

*Charting a New Path:  
A Compass for Canada's Future*



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## ***EXECUTIVE SUMMARY***

*Canada25* is a non-profit, non-partisan organization that brings the voices and ideas of Canadians, aged 20-35, to our nation's public policy discourse and takes action on issues of local and national significance.

As part of the Privy Council Office's regular medium-term planning process, *Canada25* was asked to prepare the following report. Its purpose is to propose a vision for Canada and a series of recommendations necessary to make the vision a reality.

### **Our vision for Canada**

***Canada25* envisions a Canada where active citizenship and bold, globally-oriented thinking make it a dynamic, inclusive, and prosperous place that people from around the world are proud to call home.** Central to this vision is a country:

- Whose institutions provide anyone who asks with the tools for success and a culture that lays responsibility for success at the feet of each individual
- That replaces mythologizing about the “vastness and beauty of the land” with policies and initiatives that recognise cities as the populaces principal homes and enables them to attain their potential as engines of growth and development
- With a Federal Government that acts as the great partner and not the great protector
- Whose foreign policy adeptly uses soft power to successfully influence and shape international political, security and economic affairs

To make this vision a reality the Federal Government must move forward in four key areas:

1. As Canada and the world shift from a resource-based to a knowledge-based economy, the education and skills of all Canadians will play an integral part in ensuring both our future economic prosperity and social cohesion. The government must create policies that **maximise our human capital**, particularly for those individuals and communities that have been least able to participate in our country's economic and social development. In pursuit of this goal the Federal Government should act to:
  - a. Maximise the potential of immigrants
  - b. Offer a new deal to Canada's first nations
  - c. Support the Canada Service Corps (CSC)
2. As the principal home of our human capital and the source of our economic, social and cultural innovation, cities are the engines of our country. If Canada is to prosper in the 21<sup>st</sup> century our cities must become magnets for the best global talent by supporting vibrant urban environments that facilitate creativity, development and innovation. Achieving this will require a renewed level of effort

and coordination between the federal, provincial and municipal governments to **build up our cities**. To accomplish this the Federal Government should:

- a. Offer a New Deal to Canadian Universities
  - b. Help Entrepreneurs Start and Grow Businesses
  - c. Support Creativity in all its Forms
  - d. Make Our Public Transit World Class
  - e. Ensure Every Canadian Has Access to Affordable Housing
3. The very existence of *Canada25* reflects a growing concern among young Canadians specifically, but all Canadians generally, that there exists a growing “agency gap” between us and our governments. Simply put, too many of us feel like we can’t make a difference in government. We must be prepared to challenge taboos and explore all possibilities in an effort to **renew government and the public service**. The Federal Government should act to:
- a. Make Voting Mean Something Again
  - b. Attract Canada’s Top Performing Students to the Federal Public Service
4. For a few countries, international influence is the result of economic weight, military might or historical imperial influence. Canada neither possesses, nor is burdened by, any of these assets. Instead, we must learn to harness our strengths as a multicultural, pluralist and economically open society with virtually every culture and religion represented and over a million Canadians living abroad, to **transform our nation from a middle power to a model power**. To kick start this process the Federal Government should:
- a. Tap Into the Skills of International Students
  - b. View Expatriates as an Asset – Not a Problem
  - c. Bring More of the World to Canada and More of Canada to the World
  - d. Become a World Leader in International Development
  - e. Revitalise Our Relationship with the US

By focusing on these four areas we seek to challenge the imagination of our readers – and to encourage them to envision a new partnership between Canadians and their fellow citizens, their communities, their governments, and the global community.

The members of *Canada25* feel an intense and passionate connection to this country and its future – and we are extremely honoured to have this opportunity to feed our vision for Canada into the innovative and creative work underway at the PCO. We are determined to continue adding our voice to Canadian public policy debates and we welcome the prospect of working with stakeholders of all kinds – especially the Federal Government – to turn our ideas into action.

## ***CHARTING OUR PATH***

*By championing peace and prosperity – while embracing pluralism and respecting human rights – Canada has become one of the most successful countries in the world. Nonetheless, many young Canadians share an almost palpable sense of unfulfilled promise, as well as a passionate belief that we can do better – for ourselves, for our communities, for our nation and for the entire world.*

### **Who we were**

For members of *Canada25*, this sense of an unfulfilled promise emanates from our understanding of the underlying purpose of Canada's political and social institutions, and a belief that these purposes put them at odds with addressing the challenges the country will face in the coming decades. Specifically, these institutions were created in response to the challenges of the two World Wars and the Great Depression. These seminal events galvanised the will and ingenuity of earlier generations who moved quickly to develop public institutions and policies whose purpose was to guard against the worst ravages of war, disease and economic insecurity. Since their creation, these institutions have served Canada well, enjoying almost unparalleled success in achieving their goals. For most Canadians, Ottawa protected diversity, ensured equality of opportunity, created jobs, tended the poor and the ill, and contributed to the safeguarding of the international system. A generation of Canadians in search of peace, order and prosperity made Ottawa a vehicle for its ambitions, casting it effectively and successfully as the great protector.

### **Who we are**

Over the past two decades, however, Canadians' relationship with the Federal Government has undergone a fundamental change. Although it transcends generational lines, this change is most visible among young Canadians. In contrast to previous generations, who reacted to destabilizing international events, members of *Canada25* believe their generation's identity and aspirations has been shaped by two relatively recent proactive Canadian choices: the passage of the Charter of Rights and Freedoms and the signing of the Canada-US Free Trade Agreement.

The passage of the Charter of Rights and Freedoms solidified two of Canada's strongest values: our quest for equality of opportunity and our respect for diversity. At its essence, the Charter recognises the individual as the fundamental unit of our country and makes us equal by protecting and safeguarding that which makes us different and unique. The establishment of this protection granted Canadians a renewed confidence to express ourselves as individuals, while challenging us to accept and embrace the splendour of human diversity. In short, the Charter has given us an uncharacteristically confident sense of self, and an ironclad belief in our national celebration of diversity.

By boosting the confidence of individuals and, in turn, our communities, the passage of the Charter also positioned Canadians to embrace the challenges and opportunities afforded by the signing of the Free Trade Agreement with the United States. By evaluating the human and social costs of restructuring the economy, and quantifying the agreement's impact on our GDP, most analysts miss the agreement's strongest transformational effect. More than anything else, the Canada-US Free Trade Agreement fundamentally affected the Canadian psyche and our self-confidence. It made us aware

that as a country, a community and as individuals, we can prosper within the most dynamic, innovative and competitive economic zone in the world.

Young Canadians, then, grew up in a renewed Canada with this birthright: that their uniqueness is valued and that they are capable of succeeding on the world stage. This previously absent self-confidence has fundamentally altered how we perceive ourselves and our relationship with our governing institutions.

**Canada25 does not want Ottawa to be the great protector, but rather to be the great partner. Ottawa's mission should not be to shield Canadians from the challenges and opportunities of the world, but to better equip us to engage them by facilitating the creation of the social, economic and physical infrastructure necessary to promote the development of our country's most precious resource: our human capital.**

In striving to achieve this goal, we expect our governing agencies and political representatives to work as effectively as their private sector counterparts, discerning competencies and collaborating cooperatively across government levels and ministerial responsibilities to deliver solutions and create opportunities. The Federal Government will need to lead this effort – not because of its authority or knowledge, but because it occupies a singular place within the political pantheon. As the only actor that legitimately represents *all* Canadians, the Federal Government must be able to partner effectively with - and mediate among - the country's various stakeholders.

### **The new reality**

Like its people, Canada is facing an evolving set of challenges and opportunities. If we are to achieve our potential as a nation and ensure that our government and policies address Canada's emerging opportunities and challenges, we must first and foremost be prepared to dispel some of our longest-lasting national myths and embrace the new reality:

- We are no longer a country that draws its livelihood primarily from the land and its bounty. People – and knowledge – are the principal sources of Canada's wealth.
- We no longer live in small, disconnected communities spread across a vast rural area. We are one of the most urbanised nations on earth.
- We are no longer a people who desire a centralised government to define or monopolize our identity. We can reconcile our divergent cultural, local, regional, national and international identities and believe that this is central to what makes us Canadian.
- We are no longer a country that needs to vigorously insulate its citizens from market forces. We want to manage, harness and channel these forces to meet our needs and provide us with opportunities.
- We can no longer rely on our material contributions to sustain our reputation or influence abroad. Our influence and ability to shape events depends upon the merit and consistency of our every action and word.

## Our vision for Canada

**In the following pages, we outline a series of concrete policy recommendations tied together by a common vision. This vision is of a Canada where active citizenship and bold, globally-oriented thinking make it a dynamic, inclusive, and prosperous place that people from around the world are proud to call home. Central to this vision is a country:**

- Whose institutions provide anyone who asks with the tools for success and a culture that lays responsibility for success at the feet of each individual
- That replaces mythologizing about the “vastness and beauty of the land” with policies and initiatives that recognise cities as our principal home and enables them to attain their potential as engines of growth and development
- With a Federal Government that acts as the great partner and not the great protector
- Whose foreign policy adeptly uses soft power to successfully influence and shape international political, security and economic affairs

## How we get there

To make this vision a reality the Federal Government must move forward in four key areas:

1. As Canada and the world shift from a resource-based to a knowledge-based economy, the education and skills of all Canadians will play an integral part in ensuring both our future economic prosperity and social cohesion. The government must create policies that **maximise our human capital**, particularly for those individuals and communities that have been least able to participate in our country’s economic and social development.
2. As the principal home of our human capital and the source of our economic, social and cultural innovation, cities are the engines of our country. If Canada is to prosper in the 21<sup>st</sup> century our cities must become magnets for the best global talent by supporting healthy, balanced and vibrant urban environments that facilitate creativity, development and innovation. Creating this kind of environment will require a renewed level of effort and coordination between the federal, provincial and municipal governments to **build up our cities**.
3. The very existence of *Canada25* reflects a growing concern among young Canadians specifically, but all Canadians generally, that there exists a growing “agency gap” between citizens and our governments. Simply put, too many of us feel like we can’t make a difference in government. We must be prepared to challenge taboos and explore all possibilities in an effort to **renew government and the public service**.
4. For a few countries, international influence is the result of economic weight, military might or historical imperial influence. Canada neither possesses, nor is burdened by, any of these assets. Instead, we must learn to **transform our nation from a middle power to a model power** by harnessing our strengths as a multicultural, pluralist and economically open society whose

citizenry includes both members of virtually every culture and religion and a million expatriates around the world.

