

Transcripts of Speeches at the Dinner to Honour David W. Slater on the Occasion of his 80th Birthday, October 19, 2001, Canadian Room, Chateau Laurier Hotel, Ottawa, Ontario

My name is Andrew Sharpe and I am the Executive Director of the Centre for the Study of Living Standards. I would like to welcome you to this joyous occasion.

Tonight we celebrate the remarkable career of David Slater, who this week turned 80 years young.

We have a great evening lined up for you: good food and drink, good company, some excellent speakers, and a free book, which you all should have received on the way in.

We are going to start the evening with dinner. After dessert, we will start the ceremonies.

I wish you an excellent evening.

Start of Ceremonies

I hope that you all enjoyed your meal. We are now going to start the ceremonies. I first would like to thank the persons and organizations who have made both the Festschrift and this dinner possible. They are:

- David Dodge from the Bank of Canada;
- Kevin Lynch from Finance Canada;
- Stewart Wells who was at Statistics Canada and is now recently retired;
- Jim Lahey who had until recently been with Human Resource Development Canada;
- Someshwar Rao from Industry Canada;
- Denis Gauthier from Health Canada; and
- Alan Nymark from Environment Canada.

We would like to thank all these persons and their organizations for their contribution to both the Festschrift volume and this dinner.

Applause

Now I'd just like to say a few words of my own personal appreciation for David who has been extremely important to me in recent years. In fact, very important, as he's the one who has signed my paycheck for the last six years. I really think I owe him something in that regard. I first got to know David in the late 1980s through the Ottawa Economics Association. In the early 1990s, I worked with him and with Ian Stewart, who's also here tonight, to establish the Center for the Study of Living Standards (CSLS). We finally got the organization up and running in 1995. Since then he's devoted a lot of energy and time to the Center. I'm sure we wouldn't be where we are today without his great assistance. I really appreciate the help he's given me in that regard.

Applause

Now, we have a number of speakers tonight so I'm not going to take much more time. There are just two characteristics of David that have really impressed me personally. The first one is that he's the personification of life-long learning. David never gives up. He's always interested in reading new books, in discussing new ideas. It's just amazing. He really has learned and continues to learn throughout his life. And at 80 years old he still continues to read and write and will for many years to come.

The second characteristic that's really impressed me is the balance in his life. He devotes a lot of energy to his professional life, but also to his community activities, to his recreation activities, to his interest in religion, to his interest in art, and to his personal relationships. He has led a very balanced life, which many of us should emulate.

Now, in terms of this evening, you all received on the way in a book called *The State of Economics in Canada: Festschrift in Honour of David Slater*. Just a little comment about the title of the book, one of the CSLS board members was actually quite upset about this title. He said, "what, you've got a book called *State of Economics in Canada* with Festschrift in the title. It's archaic. No one ever uses that word anymore. You should definitely change that word." Patrick Grady and I were quite upset. The book had already gone to the printer. We considered bringing it back and calling it "Essays in Honor of David Slater." But then we decided that maybe Festschrift isn't that bad an idea. So we went on the Amazon.com website and put festschrift into the search engine for titles. It came up 2,822 times! So I guess the concept of festschrift is still alive even though some of you may not have heard the term before today.

In the book we explain that a Festschrift is celebration writing. That's the German literal translation of the term. What it means is that at a particular point in someone's career, one's colleagues get together and produce a volume in honor of that individual. We thought that was an appropriate term for what we have done with this book. We've asked a number of economists, many of Canada's leading economists in fact, to contribute an article, pro bono, in honour of David Slater. And believe me, this was not a hard thing to do. I think of the invitations we sent out, probably 90 per cent of the persons accepted to contribute. And, in fact, more of them actually came through than we thought. We

thought the book was going to be 350 pages long and it ended up being 525 pages because very few of our contributors dropped out, even with the tight deadlines we were under to ensure that we would have the book for this dinner. So we're grateful to all of the contributors who made it into the volume.

We'd also like to thank the John Deutsch Institute at Queen's University. We thought it was very important to co-publish with Queen's University since many of David's years were spent at that institution. He continues to maintain close relations with it.

Now, I would like David to come up here because I would like to formally present him a copy of the Festschrift. It's also been signed by many of the people in the audience. If you haven't had an opportunity to sign this copy of the volume, please come up after dinner and the volume will be here for you to sign.

David, I'd like to formally present you with this volume that we've prepared in your honour. [Presents volume to David and shakes his hand] David, on behalf of everyone in this room, I'd like to present you this Festschrift. Don't talk now, you'll have that opportunity later. (Laughter, applause).

Now, I'm going to sit down and not say another word. My co-editor and co-organizer of this event, Patrick Grady from Global Economics, is going to take over and act as MC for the rest of the evening. He's going to basically run roughshod over a number of speakers and make sure we get out of here at a decent hour. So, Pat, I'd like to turn it over to you. You're responsible for the rest of the evening.

Applause

Patrick Grady, Global Economics Ltd., Friend and Former Colleague of David Slater

Thanks Andy. We have an imposing array of speakers, around 10 of them tonight. And all of these people are I think, in their own right, quite long winded. So how we will get them all to compress their talks to the five minutes or so that we're allocating, I don't know. But, we're going to get started anyway. I've known David Slater myself for many years. When I first came to the Bank of Canada back in 1972, I was walking down the hall and I heard a very loud voice coming from the corner office. It was Ross Wilson's office. It was so loud it was shaking the whole hall. I then asked him what was going on. He said oh, David Slater has come over from the Department of Finance to talk to the Bank. And ever since, I knew that David was a force to be reckoned with from the quality and loudness of his voice! He also had good things to say. Little did I know at the time that I would subsequently become the world's leading authority in the career of David Slater. (Laughter)

If you'll look in the Festschrift, you'll see there's an article on David as an economist. And as far as I know that is the only article in the whole world written on David's career as an economist. That's why I consider myself an authority on David. David's career as

an economist has been guided by a philosophy that balances a deep commitment to markets, a belief in the key role of the private sector, and an equally deep commitment to social policies designed to create equality of opportunity and to provide support for the disadvantaged. Over his long career, David has made a great contribution to Canadian economics in the proud Queen's tradition of public service best exemplified by people like Clifford Clark, W.A. Macintosh and John Deutsch.

