

AN ECONOMIC CHARTER

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1981

LIBERAL

LIBERAL PARTY
OF
NEW BRUNSWICK



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AN ECONOMIC CHARTER
THE LIBERAL PARTY OF NEW BRUNSWICK

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TABLE OF CONTENTS

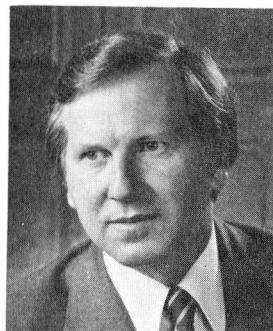
1. AN ECONOMIC CHARTER	2
The Liberal Alternative	
2. A CHARTER DEFINED	3
3. INTRODUCTION	4
(a) The Situation Today	5
(b) Opportunities of the 1980s	6
(c) Goals of the 1980s	7
(d) Federal-Provincial Co-operation	9
(e) Public Administration, Social and Cultural Policy	10-13
4. A PROGRAM FOR PEOPLE AND PROGRESS	14-16
A Statement of Economic Principles and Objectives	
(a) Small and Medium-Sized Business	17-18
(b) Heavy Industry	19
(c) Resource Development	20
(i) Forestry	21
(ii) Mining	22
(iii) Agriculture	23
(iv) Fisheries	24
(d) Tourism	25
(e) Taxation, Energy and Transportation	26-29
(f) Manpower Training, Labor Management Relations	30-31
5. CONCLUSION	32-33

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The Liberal Party of New Brunswick is deeply indebted to many persons and organizations for their input to this statement of Liberal economic principles and objectives. Particular appreciation is due to members of the Policy Committee of the New Brunswick Liberal Association, who worked over a period of many months in analyzing and co-ordinating policy recommendations.

1. AN ECONOMIC CHARTER

The Liberal Alternative



The 1980s offer a decade of great potential for New Brunswick.

The Liberal Party recognizes that severe external pressures will be felt by the province's economy, at least through the early 80s. But we see them as challenges to be met rather than obstacles to progress.

Having marked time during the 1970s, our people and our province must welcome future opportunities to strive for self-sufficiency and economic independence and to contribute to the revitalization of the Canadian society.

As Liberals, we have always responded to changing times by welcoming them as new mountains to climb and new rivers to cross. If Laurier were alive today, he would welcome the 80s in the words he spoke in 1903:

"This is a time for action. We cannot wait because at this moment there is a transformation going on in the conditions of our national life which it would be folly to ignore and a crime to overlook."

What we must do — and a Liberal Government will do — is to mobilize our human and natural resources in response to the economic challenges of the 80s.

We have the flexibility to adjust our priorities so that each and every citizen has the opportunity of achieving a self-fulfilling life.

The Economic Charter is a statement of principles and objectives; it champions economic self-sufficiency. In the months ahead, policy papers will be issued dealing with social and cultural policy and government structures.

Together, these documents will constitute the means of implementing those overriding Liberal principles of individual fulfillment, self-expression and respect for the distinctiveness of our society.

2. A CHARTER DEFINED

The Economic Charter is first of all a statement of Liberal economic principles and objectives for New Brunswick.

It fulfills the definition of a charter as being "an instrument in writing, guaranteeing certain rights."

On March 4, 1965, the Hon. Louis J. Robichaud tabled a White Paper on the Responsibilities of Government before the Legislative Assembly.

That document was effectively a charter of rights "guaranteeing acceptable minimum standards of social, economic and cultural opportunity."

In 1980, the word Charter was chosen as the most appropriate title of a document relating to the economic future of New Brunswick.

The Economic Charter recognizes certain unattained economic rights of New Brunswickers:

The right to productive employment.

The right of our citizens to be involved in the decisions on the directions New Brunswick will follow.

The right of individuals to be partners sharing the full benefits of economic progress.

The right to an equitable system of taxation.

The right to individual self-fulfillment, self-expression and self-development.

The Economic Charter is, therefore, a declaration of the economic rights of the people of New Brunswick.

It is the first in a series of policy papers which will be the basis for public discussion of New Brunswick's direction in the 80's. Future documents will deal with Social and Cultural Policy and Public Administration.

We do not pretend to have dealt with all the economic challenges before us; nor have we attempted to provide the details of every policy.

Much of this work will be done by the people of the province working with their government to implement the best of many possibilities, making the same extensive contribution which they had to the development of the Economic Charter. In the end, it will be for the people to choose the specific means of achieving their economic rights.

J. Z. (Signature)

3. INTRODUCTION

It would be foolhardy to embark on a new economic course in isolation from a reorganization of the machinery of government.

An unbreakable chain links Public Administration, Economic Development and the ability of the Province to fund new and existing social programs.

Public Administration therefore becomes a focal point for immediate action by a Liberal government.

Throughout the western democratic world, citizens are insisting on a greater voice in the determination of their futures. A Liberal Government will respond by creating new avenues for direct public input into policy planning and implementation.

Responsive Government

This will require a greater sensitivity and responsiveness on the part of the elected and non-elected persons who constitute Government.

Since efficient government is a prerequisite to effective policies, the Charter outlines in broad terms changes proposed in the public administration of New Brunswick. It will examine, as well, the ramifications of our economic policies on social and cultural programs.

Future policy papers of the Liberal Party will examine these serious areas of public responsibility in much greater detail.

The thrust of this document is the economy and the directions in which a Liberal government will move to achieve for all New Brunswickers the potential of the 1980s.

