

**Remarks By Dalton McGuinty, Premier Of Ontario  
Premier's Remarks To The Canadian Club Of Toronto**

**February 3, 2009 — CHECK AGAINST DELIVERY**

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It is always a privilege to speak to the members of this historic organization.

You've been at the forefront of Ontario's history for 112 years.

To put it another way:

You've been around since the days when Don Cherry's collars were fashionable.

You know, I love hockey. I love watching a game on TV with my kids.

I think the game is part of our Canadian DNA.

It's a window into who we are, and how we see the world.

That became clear to me during the 1972 Summit Series.

Back then, we invited Russia over for a friendly competition.

We won.

But not before Russia had badly shaken our confidence in our game.

That series changed the way Canada played the game, and how we saw ourselves.

The Russians showed us:

If we wanted to stay the best in the world, we'd have to play better, and smarter.

We knew that we had to bring up our game.

And we did.

After that series, we imported some of the best players in the world, and learned from them.

We started to train our own players differently.

We got serious about the business side of the game.

And all that hard work paid off, big time.

Just a few weeks ago, our juniors won their fifth straight world championship.

Canada is on top in the hockey world — all because 37 years ago, when our confidence was shaken, we shook up the status quo.

We decided we were never going to settle for second place, ever.

We decided we would do what it takes to win.

Now, that series and the lessons it offers us came to mind the other day when I was thinking about the state of our economy.

Imagine for a moment where we would be if we took that same approach to our economy.

Because, while we could muscle our way through this global recession — and maybe even come out slightly ahead — what we really need to do, is raise our game and raise our sights.

Because, let's be honest here, other places in the world have figured out how to compete against us. And in some ways, they're pulling ahead.

So we have a choice to make:

Settle for second place or figure out a new way to win.

I'm for winning.

And I believe Ontarians are, too.

So, today I want to talk to you about two things:

What we've done to strengthen the Ontario economy ... and what we need to do to build a stronger, sustainable, more competitive economy for the future.

So, to begin ... what we've been doing.

The good news is ... Ontarians haven't been standing idle.

We came into this recession in a stronger position than most.

Ontarians have worked hard and well during the past five years.

Together, we have restored confidence in our public services.

We have more teachers for our children, more nurses and doctors for our families, and more water and meat inspectors and police protecting all of us.

And in return for our new investments, we got results:

- Smaller classes

- Higher test scores

- Shorter health care wait times

- Safer streets and more protected greenspace.

Ontarians have worked equally hard and successfully to strengthen our economy.

Together, we have moved aggressively on our five-point plan, so that today we have a more highly skilled and educated workforce.

We have new government-business partnerships which have created thousands of new jobs. And we have lower business taxes and massive investments in innovation and infrastructure.

Those gains remain a strong foundation for future growth.

Even though our position was stronger than most going into this recession, we have not escaped the pain and anxiety it causes.

Many of our families have been hurt by job losses.

Many of our businesses have been felled by a collapse in demand and credit.

Ontarians are anxious.

And understandably so.

I want to assure you:

Our government's highest priority is to help Ontarians through this recession and build a stronger, more competitive economy.

We have to do both.

We have to grapple with the present and build for the future.

This crisis will end.

Confidence will be restored.

The economy will grow.

All this is certain.

What Ontarians will determine is how strong that growth will be in the coming years.

And here's where we need to make a choice — because we can coast on our achievements so far or we can bring up our game.

I believe Ontarians are for bringing up our game.

We are eager to build a stronger economy for the post-recession world.

And we are prepared to do what it takes to win, for our children, a good quality of life supported by a good standard of living.

Winning this begins with an understanding:

We face some fundamental challenges to our economy — challenges to our businesses, our families and our governments.

First of all, our businesses need to invest more of their resources to keep ahead of the competition.

On average, Ontario businesses spend 16 per cent less than they do in the U.S. on new productivity enhancing technologies.

And they invest one-third less in research and development.

Our businesses need to invest more in their employees as well — because our greatest resources are the skills and creativity of our people.

Furthermore, some of our businesses still count on a low dollar and low energy costs for their profitability.

That's just not sustainable.

Our dollar is volatile at best.

And energy prices will most certainly increase, driven in part by carbon pricing.

Carbon pricing is coming to North America just as surely as night follows day.

This will likely be driven by President Obama through a cap and trade program.

Carbon pricing will create challenges for some and real opportunity for others who are prepared.