David's contribution has taken the form of: building institutions within both the university and government worlds; teaching and mentoring younger economists in both academia and in the public service; participating in the analysis and development of Canadian economic policy; and contributing significantly to the national policy debate. We considered having David come up and give some of his views of the Canadian economy. But those of you who know David would know that I'm not lying when I say we don't have enough time tonight for that. (Laughter)

Bill Hood will give our first tribute to David. Bill is one of David's oldest friends. The two of them were students together at the University of Chicago back in the 1950s. They worked at the Gordon Commission and at the Department of Finance. Bill's high regard for David is shown by the fact that he's come all the way up here from Washington just to be here tonight. We thought that was an unmitigated blessing, but now with the anthrax scare I'm wondering if we should have allowed him to sit so close to David. (Laughter) Anyway, Bill, if you'd like to come up and say a few words, respecting our time constraints.

Applause

Bill Hood, Former Deputy Minister of Finance and long-term friend of David Slater

David and I were both professors as I think you know. And professors usually talk for an hour, unless the bell rings. So if a bell rings, you'll be saved. To begin with there are three kinds of professors of economics. There are those who know all the statistics. They know all the institutional facts and they can remember them. That's one class. The second class is those who are interested in structures and theory. That's the second class. And, the third class is represented by David and those people who have both qualities. Now that meant that David had a lot less trouble filling up the hour of his lectures, a lot less trouble than I had. Because if I were to rate myself, I'd put myself in class two. And Simon [Reisman] wouldn't disagree with that. (Laughter)

Economics is a very difficult subject. I don't think it's difficult because of the wide range of its theoretical apparatus. No, I would think that there are not more than half a dozen fundamental truths in the whole subject of economics. One of them would be the role of the price system in the organizing of the economy. Another would be the idea of the gains from trade. And somewhere in the muck of economics you might find a few more fundamental truths. (Laughter)

No, that's not the reason that economics is hard. There are probably a few other reasons why economics is a very hard subject. One is that there are many facts, many statistics, and many institutional histories that need to be known by those who would apply economics as a matter of policy. That's one reason why it's hard. It's hard to master all of that. The second reason that I think it's hard is because the application of economics needs to be done in a political context. The theories of economics are fundamentally sterile if they're not adapted to and applied in a political context. And the third and final reason that I think economics is a difficult subject is because of what I call "the mood of the economy." Some people would call it "the state of expectations."

We used to spend untold hours parading before our students long equations about indifference curves and utility functions in order to arrive at the fundamental proposition that if the price of a thing goes up, people will buy less of it and supply more of it. But how many times did we tell our students that if rising prices lead to the expectation of a further rise in price then people will buy more and they will supply less. In fact, after some years, I came almost to the conclusion that the main job in applying economics to economic policy was to manage the expectations in the economy itself.

Now, none of this is new to David Slater. He has been a professor and a practitioner of this subject long enough to know all of that. And I suspect that most of you in this room know all of that. But David never gave up. David persisted; he has, as you will hear from other speakers this evening, devoted himself to a wide, wide range of very practical, very difficult, economic policy problems. He never gave up. In fact, David is the guy who saw his thesis burn up, before his eyes, before he could submit it. What did he do? He sat down and wrote it again. David is the guy, who through no fault of his own, got caught up in some very messy university politics. What did he do? He changed course, came to Ottawa and carried on. And when he reached the age of normal retirement, what did he do? He didn't do what some of the rest of us did, just quit. He's carried on. He carried on, and as far as I know, he's still carrying on. Dogged David is the way I think of him. And economics needs Dogged Davids. David, you've been my good friend for many, many years. And, I am proud to be among those who are here to congratulate you tonight. And I do congratulate you, and I salute you.

Applause

Patrick: Thanks very much Bill. I love that story about David looking in his mirror on his way back from Palo Alto to Kingston, and watching the trailer that contained his thesis on computer cards burning before his very eyes. It is amazing that he would continue after that. One of David's characteristics and most endearing qualities is the way he was loved by his students, younger colleagues and staff, because of the genuine interest he took in them. And the help that he provided them. His influence on so many economists was perhaps his most important contribution to Canadian economics. We are fortunate tonight to have a couple of those bright, formally young economists with us, to talk a little bit about how they remember David when they were his students. One of them is Ian Stewart. Ian, would you like to come up? I hope I should live so long as to have students as old as you. (Laughter)

Ian Stewart, Former Deputy Minister of Finance and former student of David Slater

Thank you Patrick. Let me begin by saying how pleasant it is to see so many old and wrinkled faces here tonight. I had decided to speak extemporaneously because to use a baseball term, I wasn't sure where I was going to appear in the batting order. And, having appeared second with Bill Hood obviously haven gotten on base, I take it that my job is to sacrifice into second base as quickly as I can and allow the other big hitters to follow me in and take more of the evening's time. I first met David Slater in the fall of 1951 on his return to Queen's, where he augmented the faculty by I guess 33 1/3 per cent. It was composed at that time of Frank Knox, Mac Urquhart, and Clifford Curtis. There was also half a professor called W.A. Macintosh who taught history of economics in the fourth year and a reading course, but who was essentially schooling himself to become the principal of Queen's.

I was immediately struck, as a student, by the fact that I had never seen anybody work as hard and as diligently as David Slater did. I observed him in his office in what was then the political economy building at Queen's. If you'll excuse the expression, it had been procured from use as a home from unwed women and housed the commerce, political science and economics faculty in one building. David was attended everyday by Lillian with their children in a baby carriage and with his lunch in a paper bag to assure that no time was wasted in leisurely lunches or absence from duty. It struck me at that time and was later confirmed that this was a hard-working man.