It provides a basis for a more flexible and effective approach to economic decision-making.

(a) THE SITUATION TODAY

While some economic gains were made during the 1970s, most of the growth was recorded in the first five years of the decade, from 1970 to 1975. This is a clear indication that the momentum generated by the policies of the 60s was not maintained in the final years of the last decade.

Economic indicators provided a mixed picture of the New Brunswick economy. But those which most directly affect the individual — employment and income — call into question the effectiveness of current policies.

Decline In Opportunities

The number of persons without jobs doubled in the period 1971 to 1979.

The rate of increase in unemployment in New Brunswick was more than double that of Canada as a whole.

The number of New Brunswick men and women working rose 26 per cent but the number of jobless went up 138 per cent.

One in five of our workers aged 15 to 24 was without a job.

Two-thirds of the 1970-1979 growth in the total value of all goods and services produced in New Brunswick occurred in the period 1970-75.

Nearly three times as much was spent on welfare by the end of the decade.

Gross domestic product per capita declined from 64 per cent of the Canadian figure to 62 per cent.

In summing up, the New Brunswick economy did not meet the challenges of the seventies. The 1980s will prove to be even more challenging in the face of rising costs, labour unrest, falling productivity, high inflation and a generally depressed world economy.

The failure of the present government to successfully deal with these matters in the 1970s can only be attributed to their inability to properly assess their impact and develop policies and programs capable of dealing with them.

Economic Independence

The cold statistics are inadequate to reflect the human frustration and dependency which exist in the province today.

We are challenged as a province to take corrective measures. We must move towards the maturity of economic independence.

Within our people are the strength, determination and vitality to achieve the realization of our potential. It is on those characteristics that we will build.

(b) OPPORTUNITIES OF THE 1980s

International conditions in the 1980s will open many new opportunities to New Brunswick.

Demands for minerals and their by-products will intensify, stimulating exploration in New Brunswick and improved markets and prices for raw and processed metals and non-metallics.

A growing need for food will encourage greater production and processing, first to make New Brunswick more self-sufficient and secondly to serve the international community.

Energy, Forests, Free-Trade

The concerns over pricing and supply of petroleum products make our tidal power, remaining hydro capacity, coal, peat and oil shales potentially viable energy sources.

With proper management of the resource and further modernization of pulp and paper mills, our forests can contribute even more to the creation of jobs, especially in secondary manufacturing.

Oil and gas discoveries off the East Coast and in the Arctic will open opportunities for New Brunswick in the service sector, as well as in industries requiring skilled workers and advanced technology.

A major economic breakthrough for New Brunswick could occur if freer trade between Canada and the United States is achieved. We firmly support negotiations to remove barriers which impede north-to-south exchange of goods.

Natural Strengths

We have yet to exploit the social, environmental and cultural advantages which create an attractive climate for sophisticated technological and service industries. These same resources can serve us well in dealing with such social issues as our aging population, a shift in emphasis from consuming to conserving our resources and greater commitment to preserving the natural environment.

Difficulties will arise, many still unforeseen. It is our responsibility as New Brunswickers to meet them with confidence and courage.

(c) GOALS OF THE 1980s

We embrace the philosophy that economic development is a process for people and of people. It is the vital human ingredient that will make it work and make it succeed.

Improved standards of living resulting from productive employment and a strong economic base are the primary goals of Liberal economic policy.

A Decade Of Objectives

We will strive to reach these objectives by the end of the decade:

1. To ensure that the benefits of our growth contribute to the human and social development of New Brunswickers.
2. A significant reduction in the unemployment rate, including full integration of younger workers into the work force.
3. Higher rates of worker productivity.
4. A stronger small and medium sized business and manufacturing sector supported by legislation and fiscal policies.
5. A balanced development policy to assure that all regions and all people of the province share more fully in sustained economic growth. No area of New Brunswick, regardless of its present economic base, will be overlooked when government implements development policies.
6. Fuller protection and conservation of New Brunswick's natural environment.
7. Greater use of New Brunswick generated capital in the expansion of the economy.

An Equal Partner

Our policies will be directed toward making New Brunswick a greater contributor to Canada's economic progress; an equal partner in the growth and development of our nation.

We believe these goals can be reached through a government-people partnership committed to:

1. Development of an aggressive economy in which the people of New Brunswick, through consultation, choose their own economic directions.
2. Greater employment opportunities in the resource-related sector, by processing more of our resources in New Brunswick.

3. A broader secondary manufacturing base emphasizing generation of local capital, product development, new technology and greatly improved research and marketing efforts.

4. An expanded service industry emphasizing tourism, transportation, communications, printing and publishing, professional and personal services and technological advances.

New Brunswick is rightfully proud of provincial enterprises which compete in world markets, due to the vision of local entrepreneurs and their confidence in their province.

These efforts serve as a model for what others can do in the future if supported by a determined, capable government.

(d) FEDERAL-PROVINCIAL CO-OPERATION

Our economic strategy recognizes the impact federal policies have in New Brunswick — both in terms of financing public programs and transfer payments to individuals.

The present government's attitude towards these monies has created an unhealthy dependence on Ottawa. A Liberal government would negotiate a new relationship with the federal government to work for our goal of greater economic independence.

Full Participation

We would invite labor, business and community leaders, including the New Brunswick Development Institute, to join with their government in determining specific areas where shifts in federal funding would bring more direct and immediate benefits to the economy.