### **A final note before we begin**

Members of *Canada25* have been given a window into the world unlike any previous generation. This window has offered us remarkable opportunities abroad and has helped to shape our identity in a more global manner. Ultimately, this global awareness has only intensified the passionate connection we feel to our country and the enormous confidence we have in its future. We are excited and honoured to be contributing to this invaluable process organised by Privy Council Office – especially since it symbolises the kind of innovative vision we hope spreads throughout every branch and department of the Federal Government.

## ***MAXIMISE OUR HUMAN CAPITAL***

As Canada shifts from a resource-based to a knowledge-based economy, the education and skills of all Canadians will play an integral part in ensuring our future prosperity. At first glance our prospects are stellar: we are a young, multicultural and federal country with a laudable tradition of strong, responsive governance.

But Canada's vitality is in danger of being undermined by our inability to reform a social and economic system that excludes aboriginals, overwhelms immigrants and underestimates young people – a failure that also jeopardises our global reputation for egalitarian inclusiveness.

All too often the discussion of human capital focuses on a very specific set of issues that apply to a very specific set of citizens: how to ensure affordable university tuition, how to promote the study of science and engineering, or how to graduate more PhDs. These are all integral questions – and *Canada25* addresses many of them in the following pages. However, we believe that the core of Canada's human capital crisis is far more elementary: how can the Federal Government integrate Canada's most underutilised citizens into its economy and its society?

Answering this question is imperative, both for a country that prides itself on its inclusiveness, and for an economy whose vitality requires it. For Canada to become a community of creative thinkers – and a country committed to developing minds, not just skills – Ottawa must create and support programs designed to empower those Canadians whose voices are least likely to be heard.

Three reforms would dramatically symbolise this kind of outreach:

- 1. Eliminate the accreditation and employment barriers faced by new immigrants.** Many foreign-educated and foreign-trained Canadians are not working to their full potential in the field of their choosing. Canada is foregoing potential productivity and impeding immigrants' full integration into Canada's social and economic fabric.
- 2. Offer a new deal to Canada's First Nations.** There is no better time for Ottawa to craft a revitalised partnership with aboriginal Canadians – especially with Phil Fontaine returning to the helm of the Assembly of First Nations. This partnership should rest on two foundations: a commitment to resolving all outstanding land claims by 2013; and the creation of a network of Northern Education Centres (NECs).
- 3. Support the Canada Service Corps (CSC).** *Canada25* is developing the CSC as a nationwide service program designed to provide young Canadians with opportunities to contribute their skills and energies to local community organisations working to solve a wide range of civic problems, from homelessness to environmental degradation.

## ***Maximise the Potential of Immigrants***

Immigrants contribute substantially to Canada's social, cultural and artistic vitality. The Federal Government's multicultural policies have created a climate in which new Canadians are encouraged to value and share their heritage, their language and their traditions. And yet, Canada's ability to enrich its social and artistic life through immigration far exceeds the country's ability to integrate newcomers into the economy.

Immigrants comprise a significant portion of the national labour force. And, although immigration selection criteria favour those who are highly educated and trained, immigrants are often unable to gain access to jobs in their field. The result: a vicious, widening circle of under-employment. *Canada25* believes that a resolution to this problem is demanded by the principles of both equity and efficiency.

With roughly 75% of new immigrants settling in Canada's three largest cities, immigration issues touch all three levels of government.<sup>1</sup> As the policy driver behind Canada's overall immigration strategy, however, it is incumbent upon Ottawa to move forward on two core reforms:

1. **Reduce Regulatory Barriers.** One of the most acute barriers faced by new immigrants is the problem of accreditation. Immigrants face a constant struggle to have their professional accomplishments and credentials in the country of their birth recognised in Canada. Problems with accreditation lead to delays in economic and social integration – and leave many new Canadians struggling to feel a part of their new community and a full citizen of their new country. Ottawa can address the accreditation problem in three ways:
  - **Tie grants to provincial accreditation reform.** Although the regulation of professions and trades is within the jurisdiction of the provinces and municipalities, the Federal Government can influence the recognition of foreign credentials. The Federal Government should not shy away from tying new settlement services funding to the creation of fairer and more balanced recognition of foreign credentials.
  - **Create a program to align regulatory requirements.** The Federal Government should sponsor a national regulatory standards program. This program should set benchmarks to be met for the funding program suggested above. This service could also improve inter-provincial credential recognition and mobility, and could help international associations seeking to determine equivalencies for Canadians working overseas.
  - **Review regulatory requirements.** The Federal Government should initiate a national review of the regulatory requirements in our nation's professions and trades. The focus of the review should be on improving

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<sup>1</sup> According to Citizenship and Immigration Canada, 50% of immigrants to Canada settle in Toronto, 14% in Vancouver and 13% in Montreal. The rest of the country shares the remaining 23% (2001).

the settlement experience for immigrants by determining which requirements pose the greatest barriers. The review could assess whether the requirements are necessary in achieving the goal of regulation and develop possible alternatives to those requirements.

2. **Empower Immigrants.** *Canada25* believes that immigrants are one of our country's greatest resources. The very decision to emigrate often demonstrates determination, a willingness to take risks and the ability to effectively seize and capitalise upon opportunities. The government should, wherever possible, adopt creative methods to support this innovative group of people who have chosen to make Canada their home by providing them with the tools and knowledge to enter into the fields in which they are qualified to practice:
  - **Extend loan programs.** The Federal Immigrant Transportation loan program and/or various student loan programs should be extended to allow immigrants to borrow for licensing and examination fees or bridge training offered through associations. These types of loans would benefit immigrants who may be barred from private bank loans due to their lack of credit history in Canada or other debts associated with immigration.
  - **Provide knowledge about regulatory requirements.** The Federal Government already provides information to immigrants about potential regulatory barriers they may face. However, research in Ontario reported that less than one-third of immigrants who participated in the study received information on professional licensing or Canada's labour market before their arrival. The report also found that, among those who had the information, almost one-third were able to find work in their primary professions.<sup>2</sup>
  - **Offer expanded job search training.** Immigrants can find their job search impeded by limited knowledge of the culture, process and routine associated with finding, applying and interviewing for jobs. Jointly through HRDC and CIC, the Federal Government should coordinate or sponsor job fairs targeted at people with foreign credentials. Simply translating existing materials into a broader range of languages – and creating multilingual on-line employment guides – could have a tremendous impact in Toronto, Montreal and Vancouver.

Immigrants choose to come to Canada not only for our tolerant inclusiveness, but also for the equality of opportunity this country claims to offer every citizen or resident. If Ottawa can help eliminate some of the barriers to accreditation and employment facing its newest Canadians, that claim will be far more real to the thousands of people who *choose* to make this country their home every year.

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<sup>2</sup> Goldberg, Michelle. "The Facts are In! Newcomers' Experience In Accessing Regulated Professions in Ontario." Government of Ontario, Ministry of Training, Colleges and Universities

## ***Offer a New Deal to Canada's First Nations***

As Canada becomes one of the world's most urban nations, rural and northern Canadians – especially First Nations Canadians – are finding themselves alienated from our cities, the national centres of artistic, economic, and social and policy innovation. To redress this systemic imbalance, Ottawa must do two things:

1. **Resolve every lingering treaty dispute by 2013.** Although *Canada25* recognises that finalising treaties will not directly impact the over 50% of aboriginals who live in urban centres such as Vancouver, Winnipeg, Regina and Saskatoon, we believe the resolution of all treaties is an essential precondition to the deeper integration of all First Nations peoples into Canada's national fabric.

Treaties provide indigenous groups with the legitimacy, authority and resources to chart a new economic and political future. Furthermore, by resolving questions of authority and jurisdiction, treaties create greater economic stability and provide tribes with the means to establish for-profit companies, joint ventures with non-indigenous corporations, community development schemes, and other initiatives.<sup>3</sup>

Furthermore, the resolution of treaty issues has spill-over benefits for all Canadian citizens. A 1996 KPMG report on the Benefits and Costs of Treaty Settlements in British Columbia forecasts that a significant increase in provincial employment (anywhere from 7,000 to 17,000 new jobs) and a positive net financial benefit (of between \$3.9 billion and \$5.3 billion over 40 years) would result from the resolution of the province's outstanding treaty settlements. Most importantly, the study estimated that the B.C. economy could expect about \$3 worth of total financial benefit for every \$1 of provincial financial cost.<sup>4</sup>

- ***Canada25* calls on Ottawa to create a new ministry, headed by a senior level minister, dedicated to the negotiation and resolution of aboriginal treaties.** Although rarely explicitly stated, the Department of Indian and Northern Affairs Canada (INAC) has two distinct, and at times conflicting, duties. On the one hand, INAC has a duty to act as an advocate of aboriginal affairs, and to provide a whole host of services to aboriginal peoples – ranging from social and educational infrastructure to supporting the treaty negotiation process. On the other hand, the department has a fiduciary duty to impartially represent the interests of all Canadians in treaty negotiations with the very same peoples.