I got to know David. I took a course in International Trade from him in my third or fourth year at Queen's. I got to know him a little better as I stayed on at Queen's as an MA student. But I got to know him best of all when I returned to Queen's in 1956 as a kind of adjunct economic teacher. David, by that time, was shuffling back and forth between Ottawa and Kingston doing his study on trade for the Gordon Commission. He was in Ottawa most days of the week, often through the weekends, back and forth and back and forth, working very hard at that task. He then, having slipped that rein, became the editor of the *Canadian Banker*. I used to visit David at his home in Strathcona Park in Kingston where he had made a study in his basement. The walls were ringed with current economic intelligence, which he employed to write extended pieces for the *Canadian Banker* on the world and Canadian economic situation. And he contended, as I remember, at that time with the monthly letter of the Bank of Nova Scotia, which provided a high-class public distribution on economic affairs available to a broad readership. David, in my view, continued to work extraordinarily hard.

To provide him with some distraction, he and I and some others began a practice of teeing off at 9:00 every Sunday morning at the Cataraqui Golf and Country Club. We played a quiet, sedate, game of golf. But it was our task, this is irrelevant but it's funny, to pursue a foursome which contained an orthopedic surgeon from Queen's whose capacity for the game and his capacity to contain his self-control eroded around the fourth hole. David's task, and mine, aside from playing golf, was to pick up the twisted and bent

shafts of his golf clubs as we rounded the course each Sunday morning, some of which were still raining down from trees so that was not a game without peril.

In the current issue of *Harpers*, Nicholas Fraser has a review of Robert Skidelsky's third book on Keynes. It really is much more a review of Keynes than it is of Skidelsky, but in essence it is of them both. Nicholas Fraser begins by noting Robert Skidelsky's lament: public culture had eroded in Britain and that in his view economists hesitated between arcane theory and tipsterism. I think it can be said of David Slater that in no part of his career was he absorbed or devoted by arcane theory and certainly he was always far too careful an economist to have anyone ever accuse him of tipsterism. But I do believe, as Nicholas Fraser extols in this review, of both Skidelsky and Keynes, that David Slater falls in that great tradition of economist who see economics as essentially serving public well being through issues of public policy and public understanding. And I guess I view his career, aside from some sidetracking into administration from time to time, as being largely continuingly and continuously devoted to that view of the world. And I'm confident tonight before you that both Robert Skidelsky and John Maynard Keynes would approve of David Slater's life. Thank you.

Applause.

Patrick: Thank you Ian. David said that you and your wife Gail were also students of his. He never said who was the better student though. As our next speaker, we have another couple, although the man will be the only one speaking. They were also David's students – David and Chris Dodge. David has done quite well. I don't know if he attributes any of it to David Slater or not but we'll hear. David, do you want to come up and say a few words?

David Dodge, Governor of the Bank of Canada and former student of David Slater

Well, if one of the previous speakers hit a double and the other hit a single, I'm certainly here to sacrifice. I'm here truly as a student of David's. David taught money and banking by the time I got to Queen's in 1961. That was a very interesting time for those of you who remember what was going on at the Bank of Canada, or at least between the Bank of Canada and the Department of Finance in 1961. David had been very much engaged in that interesting struggle between the Minister of Finance and the Governor of the Bank.

But David had the misfortune that he drew the lot to teach Tuesday, Thursday and Saturday at Queen's. Because Queen's is a good Presbyterian school, it still continued to operate on Saturdays. Now, 9:00 Saturday morning is not the time, especially at Queen's University where one would think that a professor could attract a large number of sophomores. Especially in the basement of Dunning Hall with no windows and especially trying to deal with the national accounts and other such arcane instruments of money and banking that were at least in the textbook. I've got to say David, that every Saturday morning whether we came in with a little bit too much beer in our bellies, or in our dinner jackets from Friday night, or in our sports gear ready to go on, your ability to

intrigue, and I think that is the right word, to intrigue us always dragged 50 or 55 out of 60 of us who were in your class down into the basement on the Saturday morning to learn about money and banking. And, indeed to really understand what Queen's was all about. The motto of Queen's for those of you who have not yet had the privilege of attending is "the knowledge and strength of our times." What David really did for us sophomores was to intrigue us with the importance of not just knowledge, but of wisdom. And David, on behalf of the hundreds of students who you intrigued over your teaching career, I want to thank you and say that Canada is a much better place for the fact that you were there as a teacher and a mentor all through your life. Thanks very much.

Applause

Patrick: Thank you very much David. I'm sure in the class you learned not to print too much money, which is of course the first principle of being a central banker (laughter). We wanted to have someone from Queen's, some of David's old colleagues. Unfortunately, the pickings are getting slimmer there these days. People are not so willing to come up now. Not too many are still there. Gordon Sparks has come up from Queen's to say a few words. Gordon? Were you a professor there when David was a professor? Oh yes, good, good. (Laughter)

Gordon Sparks, Professor of Economics at Queen's University and colleague of David Slater

Well, since we're in this baseball format, I'm the pinch hitter. I regret very much that my dear friend and colleague, Allan Green could not be with you this evening. He very much was looking forward to it. He and his wife were students of David. Unfortunately, illness prevented him from coming. So, I'll make my own remarks. I didn't come to Queen's until 1967. In those days, it wasn't a problem getting a job. I understand that young people since then have had a problem. But in those days it was easy. When I was thinking about where I should take a job and looking at Queen's, I came to think that Queen's was a place with high academic standards and also a human touch. I remember very well coming to Queen's and meeting David. The warm welcome and warm feeling that he conveyed to me was certainly an influence on my decision to go to Queen's, one which I have certainly never regretted.

After I had been at Queen's for a while, I became conscious of the enormous building that had been done in the University and particularly in the Economics Department before my arrival and particularly on the graduate side. After serving in the department, David was Dean of Graduate Studies from 1960 to 1968. During that period, the number of graduate students in the Department of Economics grew from 10 to 107. The number of faculty to support that program grew from 8 to 25. This was the period in which the foundations of Queen's leading role in economics graduate education were laid. It's perhaps interesting to note that after the convocation that will be held at Queen's this fall there will be over 240 Queen's economic PhDs out in the world, of whom about 80 per cent are teaching in universities. Many others, of course, have made distinguished careers in public service and in the private sector. So the work of David and his colleagues at

Queen's really made this possible and laid the foundations. So on behalf of the Department of Economics at Queen's, and myself, I'd like to thank you David for all your contributions and best wishes for the future.