It is in the national interest to improve the economic position of New Brunswick relative to that of other members of the Confederation. For example, it is essential that stabilization programs be put in place when policies designed for a particular area of Canada have adverse effects on other regions. We are satisfied that the Government of Canada will look positively at New Brunswick's proposals in light of the economic goals we have set for ourselves and the formulation of a comprehensive strategy to achieve them.

(e) PUBLIC ADMINISTRATION, SOCIAL AND CULTURAL POLICY

Economic development is a means to an end, rather than an end in itself.

It is the pathway to greater opportunities for the social and cultural development of our people.

If we are to achieve the social and cultural aspirations of our distinctive provincial society, our economic base must be sound and growing.

But economic development doesn't just happen. There must be sound government planning and efficient government structures designed to produce concrete results.

An examination of the way government functions is thus a necessary forerunner to the carrying out of economic policy.

PUBLIC ADMINISTRATION

Sound development is a result of efficiently organized government.

Because they consist of human beings, Governments are imperfect. But this must not deter us from pursuing reforms to restore confidence in Government's ability to produce results.

Re-organization of public administration will include more opportunities for citizen input into the decision-making process.

Budget policy and spending priorities will be applied more closely to those programs with the best chance of producing sound results.

Our stated objective is that the rate of growth in expenditures will not exceed the annual growth of the gross provincial product.

The inter-relationship of Government services and policies will be more clearly defined. Overlapping jurisdictions and conflicting and unco-ordinated planning, which are impeding government effectiveness, will be eliminated.

Persons with proven success and with new and innovative ideas from the private sector will be encouraged to participate in making government more efficient and economic policy more effective.

The principles of Equal Opportunity, enunciated in the great reforms of 1967, will guide development of social and economic policy. The pressures of change require adjustment of the Equal Opportunity programs to make them more applicable to public priorities of the 1980s.

This will require a comprehensive review, including a restructuring of Government departments and agencies. The taxation system will be revised, without any increase in the over-all burden, to remove inequities, to restore the ability-to-pay principle and to ensure that the citizens of New Brunswick receive a fair return from their own resources.

Public-Private Partnership

An assessment of Government functions will be undertaken. The objectives:

1. To introduce economies of scale and cost, without adversely affecting the quality of essential services.
2. To determine what programs and services could be more efficiently delivered by private enterprise and local organizations.

Present purchasing and tendering policies will be overhauled to plug loopholes that work to the benefit of preferred suppliers. Procurement policies will be designed to encourage establishment and expansion of small and medium-sized enterprises.

Greater openness about the development of public policy and a higher degree of sensitivity in serving the public will be encouraged.

This will enable us to strive more effectively for the economic results which will enable us to deal with the social issues of the 80s.

SOCIAL POLICY

Success in reaching the goals of the Economic Charter will strengthen our ability to provide national standards in education, health and other social programs.

With increasing responsibility for social policy and financing being transferred to the provinces by the federal government, revenues must increase. They must come from a stronger economic base.

Tax Increases Unacceptable

In current circumstances, increases in taxes are not an acceptable course of action in New Brunswick.

Therefore, economic development must generate substantial new revenues in the decades ahead.

We assert that economies can be achieved by streamlining public administration to improve efficiency and reduce the costs of delivering public services. Further administrative savings can be achieved by transferring a greater implementation role to private organizations in our communities.

Principle Reaffirmed

These measures can be introduced without impairing the principle that every citizen is entitled to acceptable standards of public services. In fact, we believe the province's commitment to that principle will be vastly improved by the measures suggested.

Canadians enjoy one of the world's most socially conscious systems of government. We are protected, in varying degrees, from losing our jobs, becoming sick or injured, unfair wages, discrimination, and other personal misfortunes.

Vast social changes, however, are occurring which require Government initiatives.

New Approaches Imperative

The increase in the number of women entering the labor force has created such questions of public policy as child care for working mothers, equal pay for work of equal value and ending discrimination in the work place.

The pressures of the post-industrial society and high unemployment have resulted in such problems as teen-aged motherhood, battered wives, rising vandalism, alcoholism and drug abuse.

Our population is aging, placing greater demands on governments to develop policies on mandatory retirement, accommodation for the aged, in-home services for senior citizens and re-orientation of the health care system.

Housing, consumer protection, civil legal aid, free kindergartens, environmental protection, cultural development — all of these things and many more must become part of government's social priorities.

Citizen participation in identifying the priorities of the future will be an essential contribution to making government responsive to our most vital social needs.

The speed with which new services can be delivered will be dictated by the degree of achievement in producing results from our economic policies.

Government cannot do it alone. It is only in a co-operative effort with the citizens that beneficial policies can be designed to deal with the social issues of the decade.

CULTURAL POLICY

New Brunswick's society has reached a level of maturity requiring the adoption of a comprehensive cultural and linguistic policy. The people of New Brunswick must have the tools to ensure their cultural and linguistic development in every area. The provincial government must act in these sectors with firmness and determination since the needs are pressing.

As a first step, all sectors of the creative arts and recreation must be supported, notably the publishing industry, the arts, the plastic arts, museums, heritage and the performing arts. New Brunswick's financial situation precludes any large-scale projects but the government of the province

must nevertheless accept a degree of responsibility in achieving development on the cultural scene.

A New Brunswick Arts Council, whose main function would be to co-ordinate the cultural development of the province, will be established.

In the linguistic field, the government must initiate a series of reforms to ensure that the linguistic rights of New Brunswick are fully respected. The public administration must be more sensitized to the linguistic configuration of society and take this into account in providing services.

