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OPINION

A modest idea for the institutions that run our economy

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My father, Egidio – boilermaker, Suncor / Catalytic, badge BM-01 – died in 2025. He came out of Friuli on the postwar emigrant routes that carried half a generation of northeastern Italians to the industrial heartlands of Southern Ontario.

He trusted the bargain he found here: a country in which work was rewarded in proportion to its difficulty, and an elite tethered to the place by something more durable than their next posting.

My father worked to build this country, and there is a particular debt a country owes his generation. It is not gratitude, which is cheap, nor memory, which is passive. It is the maintenance, in working order, of the things that generation believed it was building.

A man who came off a refinery shift in Sarnia in 1975 did not believe his labour was transactional; he believed the country was acquiring, through his trade and his union and the community he helped to build, a durability his grandchildren would inherit.

But the long history of countries records the moment at which such transmission breaks – at which the institutions inherited by the third generation cease to be recognizable as the institutions paid for by the first.

Canada is in such a moment right now. Amid trade woes, our unwieldy economy is bleeding capital and talent, and at the one-year mark, the Carney government has proved disappointing. The government announces rather than executes, convenes rather than decides and marks the calendar with summits rather than outputs.

I propose, therefore, one thing only, and not to the Prime Minister but to the institutions on whose behalf the past year has been conducted. The major financial institutions, the major pension funds, the anchor foundations each hold capital they could deploy in Canada and have not.

RBC Thought Leadership reported this April that one trillion dollars has exited Canada over the past decade, while domestic corporations hold more than one trillion dollars undeployed at home.

So, the proposal is this: Each of these institutions should commit, publicly and in dollars, to a two-year program of investment in productive companies headquartered and operated in Canada.

The benchmark is the trillion-dollar gap RBC has identified between what has left the country and what sits undeployed at home. The institutions that publish a number will have shown their seriousness. Those that decline will have shown the more consequential disclosure by omission.

Make no mistake, the moment is grave. We can look no further than the proposals advanced by Canadians who love this country and are searching for solutions to its predicament.

The most striking would charge graduates who depart a $500,000 exit tax, on the reasoning that the country subsidized their training and is owed the difference. The instrument is the wrong one. A country that fences its emigrants has already conceded that it cannot retain them by other means; the proposal does not solve the departure – it ratifies it.

But there are images that condense a year into a single proposition, and this is one. Bank of Canada researchers estimate that at least four in ten Canadians whose earnings would place them in the top one per cent now reside outside the country, predominantly in the United States. Statistics Canada reports net emigration of 65,372 in 2024-25, the highest in fifty years.

The distress beneath the high-end departures is broader and quieter. The structural problem is the regulatory condition that has rendered Canada uncompetitive at the margins where investment is decided.

The IMF estimates that removing interprovincial trade barriers alone could lift real GDP by nearly seven per cent – roughly $210-billion. A new mine, S&P Global reports, takes twenty years to build in this country. Nutrien, the world's largest potash producer, last November chose Longview, Wash., for a US$1-billion port over Canada's West Coast, citing regulation.

The Carney government came to power with great ambition. But on each of the categories by which a first year for a prime minister is judged, there is little motion.

The Productivity Super-Deduction and the One Canadian Economy Act are useful instruments, but not yet the structural answer required. Immigration was adjusted bluntly – admissions of temporary residents cut to 385,000 from 673,650 – even as Bill C-3 seeks to expand citizenship by descent without generational limit. Alarmingly, Canada's population declined in 2025 for the first time since Confederation.

The defining instance arrived this week. On April 27, the Prime Minister announced the Canada Strong Fund, a sovereign-wealth vehicle to be capitalized at $25-billion over three years. Norway was invoked; Norway is a net saver, financing its fund from royalties and surpluses, and the announcement quietly conceded the difference.

Lucy Hargreaves of Build Canada called it "a sovereign wealth fund in name only;" the Prime Minister himself conceded the retail instrument was something consistent with buying a government bond.

The spring economic update tabled the following day disclosed that the fund will be capitalized in part by what the document calls "alternative models of ownership" of Canada's airports. The country's instrument of national ambition is to be financed, in other words, by the sale of the public goods it already owns. We have built the building; we will fund the next plaque by selling the keys.

What the Venetians called the Arsenale – a republic's shipyard for survival – was not a building; it was a capacity. C.D. Howe's Department of Munitions and Supply stood up 28 Crown corporations between 1940 and 1945 because the ministry remembered how to build. Howe's dollar-a-year men had built shipyards, breweries, timber operations, and auto plants before they arrived in Ottawa.

The ministry that succeeds them today was assembled from a different roster. It will pitch BlackRock and Singapore's sovereign fund at Toronto's Investment Summit in September against a record that cannot substantiate it. This is choreography mistaken for construction.

Cohere at Cambridge, Ont., where the artificial-intelligence company will be a tenant of an American data centre, is the exhibit in miniature: We have subsidized the data centre and built the building, and an American firm operates the stock. The plaque is Canadian; the keys are not.

What is missing in this country is not capital but agency, and agency is grammatical before it is anything else. What is to be done has become a question asked in the third-person plural – they must do more. To build a country, the question must be answered in the first person – I must do what I would rather not.

British prime minister Harold Wilson in 1964 promised modernization through the white heat of a scientific revolution; he presided instead over a decade of adjustment and managed decline. The parallel is uncomfortable.

Yet the future is not foreclosed. It is bright and singularly dangerous – the precise combination under which Canada, in the 1940s, built 28 Crown corporations in five years because the country meant to. What that decade required was not more, but the will to deploy what was at hand.

The instruments are here; the capital is here; the talent is here, or has not yet left for good. What remains is the decision to use them, and the honesty to acknowledge what their non-use will cost.