Applause

Patrick: Thank you very much Gordon. Now we're going to move along in David's career to the Department of Finance. We have as our next speaker Simon Reisman. He's a real tough guy (laughter). He thought this was going to be a roast. We had to tell him he has to be nice (laughter). An urban legend has it that he actually put his cigar out on U.S. Trade Negotiator Peter Murphy's desk. Is it true?

Simon: No comment.

Patrick: David told me that when he arrived at Finance, Simon was very, very stern and even threatened to send him off to Government Language School for the duration if he didn't shape up and learn to speak some French (laughter). And that was on top of having to work 18-hour days. Anyway, today Simon has promised that he isn't going to be too nasty. He is going to say only nice things (laughter). He's not coming up. (Laughter)

Simon Reisman, former Deputy Minister of Finance and colleague of David Slater

I'm getting pretty old and I don't hear so well. And I wasn't sure you invited me. Looking around you won't believe this but I'm the oldest person in this room. (Applause) That's my joke. Now I'm not one of the people who got to know David as early and as well as many of you here. Indeed, I had to read a little bit about him and his career before I dared agree to come and say a few words to you. And you, Mr. Master of Ceremonies, were kind enough to let me have a biographical note and it took me about an hour and a half to read it. And then I let Connie read it and I said, 'Connie, what did you make of it?' And she said, 'He sure did a lot of things.' Indeed, if I were to try to summarize all the things that David did in his career and the people he taught and worked with I would say 'David, happy 80th birthday. Continue your career, as you no doubt will until they carry you out'. And then sit down.

But I'm not going to do that because I would disappoint Bill Hood and the others at this table. In fact, I'll tell you when I sat down Bill said, 'Look Simon, I don't know if you'll like this, but last night in thinking about what I might say I came to the one conclusion. That if you spoke before me I wouldn't speak at all.' (Laughter)

I don't know why he came to that conclusion but he figured that I would take a long time and I'm not going to take a long time. But I do want to say a couple of things. I first got to know David in the context of Walter Gordon's Royal Commission. And this was in the mid 1950s. I think it was 1955. And I, along with Bill Hood and one or two others, were asked to assist Doug Lapan who was the secretary and director of research. We were appointed to help him out.

We were given quite a free rein to go and pick people. I picked some good people and one of the people who I wanted and heard a good deal about was David Slater. When I got on the phone and made some inquiries to try and get him it turned out that Bill Hood had already got him. (Laughter)

I don't know what Bill intended to do with him but I'll let you in on a secret. Tonight when I talked to him about the Royal Commission, he couldn't recall that David worked for him on the Royal Commission. (Laughter)

And let me tell you why. I didn't tell him why. But I'll tell you why. My job was to look after a bunch of studies in International Economics: Canadian commercial policy, export trade, and import trade. David was assigned a couple of tasks by Bill Hood. One was to study Canadian imports and import policy. That was right at the heart of what I was responsible for. Bill and I both learned early that economics was really about the gains from trade. That's all I learned and I've never forgotten it. So I figured, well maybe Bill Hood hired him and got him on his payroll, but I may be able to use some of his time. As it turned out I used enough of it that Bill Hood has forgotten that David was supposed to work for him (laughter).

Now David and Bill and others on the commission were professors. There were all professors. I don't know why but I had a lot of respect for professors at the time and I personally was involved in hiring six of them. They were all good and I'll tell you that it's odd how this world works. Sitting right at this table in front of you, one, two, three, four, there were five of us who were in the Department of Finance in the first half of the 1970s. I like to think and say that we had the best; this is with respect to Ian Stewart, because you had a pretty good shop yourself. But I think I had the best group of people in the Ministry of Finance in the history of this country. And half of them are sitting at that table.

Going back to the Royal Commission for a second. David was a tremendous asset to me in one of the critical problems that turned up in that Royal Commission. Bill Hood will know all about that. And so will others. I got into a real row with the chairman of the commission, a man by the name of Walter Gordon, who was a nationalist and a protectionist. And he hated Americans. My job was to get a job done on Canada/U.S. economic relations and another book on commercial policy. Walter didn't like how my books were coming out (laughter). They were books that had respect for economics and economic thought, all about the benefits from trade and all that stuff. And they were pretty good books written by good people and I had a supervisory role and wrote some of them myself.

And Walter, at a critical point, said to me, I don't like that book on trade. He was thinking particularly of Jack Young's book on commercial policy because it was leaning very hard towards promoting free trade. It emphasized in good solid quantitative terms the cost to Canada, the cash cost to Canada of the tariff. It was an original contribution as a matter of fact. And he said I'm not going to publish that as part of the Commission's

work. I said, 'Well, I'm sorry Mr. Chairman, but I undertook to the people who came to work here with me that if their books were worthy, if they did good solid research and produced good material that it would be published. And I did so really with your authority. And if you don't publish it, I'll publish it even if I have to mortgage my home to do it.'

Walter wasn't frightened easily, nor was I, but he was the Chairman. I was in the humble position of being, I think, an Assistant Director of Research or some such thing. So I had wandered around among the professors of the staff of the Gordon Commission to determine what side they were on if it came to a vote (laughter). Not that it would ever come to a vote but I had damn good support from almost all of them. And I won't tell you who I didn't get support from. He's no longer in the land of the living so it doesn't matter that much. But among the group was Bill and David and, of course, Jack and Irving Brecher and others whose names don't come readily to mind.

It was not easy in those days to take on somebody like Walter Gordon because he was a pretty formidable character. Apart from the fact that he had lots of money, he had tremendous political connections. You may recall he financed Mike Pearson into politics and into the prime-ministership. Anyway, Walter said he didn't think it was a good book and that he was not going to publish it because it was not a good book. In his view it was not a book that truly reflected Canada's interests and the significance of our international trade or welfare.