To avoid any perceived or actual conflicts-of-interest, the Federal Government should split INAC into two ministries. A slimmed-down

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<sup>3</sup> ARA Consulting Group, Inc., [Social and Economic Impacts of Aboriginal Land Claims Settlements: A Case Study Analysis](#), a report prepared for the Ministry of Aboriginal Affairs, Province of British Columbia and the Federal Treaty Negotiations Office, Government of Canada, December 1995.

<sup>4</sup> Frequently asked questions on the B.C. treaty process - Department of Indian and Northern Affairs ([http://www.ainc-inac.gc.ca/bc/ftno/faq\\_e.html](http://www.ainc-inac.gc.ca/bc/ftno/faq_e.html))

INAC would focus on service delivery and advocacy – simplifying its relationship with aboriginal groups while also enabling it to provide conflict of interest-free negotiation expertise and support to aboriginal groups negotiating with provincial and Federal Governments. In contrast, the new ministry’s mandate would be limited to negotiating and finalising treaties. Its focused mandate would help dispel any real of perceived conflicts of interest presently de-legitimising the treaty process. It would also raise the profile of aboriginal treaties issues across the government and within cabinet by handing the portfolio to a senior minister who could give this issue the attention it deserves.

**2. Build Northern Education Centres (NECs) with a primary focus on aboriginal students living on reserves, and create curricula that deliver education and training in a more culturally relevant context.**

Aboriginal people living in Northern communities face unique socio-economic barriers. From inequitable education standards, to an exodus of human resources, to insufficient familiarity with existing support and training programs, young aboriginals in the North confront a host of issues largely unfamiliar to non-native city-dwellers.

Demographics make these challenges all the more pressing. Aboriginal youth represent the fastest growing segment of Canada’s youth population. They are the future leaders, educators, professionals and role models of their communities, and their cultural vibrancy and economic success can help ensure Canada’s collective prosperity. However, aboriginal youth are also among those most susceptible to poverty, unemployment and suicide – threats exacerbated by chronically weak educational systems and poor labour market conditions.

Ottawa must address this situation by offering innovative, targeted education assistance, and by tapping into the skills and expertise of those urban aboriginals whose economic integration is far more pronounced. Although urban aboriginals also confront a host of social and economic problems, we believe the Federal Government’s impact can be felt most immediately, and most impressively, by strengthening the educational infrastructure on reserves.<sup>5</sup>

By creating NECs as a local educational alternative, the best and brightest reserve residents would not be compelled to leave their home communities to pursue an education. And, by building education centres with the ability to reach out across generations and skill-sets, the intellectual impact on Northern communities would be immense. The centres should be built around five policy pillars:

- **A holistic and flexible approach to education.** Create multiple paths to complete high-quality primary, secondary, post-secondary and vocational training. In other words, make NECs a unique combination of high school, college and university. Offer a complete slate of secondary school material to

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<sup>5</sup> Ottawa explicitly addresses many of these points in the Final Report of the Minister’s National Working Group on Education - “Our Children – Keepers of the Sacred Knowledge” – and we urge the Federal Government to swiftly implement its recommendations. Available at ([http://www.ainc-inac.gc.ca/ps/edu/finre/index\\_e.html](http://www.ainc-inac.gc.ca/ps/edu/finre/index_e.html))

prepare younger students for university, provide a comprehensive set of technical and trades training, and create flexible part-time programs to attract students long absent from traditional educational systems.

- **An emphasis on technology and distance learning.** The vastness of the Canadian North demands that this country become a world leader in distance education. We urge Ottawa to ensure that every reserve has broadband Internet access by the end of 2004 – and to join with the provinces to create a national distance learning partnership.
- **A dedication to connecting Northern aboriginals with their urban counterparts.** With roughly half of Canada’s aboriginals now living off-reserve – most in the major urban centres of Alberta, Saskatchewan and Manitoba – the NECs should have an explicit mandate to create mentorship and support programs connecting young aboriginal students with successful aboriginal professionals living and working in cities. Off-reserve aboriginals are a tremendous and under-utilised resource for on-reserve First Nations communities.<sup>6</sup>
- **A focus on partnering with non-traditional players.** Tap into the expertise of businesses and unions who have experience and success working in Northern and First Nations communities. Solicit their help to design curricula, teach classes and ensure a critical mass of post-graduation professional opportunities.
- **An explicit commitment to training and educating health care professionals.** Canada needs healthcare providers who reflect the diversity of the population they serve. However, medical students in Canada are even more likely to be the children of physicians than they were in the 1960s, and aboriginals and rural Canadians continue to be underrepresented in medical schools.<sup>7</sup> To redress this imbalance, Ottawa should develop a summer program to encourage young aboriginals to consider careers in healthcare. Modelled on the Shad Valley program that caters to students interested in science and engineering, this program would offer support, role models, inspiration and concrete advice to students considering a career in the healing professions. Part summer camp, part co-op placement, the program would also provide NEC students of all ages with a peer network that would serve as a lifelong resource. If the program was a success, it could also be rolled out to encompass rural and other under-served communities.

The evolution of Nunavut College over the past decade provides an exceptional example of our vision for NECs. With three campuses and 24 community learning centres, as well as an explicit commitment to life-long learning, Nunavut could serve as a model for

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<sup>6</sup> This idea was first suggested by Mark Podlasly in his paper “Canada’s Domestic Expatriates: the Urban Aboriginal Population.” Available online at (<http://www.newliberalism.ca/resources/Podlasly.pdf>)

<sup>7</sup> Dhalla et al. Canadian Medical Association Journal, 166 (8)

building a network of interconnected NECs explicitly designed to address the unique educational requirements and challenges facing aboriginals living on reserves.<sup>8</sup>

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<sup>8</sup> The vision and direction of Nunavut College is spelled out in greater detail on its website:  
(<http://www.nac.nu.ca/main.htm>)

## ***Support the Canada Service Corps (CSC)***

*Canada25* believes that young Canadians have both a passionate connection to this country and a strong appreciation for the value of civic participation. What they lack, we believe, are readily available and easily accessible opportunities to make a meaningful contribution to their communities.

Our solution is the creation of the Canada Service Corps (CSC). We envision the CSC as a nationwide service program that will enable young Canadians to contribute meaningfully to their communities and – conversely – allow communities to access the skills and energies of young Canadians.

Members of *Canada25* identified this CSC as the single most important action-based project *Canada25* should undertake in 2003. To that end, a fulltime project manager has joined *Canada25* as part of a private sector non-profit fellowship program. With a team of volunteers from across the Canada being assembled, plans are in place to launch an extensive research phase to identify the specific gaps in long-term service opportunities available to young Canadians, the obstacles to their community involvement and the skill gaps facing local service organisations. As a result of this research, this team will work in collaboration with *Canada25* members, supporters in the public and private sectors and community leaders to design a national service program that provides a unique combination of development opportunities for young people and benefits to our communities nationwide.

By enabling young Canadians to take on service placements in our communities nationwide, the Canada Service Corps will:

- **Tap into the civic energy and skills of young Canadians.** Young Canadians do not lack civic engagement; we are simply looking for a flexible and creative way to come together to support our communities and our country. By offering long-term projects, the CSC would be attractive to young people looking to find roles suited to their skills and interests that allow them to make a direct impact on their communities. These opportunities could be tailored to Canadians with a broad range of educational and professional experiences.
- **Address pressing community service needs.** Across the country, there are thousands of community-service organisations addressing a wide array of issues that would benefit from an eager cadre of young Canadians willing to commit themselves to projects identified, selected and supported by these local NGOs.
- **Connect young Canadians to their communities and their country.** CSC volunteers would work either in their home communities or in other communities across the country. Before their placements, groups of CSC volunteers from across the country could come together for training and group-building sessions designed to imbue a loyalty to the program, its goals and its core values. After their placements, these volunteers would have the satisfaction of having contributed directly to their communities and having been part of a nationwide initiative aimed at making our country a stronger and more prosperous place in which to live.

To be successful, the design and execution of this nationwide program will require a significant collaborative effort among the public, private and non-profit sectors. We believe that the Federal Government can support the creation of the Canada Service Corps program in two important ways:

- **Establish civic participation among young Canadians as part of our national conversation.** By advocating the value that young Canadians' community contributions can bring to all sectors, the Federal Government can help to create the collaborative environment required to make this initiative a success.
- **Contribute to the design of this program.** The Federal Government has extensive experience in delivering services aimed at young Canadians. By providing input and feedback into the design of the Canada Service Corps, the government can help to ensure its feasibility and sustainability, and therefore its long-term success in benefiting both young people and our communities nationwide.

## ***BUILD UP OUR CITIES***

Cities matter. Almost 80% of Canadians live in them, making them the repositories of our human capital and the engines of innovation, creativity and prosperity.<sup>9</sup> However, as the “poor cousins” of the constitution, they are forced to fight for fiscal table scraps, a problem highlighted as economic and social forces give rise to a new array of challenges and opportunities. Throughout the 19<sup>th</sup> and 20<sup>th</sup> centuries, when natural resources were the source of our economic prosperity, the provincial and Federal Governments came to an agreement over how to divide and share the jurisdiction, means, and authority to manage these resources to the benefit of all Canadians. In the 21<sup>st</sup> century, Canadian cities will be the source of our new critical resource – human capital. Unfortunately, there is no strategy or similar arrangement for how to share the means and authority to address the multitude of challenges, or the enormous opportunities, facing our cities.

