

# SUSTAINABLE DEVELOPMENT

## A SUBMISSION TO THE ROYAL COMMISSION ON THE ECONOMIC UNION AND DEVELOPMENT PROSPECTS FOR CANADA\*

The Saskatchewan Environmental Society, on behalf of its members and affiliates, appreciates the opportunity to contribute its views. We believe that Canada's economic and ecological well-being are inseparable. This timely inquiry, with a mandate to view the long-term perspective, rather than find short-term "quick-fix" answers, must embrace the importance of that link. Our argument therefore relates to the basic conceptual orientation of your commission.

### **Economic Growth: Redefining "progress"**

The economic system that has evolved is one in which growth — the production and consumption of goods and services on an ever-expanding scale — has become both an end in itself and the measure of how well or poorly the nation is faring. A sound economy is therefore defined in terms of growth which, when slowed or absent, raises alarm, generates considerable debate over who or what is at fault, and spawns studies and Royal Commissions.

The system is predicated on increasing the magnitude of exploitation of the resources upon which all economic activity is dependent. This has led to environmental deterioration and resource depletion, processes which are able to continue so long as the costs of those negative effects are left out of the economic equation. Accelerating consumption of diminishing resources yields declining returns per unit of effort (capital or labour) invested.

Thus, we find ourselves always at the margins, where the economic, environmental and social costs of perpetuating growth are continually greater at each successive increment. Any far-sighted examination must, in a world of finite resources, consider where over-exploitation for short-term gain is apt to lead.

In Saskatchewan cereal grain production seems a fitting example. Growth in this economic sector has been achieved by farming more of the land and farming more intensively. In just 80 years, the soil has been depleted of over half its original fertility (organic matter). As the costs (e.g. energy, fertilizers, chemicals) increase, the relative rates of return (as greater output of nutrients in the crops) declines. Yet government, through agencies like the Canadian Wheat Board, promotes not merely continued but accelerated growth, setting 50% increase targets for grain exports with little apparent concern for how long even current production levels can be maintained on a deteriorating soil resource base. The economic benefits of such growth can only be assumed by ignoring the future expense of restoring soil fertility or of coping with reduced productivity.

### **Awareness: The key planning ingredient**

The degree to which planners and strategists in government are aware of the need for a redefinition of economic health is difficult to assess. The signals are often contradictory. On the one hand are such indications as the Nov-

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ember 1981 Department of Finance policy entitled *Economic Development in Canada for the 1980's*. This resource based, export-oriented strategy calls for massive investment and further expansion; in short, development is defined as spurring yet more growth.

In contrast are the recommendations of an interdepartmental Federal Review, led by Environment Canada, endorsing the World Conservation Strategy. The review proposes implementing ways to achieve sustainable economic and social development. It would be encouraging if this latter were the predominant view.

### **Equilibrium: The essence of a solution**

Rather than consuming or exporting resources at ever-increasing rates, the primary objective of future economic development must be ecological sustainability. Resource use must be on a scale equivalent to resource renewal via material recycling and careful management. A "steady state" economy does not imply stagnation, nor preclude growth to new equilibria. However, "progress" would be measured in terms of such changes as qualitative improvements in social conditions, increased diversity of economic activity (yielding a more resilient, less vulnerable system), and efficiency improvements that would permit sustained production levels from decreased inputs.

We do not profess to have all the specific answers concerning economic restructuring toward the goal of sustainability. Nonetheless, many of the necessary developments and adjustments are known. Among them are:

— Improvement of renewable energy technologies. In concert with serious efforts to increase end-use efficiency this will enable us to phase-out non-renewable energy.

- Alterations to agricultural, fishery and forestry management practices. Sustainable yields that protect the integrity of the resource bases would be the highest priority.
- Development of closed-cycle industrial production with the objective of maximum material recycling. One industry's wastes may be another's resource.
- Rescaling many economic activities by adopting appropriate (human scale) technologies and labour-intensive formats. Production "efficiency" must include the idea that there are social benefits from providing meaningful employment.

### **Conclusion:**

To be effective in the long run economic planning must spring from the concept of resource use in equilibrium with resource renewal. As with natural ecosystems, the components of the economic system are interconnected and interdependent. Accordingly, regional and national planning cannot be done in isolation. The overall context will be that of the Canadian economy within the world community. The transition will be neither rapid nor painless. But we must find the social and political will to move in this direction because sustainability ultimately means survival.

Strategies which do not contribute to this vital goal will divert or consume capital, energy and resources, thereby postponing an inevitable process and diminishing the opportunities for a gradual and successful transition.

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