And I said, well, I happen to have a bunch of good professors right on your staff who you agreed to hire and almost to a man they'll tell you it's a pretty worthy piece of work. Well anyway, the long and the short of it is that he got me to agree to bring in a man by the name of Maurice Lamontagne, who at that time was a professor from Laval University, close to the Liberal Party but a good professor, a good man. And he was given the task of reading that text and making a judgment as to whether it was worthy of being published. He came to the conclusion that it was worthy of publication, rather reluctantly I must say, because his instincts led him in another direction. If you look at that book, and it's on the shelves, David had a good deal to do with much of the stuff in it. Walter Gordon had a preface in which he said, 'I'd been compelled to publish this. It's not a good book. It doesn't reflect Canadian interests.' (Laughter)

But I do want to say this, that if you want to know who won that fight, remember that we did enter into a free trade agreement with the United States not so many years ago. Walter was still alive at the time and I remember meeting him on the plane and he said, 'you know, you're wrong, but you won.' He was a gentleman. For those of you who knew him and remember him he was a gentleman.

Now, I kept a friendship with David after the Gordon Commission. We met from time to time but we didn't work together much. It was many years later, I guess it must have been about 1972, when I had the good fortune of discovering that David had decided to leave York University where he was President. I caught him just at a time when he was free. I didn't waste much time and got him to come and join the Ministry of Finance and

to work with Bill Hood. These were the same sort of people who were on that Gordon Commission.

I want to tell you a little story, just a short story (laughter) about that occasion. John Deutsch's name came up several times this evening. I think he was a colleague of David's. I'm not sure, but I think he was Principal of Queen's University when David was Dean of Graduate Studies. Moreover, John Deutsch was the Chairman of the Economic Council of Canada. Some years later David Slater was also Chairman of the Economic Council. So it's a small world in that respect. I think Bill Hood will remember this. John Deutsch was giving evidence before a joint Senate Committee on economic management in Canada and the institutions we had to deal with this issue. There was a senator by the name of Senator David Croll. When I was testifying, he said we've received evidence from John Deutsch, who had recommend that Canada appoint a council of wise men to look into economic matters and advise the government.

When he was asked what about the Department of Finance and the people they have, he very quietly said they're very busy people. They've got budgets to prepare and they've got the finances of the country to look after and really they haven't got time to be all that wise (laughter). You really need wise men. It wasn't a nice thing to say really, but he said what do you make of that? And I said that the Department of Finance may have been a bit like that when John Deutsch was there. But he was out of date and he didn't know about the kind of staff we had, the professors and all. Croll retorted that Deutsch had been the Deputy and consequently knew about all the difficulties there are in doing longer-term work and doing serious studies when you've got the day-to-day responsibilities. And I said, well first of all, he was never Deputy Minister of Finance. And secondly, he simply doesn't know all the sorts of things we do now. Well, I got away with that. I remember Bill Hood saying to me, 'you know that wasn't a very nice thing to say to John Deutsch. After all, he was your boss'.

Pat: Thanks, Simon. Our next speaker is David's old friend and colleague Ed Neufeld.

Ed Neufeld, former Assistant Deputy Minister of Finance and colleague of David Slater

What a wonderful occasion this is! I, of course, endorse without any qualification the tributes to David that have already been made. There really is something special about an opportunity to recognize a friend's long achievements, his contributions to his profession and to his country. I want to extend my congratulations to Pat and to Andrew for really spearheading this occasion in terms of this evening and in terms of the Festschrift. I want to thank them for having given some of us an opportunity to show our deep respect for David by contributing to the volume.

Now, I thought when Pat and Andrew had asked me to speak that I'd been very polite to them. I'd said yes and I thought they were very receptive and then they go on putting me after Simon Reisman (laughter). Bill had said earlier on that you know if he had to speak after Simon, he'd rather not speak at all.

I have known David a long time. I started my own teaching experience at the University of Toronto in 1955 and at that time some of you here will remember the academic community of economists was not very large. It was not at all unusual for David and I to cross paths at conferences, conventions, and seminars. Of course, the fact that he had an interest in money and banking and monetary economics as did I, and Bill, meant all the more that we knew what we were doing professionally. David's enormous contribution to the *Canadian Banker* over the years was one of the reasons why I knew so much about him.

It was in the Department of Finance in the 1970s that I became a working colleague of David. It was there that for the first time I discovered what I think is one of David's really outstanding characteristics: his dedication to the profession. It is a characteristic that I have found most admirable over the years. I'm really referring to his infectious enthusiasm for whatever policy issue he was at that moment working on. It was as if he really believed it was true that those policy issues were very important and that they deserved serious attention. He was able to express this always with very good humor.

I asked myself recently whether I'd experienced that sort of enthusiasm for policy issues before. I wondered really where it was and it did occur to me that I had encountered it as an undergraduate at the University of Saskatchewan in the classes of Mabel Timlin, George Britnell, Vernon Fowke, Ken Buckley, Norman Ward and even in his own way, Archie Reid. I'm sure that most of you have never heard of these names, and that is a pity. They were great teachers.

David, as you know, was born and raised in Manitoba. He did his undergraduate work at the University of Manitoba. I can't help but thinking that maybe this enthusiasm for policy, a feeling that it did matter, was a characteristic of the professional academic economist of the West at that time.

I have no doubt (as others have said, particularly those who had him as a professor) that he has passed on this enthusiasm for policy. It's important to the many young practicing economists who are working today. David of course has no fear in addressing new challenges and issues in his career. His professional record (which some of you have seen) is testimony to this. You will recall that he went right from the University of Manitoba into the Canadian Army. I guess that there are some of you here this evening that can recall personally that period of our history. He went overseas as part of the Western European Campaign. He was mentioned in dispatches. It was after all that that he started his professional career back in Canada.

I wondered whether his readiness to face without fear any challenge was partly influenced by the feeling that if he could survive what he experienced in Western Europe during the war, he could survive anything. It was maybe also his experience in the war that enabled him to get out of trouble from time to time. And emerge from it running and with undiminished drive. And what a drive it has been. Those of us who have known him all our lives can only look at it in admiration. Queen's University to the University of

Chicago to York University, the Government of Canada, Royal Commissions, committees, councils and directorships all in his own professional lifetime. And, in addition, he carried out a stream of very thoughtful policy research. I want to say to you David, thanks for everything from this grateful Canadian and the warmest best wishes to you and all your family.

