as effective as they could be.

- **They promote dependency.**
- **They don't prevent problems before they arise.**
- **They are more concerned with handing out cheques than with helping people get jobs.**
- **They are incoherent and confusing to the Canadians they are designed to help.**

We believe Canadians want our social programs to focus on building a society of opportunity, not a society of dependence. We created the new Department of Human Resources and Labour to bring together, for the first time, all the programs that relate to income support, training and education. Our vision of income security reform is practical and simple.

Our social programs must help build a society of opportunity in which everyone is able to live an active, prosperous and fulfilling life.

We want our social programs to work for Canadians. We want to work with the provinces, non-governmental organizations and Canadians to reform our income security programs, so that they reflect and deal with the real-life situations Canadians face in the 1990s.

A Kim Campbell Government will:

- Put in place a process of consultation on income security reform involving governments, non-governmental organizations and Canadians, guided by the following eight principles:

1. Prevention

We must invest in education and learning and encourage healthy, supportive environments at home and at work. We should work to prevent problems in the first place.

2. Active Programming

The system should reward and support initiative and personal development. Barriers to self-reliance must be eliminated. The goal is to put people back to work.

3. Long-term Income Support

Seniors or people with severe disabilities must have the comfort and security of long-term income support. We must assist those unable to provide for themselves.

4. Equality of Opportunity

We must give people the skills, confidence and support to succeed. This includes breaking the structural, institutional and attitudinal barriers that exist.

5. Mutual Responsibilities

Government and the individual must work together. People have an obligation to make use of the opportunities provided and government must ensure both access and availability.

6. The Needs of the Individual

Programs must be flexible, so that they can work to fit the needs of individuals, families and communities.

7. Partnership and Efficiency

Policies and programs must work together to support people towards independence, not frustrate them in red tape and bureaucracy. We can and must improve services to Canadians.

8. Real Results

We must evaluate current programs. It is time to experiment with new and innovative approaches that allow people to be active participants in society.

Securing Health Care for All Canadians

Canadians know that our health care costs have been rising steadily and they are concerned that the highly accessible, high quality care we enjoy may be threatened by those rising costs.

We believe that Canada's health care system is a fundamental part of being Canadian. It has become a part of our culture, our identity.

The system is clearly in need of reform, not just to safeguard its integrity, but to ensure that our approach to keeping Canadians healthy is preventive as well as responsive to illness and injury.

The immediate answer to the challenges facing us in health care is not to simply accommodate every cost increase with more money. We must first do a better job of managing the resources that are already being put into the system. We cannot accept a position that says we should ask Canadians to pay more into a system until we can assure them that all measures possible have been put in place to ensure that Canadian tax dollars are well spent.

We believe the basic framework for health care in Canada is sound. The *Canada Health Act* ensures that the principles on which the health care system was built will continue to guide new approaches to delivering the service more effectively.

A Kim Campbell Government is committed to maintaining the operating principles that have made our system of health care the envy of the world:

- Universality
- Accessibility
- Comprehensiveness
- Portability
- Public Administration

The federal government now spends over \$16 billion per year on health care. The provinces are struggling with the cost and service pressures on their administration of our health care system. We have to be open to considering options for reform that are based on these fundamental principles. A **Kim Campbell Government** will not open up the *Canada Health Act* to user fees for medically necessary insured services. We are not prepared to see the emergence of a two-tiered system—one for the rich and one for the poor.

A Kim Campbell Government is:

- Committed to meeting with the Premiers to discuss options for health care reform. The provinces have responsibility for running the system—reforms will not proceed without their cooperation.

Justice that Works for All Canadians

Canadians look at their streets, schools and society and believe their safety may be slipping away. They are shocked by violence and resent the fear they feel walking our streets after dark. And they wonder if the justice system cares more about the rights of the accused than the rights of the victim. Canadians simply want their system of justice to protect them better.

We must work together and face some fundamental facts:

- Is it an accident that 65% of our prison inmates cannot read or write?
- Is it a coincidence that those who commit violent acts have often been themselves the victims of violence as children?

If we don't get to the root causes of crime, we cannot make our streets and communities safe. True safety and security are based in caring homes, good schools, shared values, and communities where people care about and reach out to one another. The answer does not lie in simply building more prisons and getting more police. If that were true, then the United States would be the safest place on Earth. The answer lies in our communities—in community efforts. That is why, earlier this spring, the government sponsored a National Symposium on Community Safety and Crime Prevention. An advisory committee will be recommending a national strategy on these issues in October of this year. We will act upon the recommendations in that report.