At *Canada25*, we believe that Canada’s cities can become magnets for the best global talent and engines of development and innovation. In *Building Up: Making Canada’s cities magnets of talent and engines of development*, we outlined a vision for Canada’s cities based on three essential elements: density, diversity, and discovery.<sup>10</sup> To achieve this vision, we believe that the Federal Government has an important role to play in five major areas:

1. **Offer a new deal to Canadian universities.** Great cities need great universities. By conducting the research that leads to innovation and development, bringing young and diverse people into the city, and stimulating intellectual and artistic development, universities are uniquely placed to contribute to the building up of our nation’s cities. The Federal Government needs to recognise the importance of universities, and envision a new funding arrangement with the provinces to fund post-secondary education.
2. **Help entrepreneurs start and grow businesses.** The government of Canada has invested billions of dollars in research activities and infrastructure at Canadian universities, research institutes and hospitals. In order to profit socially and economically from this massive public investment – and in order ensure its success in an increasingly competitive global economy – Canada needs to develop the seed stage investment and management infrastructure required to turn our scientific excellence into world-leading companies.
3. **Support creativity in all its forms.** Great cities are creative cities. People need outlets for expression and self-discovery, and giving them these outlets demands that we invest in, and cultivate the conditions for, vibrant and diverse cultural institutions and programs.

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<sup>9</sup> 77.9% of Canadians live in urban areas according to Statistics Canada. Please see Urban population as a proportion of total population, Canada, provinces, territories and health regions, 1996. Available online at (<http://www.statcan.ca/english/freepub/82-221-XIE/00502/tables/pdf/44.pdf>)

<sup>10</sup> *Building Up* is available in full at [www..Canada25.com/policy](http://www.Canada25.com/policy)

4. **Make our public transit world class.** Canada needs an integrated national transportation strategy, including a real commitment to public transit on a massive scale.
5. **Ensure every Canadian access to affordable housing.** Lack of affordable housing imposes a crippling social and economic cost on Canadian cities and their citizens. It undermines urban diversity, fuels income inequality and poverty, weakens family bonds and hinders productivity. It is a problem that must be addressed by all three levels of government, and we urge Ottawa to help create market-based solutions to spur the creation of new affordable housing.

## ***Offer a New Deal to Canadian Universities***

In education – as in so many other areas of public policy – national borders are increasingly irrelevant. Bidding wars erupt for the services of world-class researchers hungry for opportunity: the opportunity to conduct cutting-edge research, the opportunity, to work with excellent students and outstanding colleagues, the opportunity to take ideas to the market and the opportunity to be recognised and rewarded for successes. Unless Canadian universities can create an academic environment that provides these opportunities, this country will lose out in the race to attract the best young research talent – regardless of their nationality.

At the root of the challenge is smarter funding in three major ways: a new deal on transfer payments to boost quality, a smarter way to manage federally-funded research, and a commitment from the Federal Government to preserving and enhancing accessibility.

1. **Make transfer payments work.** The Federal Government's innovation strategy established the highly laudable goal of ensuring that all Canadians have access to high-quality post-secondary education (PSE). However, Ottawa's current practice of unconditionally transferring money to the provinces for PSE is just that – a transfer of funds. It is not social policy. In 2004, however, the Canada Health and Social Transfer (CHST) will be split into the Canada Health Transfer (CHT) and the Canada Social Transfer (CST) – a division that provides Ottawa with a perfect opportunity to rejuvenate its role in Canada's post-secondary education system.

*Canada25* urges the Federal Government to offer Canadian universities and colleges unprecedented financial stability, and to offer their students unprecedented financial flexibility. Stability would come from four key reforms:

- a. **Establish a Canada Education Transfer.** Provincial fiscal needs for social assistance, health care and post-secondary education are different and require separate funding mechanisms. To ensure transparency, visibility, accountability, national standards, and adequate funding, the Federal Government should segment the Canada Social Transfer into its constituent pieces, ensuring that transfers for PSE have their own, appropriate, funding escalator.
- b. **Establish a Canada Education Act.** The Federal Government should return to its 1981 commitment to introduce legislation for PSE. A Canada Education Act (CEA) would outline principles of accessibility, quality, accountability and portability. Similar to the Canada Health Act, it would reflect Canadian values, provide the conditions for federal funding of PSE, and ensure that access to PSE remains a public good.
- c. **Establish a PSE Dispute Resolution Mechanism.** A dispute resolution mechanism as outlined in section 6 of Social Union Framework Agreement (SUFA) would give the Federal Government recourse to challenge violations

of the CEA. It would also be attractive to the provinces, especially in the areas of federal spending power and the interpretation of national standards.

- d. **Establish a PSE Council of Canada.** Based on the Health Council of Canada, a PSE Council of Canada should be established by the provincial, territorial and Federal Governments to measure the performance of the post-secondary education system, ensure access, co-ordinate efforts, collect information, provide advice, support the Canada Education Act and report publicly to ensure Canada has the best possible PSE system.

Together, these four initiatives will bring stability and security to the PSE funding regime in Canada, benefiting all university, college and technical institute students.

2. **Improve the research environment.** In addition to providing operational funding for post-secondary education, Ottawa plays a major role in research funding. In *A New Magnetic North*, we made a number of recommendations for improving the research environment in Canadian universities, and we stand by these today.<sup>11</sup> Three particular initiatives for the Federal Government include:
  - a. **Put our money where the minds are.** Compared to their peers in the US and the UK, Canadian graduate students and professors are woefully underfunded. Ottawa needs to significantly increase money into the Natural Science and Engineering Research Council (NSERC), the Social Sciences and Humanities Research Council (SSHRC) and the Canadian Institute of Health Research (CIHR) immediately. The top-tier of scholarships offered by these bodies – which set the standard for graduate student pay scales – are worth approximately twenty thousand dollars a year. This is the *upper limit* of what a top graduate student will be paid; most students will not earn even this much. In addition, students are required to pay their graduate tuition – typically in the range of five thousand dollars – out of their salary. This sends a powerful message that even our very best graduate students are not valued – especially compared to US, where the equivalent fellowships and scholarships pay twice as well.
  - b. **Allow universities to license technology.** South of the border, the 1980 Bayh-Dole Law allows universities to license and profit from research they conduct with federal funds. This law has acted as a powerful incentive for collaboration, with universities establishing technology licensing offices and partnering with industry experts and venture capitalists to commercialise their innovation. The Federal Government should move quickly to pass a similar law. Such a law is likely to provide even more public benefit in Canada, since profits from federally-funded research would simply return to federally-funded institutions – a far cry from in the US, where much of the commercial profits are actually reaped by private universities.
  - c. **Eliminate the two-tier hiring process.** Canadian universities need to attract the best minds in the world. For this to occur, we need to eliminate restrictive immigration laws that force universities to give preferential

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<sup>11</sup> A copy of *A New Magnetic North* can be downloaded from: <http://www.Canada25.com/forum2001.html>

treatment to existing Canadian citizens and permanent residents in hiring for faculty positions. Educational protectionism should be no more condoned than protectionism in the agricultural or manufacturing sectors – especially since foreign schools remain free to compete for top Canadian researchers. Canada also needs to reach out to foreign-born graduate students, not only to enhance their likelihood of attracting professors, but also because student diversity is a hallmark of the world’s greatest universities.

3. **Commit to keeping post-secondary education accessible.** Part of offering a new deal to universities also means preserving and enhancing the access of every Canadian to higher education –access that has been severely curtailed in the last decade as provinces cut budgets and universities hiked tuitions. While much of this access is a provincial responsibility, Ottawa has an important role in promoting, and even providing, financing to individual students, particularly at the undergraduate level.

As part of a new compact with the provinces, the Federal Government should consider creative alternatives to the Canada Student Loan and Millennium Scholarship programs. Some options might include income-contingent student loan repayment, or a move to an Australian or Scottish-style “graduate tax” system. The key here is to be innovative: we need to attract the world’s most talented and creative students, starting with Canadians.

## ***Help Entrepreneurs Start and Grow Businesses***

An important part of the success of a great city is its ability to nurture economic innovation. While we cannot create economic clusters – they must develop organically -- we can put in place conditions to help them take root. One of the most important conditions is assistance in commercialising research and development.

Canada's universities, research institutes and hospitals are world-renowned for the quality of their science. In some sectors, the research results from Canadian institutes rivals the output from renowned research areas such as Boston and California. Despite the strength of our science, however, Canada lags the G7 and many other OECD nations in our ability to commercialise our innovations.<sup>12</sup>

Two inter-related factors are required to create successful new companies from Canadian innovation: seed capital and management skills. Without both preconditions, Canadian entrepreneurs will watch their companies fail, due to an insufficient understanding of market needs, end-user demands and the requirements of venture capital investors. In order to anticipate and counter this threat, Ottawa should move forward on three fronts:

- 1. Increase access to seed stage venture capital in Canada.** *Canada25* urges Ottawa to create public Fund-of-Funds that invest in private seed stage venture capital – a model that has been adopted with much success in several US states and in Israel. The money for these funds comes from a number of sources including public pension funds, government revenues, tax credit protected debt offerings, and tax credit protected lines of credit from local banks. In New York and California, governments have petitioned for legislated pension funds to invest in local seed stage venture funds. Moreover, all levels of government should partner with the private sector and industry organisations to actively market Canada internationally as a great place to invest – mirroring the kind of proactive approach currently being taken by the government of Australia (as seen most notably in the pages of *The Economist*).
- 2. Provide expanded training and mentoring opportunities.** It is imperative that Canada build a seed stage “management class” workforce. One excellent example is the Martin Walmsley Fellowship for Technological Entrepreneurship – offered by the Ontario Centres of Excellence – which provides promising young entrepreneurs with an opportunity to commercialise their technology. Ottawa should explore the possibility of rolling out similar programs across the country.
- 3. Alter the definition of a “successful” commercialisation outcome.** We recommend that the Federal Government spearhead a shift in Canada's commercialisation paradigm by changing the metrics for defining commercial successes from institutional research and development. Metrics such as “number of patents filed” and “number of companies started” should be dropped in favour of data on licensing revenues generated, the number of products created from Canadian research and development and the number of sustained enterprises built on Canadian technology. Cultural barriers between research scientists and

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<sup>12</sup> Canada's Innovation Strategy - <http://www.innovationstrategy.gc.ca/cmb/innovation.nsf/MenuE/MenuE>

venture capitalists should also be bridged via educational events and local networking programs – like the Ottawa Centre for Research and Innovation (OCRI) in Ottawa.