Applause

Pat: Thanks very much Ed. Ed also was one of the contributors to our volume. He has a piece on the recent financial institutions legislation. I think it might be one of the most controversial pieces in the volume. When you read it, you will see that Ed still has very sharp teeth when it comes to criticizing the Government. Our next speaker is Steve Handfield-Jones who was David's immediate boss in the Department of Finance and also my boss. It's a real pleasure to have him here to speak.

Steve Handfield Jones, former Assistant Deputy Minister of Finance, friend and colleague of David Slater

What a delight to spend another wonderful evening with David and Lillian! Andrew picked up the key word of my address. He talked about balance. David's sense of balance has been one of his most remarkable qualities. I'm not really talking about physical balance although I do remember that he did not fall down when I hit him on the head with a squash racket (laughter). It's more the way he has balanced the two cultures: the academic culture and the bureaucratic culture. It's not easily done.

One of the best phrases in the business world these days is the war for talent. It happens to be the title of a recently published book, which was co-authored by my daughter. Simon and others have hinted at it tonight. We at Finance were warriors in that war, 30 and 40 years ago. We sought out the best and brightest graduates of Canadian universities and brought them in. They made tremendous contributions at Finance and throughout the Canadian public service. But there were adjustment problems. We had considerable difficulty persuading some of these wonderful new PhDs that ministers didn't really want to read a PhD thesis. They wanted something a little shorter. I used to quote to them a memorandum which was sent by Winston Churchill to the Chief of the Admiralty in 1914 which read, 'please put forth, on one side, on one piece of paper the steps you have taken to ready the navy for war.'

David didn't have that problem. David could move seamlessly from one culture to another, from writing an article for an academic journal to writing a memorandum for the Minister. It was a tremendous gift and it was one of the reasons why he has contributed so widely to our well-being.

I also have to tell you about the wonderful times which my wife and I had with David and Lillian during our holidays at Grey Rocks. David's idea of a perfect day at Grey Rocks went something like this: after a good breakfast, 18 holes of golf, followed by a swim before lunch, five sets of tennis after lunch, followed by a good splash in the lake, then

after dinner two or three rounds of bridge followed by dancing, or was it the other way around? Isn't that a well-balanced approach to reality? At least in one sense of the word it is. David, thank you for all you have contributed to Canada and thank you for your friendship. And I wish you and Lillian many happy balanced years ahead. And do remember, from here on, it gets easier each year to shoot less than your age. Thank you.

Applause

Pat: Thank you very much Steve. I'm going to depart a little bit from our routine to reach into my pouch. David was famous for the way he used to mentor young economists that came into the Department of Finance. He even brought a few of them into the department himself. One of the young economists he brought into the department appeared dressed in a Mao suit. Or maybe it wasn't a Mao suit but black Viet Cong pajamas he wore for awhile. This young economist took both the government and the business world by storm. David, I think you'll remember who he was. You were a friend of his father.

That person was Ed Clark, now President of TD Bank. He has sent a letter or a testimonial to you that he wanted us to read. He talks about the instrumental role you played in his career, how you helped him get started, how he was always inspired by your enthusiasm and wisdom, and how you helped him get along in the Department of Finance. I'll give you the letter to read.

We tried to get some other testimonials. One just arrived today. Here it is. You served under a lot of ministers. We couldn't track down any of them. I believe that you served under John Turner, Donald MacDonald, Jean Chrétien, and Allan MacEachern. Are those the right ones? In any case, we had to find a substitute so we got Paul Martin (laughter) to write us a little letter. Paul Martin says:

I'm writing to extend you our best wishes on your 80th birthday. You have much to celebrate on this momentous occasion. Your long and distinguished career as an academic and public servant are a tribute to you. I wish to take this opportunity to thank you for your service to the Canadian Government and in particular to the Department of Finance. I wish you continued health and happiness. And I hope this birthday will be a most enjoyable one. (Applause)

Moving along in our tour of David's career, we come to the Economic Council days. This is where I think David may have been most in his element—discussing, debating and encouraging others to do research across a wide range of Canadian economic issues. He served as an inspiration to a generation of younger economists. I think there's a table of them over there. Table 10 is from the Economic Council. You'll see they're not so young anymore.

We had hoped to have Sylvia Ostry here tonight. Unfortunately, she had to go to Washington for a board meeting of the Institute for International Economics. She asked me to read this:

I'm truly sorry not to be present to honor my dear friend and former colleague David Slater. Our friendship and working relationship go back a long time. Happy days when the Economic Council and first class research were highly valued in Ottawa. Remember? (Laughter) Give him a big hug and a kiss. I'm allowed this because of my gender. (Applause)

David revealed to me the secret of his success one year when he called me in to work for him at the Economic Council. I got to sit in on Council meetings and see his style, which very much impressed me. I had seen him function as a bureaucrat, but I learned the secret of consensus building at one of the Economic Council meetings. After everybody was done disagreeing and arguing all around the table, David simply summarized what he saw the consensus to be. It seemed to bear a remarkable similarity to his own views on the issues (laughter). But nobody protested.

The next old friend and colleague we're going to have up to talk is Ted English. Ted, you wanted to say a few words. The Slater grandchildren are still awake so we haven't put anybody to sleep yet.

Ted English, Professor Emeritus of Economics, Carleton University and colleague of David Slater

I appreciate the invitation, but I wish it had have come earlier because I'm getting old and sometimes a little absent minded, like maybe two-thirds of the time. I certainly don't forget David though. Nor do I forget my learning experiences. I'm a British Columbian who came to Ottawa to live and work. I remember very much the period of the Gordon Royal Commission and the fact that David and I did have connections in the efforts of that research activity. Of course, on many other occasions we also crossed paths. Coming from Carleton University, I'm particularly glad to be able to speak tonight. We at Carleton have a very strong friendship toward Queen's, which is really not a competitive relationship but a true collaboration. We're still well informed on developments at Queen's because we have our son and daughter-in-law living in Kingston who both have connections with the university.

