

Standing Committee on Finance (FINA)

Pre-budget consultations 2012

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Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

Require natural resource companies to pay fair royalties and invest these billions of dollars in accessible education, health, science, environmental conservation, infrastructure maintenance and culture. This would result in economic stability in the future even if corporations were to attempt to cloud the issue by scaring the state. If companies leave Canada, the state can replace them, thus saving and creating jobs and giving back 100% of the profits to the people to whom the resources belong. Tourism and culture will be important economic drivers in the future. It would be dangerous for the planet if a country's economy were to grow by leaps and bounds. We have to focus on balanced growth and not on blind growth dictated by the rules of the global market, which, quite obviously, is already leading humanity to its perdition. Money is a medium of exchange, not a "driver". Those who advocate for exchange advocate for balance.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Never expect corporations to create jobs for the people of a state. The state/ aid – corporation/employment – people/consumers triangle is extremely dangerous in the long term. Labour is given a rough ride by the market. Employment must be provided based on the requirements of the primary, secondary and tertiary sectors, on a sustainable basis, and according to the needs of the population and basic exporting. If the private sector does not carry out this role with fairness, the state must encourage local free enterprise that focuses on needs, or the state can become the employer, if required. This may seem risky in terms of the market, but it is necessary for society. In that case, the government must be driven by a real social contract by which it is bound to ensure the well-being of the people without relying on capitalism, which may be a basic tool but should not become a tyrannical system to which even heads of state are subservient.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

We need to encourage young people to meet operational needs in the three sectors (primary, secondary, tertiary) to ensure at least the necessary minimum. Thus, government measures should target accessibility of education that meets needs while continuing to provide the broadest possible range of knowledge at post-secondary institutions. If Canadian youth cannot meet minimum needs, we have to put in place a foreign credentials accreditation system that would help integrate certain immigrants into areas where the labour shortage is most acute, and we could attract those workers in particular. As private or corporate citizens, we should have no qualms about paying more taxes when we

know that our money, when well managed, is part of the social and thus the economic investment. We need to have proof. Additionally, we could create a category of “useful” retirees who would mentor youth and not force anyone to remain on the job upon reaching the legal retirement age. The changeover/turnover would be less abrupt and the labour market could adapt to the transition.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada’s population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

It is urgent that we gradually replace the credit based on promised value with the credit based on guaranteed value, and limit financial or administrative intermediaries in order to eradicate speculation in economic sectors that are vital to the country. When the needs of Canadian consumers have been met, remaining resources could generate profits for the government and, consequently, for the population through its services. If Canada were a bank, it would make billions in profits with nothing. However, since Canada uses banks as intermediaries, a large part of financial investments are lost. We could be “members” of Canada, which could be similar to being a member of a co-operative. In the current economic playing field, states are increasingly viewed as mere players, often minor ones, in the corporate arena. Canada should become a major corporate player or it should be removed to some extent from the market. Productivity is a statistic that should be analysed to determine where investments are really lost because resources are really exploited, people really work and transactions actually take place. If it is not enough, we are either living beyond our means, or the money is poorly managed.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

The main characteristic of social life is the presence of organized or traditional cultural events. It would be helpful if mechanisms were established to provide incentives for corporate sponsorships or economic support for communities or artists, for example 50/50 arrangements. The state would promise to pay 50% if the partner puts up the other 50%, and in the end the latter would receive tax credits. Thus, the state would be responsible for more than the 50%, but it would know that the projects are legitimately supported by the community. In the case of some sectors that do not receive support and are considered vital to the cultural health of society, the state is the sole option, and the sector should not be subject to market rules. This should be the case for state telecommunications. It is urgent that we completely rethink Canada’s actions with respect to aboriginal communities. Aboriginal peoples must be free citizens in terms of culture and territory, and essential partners in all cultural, economic, local, tourist and philosophical projects in society. They must be viewed as stakeholders whose advice is vital to the harmonious social and economic development of Canada. Next, being a francophone in Canada gives rise to certain expenses that must be minimized by the state if it wants to have cultural richness. If Canada does not contribute, Quebec will continue to do so, putting federal unity at risk. Unfortunately, it seems to us that we are playing by the rules of a game that we already know we have lost at the international level. The social contract must change and the economy must be based on the reality of tangible exchanges instead of on too much speculation. That may seem detrimental, but the speculators’ billions of dollars will remain with the states and their citizens. To tell the truth, it would be less costly, the return would simply be fair and proportional, and society would be the winner. These changes must be made with the acknowledgement and co-operation of the entire western world.