## ***Support Creativity in all its Forms***

One of the most interesting findings of our research on urban issues was the importance of arts and culture in building a great city. One hundred per cent of our survey respondents mentioned “arts and culture” as a key determinant of where they decide to live.<sup>13</sup> This is not surprising: great cities are imbued with an almost-tangible energy that creates an exciting, entertaining and intellectually rewarding environment in which to live. Many young people want to live in New York City not just because it’s big, but also because it’s a fun, exciting and inspiring place to be.

Recently, culture has been recognised as a key factor in the economic vitality of a city. Richard Florida of Carnegie-Mellon University, a leading thinker on these issues, contrasts Detroit, Michigan with Austin, Texas. Although Detroit is blessed with an important industry and a world-class university nearby, it is not on anyone’s top destination list. Florida argues that Detroit failed to “keep up with the cultural times.” In contrast, Austin has blossomed socially, economically and culturally over the past two decades. In the early 1980’s, Austin lost many of the high-calibre students who studied at the University of Texas. Faced with these departures, the city encouraged the development of a vibrant cultural scene, which helped the city attract new industries. In this way, Austin stemmed the tide of departing students. Nowadays, students arrive in Austin for the education, but stay for the culture.<sup>14</sup>

Not too long ago, public policy in Canada directed funding to large flagship institutions, such as the Royal Winnipeg Ballet and the Art Gallery of Ontario, at the expense of smaller groups and individuals. Public monies were focused on “high” forms of culture, such as the symphony and the opera, while popular culture was left to fend for itself. Although there has been a shift in policy, whereby a greater diversity of groups and individuals have access to public funds, the total amount of funding for the arts has declined due to budget cuts at both the provincial and federal level. In our view, governments in Canada must implement policies that strengthen our existing cultural institutions, foster the development of young artistic talent and encourage cultural development. There are three ways in which Ottawa can help make this happen:

- 1. Encourage cultural development through the Canadian Capital of Culture program.** The Federal Government can help cities develop a lively cultural life by dramatically revamping its existing Canadian Capital of Culture program. We believe that the current program should be transformed into a single prestigious biannual award for which cities across the nation compete. The model would be the European Cities of Culture program, which has transformed cities across Europe, Glasgow being the best example. In a process similar to choosing a winning bid for the Olympics, cities will compete for the prize based on plans for enhancing culture in their communities. These plans would be comprehensive, touching on every kind of culture – from architecture to dance, literature and music – and highlighting the best of the city, region, and country. The ultimate goal of this program is a year-long festival that would draw visitors

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<sup>13</sup> Web intercept survey posted in Spring 2002 on [www.canada25.com](http://www.canada25.com). Results from 293 surveys were used, but, as the sample was not random, results can be said only to represent the views of the *Canada25* membership, not a broader segment of the population.

<sup>14</sup> Florida, Richard Florida. *The Rise of the Creative Class*.

from across the country and abroad, much like a World's Fair. Such a move would translate a moribund prize with little appeal or profile into something that would unite communities and leave lasting legacies.

- 2. Reward artistic excellence in an even more public way.** One idea is to create a prize akin to the Turner Award in the UK. This prize would award an artist under 50 – in any discipline of visual or performing arts – a year-long, nationwide celebration of their work. This award would involve the Canadian public – not just the formal arts community – in recognising and enjoying Canadian art, and give Canada a profile on the world stage as a place that nurtures and rewards cutting-edge work.
- 3. Strengthen cultural infrastructure.** The Federal Government should play an important role in providing infrastructure throughout the country, both through capital funding for flagship institutions and smaller cultural spaces, and through operational funding. Ottawa should consider ways in which it can enhance community information and participation in the arts. This may mean encouraging more partnerships between media and arts organisations, or helping fund on-line arts portals for cities (see [www.reallivearts.com](http://www.reallivearts.com) for an excellent example).

## ***Make Our Public Transit World Class***

In *Building Up*, we wrote about the need for a national transportation strategy. The most important part of this strategy is the need for a massive investment in public transit in all of our large cities.

It is important to note that *Canada25* is not anti-car. Personal vehicles have their place, and overly restricting their use would cause harm to many people as well as to local economies. Nevertheless, great cities offer their citizens a fair choice between transportation options. In Canada, the playing field is far from level.

Canada's present urban development model has prioritised construction of roads for private vehicles over other modes of transportation. Roads and freeways are not generally thought of as public costs, but rather as a basic civic right in most cities. Public transit, however, is not viewed as a social or civic right; rather it is looked upon as a service from which costs must be recovered.

We challenge this view: creating transportation alternatives reduces air pollution and greenhouse gas emissions, it improves the social fabric of our cities, and it improves everyone's access to employment and educational opportunities. We need a National Transportation Strategy built upon these three principles:

- 1. Dedicating funds for urban transit.** A decade of downloading has left city governments with program and service responsibilities that far exceed their fiscal resources. Ottawa should react in two ways: first, with a one-time infusion of capital dedicated entirely to investing in public transit in our largest cities. Second, and more importantly, the Federal Government needs to provide stable, ongoing, and predictable funds for urban transit infrastructure. One possibility would see the Ottawa set aside a significant portion of the federal gas tax revenues for cities – contingent upon municipalities using the funds to subsidise, support and expand their mass transit systems. Another option would be to provide municipalities with full GST rebates on public transit-related expenditures.
- 2. Integrating land-use planning with transit planning.** Ottawa should ensure that every transit infrastructure project that receives federal funds incorporates the principles of transit-oriented development (TOD). TOD combines land use and transit considerations to ensure that development projects are centred around transit nodes and are explicitly designed to be dense, compact and mixed-use – a far cry from the suburban land use development model that prevailed in the latter half of the 20<sup>th</sup> century.
- 3. Have consumers recognise and pay for the true costs of transportation options.** The Federal Government provides billions of dollars every year to provincial and municipal infrastructure projects. Even a fraction of that funding could play a major role in revolutionising Canadian cities – if directed at the right slate of projects, which may include:

- a. **Finance an urban toll pilot project.** These programs have proven to be very effective in limiting the numbers of vehicles on roads at peak hours in European cities like London and Stockholm.
- b. **Encourage changes in vehicle insurance and registration to charge per vehicle kilometre driven.** Abandoning the yearly flat charge will give people greater flexibility in controlling insurance costs as will encourage them to drive less, carpool, and eventually support demands for more compact urban regions.
- c. **Provide incentives for companies to provide transportation alternatives.** Provide tax incentives for home offices and reward companies offering flex-time, bike storage facilities and showers, or subsidised transit passes. Consider making the provision of transit passes a tax-deductible expense for employers.
- d. **Add dedicated High-Occupancy Vehicle (HOV) lanes to federally-funded highways in urban corridors.** HOV lanes are a mainstay of American freeways, but Canadian policymakers have yet to embrace them – despite their positive impact on car-pooling.

## ***Ensure Every Canadian Has Access to Affordable Housing***

Governments need to see affordable housing as a “social good” – one that will not be provided in sufficient quantities without more effective government action. Although provinces and municipalities bear the primary responsibility for ensuring the existence of affordable housing, *Canada25* believes that a concerted effort by the Federal Government could significantly help to address this issue.

Canada’s affordable housing crisis is composed of two separate dilemmas: the problem of insufficient supply and the problem of insufficient funds.

### **1. Clear up supply bottlenecks.**

- a. **Make CMHC more renter-friendly.** Over the past decade, the mortgage underwriting practices of the Canadian Mortgage and Housing Corporation (CMHC) have been tightened, thereby making rental properties more difficult to finance. Although CMHC has shown renewed flexibility over the past two years, Ottawa needs to accelerate and entrench this welcome development.
- b. **Allow non-profit, mixed-model affordable housing providers to qualify as charities.** Mixed model housing providers rent 50% of their units at low-end market rates, and the other 50% of their units at rents geared to the incomes of individual tenants. Allowing mixed-model providers to qualify as charities would help leverage private capital toward a public purpose – exactly the kind of solution that should appeal to a government looking to empower institutions and individuals.
- c. **Encourage pension funds to invest in low-cost housing public-private partnerships (PPP).** Pension funds – especially public sector ones – are always interested in long-term, steady and reliable investment opportunities. And, since progressive pensions funds like OMERS and OTPF have already expressed an interest in participating in public infrastructure financing, in projects ranging from hospitals to bridges, the long life-span of affordable housing could prove an attractive investment opportunity.
- d. **Pressure provinces and municipalities to relax regulations.** To name just one example, basement and “nanny” apartments should be encouraged across the country, both for their contribution to population density and for their traditional affordability. Provincial building codes in Canada should be amended to make it more cost effective to develop a secondary suite in existing and new houses without sacrificing the safety of these units.
- e. **Be open to non-rental solutions.** While we believe strongly that the scarcity of rental housing is an issue that needs to be addressed, there may be ways of helping those who are less well-off own their own homes. This begins with bringing down the cost of construction and financing. In this vein, we are encouraged by the work of Avi Friedman and colleagues at McGill, who have designed model homes that cost \$40,000 to build. The work of *Options for Homes in Toronto*, which uses innovative financial arrangements to build low-cost condominium units, is also

intriguing.<sup>15</sup> We encourage decision-makers not to be overly tied to models of the past, which prioritise renting over buying, when evaluating new models for affordable housing.