The *Young Offenders Act* has become a particular source of concern for Canadians. **A Kim Campbell Government** will immediately amend the *Young Offenders Act* to:

- Extend the sentences in the youth system now available for murder, to other serious offenses involving personal injury;
- Allow for use of statements from victims;
- Add a more rigorous form of supervision after a young offender is released from custody;
- Keep records of serious personal injury offenses longer and allow more sharing of information with, for example, police and school officials where there is a risk of personal injury; and
- Allow for early assessment of violent and repeat offenders to ensure that the most effective sentence choices are made.

These changes will address the most pressing shortfalls in the *Young Offenders Act*, but the time has come to go beyond these problems. This is a debate whose time has come. These issues have tremendous implications for the provinces since they are responsible for the administration of justice and child welfare systems. We must begin a national discussion to deal with three critical issues:

- The minimum age in the Act;
- The maximum age in the Act; and
- The publication of names of young offenders.

Addressing violence against women is a priority for a Kim Campbell Government. We are now studying the close to 500 recommendations of the Canadian Panel on Violence Against Women.

A Kim Campbell Government is:

- Committed to the principle of zero tolerance of violence against women and will put that principle into practice. My government will ensure that its laws, programs and policies promote the safety of women.

At times, it seems we are surrounded by violence. This is especially true when we turn on our TVs. The repetition of violence, the glorification of violence, the portrayal of violence as an acceptable and successful solution to problems all contribute to undermining parents' attempts to instill healthy values in their children.

Our five point strategy against television violence calls for:

- Public awareness;
- A strong code of ethics for broadcasters;
- Support from Canada's advertisers not to place ads in violent programs;
- International efforts; and
- Recognition of those who make TV programs less violent or who produce quality children's programming

The confidence Canadians have in our system of justice will be based in part on our belief that it reflects the face of society. Canadians have a right to look at their system of justice and feel their reality is understood.

We cannot ask people, whether they are of colour, or Aboriginal, or women, or have disabilities to accept a system as theirs when most of the faces they see are white, or male, or privileged. It is a hallmark of a good justice system that those different realities be reflected in it and understood by it—for women as well as for other groups in our society with a unique experience. We are committed to the goal of equal representation of women in law school, in law, and on the bench.

A Kim Campbell Government will:

- Continue to appoint women and men to the bench who bring not only professional excellence, but a wide experience and differing backgrounds to their role.

The *Canadian Charter of Rights and Freedoms* has brought about profound changes in our system of justice. Yet Charter law remains unclear in some areas. It is extremely important that government and citizens know exactly what their rights are.

A Kim Campbell Government will:

- Introduce a new program to fund Charter test cases. The Charter Law Development Program will be run by a non-profit, arm's length agency. It will be used to clarify certain Charter rights, such as freedom of conscience and religion, as well as its equality and language provisions.

We believe we have made progress on many issues of concern to Canadians, but we can and must do better.

On justice, like so many other issues, we have to get back to basics. The basic need to do better at protecting society. The basic need of ensuring that everyone sees the Canadian system of justice as their system of justice.

Making Government Work for People

We want to make government work for people again. Governing is about working together with Canadians to secure their economic success and well-being. Canadians have had enough bickering and cynicism. They want to believe that government can and does work to serve their interests—that it respects their problems, opinions and tax dollars.

Doing Politics Differently

We know that Canadians see Ottawa as a place where politicians go to play power games—or line their pockets. As a place where lobbyists exert private pressure on our leaders. It is seen as a place where bureaucrats meet, and scribble and fight—speaking a language that no sane Canadian understands, seeking solutions to problems that do not exist, and avoiding solutions to real problems that do. We need government to work for Canadians now more than ever.

A Kim Campbell Government will:

- Open up and change the appointments process so that people are informed of available positions and are selected on the basis of experience and qualifications and not Party membership;
- Expand the role of Parliamentary committees to review Cabinet appointments to all key public agencies;
- Increase the power of individual Members of Parliament by expanding the mandate of committees in drafting legislation, by allowing more free votes and holding mini-debates on issues of concern to Canadians;
- Strengthen the *Lobbyists Registration Act* to require lobbyists to file more detailed information about their activities and to improve enforcement and compliance with the Act;

- Strengthen the Conflict-of-Interest Code for Ministers and Parliamentary Secretaries and bring forward a bill to deal with conflict-of-interest for all other Parliamentarians;
- Put forward a plan to end double-dipping by retired MPs and to ensure that they cannot begin collecting their pensions before the age of 55; and
- Reform the system of perks and privileges so that no politicians will enjoy a single benefit or practice that is not essential to doing their job or that is not comparable to a benefit offered in the private sector.