A future document will spell out detailed approaches of a Liberal government in the social and cultural sectors.

4. A PROGRAM FOR PEOPLE AND PROGRESS

A Statement Of Economic Principles And Objectives

A New Development Approach

A Liberal development strategy will rely first and foremost on the human and natural resources of the province.

Secondly, it will stress economic development for the people of New Brunswick.

Thirdly, it will strive to use locally generated capital whenever and wherever possible to ensure that maximum benefits accrue to the residents of the province. A Liberal strategy will include the following components:

(i) People, Participation and Planning

The theme of a Liberal Party strategy will stress **people, participation and planning**. It is often stated that the province's greatest untapped resource is its people. It is the people who have the greatest stake in efforts to revitalize the economy.

The Liberal strategy will develop policies to ensure that the people of New Brunswick are prepared and capable of assuming the responsibilities of a developing economy, with accent on generating innovative and entrepreneurial spirit, education and training for manpower requirements and research and development activities throughout the province.

Furthermore, the Liberal Party recognizes that the economic growth of the province is primarily for the improvement of the well-being of all the people of New Brunswick. Therefore, a Liberal approach will strive to guarantee that all its residents have equal opportunity to participate in the human resource development programs.

The People-Full Partners

A Liberal Government will respond to public disenchantment with governments by making our people full and active partners in the planning, implementation and delivery of public services.

Who knows more about agriculture than the farmer who puts food on the tables of our province?

Who knows more about the needs of the fishing industry than those who battle the seas?

Who knows more about the frustrations and indignities of unemployment and social assistance than those who are the victims of ineffective economic policies?

Who knows more about the weaknesses of our small business policies than those who spend more time filling out government forms than building their businesses?

The young, the aged, small businessmen, industrialists and labor leaders — all have expertise to make government work to the benefit of the people.

The Liberal strategy will, therefore, stress the participation of citizens in the planning and co-ordinating of development programs. A Liberal Government will seek the input of the people of New Brunswick at all levels. It will further strive to involve the people more directly in the delivery of programs and services that will evolve from any specific development strategy.

Our citizens will work harder in building a better New Brunswick when they feel more a part of the government process. We will give government back to the people by bringing people into the government.

The self-interests of individuals and organizations can only be served within programs designed to serve the general interest of our province. Thus, each sector of the economy will be embraced within a comprehensive provincial strategy.

Finally, a Liberal development strategy will be characterized by a comprehensive planning approach for the province in general, and for each specific sector and geographical area in particular. The Liberal Party believes that a comprehensive and well co-ordinated plan is an essential part of any sound development strategy. Planning for progress will thus underly the Liberal approach.

(ii) Accent on Small and Medium Size Business Enterprises

The development strategy proposed by the Liberal Party will stress the promotion and development of small and medium size firms. Not only are they the backbone of the economy, but they are also the prime creators of new jobs and provide the greatest prospect for growth.

The Liberal Party strongly believes that the small and medium size enterprises provide the best opportunity for the human resources of the province to develop and contribute to the economic growth and development of New Brunswick.

The accent on small and medium size enterprises will span the whole range of businesses, from the primary to the tertiary sector.

(iii) Reliance on Locally Generated Risk Capital

Although a Liberal Government will continue to recognize the need to attract foreign capital and technology to promote the more extensive aspects of resource development and associated industrial activities, we will strive to generate more local venture capital to finance the creation and expansion of the small and medium size business concerns. With this strategy, the people of New Brunswick will participate more directly in the fruits of the growth and development of the provincial economy.

(iv) Accent on Promoting Productivity and Competitiveness

A Liberal development strategy further recognizes that increased productivity and competitiveness are the cornerstones of a successful development program. The most efficient use of all resources (i.e. raw materials, manpower and capital) is a fundamental prerequisite to the progress of the New Brunswick economy. A Liberal approach will also strive to ensure that cost increases will not unduly reduce the competitiveness of New Brunswick's industries. Of particular concern in this area are labour-management relations which bear heavily on the competitiveness of the province's firms.

(v) A Comprehensive Development Plan

A Liberal government will create an overall development plan that will involve the specification of objectives and targets for the province as a whole, its regions and for each sector. Furthermore, such a plan will aim at channeling efforts and co-ordinating the activities of the various sectors of the economy as well as rationalizing public programs for development.

Such a comprehensive development plan will be undertaken with full and equal participation of the government, the public service and interested individuals and groups from the private sector. It will specify objectives and targets and also evaluate past efforts. It will first of all, make an inventory of existing policies and programs to identify duplication of efforts, any counter-productive measures and any wasted efforts.

(a) SMALL AND MEDIUM-SIZED BUSINESS

Creation of small and medium-sized business and manufacturing establishments is increasingly important to job creation.

In Canada, these enterprises accounted for 59 per cent of all new jobs in the period 1971-77. In 1976-77 alone, 97 per cent of all the new jobs in Canada were in ventures categorized as being of small or medium size.

The Liberal Party looks to such enterprises as the priority area in our economic development policy.

The objectives of a Liberal Government in the area of small business policy would be:

- **Promotion of local entrepreneurship and innovation.**
- **Development of a source of locally generated venture capital.**
- **Support services to these firms and creation of a favorable environment for them to expand.**

One advantage of designating this sector for priority attention is that small business philosophy is notable for the diversity and flexibility of its operations.

Small and medium-sized establishments span the spectrum of most productive enterprises, including agriculture, mining, fishing and trapping, forestry, manufacturing and the services.