2. **Bring housing within reach.** The challenge posed by insufficient incomes is a more difficult one, but the Federal Government should explore two additional options:
  - a. **Tailor income support programs to the cost of living/housing in different cities.** Provinces tend to allocate the same fixed amount of financial assistance to all of their residents – a short-sighted approach that discriminates against those urban dwellers most likely to lack adequate housing. After calculating a series of national cost differentials, Ottawa should consider “topping up” provincial assistance. Moreover, Ottawa must work with the provinces to reduce the clawed-back rate for benefits targeted at low-income households.
  - b. **Break the Canada Health and Social Transfer into its component parts.** If housing has fallen off the policy radar screen, this is in part because the composition and magnitude of federal funding explicitly aimed at affordable housing are left largely to provincial discretion. As we have argued with universities, a move to attach a set of national funding standards to a newly-transparent funding mechanism would go a long way toward returning the issue of affordable housing to a place of policy primacy.

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<sup>15</sup> For more about Options for Homes please go to (<http://www.icomm.ca/options/index.html>)

## ***RENEW GOVERNMENT AND THE PUBLIC SERVICE***

Too many young Canadians fail to appreciate the full responsibility and privilege of democratic citizenship. As with the population at large, voter turnout among young adult Canadians continues to decline. In the 2000 federal election, less than one in five young Canadians bothered to cast a ballot.

Our generation's detachment from government also extends to the labour market, where it has become increasingly difficult to attract, retain and re-attract talented young Canadians into the public service. In the eyes of many young Canadians, public sector institutions are monolithic, elitist, aloof and resistant to the energy and ideas of a new generation.

At the root of both problems is a growing "agency gap" between young Canadians and their governments. Simply put, too many of us feel like we cannot make a difference in government, whether by voting or by joining the ranks of the public service.

At the national level, *Canada25* believes that Ottawa can begin to bridge the "agency gap" by pursuing a series of institutional reforms.

1. **Make voting mean something again.** We believe that the legitimacy and efficacy of government is eroded as voter turnout declines. Although an engaged citizenry does more than vote, the act of casting a ballot lies at the heart of representative democracy, and there are fundamental changes to the federal electoral system that hold enormous potential to entice Canadian voters of all ages.
2. **Attract Canada's top performing students to the federal public service.** Just as young Canadians have turned their backs on the electoral process, so too have many of us declined to explore professional opportunities with the public service. Yet the notions of "serving the public" and "making a difference" retain their allure. To rekindle an interest in *government* service, Ottawa needs to adopt a more targeted, creative and innovative approach to recruitment and career development.

Taking the initiative to modernise some of its sacred will help Ottawa to move forward with renewed energy, confidence, and legitimacy on the other major policy fronts addressed in this paper – the challenge of empowering individuals, supporting great cities and adopting the mettle and manner of a model international power.

## ***Make Voting Mean Something Again***

A vital and vigorous democracy – by definition – cannot exist without an active and engaged citizenry. It is disheartening, then, to note that voting rates among all Canadians are declining, and that the twin ills of voter apathy and partisan disengagement are especially acute among young people.

To be fair, the Federal Government may be a victim of its own success. After all, the last eight years have been marked by a period of relative policy continuity at the federal level, as well as a notable dearth of the kind of hot-button issues – Meech Lake, Quebec separation or NAFTA, to name just three – which tend to generate widespread popular engagement. However, a lack of captivating policy challenges only raises the pressure on the Federal Government to reach out institutionally to the electorate, lest it lose the attention and support of the public whom it is charged to serve.

To combat voter apathy, *Canada25* urges the Federal Government to embrace electoral reform along three simultaneous fronts:

**1. Question the Sacred Cow of “First-Past-the-Post.”** Canada’s Westminster-style parliamentary structure is based on a winner-takes-all approach that favours regional political movements over national alternatives and often leaves MPs elected with less than 50% of votes cast. These two concerns – regional alienation and “wasted” votes – can both be addressed by the following reform:

- **Review and overhaul Canada’s first-past-the-post electoral system.** The Federal Government should create a body with a sweeping mandate to examine alternative systems of governance. This mandate should be explicitly broader than that which constrained the Lortie Commission in the late 1980s and 1990s. Although we do not presuppose to know which alternative system Canada should adopt – second ballot run-off, alternative vote, single transferable vote or proportional representation – we strongly believe that the current system needs to be overhauled. A comprehensive review of this kind will get Canadians talking to each other again about what it really means to live in a democracy. The Citizens’ Assembly on Electoral Reform, an initiative in British Columbia, is one possible model for this process.<sup>16</sup>

**2. Modernise the Senate.** *Canada25* believes that the Senate, as a consultative body, is able to effectively and impartially advise and critique prospective legislation. However, the Senate must become more relevant to the Canadian population. To achieve this relevance we suggest three changes:

- Introduce 10-year term limits for all senators. Doing this will provide opportunities for more Canadians to be involved in the legislative process, ensure a constant influx of new fresh ideas and a constant renewal of energy and enthusiasm.

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<sup>16</sup> For more on the Citizens’ Assembly on Electoral Reform please go to (<http://www.ag.gov.bc.ca/legislation/citizensassembly/>)

- Eliminate the requirement that a Senator must be at least 30 years of age. A small but vocal contingent of youthful senators could offer a unique perspective and provide another vehicle by which young people could engage in government.
- Eliminate the requirement that senators must own property in the Canadian province or territory they represent. Given that we no longer require Canadians to own property to vote or run for office, *Canada25* believes that there is simply no room in a 21<sup>st</sup> century Canada for a Senate that enshrines such elitist, anti-democratic practices.

More substantively, the Senate should be directed to conduct a comprehensive investigation into the state of Canadians’ ‘civic knowledge’. How much civic education are students receiving in school? How much do Canadians know about the responsibilities of different levels of government? What will it take to get Canadians more involved in public policy development and implementation processes? These and other questions that get to heart of the growing ‘agency gap’ that separates young Canadians from government ought to be addressed by the Senate.

- 3. Reform Canada’s electoral system to effectively represent our increasingly urban population.** Canada is one of the world’s most urban countries. 80% of Canadians now live in cities – a figure that could soar to 85-90% by 2020. Young Canadians gravitate to cities with an ever-increasing fervour yet, by doing so, put themselves at an electoral disadvantage. Why? Because Canada’s electoral system disadvantages the country’s most urbanised provinces and, within each province, grossly favours rural areas over urban centres.

This imbalance leads to mutually reinforcing results: a host of urban priorities systematically undervalued by an unrepresentative House of Commons, a generation of young, urban Canadians continually disappointed in a federal system that fails to adequately address their concerns and priorities, and the unconscionable disenfranchisement of many urban-based racial and ethnic minority communities.

A recent analysis of topics discussed in the 37<sup>th</sup> Parliament (1<sup>st</sup> session) reveals the extent to which rural interests and issues can eclipse urban ones in the House of Commons:

**Frequency with which rural and urban issues are mentioned in the 37<sup>th</sup> Parliament, 1<sup>st</sup> Session<sup>17</sup>**

<b>Rural Issues</b>	<b># of times mentioned</b>	<b>Urban Issues</b>	<b># of times mentioned</b>
Farm income crisis	700+	Housing	119
Farm Credit Corporation	252	HIV/AIDS	50
Foot and mouth disease	192	Theatre, Arts & Culture	39
Agricultural subsidies	162	Transportation	31

17 Source: Presentation at the Toronto City Summit, June 25, 2002, by Joe Berridge, a Partner at Urban Strategies, for reference please go to (<http://www.urbanstrategies.com/exec/index.html>). The source of the House of Commons data is: ([http://www.parl.gc.ca/common/Chamber\\_House\\_iDebates.asp?Language=E&Parl=37&Ses=1](http://www.parl.gc.ca/common/Chamber_House_iDebates.asp?Language=E&Parl=37&Ses=1))

Agriculture	143	Public transit	30
Forest industry	109	Municipalities	24
Mining industry	75	Air pollution/smog	19
Grain transportation	71	Homelessness	19
Farms/farmers	68	Science and technology	8
Fisheries	50	Biotech industry	8
Beef	44	Automobile industry	6
Dairy industry	30	High tech	6
Seasonal workers	23	Pollution	5
Grain industry	22	Urban communities	3
Canadian wheat board	21	Sustainable cities initiative	2
Curling	19	Food banks	1

A pair of reforms could go a long way toward ensuring more effective representation for urban Canadians:

- **Amend the “Grandfather Clause.”** The *Representation Act* (1985) amended the Constitution (1867) with the so-called ‘grandfather clause’, which guaranteed that each province would have no fewer seats in the House of Commons than it had in 1976, during the 33<sup>rd</sup> parliament. As it turns out, Canada’s three most urbanised provinces -- Ontario, BC and Alberta -- are the only ones that do not benefit from either the ‘grandfather clause’ or ‘senatorial clause’ (i.e. the Constitutional rule that says that no province can have fewer seats in the House of Commons than it does in the Senate). Parliament has the authority to amend the ‘grandfather clause’ by ordinary legislation, so we urge the PCO to drive this process forward.
- **Adhere more closely to the principle of “One Person, One Vote.”** The *Electoral Boundaries Readjustment Act (EBRA)*, 1964 allows Federal Electoral Boundaries Commissions (FEBC) to establish electoral districts that vary as much as plus/minus 25% from a provincial quotient. The under-representation of urban areas that can emerge under these rules is striking. An early proposal by the current FEBC for Ontario, for instance, would have seen the establishment of a federal riding in Scarborough Centre with 50.7% more constituents than the riding of Parry Sound – Muskoka (123,089 versus 81,705).