It's clear ... the game is changing ... and our businesses are going to have to be at their very best if they want to compete and win.

And government needs to help by making investments in workers, technologies and research more affordable.

Another hard truth we need to acknowledge is that our families are facing challenges.

One of the most pressing is that our young people are not going far enough in school.

We can all be proud of the fact that Ontario now has the highest rate of post-secondary education in the western world.

40 per cent of our young people have gone beyond high school.

But the world is changing.

And the experts are telling us — we need to get to 70 per cent, because 70 per cent of all our new jobs require post-secondary education.

Once you've completed your undergrad in the U.S., you are twice as likely to do your Master's as one of our kids.

But our kids are just as smart and our tuition costs are lower.

And it is not just university.

We need more of our kids to pursue training programs and apprenticeships.

Our families and young people need to reach higher.

And our government must do more to help them get there.

Another reality of our economy is that governments — including mine — are acting as a brake on growth.

We move too slowly and we burden ourselves and our job creators — our entrepreneurs — with too much process.

This has been the case for a long time.

But in a globalized, just-in-time economy, government sluggishness is more than an irritation.

It's turning away investment.

It's costing us jobs.

I'll give you an example of government inefficiency:

If we want to build a major public transit project here in Toronto, well, first the City of Toronto's planning experts look at it.

And then provincial planning experts look at it.

And then federal planning experts look at it.

So, millions of dollars have been spent and, sometimes, years have gone by before a single shovel touches the ground.

We've got to be faster and better than this.

Especially now.

That's why our government has put in place a six-month time limit for environmental assessments on transit projects.

It's one step in the right direction.

There are many more steps to be taken.

My government embraces the challenge to become fast and friendly.

And we'll do it in a way that always protects the public interest.

Like the rest of the world, Ontario will need to run significant deficits.

That means we'll need to slow down spending increases on new initiatives.

We will balance compassion with discipline as we help pull Ontario out of this recession.

We will keep the gains we've made in our education system and in health care.

And we will begin to take steps to change our game — to make our economy stronger.

Earlier, I mentioned the world is moving in the direction of carbon pricing.

We saw this coming years ago ... so we've been laying the groundwork.

That's why we're phasing out coal-fired electricity generation.

And it's why we've been working on carbon pricing with California and other states and Quebec, because — to paraphrase the Great One:

There's no point skating to where the puck has been ... you want to skate to where the puck is going.

The truth is, the places that reduce carbon first will have a competitive advantage.

And we need to get there first.

That's why, when the Legislature returns shortly, we will introduce a new Green Energy Act.

There are tremendous opportunities to be had in a green economy.

Our intention is to unleash an explosion of new, green energy — and create more than 50,000 jobs over the next three years.

At the same time, we will make it easier and simpler to get new wind turbines, solar panels and biofuel plants online and plugged into the grid.

Our province will be greener, and stronger, and in a much better position to compete and win against the rest of the world.

My friends, I've laid out three challenges for us today.

We need our businesses to become more competitive.

We need our families and young people to reach higher in school and training.

And, we need our government to pick up the pace in our dealings with job creators.

None of these challenges are easily overcome.

It's going to take all of us.

And it's going to take time, hard work and a fundamental shift in the way we compete in the way we do business, and in the way we think of ourselves, as Ontarians.

Yes, we could simply outlast this recession, grind our way through, win a few battles along the boards, so to speak. But the new global economy is going to favour the places that are fast, innovative, and exciting.

That's the Ontario I envision.

My friends, moving forward, we can draw hope for tomorrow from our past.

Every previous generation of Ontarians has risen to the challenge of their day.

We settled this cold, harsh northern land and built a basic way of life for ourselves.

Then we built up this province to provide us with the extraordinary quality of life we enjoy today.

Along the way, we fought in great wars and through a great depression.

Our pace of progress has sometimes been slowed, but always we kept going.

And, always, we found a way.

Generation after generation, building on the foundation we inherited from our parents, we built something even better for our children.

So, now it's our turn.

Let us take up our challenge with confidence and determination.

There is much at stake.

But we have much to give by way of experience and ambition.

And we have much to gain:

An economy that will support a high quality of life for all Ontarians.

An economy that will fund top notch public services for all our families.

An economy built on our shared understanding that its true purpose is to build a strong, caring society.

That is something worthy of our highest aspirations and our greatest efforts.

Thank you.

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