Roots In Community

They are the most personal enterprises and most involved in their communities. Their importance cannot be over-stated.

By redirecting strategy to this area, a Liberal government will encourage the entrepreneurial talents of New Brunswickers, establish a large pool of skilled workers, make maximum use of our resources and regionalize economic development.

Our people are as imaginative and innovative as any. But a climate does not exist at the present time to encourage the commercial realization of new ideas.

Our Own People

A Small Business Act will lay down in detail a Liberal government's policies to encourage New Brunswickers to invest in themselves and to co-ordinate existing assistance programs.

Our policies will reverse the reluctance of Government to invest in our own people.

Availability of startup risk capital has been one impedient to establishment and expansion of the small and medium-sized business sector.

To supplement programs already in place, including Regional Savings and Loan Societies, a Liberal government would provide tax credits to citizens and corporations investing in venture capital companies. Funds raised in this manner would be re-invested as equity capital in New Brunswick small and medium-sized businesses, with shareholders profiting from New Brunswick success.

Minimum Regulations

Many businessmen contend that commercial enterprises develop best when left alone by government. The Liberal Party agrees that time-consuming reporting procedures, regulations and red tape should be reduced to the minimum required to protect public and private investment.

In keeping with this policy, Government involvement will be primarily in organizing management and marketing expertise to make small business productive and competitive.

Through government recruitment of persons with innovative management and marketing abilities, small business will have a source on which to draw in the pre-startup period and early years of operation.

A Fair Share

An initial government action will be to inventory existing enterprises in New Brunswick and the share they are receiving of government purchases. This will be the basis of an improved procurement policy favoring small and medium-sized provincial businesses as the primary sources of goods and services.

To ensure that a healthy climate exists for small business, profitability, not property, will be the basis of government revenues from business.

Other means of expanding this sector will include:

(a) A program providing easier access to existing research and development facilities (i.e. Research and Productivity Council, university facilities, etc.);

(b) Practical on-the-job training programs in co-operation with Community Colleges;

(c) Reduction of red tape involved in financial assistance through public funds for small innovative projects in the manufacturing sector (i.e. easy and quick access to financial resources for small projects;)

(d) Promotion of co-operative efforts to break into larger markets outside the province;

(e) Enhancement of the image of the local small business entrepreneur, and promotion of the innovative spirit through education, public recognition and support services;

(f) Co-operation with trade and other business organizations for the planning of policies and the delivery of programs and services;

(b) HEAVY INDUSTRY

While our priority commitment is to small and medium-sized enterprises, responsible investors seeking larger opportunities in New Brunswick will be welcomed. However, we do not believe that the taxpayers of New Brunswick should be viewed as an essential source of capital for companies whose profits, in large measure, leave the province.

Thus, while stricter limitations will be placed on direct government financial assistance to larger firms, those which contribute to the over-all success of our economic policies will share in the benefits.

Incentives will be given to companies prepared to carry out on-the-job training programs for New Brunswick workers, with guarantees of permanent positions for successful trainees.

Tax credits will be available to companies which increase the New Brunswick labor content in goods destined for export.

It has long been of concern to the Liberal Party that too many of our resources are being shipped in an unprocessed state to other provinces or nations for further processing. It is also an historical fact that New Brunswick subsidiaries of national and multi-national companies are often the first to feel the effects of a recession.

Conditions will be set for companies exercising the privilege of using our resources.

In order to assist such companies in meeting the criteria to be set down by the Government, research facilities will be expanded to seek new and marketable uses for our processed resources.

(c) RESOURCE DEVELOPMENT

If the Province of New Brunswick is to achieve an effective economic recovery, it is essential to develop policies and programs that will allow the maximum orderly development of the resources.

In the area of resource development, the Liberal approach will involve financial and fiscal incentives, education and training programs, measures to stimulate modernization and consolidation of operations, research development and exploration programs and improved distribution and marketing strategies.

Many good opportunities for expanding the small business sector are to be found in our resources.

They also offer the greatest attraction to outside capital. It is desirable that the manufacturing base of the province be diversified into non-resource products but the forests, the mines, agriculture, the fishery and tourism will remain for many years strong elements of our economy.

Resource Goals

There must be orderly development of our resources to achieve the primary goals of our resource policy, which are:

1. Maximum return to the province, in terms of jobs and re-investment.
2. Much greater end-product processing within New Brunswick.
3. Protection and conservation of our natural environment.
4. Strengthening of existing export markets and development of new customers.
5. Consultation with people directly involved in resource development.
6. Management of the resources in the best long-term interests of the province.
7. Increased productivity and competitiveness.

(i) FORESTRY

The forest industry is in jeopardy. Faulty management practices of the past have slowed the potential for growth of the industry.

Such a tragic misuse of an essential renewable resource must never occur again.

Because the renewal process is long-term, offering no shortcuts to forestall wood shortages, we must view this sector from the perspective of both long and short-term job creation.

The most immediate needs are effective implementation of the new Crown lands management program and short-term policies to control infestation and to harvest dead and dying wood. We must reserve our young green healthy forests for future use.

In-Province Processing

While our forests are depleting rapidly, we are exporting large quantities of unfinished wood annually. Our small business policy will encourage entrepreneurs to establish facilities producing quality finished products.

Budworm infestation is adding to the forest management problem. Budworm spraying has helped to maintain infested stands, but health and environmental concerns demand other alternatives.

A major financial effort will be put into research seeking other means of controlling the budworm. Spraying will continue in the interim but is not an acceptable means of protection.