Better Management, Better Results

The Canadian people never asked their governments to develop programs that conflict, activities that overlap, inefficiencies that seem to grow daily, and programs that duplicate each other. They did not ask their political leaders to reward themselves with privileges and perks that other Canadians do not enjoy. Canadians simply want their governments to spend their money wisely. They want better results, better management with their tax dollars. They want government to work for them again.

We believe that Canadians are fairminded and that they expect their leaders to understand the need for fairness to be a guiding principle in restoring economic growth. We pay enough taxes in Canada to demand that our governments collect and spend them with care. We know Canadians give us enough money to get the job of governing done. We believe it can be done better.

For too long, government has operated as though the supply of hard-earned tax dollars was endless. We are committed to no new taxes, and no increase in existing taxes. It is simply not fair to ask Canadians to pay more taxes when we can do a better job of managing the taxes they already pay.

We do not believe Canadians want their governments to spend more. They want governments to spend smarter. They want better management, better use of their dollars, better results.

That better management, those better results, must begin at the top.

We must lead by example in the fight to reduce deficits through eliminating waste and inefficiency. That is why our first act as a government was to cut the number of federal government departments and Ministers. The government restructuring process will save money and make the federal government leaner, more accessible and more efficient.

The day our government was sworn in, we put in place the largest restructuring of the federal government in our history:

- A cut in the number of departments from 32 to 23; and
- A cut in the number of Ministers from 35 to 25.

More needs to be done.

- We have appointed a private sector committee to bring their experience—in restructuring, in improving service, in using technology and in becoming more efficient—to the task of getting better results from government.

Across Canada, Canadians are working to increase the efficiency of their companies and their own household budgets. We believe it is our right to demand that governments do at least as well in delivering services to taxpayers.

Canadians are often told they must wait for long periods when they are looking for government assistance. Today, for example, it takes 50 days and 21 steps to process an application for disability for a Canada Pension Plan recipient. We are changing the system to reduce the process to one day and two steps.

Federal regulations cost the economy billions of dollars a year and are often outdated or simply silly.

- Our ongoing program to reform these regulations will eliminate or change fully half of all federal regulations.

There is simply too much waste and inefficiency in the federal government. We have made progress in cutting this mismanagement of taxpayers' dollars. We have already announced:

- The "Make or Buy" Program where the federal government will determine which of its operational services can be privatized;
- A common set of management reporting standards across the federal government, to replace the 38 separate reporting systems currently in place, which will let us find more examples of government waste and inefficiency;
- An Open Bidding System for all Public Works contracts which will end restricted lists and generate hundreds of millions in savings; and
- A Central Move and Management System that will trim up to \$10 million from current costs.

The Deficit and the Debt

Good leadership comes from following through, from being frank about what needs to be done, from being straightforward with Canadians and acting on their priorities.

Good leadership and good government come from having respect for Canadians, for their problems, their opinions and their tax dollars.

Our deficit and debt problems do not exist in isolation from the thousands of economic decisions made daily by Canadians and by foreign investors. When foreign investors look to Canada as a place to invest, they don't focus on a \$32 billion federal deficit, they look at a combined \$60 billion national deficit. The deficit keeps taxes high. And high taxes drive out investment that creates jobs. The deficit limits our opportunities to develop new programs that meet our needs. It threatens to reduce our prospects for growth, mortgage our future, trap our children. If we eliminate the deficit, we can begin, finally, to bring taxes down. We can restore our freedom to make choices about lowering taxes and investing in new programs.

Canadians will face new and emerging challenges in the next years. And governments must be prepared to meet those challenges through action. But we cannot afford to pay for new programs by increasing the deficit. And there is no point in simply shifting the deficit to the provincial governments. There is only one taxpayer.

Eliminating the deficit will require hard choices. We will not make those choices behind closed doors, and we must not make them in isolation. Openness and partnership will guide our plan. It is time to bring some common sense to our national debt and deficits problem.