Much that has been said and I agree with most of it. I also appreciate being asked to come up and bring this message from Carleton that there are many ways in which we see our relationship with Queen's as not simply a competitive relationship, but as a chance for true fellowship. Thank you.

Applause

Pat: We're getting to the bottom of the batting order here. We have as our next speaker, Katie Macmillan. She was a young economist whose first job was at the Economic Council when David was Vice-Chairman. She doesn't look that old, but she's known

David for over 20 years. Katie, do you want to come up and say a few words about David? Also, I should say she worked closely with David at the Ottawa Economics' Association over the years.

Kathleen Macmillan, trade consultant and former colleague of David Slater

I'd also like to thank Patrick and Andrew for bringing us together. Tonight, we take special joy in the personal and in an opportunity to get together and celebrate the remarkable life and many accomplishments of our dear friend David. Thanks to both of you for giving us this opportunity.

I know Patrick has already read a couple of letters and telegrams but I've got a couple of my own to read so I hope you'll bear with me. Now, I'll begin by saying that no meeting of economists would ever be complete without a telegram from Adam Smith. And it begins as follows:

As you know David, I have struggled throughout my career to arrive at a theory of value. A value in use, a value in exchange, it's all been very perplexing to me. But as I observed in the first volume of *The Wealth of Nations*, every man is rich or poor according to the degree in which he can afford the necessities, convenience and amusement of human life. Now, I realize on reflection that I was wrong on two counts – first of all there is no such word as necessities, and secondly the measure of whether a man is rich or poor depends not on his financial wealth but on his accomplishments and on the esteem that he is held by his friends. And by that measure David, you are very, very rich indeed. And, oh yes, in developing growth theory I also provided for some of the theoretical underpinnings for what Mill, Ricardo and others later claimed to call the stationary state and I can only observe that you certainly failed to grasp that concept in the way that you've run your own life. (Laughter)

The next telegram has been co-signed by the last seven presidents of the Ottawa Economics Association. They say:

Best wishes on your birthday David. We would like to take this occasion to thank you for your unfailing good nature, in agreeing to perform the thank you duties for every single Ottawa Economics Association speaker that we have had for the last 10 years. (Laughter) Despite the fact that you step up to the podium month after month your thank you remarks are always very eloquent and refreshingly original. And it's really remarkable how you do it. So, to commemorate your birthday, we would like to offer you the opportunity to attend one luncheon in the upcoming Ottawa Economics Association season. And simply eat your meal and listen to the speaker like everybody else. (laughter).

The third telegram comes from the repair shop at the Olympic Sport Shop on Bank Street in Ottawa.

Happy birthday, Dr. Slater. We would like to advise you that we have completed the re-stringing of your tennis racket and we note that it's the fourth time that we've done it in the last eight months. We really appreciate your business, Dr. Slater, but we would like to point out to you that if you took it a little less hard on your opponents, you wouldn't need to visit us quite so often. (Laughter)

The next telegram is from John Maynard Keynes. It begins:

Dear David, I've got a rather bad name in certain circles in recent decades but I always felt that you and I always understood each other quite well. Well, heck, you were one of the only ones who plowed through both volumes of Skidelsky's biography of me. And most readers abandoned me in my early Cambridge years (laughter). Your delight in economics arises not from its theoretical intricacies but in it's potential to improve public policy making. I dare say Canada is a better place because of it.

The next one is from the head pro at the Royal Ottawa Golf Club. It reads:

Best wishes for a very happy birthday, Dr. Slater. I also appreciate yours and Lillian's continuing business and I hope to see a lot of you in the coming year.

And the final one is from a former colleague at the Economic Council of Canada. And she writes:

You probably don't remember me but at the ripe age of 22 I had a summer job at the Economic Council when you were the Vice-Chairman. I was truly the lowest form of life in the place at the time; in fact they didn't even have an office for me. I had to sit out in the hall. Now, while you might not remember me, I certainly remember you. You had all the time in the world for us youngsters. You would stop and chat with us, you would ask us about our work, you would remember to bring us articles the next day that you thought would interest us and you would remember what we had talked about the previous weeks. Your encouragement meant the world to me. And as I've gone on in my field I can say that I've met many, many economists in Canada who could say exactly the same thing about you. As a legacy it's pretty hard to beat. Now, let me bring you up to date on what I've done. I've aged a lot in the last 20 years, I daresay not as much as you. I have my own office now. Oh yes, and I married that guy Macmillan. You know the one who had to walk by my desk on the way into his own office. Both he and I have many happy memories of the Economic Council and foremost of those is our wonderful friendship that we've had with you. How lucky we are. Happy birthday and God bless. Applause

Pat: Thank you very much Katie. David is going to make a few remarks himself. But before he gets up here, I want to dig into my bag here and see if I can find some more

stuff. I see a letter that was written by someone that David used to work with at the Department of Finance, and I wanted to make sure that we didn't forget him. It says:

Dear David: Aline and I would like to offer you our warmest congratulations and best wishes to you as you celebrate your 80th birthday. On this momentous occasion you may look back at your remarkable career with pride and satisfaction. For many years you served the people of Canada with integrity and distinction. Indeed, as Minister of Finance I was always impressed by your dedication and commitment to public service and to making Canada a better place in which to live. Your example is a reminder that public service is an honourable calling. Please accept our wishes for a most enjoyable celebration and continued health and happiness in the coming years. Sincerely, Jean Chrétien. (Applause)

So now it's your turn David to come up and say a few words. And I won't use the hook on you. You have a special prerogative to talk as long as you like.

David Slater

I won't keep you very long. It's a late evening. I want to thank you for the honour of participation in my 80th birthday. I especially want to thank Andrew Sharpe and Patrick Grady who organized the Festschrift, and this gathering, this wonderful gathering. I am not a great scholar, but I love and admire scholars, particularly of Canadian life. This book of papers in my honour is a fitting treasure for me. I thank all the authors and editors who contributed to the book.