Other methods must be found, such as diversification of species, and other measures can provide a long-term solution, but we are committed to realizing a better short-term solution as well.

A truly independent agency will be established to monitor environmental and health effects of the spray program.

Large stands of dead and dying wood are left behind in our forests by those interested in harvesting only best quality trees. A Liberal government will stimulate the use of this wasted resource.

The Liberal approach to revitalizing the forests is built on the philosophy that for every tree cut on public or private lands, a replacement tree would be planted.

A Liberal government will endorse the private woodlot as the first source of supply to forest product companies.

Private producers will be assisted financially in carrying out woodlot management programs.

Because of their self-employment position in the resource area, private woodlot owners will qualify for participation in a group insurance plan and be eligible for accident protection under the Workmen's Compensation Act.

(ii) MINING

One of the most outstanding proofs of economic activity generated by Liberal policies is to be found in the New Brunswick mining industry.

Strong actions by the Liberal government of the 1960s established the base metals industry of Northern New Brunswick as a major source of economic growth.

The mining industry today contributes nearly one-half billion dollars to the provincial economy. It employs more than 3,000 people.

Growing world demand for minerals with consequent increases in the value of the product makes the mining industry one of the most promising areas in our development policy.

New Brunswick A Leader

On a province-by-province basis, New Brunswick ranks 1st in the production of antimony and bismuth, 2nd in zinc and peat moss, 3rd in lead and silver and fifth in copper. We have 46 per cent of Canada's lead reserves, 38 per cent of the nation's zinc and 39 per cent of the known silver. Twenty mineral commodities are already being produced, with expected supplementation by potash, tungsten and molybdenum.

Potash discoveries offer the potential of adding significantly to the value of New Brunswick minerals. Proximity of the Kings County deposit to Saint John provide an added transportation advantage to make our potash production highly competitive in world markets.

The Liberal policy on mining will promote the development of this industrial sector within the limits of concern for the environment.

A Just Return

We affirm the province's right to a just return on the extraction of this non-renewable resource, both in terms of tax and royalty revenues and new jobs.

To these ends, we will stimulate reinvestment of a greater share of companies' profits in the province and, without penalizing the future of the industry, ensure a fair return to the province.

A Liberal government will take measures to have a zinc smelter established in Northern New Brunswick.

All agreements for prospecting, exploration and development of mineral deposits will be reviewed to determine that the province's interests are fully protected.

The mining industry is a large consumer of electricity. Therefore, mining policy must be co-ordinated with the provincial energy policy.

(iii) AGRICULTURE

New Brunswick is located in one of two greenbelts which produce most of the world's food. Yet, thousands of acres lie idle in the province, forcing us to import annually many of the foodstuffs we could produce ourselves.

It is estimated that, in Atlantic Canada, almost 5-million acres of agricultural land exist, capable of supporting 10,000 commercial farms, in addition to the 2500 operating now.

The key to unlocking this vast potential is for government policies which guarantee the farmer a fair return on his substantial investment.

More Self-Sufficiency

It is the objective of Liberal policy to make New Brunswick more self-sufficient in food production, with the ultimate goal of opening new export markets for our surplus production of livestock and fruits and vegetables.

The failure of the present administration's agricultural approaches is exemplified by the potato industry, one of the few agricultural sectors which has surplus production.

Factors involved include rising costs, declining yields, poor marketing and promotion, inadequate distribution, negligible research, insufficient experimentation in new products and processes, few training opportunities and sub-standard levels of agricultural field services.

Legislation will ensure the maximum use of farm lands and protection of fertile soil. Department of Agriculture services will be more extensively regionalized with greater decision-making authority at the local level.

Co-Operation Essential

Farmers will be encouraged to co-operate in such areas as purchasing, marketing, storage and processing as means of reducing their costs, increasing productivity and improving efficiency.

As in other sectors, research will be expanded to determine new and improved techniques for production, marketing, storage and quality control.

Agricultural courses will be available at the high school level and graduates looking to a career in farming will be generously assisted by their government in furthering their agricultural training.

Farmers will be eligible for participation in both group insurance and workmen's compensation plans.

Farming is an intensely personal occupation and is one of the sources of the independent spirit which characterizes the people of New Brunswick.

For this reason, we will welcome the full participation of farmers and their organizations in planning and implementing programs to produce direct benefits to both the farmers and the province.

(iv) FISHERIES

The fishing industry is moving into a new era due to federal management of the stocks within the 200-mile economic zone for fisheries. The Liberal Party supports federal jurisdiction over the fishery, conditional on close co-operation with the coastal provinces on granting a fair share of the resource to each province.

Full exploitation of the inshore and offshore fisheries to improve the return to our fishermen will require more aggressive government leadership and greater input from the fishermen themselves.

The Liberal Government will legislate recognition of the fishermen's right to organize. Winter courses and training programs will be provided to keep fishermen up-to-date on new technology, quality improvement, marketing and their role in protecting and conserving the fishery.

Expansion and modernization of the offshore fleet will be stimulated by supplementing the federal subsidy program and will review, in consultation with fishermen's representatives, the adequacy of existing provincial assistance policies.

As with private woodlot owners and farmers, the fishermen will be eligible to participate in group insurance and workmen's compensation programs.

(d) TOURISM

The tourism industry is far short of its potential. It has only been in recent years that government policy has begun to recognize the year-round opportunities to attract visitors.

Our policies will accelerate this trend through programs to stimulate greater private activity in capitalizing on available opportunities.