We have to act now. We have to act responsibly. We have to respect the taxpayer's dollars.

A Kim Campbell Government will:

- Eliminate the deficit within five years of its first budget. We will enter the next century as a country finally paying our debt down rather than building it up;
- Introduce **no new taxes, and no increase in existing taxes**;
- Ensure there will be no real increase in spending and any new programs will be funded out of existing program spending; and
- Convene a First Ministers' meeting within 30 days of the election to begin the process of arriving at a National Debt Management Plan. We will succeed as a country in eliminating deficits and debts if we work together to agree on the facts and a plan to proceed. The National Debt Management Plan will be based on four cornerstones:
 1. An agreement on taxation levels, spending levels, and on borrowing and deficit levels;
 2. An agreement that tax relief provided by one level of government will not be revoked by new taxes imposed by another;
 3. The elimination of waste and duplication both within and between governments; and
 4. The re-examination of what governments do, what Canadians expect their governments to do and what level of government is best equipped to do it.

We have made real progress in getting the cost of operating federal programs under control. Since 1984-85, we have gone from a \$16 billion operating deficit to an operating surplus of over \$6 billion. The government is now operating in the black. But more needs to be done.

A Kim Campbell Government will:

- Ensure that any Cabinet proposal for new spending must identify where money will be found from within its existing spending limits to finance these new programs.

Government must start by getting its own house in order, so as to deserve the trust of Canadians.

A Kim Campbell Government will:

- Cut the travel and entertainment budget of the federal government by 20%;
- Cut advertising budgets by a further 20%;
- Cut the budget for the Prime Minister and Ministers' staff by 10%;
- Propose the cut of one of the two bus services on Parliament Hill. There is simply no reason why Senators cannot use the same service as Members of the House of Commons; and
- Propose that the special services currently offered to Parliamentarians—the barbershop, the shoeshine shop, health club and Parliamentary restaurants and cafeterias—are either financially self-sufficient, privatized or are closed.

The current fiscal plan forecasts a federal deficit of about \$8 billion by 1997-98. If we are to eliminate the deficit by 1998-99, we clearly must reduce our spending even further, while maintaining our commitment not to introduce new taxes or increase existing taxes.

A Kim Campbell Government will target the following cuts to reduce the deficit:

- A reduction in subsidies to business of \$750 million over the next five years;

- A reduction of 5% in the budget for the operations of the federal government (savings of \$1 billion over the next 5 years);
- A freeze on international assistance at 1993-94 levels, plus \$100 million from administrative cuts (savings of \$800 million over the next five years); and
- A freeze on defence spending at the 1993-94 level, plus an additional \$100 million annual reduction (savings of \$3.3 billion over the next five years).

We believe these are the appropriate targets for cuts. We believe that these specific proposals are achievable, and they are progressive. These savings will be significant (nearly \$6 billion), which will lead to further savings in interest payments on the debt of \$500 million. In total, these measures would reduce federal spending by \$6.4 billion over the next five years.

There is no point in cutting our own spending by pushing more costs down to the provinces or other levels of government unilaterally.

It does nothing for taxpayers if the federal government solves its own deficit problem by forcing provincial governments to tax more or borrow more.

That is why we are committed to working together with the provinces to develop a National Debt Management Plan to set spending, borrowing and taxing limits for both levels of government.

Almost 60% of the federal budget is presently accounted for by transfers to individuals and to the provinces—for income support, for health care and education. We are committed to protecting that social safety net for all Canadians.

That is why we must sit down with the provinces to discuss reforms which can preserve these benefits, while improving the management, administration and delivery of these valued programs.

And that is why we will open the federal budget process to all Canadians—so that these critical decisions can be made with help from and respect for Canadian taxpayers.

Conclusion

A Kim Campbell government is committed to making government work for Canadians again.

We have presented our fundamental priorities to Canadians for their consideration:

- 1. to rebuild jobs in a strong economy and give Canadians the tools they need to participate;**
- 2. to sustain our quality of life and preserve its benefits for all Canadians; and**
- 3. to make government work again, not just for a few, but for all Canadians.**

These three priorities are rooted in our respect for Canadians - for their problems, opinions and tax dollars.

It is a question of fairness and common sense. Canadians want their governments to spend their money wisely. They want better management, better results with their tax dollars.

A Kim Campbell Government is committed to that same agenda. Together, we can make government work for Canadians again.

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