FEBCs are allowed to deviate widely from their provincial quotient, among other reasons, in order to “maintain a manageable geographic size for districts in sparsely populated, rural or northern regions” of a province. Since the passage of the EBRA in 1964, however, dramatic improvements in communication technology and transportation have substantially reduced the cost and time it takes for a rural or northern MP to remain in contact with his or her constituents. At the same time, the ethno-racial and linguistic diversity of urban constituencies have increased significantly during the past 39 years, making the job of an urban MP significantly more demanding. In tandem, these technological and demographic changes undermine the justification for privileging rural districts over urban ones to the extent currently allowed by the EBRA. We therefore urge the Federal Government to reduce the EBRA’s “political wobble room” for

deviating from a provincial quotient from +/- 25% to +/- 5%. The FEBCs for Quebec and Manitoba have already risen to this challenge and have put forward proposals that adhere, almost perfectly, to the +/- 5% guideline. It's time to follow their lead and make this practice a national standard.

- 3. Consider eliminating polling stations.** The ballot-counting chaos that contaminated the 2000 US presidential election left many Canadians with a perverse sense of pride. After all, Canada hand-counted over ten million ballots in a matter of hours – the kind of efficiency that spared this country the punch-line antics of “hanging chads.” Polling stations, while symbolically important, are an inefficient means by which to conduct an election. In future elections, we urge the Federal Government to consider holding the election by mail or on-line. Such an approach is currently used in Oregon and, by reducing the time and energy required to vote and facilitating the participation of those voters in rural areas and abroad, generates above average voter participation rates.<sup>18</sup>

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<sup>18</sup> Oregon, where all ballots were mailed in for the first time, the citizen voting rate was 67 percent -- higher than in most other states.” For reference please go to the United States Census Bureau, (<http://www.census.gov/Press-Release/www/2002/cbo2-31.html>)

## ***Attract Canada's Top Performing Students to the Federal Public Service***

A generation ago, top university graduates gave serious consideration to pursuing employment opportunities in the public service. Today, few of the nation's top performing students put government on their prospective employer list. The inevitable result is that governments at all levels are finding it difficult to attract and retain talented young Canadians. Today, only 8.1% of federal civil servants are under 30 years old.

At the root of the problem is an unacknowledged "agency gap." Too many young Canadians believe, rightly or wrongly, that they will not be able to make a difference in government and, conversely, that taking a job in government will not do much to advance their professional development or aspirations. In the eyes of many university graduates, Federal Government bureaucracies are slow moving, risk-averse institutions that, because of their emphasis on lifelong employment, pay little attention to the professional development aspirations of their newest employees.

Real or perceived, such characteristics are antithetical to what many talented young Canadians look for in an employer. We seek out jobs with organisations that empower new employees to develop and implement innovative ideas and approaches. Whereas earlier generations measured the attractiveness of an employer in terms of its ability to provide job *security*, we place a premium on organisations that provide meaningful professional *opportunities*, access to top decision-makers and transferable skills development.

### **We think five changes could help revolutionise federal public service recruitment:**

1. **Hire people, not positions.** Create a general hiring program for newly-minted graduate students that allows them to apply to work in the government-at-large, rather than for positions in specific departments. This program ought to complement existing recruitment initiatives targeted at specialised government functions. The goal, here, is to hire educated and talented individuals with a passion for government service – and then to figure out where to place them by matching their interests to departmental needs. This program would be especially attractive to talented generalists who exhibit exemplary qualities of mind and character. After all, focusing new recruitment efforts solely on specialists is a sure-fire way to keep the most creative people out of government.
2. **Switch Ottawa's recruiting cycle from once-a-year to ongoing.** In the Management Trainee Program and the Accelerated Economist Program, the Federal Government offers some extremely attractive employment opportunities. But all too often, the chance to enter these programs only comes once a year. Once candidates have received the requisite scores on the relevant tests, let the scores stand for at least twelve months – and give them a chance to interview and begin working at any point during that year.
3. **Reach out, reach WAY out.** The practice of limiting certain federal jobs to applicants already living in Ottawa (or those crafty enough to impose on friends or family members for the use of an Ottawa mailing address) should be stopped. The Federal Government needs to expand its recruiting efforts far beyond Ottawa and

even Canada. Talented Canadians live around the world and the Federal Government must expand its recruiting efforts to make it easier for all Canadians to participate in the recruiting process. This can be accomplished by flying interviewers to a group of interviewees and by bringing interviewees, regardless of where they live, to Ottawa for final round interviews. Is it really cheaper to fly someone to Ottawa from Vancouver than from Washington, DC? The Federal Government needs to adopt a more flexible recruitment strategy in order to reach out effectively to the growing numbers of young Canadians who elect to study and work abroad.

4. **Protect and promote programs that work.** One stellar example of innovative government hiring is the program designed and driven by the Privy Council Office. The program targets recent Canadian graduates of some of the world's most elite universities, from Harvard to the London School of Economics. The program places high-calibre candidates in program or policy areas that match their professional or academic background and in positions designed to magnify their impact, and provides them with compensation commensurate with their background. This is exactly the kind of program the government needs to protect against two competing charges: that it should be expanded across the entire public service; or that it undermines the principles of equity and linguistic and regional representation that lie at the core of Ottawa's hiring process.
5. **Establish a Prime Minister's Fellowship.** This program would bring 10 outstanding young Canadians to Ottawa each year to serve as full-time, paid advisors to senior staff in the Prime Minister's Office, the Privy Council Office and the offices of cabinet ministers. The fellows, who would be drawn from the private, public, and not-for-profit sectors as well as from the military and academia. The vision is that they would normally be under 30 years of age but would have a few years of work experience. The purpose of the fellowship would be three-fold. First, the public service would get a regular infusion of new and innovative approaches to policymaking. Second, these exceptional young Canadians would return to their previous careers with an in-depth knowledge of the mandate, mission and methods of the Federal Government – a familiarity that could help erase the barriers that separate the public sector from the private and not-for-profit sectors in this country. And finally, the development of an *esprit de corps* would be encouraged among the fellows both in the belief that they could learn a tremendous amount from each other, and that they should capitalise on this unique opportunity to develop a new and diverse professional and personal peer network.

## ***TRANSFORM OUR NATION FROM A MIDDLE POWER TO A MODEL POWER***

*Canada25* is in the midst of a major project to help re-charge the role of Canada in the world. We will issue a major report on this issue in early 2004, but this document outlines some of our initial findings and recommendations.

As a multicultural, pluralist and economically open society, Canada is uniquely positioned to both absorb and benefit from globalisation. Virtually every country, culture, and religion is represented within our borders and, with over a million Canadians living around the world, Canada is ideally positioned to operate as both conduit and locus for the transnational exchange of ideas, knowledge and people. To ensure that more of the world comes to Canada, Ottawa should:

- 1. Tap into the skills of international students.** International students who receive degrees from Canadian institutions are a unique resource. They are ideally situated to establish international networks and bring new opportunities to all Canadians. Canada fails to recognise the potentially invaluable contribution this group can make by failing to provide them with sufficiently flexible means to maintain their links to Canada and find creative ways to contribute to Canada's social and economic fabric.
- 2. View expatriates as an asset – not a problem.** Expatriate Canadians are an invaluable network, an army of unofficial ambassadors who can be a valuable source of ideas, commerce, art and culture. Canada should seek ways to leverage these resources by bringing their experiences to bear on our domestic challenges.
- 3. Expand academic and cultural exchange programs – and support development groups that send Canadians abroad.** Being able to understand an issue from multiple perspectives is an essential skill in an increasingly integrated world. Exposing young Canadians to international experiences should become an integral component of every education. In addition, we should expose young people from across the world to Canada by offering university graduates from anywhere in the world a one-year work visa in Canada.

Canada must, however, be more than a sponge that absorbs the best the world has to offer. We must also seek to shape and influence opinions, ideas and actions – an impact that will only be achieved if we return to our roots and reaffirm that our international leadership and strength are derived from a uniquely Canadian source of soft power: the global community's acknowledgment of our tremendous success in building a peaceful, prosperous and just society anchored by the three pivotal ideas of multiculturalism, federalism and pluralism. *Canada25* urges Ottawa to embrace a global leadership role marked by graciousness and humility in the following key areas:

- 4. Become a world leader in promoting international development.** Canada can and should be the country at the forefront of ensuring that the United Nations' Millennium Development Goals are met. This could begin with increasing our foreign aid, and tackling head-on the problems of HIV and malaria.

5. **Revitalise our relationship with the US.** We need a comprehensive strategy to renew our relationship with the United States – the single greatest source of both our security and our prosperity.

These three approaches, along with a quiet perseverance, were the hallmarks of the golden era of Canadian diplomacy after the Second World War. If we can once again place them front and centre in our international diplomacy, we may yet usher in a new era of Canadian diplomatic leadership.

## ***Tap Into the Skills of International Students***

International students who study and graduate from Canadian institutions elected to come to Canada to learn, share, and synthesize ideas. There are few other people who are more qualified to bring more of the world to Canada and to take more of Canada to the world – all while finding new and innovative ways to contribute to Canada’s social, cultural and economic fabric.