While we intend that the major initiative in tourism development should come from the private sector, government has an important role to play in supporting new ideas, new projects and new entrepreneurial participation.

Comprehensive Planning

At this point in the industry's development, financial incentives are important to encourage new ventures and these will be provided under a comprehensive 10-year development plan, designed with the full participation of people earning their livelihoods from tourism.

Two components having a direct bearing on the industry's success are marketing and promotion. These will be important elements in the province's contribution to a comprehensive plan.

Among proposals which will be considered with industry representatives are increased numbers of regional convention centres, a private rating system of facilities, more hospitality courses for operators and their employees, intensive market research and exploration of comprehensive facilities in designated parts of the province.

(c) TAXATION, ENERGY, TRANSPORTATION

Three important areas of development planning in which Government must accept the major share of responsibility are transportation, energy and taxation.

Each bears heavily on the ability of industry to be competitive in the marketplace.

Until long-term policies are firmly in place in these areas, the ability to achieve our economic goals will be seriously retarded.

The Liberal Government will meet its responsibility to bring transportation, energy and taxation policies in line with our economic objectives.

TAXATION

There will be no increase in the over-all tax burden as a result of the adjustments required to use taxation policy as a means of stimulating economic development.

The cardinal principles of the New Brunswick tax system will be equity and ability to pay. Many individuals are bearing a tax load beyond their means or are being taxed unfairly. Our municipalities are finding it more difficult to meet their obligations without local property rate increases.

Taxation is complex and impacts on both our social and economic progress.

For this reason, a Royal Commission will be appointed to recommend a comprehensive taxation system in response to these issues:

1. A fair return to the province from our resources.
2. Tax incentive programs to stimulate activity in economic sectors where the greatest potential exists for the creation of jobs.
3. The use of tax credits as a means of generating expansion in small business, processing, agricultural, manufacturing and resource-based commercial enterprises.
4. The long-term ability of municipalities to meet their obligations to provide local services.
5. The effects of current taxation policies on accommodation owned and rented by the aged.
6. Abolition of the property-based business tax and a fair replacement to compensate for loss of government revenue.

ENERGY

New Brunswick has been left in a catch-up position in terms of exploiting alternative energy sources, particularly those utilizing our own resources, since the oil pricing and supply crisis began in 1973.

The one major venture into this area for which the Government is responsible is the Point Lepreau nuclear generating station.

The Liberal Party accepts in principle the concept of nuclear power as one alternative energy source. However, a Liberal Government will not move farther into the field of nuclear production until a full inquiry identifies how the mistakes of Lepreau can be avoided in future projects and whether safety measures meet public requirements.

New Brunswick is fast approaching the point when decisions must be taken on future electricity options. Our present capacity is sufficient to supply New Brunswick's needs until 1990 but the long-term nature of energy projects will require commitments to be made in the immediate years ahead.

Energy A Selling Point

Secure energy supplies at competitive prices are essential to economic development and the well-being of provincial consumers. If we are to attract new outside capital, energy must be a major New Brunswick selling point.

New Brunswick industries — particularly those engaged in forestry and mining — are intensive users of electrical energy. Our dependence on oil, while declining, has had a serious effect on New Brunswick.

The Liberal Party advocated and supports the extension of the natural gas pipeline to the East. As a matter of national policy, it matches in importance construction of the CPR or Trans-Canada Highway.

Natural gas will bring to New Brunswick a secure, competitively priced and highly efficient alternative energy source.

In addition, many indigenous resources exist in New Brunswick which must be researched and analyzed in terms of contributing to New Brunswick's energy self-sufficiency.

These include coal, peat, remaining hydro capacity, tidal power and Albert County oil shales. It is our commitment to put a provincial energy policy in place, making maximum use of these resources, as a preliminary to embarking on new additions to the N.B. Power system.

Oil Prices For Canadians

Because of the effect energy pricing and supply will have on our development efforts, the New Brunswick Liberal Party reaffirms the following essentials of a provincial energy policy:

1. Accelerated research and development to improve the competitiveness and environmental quality of coal, and the use of peat moss, wood waste, solar and wind power and the Albert County oil shales.

2. Appropriate incentives for industrial conservation of energy and replacement of oil for municipal transport systems and for owners of smaller, fuel-efficient automobiles.

The achievement of these objectives will place New Brunswick in a position to bargain for energy-intensive industry; to market successfully surplus energy supplies and provide our people with energy at reasonable cost.

N.B. Power

On several occasions, the Liberal Party has introduced motions and legislation before the Legislative Assembly seeking greater public accountability for increases in electricity rates. To date, such efforts have been rebuffed by the Government majority.

We do not accept that N.B. Power or the Government have acted in the best interests of New Brunswick citizens. Six electricity rate increases in the last six years have contributed to inflation, weakened our economic position and have been imposed even in the face of sharp upward trends in N.B. Power profits.

N.B. Power will be required to seek authority from a revamped Public Utilities Commission for rate increases. The public interest will be represented by independent intervenors, with sufficient time, resources and funds necessary to present the people's case.

N.B. Power's current rate structure will be revised to encourage conservation, not consumption.

TRANSPORTATION

The smooth flow of people, goods and services has always been recognized as an essential part of a sound development strategy. The transportation system in the Province of New Brunswick, and our links with the rest of Canada, do not meet the requirements of our strategy for the 80s. The circulation of people and goods is hampered by poor and deteriorating highway conditions in many parts of the province, as well as inadequate rail, air and marine services.