For the most part I had a very lucky life- far longer and more satisfying than I hoped for. There were a few rough patches, but probably less than for most people. In any case, they're not to be dwelt upon.

My greatest debts are to my mother and to my wife. My mother was a Scottish immigrant to Canada before the First World War. Her father had died when she was young. She had a grade six education, but she was intelligent, a great reader and devoted worker for good causes. I picked up my love of good causes from her. She spent a significant part of her life on my upbringing, probably less so than for my two sisters.

Most of you know my wife, to some known as Lilybell, to others Tiger, and to others simply as their friend and colleague Lillian. She's been a loving wife and companion already for nearly 55 years. She managed a family and supported me in many of my ventures and chores. She was the treasurer of the family and of countless other organizations. In addition, she trained and operated as a voluntary docent at the National Gallery of Canada for over 25 years. Some of her art appreciation even rubbed off on me to good effect!

Lillian and I were exceptionally lucky to have four smart and loving daughters, Caroline is here tonight. Caroline's husband Steve Montague, my granddaughters Erin and Katie

are also with us tonight. And I appreciate that very much. Barbara is involved in a family wedding in South Africa and Gail came recently down from England to visit with her mother. Leslie is here and I'm thankful for that. And she's tending her mother.

A Few Words on Posts

The first work that put me "on my way" was wartime service in the Canadian Army Overseas. I was blessed to be thrown in with half a dozen good officers. It was at times demanding though not very heroic work. It was the first time that I did a man's work full-time and I held up my own end.

The most important work for 21 years was for Queen's University as you've heard tonight. First as a student, after the war, and then for a couple of years as a junior instructor in economics, and later 18 years through the ranks. When I first studied in Manitoba my fellow students talked of Queen's as a real University. After the war when I chose Queen's and Macintosh, my father suggested that now I might amount to something. Knox, Curtis, Macintosh, Corry, Mac Urquhart, the Registrar Jean Royce, and first Principal Wallace were the most memorable of my mentors as a student and junior instructor. Later when I came back to Queen's I would add to the list of most important colleagues Gideon Rosenbluth, David Smith, and John Deutsch.

In between the two times I was at Queen's I did graduate studies at the University of Chicago and spent a couple of years as a junior teacher at Stanford University. The staff at Chicago was wonderful. Many of them already had worldwide reputations when I was there. More than that, they were available and they worked hard at their teaching. The flavor of the place was captured in the memoirs of Milton and Rose Freidman, *Two Lucky People*.

The economics department at Stanford was well on its way to eminence when I was briefly there. It was a joy to see a school on the way up. After that, I was lucky then to get a chance to join Queen's for a regular appointment, Canadian academic appointments being scarce in those days.

As you've heard tonight, I had a stint on the research staff of the Gordon Royal Commission. Although I did not agree with Gordon's policies, we became life-long personal friends. My favorite memories of that time were Doug Lapan, Bill Hood, Simon Reisman, Jack Young and Tony Scott, whom I greatly admired during all my working life.

Three major influences stuck with me for my time at Queen's. I learned the difference between excellence and mediocrity. Second, I learned to contribute to Canadian public policy by the example of the Queen's staff. Third, I learned the blessing and joy it is to be a teacher of good students, like Ian and Gail Stewart, Allan and Ann Green, David and Chris Dodge, Bob Jenness, John Baldwin and Sally Wilson, who are with us tonight.

External Activities

Following the Queen's tradition I participated in many external activities. I was very active with the Canadian Association of University Teachers, both at the university and nationally. I had the pleasure of working closely with Bora Laskin, who some years later persuaded me to have a turn as President of York University. Despite the support of Pete Scott, then Board Chairman, and many good colleagues I was not very successful at York University.

Before that post, I was a member for a half a dozen years of the Ontario Committee of University Affairs where my interests in postsecondary education were very much broadened, particularly by Doug White, Ed Stewart, and Leslie Frost, and Reva Gerstein.

I was also a member of the Canada Council, which added to my interest in the arts, even to the point of studying economics of the symphony orchestra. I was fortunate to have a term as Director of the Bank of Canada where I absorbed some of the skills of Lou Rasminsky, Gerry Bouey and Bill Lawson.

To the Rescue and Government Service

To finish up, after my time at York University, I was rescued by Bill Hood and Simon Reisman with an appointment to the Department of Finance. Their help and that of Steve Handfield Jones, Ed Neufeld and John Sargent led to a happy return to professional work. I particularly enjoyed the OECD representation work for Canada in association with Ross Wilson and Bill White from the Bank of Canada. At Finance, I worked closely with Kathy Bouey with whom I worked again at the Economic Council and again when she became a senior official with the Government of Ontario.

Good fortune struck me again when that incredible innovator and enervator, Sylvia Ostry recruited me to the Economic Council of Canada. She left for the OECD and I became Chairman for several years, partly due to the intervention of Fred Drummie. I am thankful for the opportunity that Sylvia gave me and for the pleasure of working alongside her for a short time. I greatly enjoyed the work of the Economic Council, with a wonderful group of colleagues.

Finally, after retirement from the Economic Council I turned to task forces for the Government of Ontario – one on the pension system for teachers and public servants and one on the crisis of property and casual insurance system. I worked with Kathy Bouey on the first and with Deborah Coyne on the second, both bright and hard working women. I fixed up the pension system for Nova Scotia teachers. After that I filled my life with many volunteer activities, probably far too many.

You can understand why I say that I had a very lucky life, filled with the pleasure of working with many wonderful people. I thank you all.

Applause

Pat: Thank you David for allowing us to share this, your 80th birthday and being such an inspiration for all of us. You've touched all of us in so many different ways. It's just so great to be here with you to share this. I'm sure you have many more contributions to make. And we look forward to working with you on them. I'd also like to thank all of you for coming here to pay tribute and to celebrate with David on his 80th birthday. Without the support that we've gotten from all of you and from the various government departments that think so highly of David's work this wouldn't have been possible. So, thanks very much.