

## Standing Committee on Finance (FINA)

### Pre-budget consultations 2012

## Doug Fischer

### 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?*

All governments around the world seem to have fallen into the same trap. They have increased their public service remuneration, employee benefit packages and pension plans to levels that are at present unsustainable. What's most alarming about this however, is the adverse economic affect that this tax payor generosity sets in motion. Notwithstanding the usual argument of "fare wages", when the best and brightest minds are lured into public service by comparatively high total compensation, the resultant loss to private sector innovation, creativity and new wealth creation is detrimental and counter-productive to economic growth in a competitive environment. These comparatively high levels of public sector compensation must be reduced and brought into line with what average Canadians know is fair and are willing to accept. The existence of a so-called "sunshine list" and its hyper-growth of late is deplorable but also a symptom of the problem.

#### 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?*

The Feds should do all they can to enhance and support education and job training to keep our workforce competitive and motivated. Regulated banking is a big reason why we are not quite in the same situation as the States and Europe but we need to be more vigilant and demand clear accountability from banks and insurance companies so abuses don't occur here like have occurred elsewhere. Make strong international deals that can't be easily withdrawn or bartered away like the auto pact.

#### 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?*

Immigration is tempting but too easy and fraught with problems. Develop financial incentives to support and grow the nuclear family from within our borders.

#### 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?*

Again, reduce the size and cost (labour) of government. This would encourage the brightest minds into the private sector where innovation, creativity and new ways of doing things would flourish and foster the creation of new wealth and growth. Implement and foster a strong work ethic from within

government ranks and let that be an example for the public to follow to improve productivity.

## **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 most challenges are being faced by the working poor and the middle class. Unemployment is an ever present threat to their livelihoods and lives. The gap between the rich and poor is constantly growing and this must stop. Taxation must change to support those who are working and demand more from those who can easily afford it. The ultra rich have said over and over, they collectively would not mind to pay more tax, is government not listening? Job creation is of course the hot topic, but do not be tempted to just throw money at it by creating more public sector jobs which creates deficits and debt and has proven time and again to fail long term. Make large corporations more accountable for their corporate governance. They talk a good game but we need better leadership behaviour. Force them to act responsibly with financial incentives and deterrents that have legislative teeth. These types of initiatives and more, will filter through in a positive way to meet the challenges of today and stand the test of time.