The present unplanned system of highway construction and reconstruction only serves to aggravate an already deplorable situation.

When weight restrictions and regulations vary between two or more connecting highways and sometimes between different sections of one highway, the economical movement of our goods and services from point to point within New Brunswick becomes impossible.

Planned Program

A planned program of highway construction and reconstruction will contribute to eliminating existing regional disparities within New Brunswick and make it possible for business and industry to tailor their planning to take advantage of a sound highway development policy.

The Liberal direction will be to develop an integrated policy addressing all modes of transportation with particular emphasis on highway and air systems as they pertain to internal growth and development of New Brunswick.

A Liberal Government will meet this objective in the following ways:

1. Prepare a master plan of highway construction and reconstruction taking into account all regions of the province and, in co-operation with the federal government, proceed to implement the plan.

2. By identifying the needs in the master plan and constructing each highway identified in a systematic and continuing manner.

3. Provide free and acceptable ferry transportation to permanent residents of all provincial islands where the service is the only mode of transportation with the mainland.

4. Develop a policy that will encourage private investment in establishing an intra-provincial scheduled passenger air service of daily return flights among all regions of New Brunswick.

5. Provide assistance to communities in planning commuter services that will provide inexpensive transportation and reduce the use of expensive and scarce fuels.

**(f) MANPOWER TRAINING AND
LABOR-MANAGEMENT RELATIONS**

Economic policy can work only if people are able and equipped to make it work.

The unplanned and unco-ordinated approach to training our people for future job opportunities must change if the economic benefits of the 1980s are to be realized.

Manpower training must begin in our high schools, with curricula designed to serve the labor market, as well as provide general education. It must be based on close co-ordination among departments and long-term estimates of where new job opportunities are most likely to occur.

Courses must be geared to the advantages of our regions, whether it be forestry on the Miramichi; public administration in central New Brunswick; agriculture in the St. John River Valley; mining in the North; transportation and fishing in the southeast or business in the south.

Shared Approach

Our universities and Community Colleges must share in this approach by accepting a larger role in government manpower training planning. Otherwise, the tragedy of training our people for non-existent careers will continue, adding to the despondency of the work force and increasing migration to other provinces.

Labor-management relations become a matter of great personal and public importance when an individual joins the work force. Good labor-management relations can result in high productivity, worker innovation, competitive labor earnings and a marked degree of personal satisfaction.

We believe that a serious effort is needed to change the confrontation attitude which has evolved in labor-management relations in New Brunswick. While Government can stimulate development of a climate in which this question can be discussed, it will be necessary for the representatives of labor and management to take a close look at themselves, our current status in the Canadian economy and the kind of future our province and citizens deserve.

Collective bargaining is primarily concerned with short-term advantage. A Liberal government will establish an appropriate mechanism for longer term consultation among labor, management and government in the context of the province's social and economic objectives.

With proper leadership, based on a practical approach to progress, we are confident that the private sector will respond positively.

Good Faith Essential

The objectives of a Liberal government will be to improve working conditions and enhance productivity and competitiveness of business and

industry by restoring good faith as the basis of the collective bargaining process, in both the public and private sectors.

The rights of workers to a fair return for their labor, the highest possible health and safety standards in the workplace, improved wage protection in the event of injury or unexpected layoffs are principles of Liberal policy.

5. CONCLUSION

New Brunswick is urgently in need of an aggressive new direction.

Past errors have left our citizens overly dependent in a society marked by apathy and a deep sense of frustration over government's apparent inability or unwillingness to respond to people concerns.

What we have to do collectively is to decide the kind of New Brunswick we want and the directions which offer the best chance of success.

We are inviting the people to share with us a vision of New Brunswick which will provide a strong base for the generations of citizens who will follow us.

The Liberal Party sees for New Brunswick a strong and expanding resource sector, a viable primary manufacturing base and a strong, diversified and dynamic secondary manufacturing activity. Furthermore, it includes a tertiary sector that is fully participating in the important service activities that sustain a post-industrial society.

The Liberal Party projects the development of the full potential of our resources sector by 1990. This will involve an agricultural production increasingly capable of sustaining the needs and demands of the residents of this province and contributing greatly to the needs of a growing world demand for food, efficient exploitation of mineral resources to achieve maximum benefits for the province, maximum development of the fisheries, including increased activity in the important field of aquaculture, a sound management and development program which will at least maintain and, if possible, increase the vital role played by the forest industry and a much greater emphasis on the contribution which can be made by the tourism industry as a true natural resource.

By 1990, the province's resource activities will have attained the modernization necessary to compete on a world scale to supply the growing demand for resources, and especially to supply the expanding manufacturing base of this province.

In the industrial sector, the Liberal Party views 1990 with confidence and optimism, seeing a diversified manufacturing activity solidly based on the province's resources, on the innovativeness and entrepreneurial talents of its people and on capital primarily generated in the province. Manufacturing activity will be more regionally balanced in all areas of the province.

By 1990, New Brunswick society will also be fully integrated in the post-industrial Canadian society, and meeting the needs and challenges arising from it. A flourishing tertiary sector, broadly based on transportation,

communications, printing and publishing, professional and personal services will form part of the picture, a far cry from the present structure of tertiary activities highly concentrated in the low-paying service activities.

On the government side, our vision is of a province in which the sense of responsibility and seriousness of government is equal to the sense and responsibility of our people.

A province where government is truly fulfilling its duties to the people.

You, the people of New Brunswick, are our hope and our pathway to that future. We are confident that, together, we can meet the challenge.