Unfortunately, this interchange is presently all but restricted to university campuses. Other than a practical experience allowance associated with their student visas – limited to one year after graduation – international students in Canada are lumped into the same pool as other foreigners looking for work: they must either apply for a work visa through traditional channels or apply to become a Canadian citizen. Ottawa could address this problem in one fell swoop by:

- **Issue five-year work visas to foreign graduates of Canadian universities – to be used at any time after their graduation.** These visas would be defined by three key criteria. First, they would not require that the former student have a job prior to applying for their permit – a condition allowing students to conduct a job search from within Canada. Second, they would not be restricted by industry or job qualification. Finally, they would be valid at any time after the student’s graduation. As a result, if the student wished to return to his or her home country immediately after completing a course of study, he or she could still return to Canada later in life to pursue a professional opportunity, establish a company, join a Canadian branch of an existing company or conduct research.

## ***View Expatriates as an Asset – Not a Problem***

Canadian policy makers and the population at large have long held a schizophrenic view of Canadians living and working abroad. On the one hand, they applaud those who, in pursuit of success, seek out international experiences and opportunities. On the other hand, they begrudge Canadians those very same opportunities and experiences.

This is a woefully outdated view. Canadians living abroad are actually an opportunity that, if harnessed, can assist in strengthening Canada's role in the world. Expatriate Canadians are an invaluable network, an army of unofficial ambassadors who can be a valuable source of ideas, commerce, art and culture. Canada needs to learn to lever this asset by bringing their experiences to bear on our domestic and international challenges.

As a result, we must encourage and celebrate Canadians who choose to work, study, and live abroad, and we urge Ottawa to take a leadership role in adopting a borderless perspective of Canadian citizenship. A good example to keep in mind is that of India – much of that country's remarkable progress in high-technology is due to the investments of time, money, and skill by its citizens living abroad. Why can Canada not have the same kinds of relationships? This could start with policies that engage and support our internationally mobile population:

- 1. Build a Congress of Canadian World Leaders.** This Congress, composed of successful expatriates in top positions abroad, could serve as a senior policy advisory body to Canadian governments and businesses, provide direct input into policy, trade or investment strategies, and help foster connections between Canadians at home and abroad. Networks of expatriates should also be developed around particular fields or industries.
- 2. Track graduate students who decide to study abroad.** Encourage universities to track their graduates who choose to study overseas, and provide them with a forum through which to facilitate continuing study, collaborative research projects and future exchange opportunities.
- 3. Consider reserving a handful of seats in the House of Commons for Canadian citizens who reside abroad.** Representatives directly elected by Canada's expatriate population would create a powerful link between Canadians living at home and abroad. Expatriates would gain both a relatively small but important political voice through MPs who could represent their unique needs, interests and concerns. Canadians would gain a new and interesting perspective and voice in parliament and an ability to re-engage their expatriate community.

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<sup>19</sup> Croatia's Legislative Branch has 162 seats of which six are reserved for, and directly elected by, expatriate Croats.

## ***Bring More of the World to Canada and more of Canada to the World***

Being able to understand an issue from multiple perspectives is an essential skill in an increasingly integrated world. Exposing young Canadians to international experiences should become an integral and realizable component of every education. This experience happens both by helping them go abroad, and by encouraging young people around the world to come here.

*Canada25* calls on the government to create more opportunities to expose our young people to the ideas, cultures, and realities of other countries. Specifically, this could involve:

- 1. Vastly expand and promote international programs for young Canadians.** Universities increasingly offer exchange opportunities to students, and organisations such as AIESEC, the World University Service of Canada and the AFS International Canada have been facilitating international exchanges for more than 50 years. In today's environment, however, international experience needs to be made a realistic option for all students – not just those with the financial resources to afford it. Ottawa should both establish a fund to provide small grants of several thousand dollars to help offset the costs of studying abroad for those in financial need, and increase the funding available through student loan programs for young Canadians interested in pursuing international affairs or exchange.
- 2. Create a national internship program that deploys our young people on international projects** on a much larger and more accessible scale than exists today.<sup>20</sup> The Federal Government needs to capitalise on the interest and energy of thousands of interested students and sponsor them to travel abroad to provide aid and to share their skills for a period of several months. In fact, the Millennium Declaration<sup>21</sup>, adopted in September 2000 at the United Nations Millennium Summit, offers a rare framework within which Canada can play a leading role in prompting its citizens to take some responsibility for solving the problems of the world's most disadvantaged people.
- 3. Offer a one-year work visa to any graduate of any university worldwide.** We should consolidate the myriad of work-study and working holiday programs that now exist into one simple visa: anyone graduating from any university worldwide can work in Canada for one year, at anytime within the first five years following graduation. Marketing this program aggressively with existing and new partners will bring innumerable new faces and new ideas to our country, forging connections that will pay back many times over as these visitors return to Canada to travel and invest.

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<sup>20</sup> The Government of Canada facilitates international internships and exchanges through several of its departments, either directly or through the funding of other agencies.

<sup>21</sup> This landmark document led to the UN's Millennium Development Goals (MDGs), targets for reducing poverty, hunger, disease, illiteracy, environmental degradation, and discrimination against women by 2015. The UN system is now working with members of civil society, academia, and public and private sectors around the world to mobilize support for these goals, listed at [www.un.org/millenniumgoals/index.html](http://www.un.org/millenniumgoals/index.html)

## ***Become a World Leader in International Development***

*Canada25's* members are interested in making Canada a better place, but they also see that many of the most pressing problems in the world occur outside of our borders, and they look to the Federal Government to take a global leadership role in helping to alleviate extreme poverty and despair. We applaud Ottawa's commitment to Africa and to increasing our Official Development Assistance, but much more needs to be done.

- 1. Lead the world in helping achieve the Millennium Development Goals.** These goals are aggressive and audacious, but it is our moral responsibility to lead other developed nations into helping make them happen. Achieving them by 2015 should become the centrepiece of our international development strategy, and all of our development activities should be focused on their achievement. In addition, Canada should think about a symbolic and public commitment to one of the goals. Given our global public health expertise and the scope of the problem, one potential place to start is with the goal dedicated to halting the spread of AIDS, malaria, and other diseases. Our nation can and should set a goal to save a certain number of lives over a certain number of years.
- 2. Increase our development assistance dramatically.** In 1969, the Pearson Commission recommended that developed nations spend 0.7% of GDP on foreign aid. Canada has not reached this goal, nor have most OECD countries, with a few scattered exceptions. One can argue over the current appropriateness of this goal, but the need is great and foreign aid does not lend itself to bottom-up budgeting. Canada should immediately increase our spending to 0.7%. If CIDA cannot absorb this increase immediately, then the excess should be rolled into the Global Fund on AIDS, Malaria, and TB, which is in dire need of \$10 billion per year for the next five years.

## ***Revitalize Our Relationship with the US***

Canadians have traditionally been torn between two contradictory approaches to our relationship with the US: either we sacrifice principle to preserve prosperity, or we emphasise our national interest and play hardball. *Canada25* believes that both views are fundamentally flawed, and that the current process of public squabbling between Canadian and American politicians must end.

In fact, our two countries are mutually interdependent, and this needs to be the core principle of our relationship. We cannot abide by perceived threats and sacrifice our own interest, but we also cannot ignore the legitimate needs of our partner simply to make ourselves feel good. We as a nation are beyond this, and our government needs to catch up. In order to arrest Canada's declining relationship with the United States *Canada25* calls upon the Federal Government to:

- 1. Create an overall strategy for managing our relationship with the United States.** Our relationship with the United States should not be measured on the basis of frequency and depth of communications between the Prime Ministers' Office and the White House. Canada's relationship with the United States is vastly complex at the international, regional, bi-national, sub-national and local levels. It involves two G7 countries, more than 20 state and provincial governments and innumerable congressmen, senators, police agencies, municipal governments, companies, NGO's, private organisations and personal relationships. Reflecting this complexity, Canada needs to better manage the overall process – perhaps by explicitly creating a ministry or department to manage our relationship with the United States.
- 2. Act more like a partner and less like a critic ... or sycophant.** More than any time in recent memory Americans feel isolated and frustrated that the rest of the world fails to share their key security interests. Demonstrating that we want to work together as partners – in spite of our legitimate policy differences – would be a simple step in the right direction. Our communiqués should seek to recognise and validate rather than deny American concerns, and we should explain how our actions seek to address them. We should feel free to disagree with the American approaches or strategy but it is important that we demonstrate how our alternative options will also meet their underlying interests.

In summary, members of *Canada25* recognise that, regardless of your opinion of the United States, America holds the key to Canada's security and prosperity over the next half-century. We can either aspire to work as a partner to jointly resolve differences, address issues and resolve crises, or remain alone, unconsulted and subject to the vagaries of successive American administrations and their opinion polls.

## ***WHERE DO WE GO FROM HERE?***

This report lays out *Canada25's* vision for Canada – a country where active citizenship and bold, globally-oriented thinking make for a dynamic, inclusive, and prosperous country that people from around the world are proud to call home – and presents a series of recommendations we believe are necessary to turn this vision into reality.

By focusing on maximising our human capital, building up our cities, renewing government and the public service, and transforming our nation from a middle to a model power, we want to challenge the imagination of our readers – and to encourage them to imagine a new partnership between Canadians and their fellow citizens, their communities, their governments, and the global community.

These policy recommendations were not intended to address every challenge facing this country and its people. Instead, they were selected and refined because they each encompass three traits that underscore everything *Canada25* does: they bring us closer to making our vision for the country a reality, they reflect the interests and concerns of our members, and they allow us to offer our unique perspective to Canada's broader public policy debates.

The members of *Canada25* feel an intense and passionate connection to this country and its future – and we are extremely honoured to have this opportunity to feed our vision for Canada into the innovative and creative work underway at the PCO. We are determined to continue adding our voice to Canadian public policy debates and we welcome the prospect of working with stakeholders of all kinds – especially the Federal Government – to turn our ideas into action.