

## Standing Committee on Finance (FINA)

### Pre-budget consultations 2012

## Kelly Stalder

### 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?*

I believe that you need to stop giving industries and businesses tax breaks. We have one of the lowest taxation rates for business in the G8. This low rate was designed to encourage businesses to invest in Canada thereby giving back to the economy. Unfortunately this has not been the case. Many industries are not investing in research and development but instead are sitting on the money that you have put back in their hands. They aren't expanding because they are nervous about what the future holds. If we are to continue giving industries tax breaks then it must come with strings attached. They only get breaks when they can demonstrate that they are putting money back into developing and expanding in Canada. Without these guarantees, Canadians do not get to benefit from these government hand outs. I also believe that we need to invest more money in helping the working poor and those who unfortunately are living on social assistance. Those Canadians with higher incomes continue to be able to take advantage of tax breaks while those with lower or fixed incomes are asked to make do with less. The divide between the rich and the poor continues to expand creating a have and have not society. This inequity needs to be rectified.

#### 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?*

Please see some of my suggestions from question number 1. I also believe that we are in a sad state when it is easier to import things from the U.S. and abroad then it is to import things between provinces. We also need to stop dumping cheap foreign goods into Canada. Free trade does encourage Canadian companies to become more competitive but at what cost? Things like universal health care and a decent living wage do not exist in some of the countries where we get our goods. Once again you need to look at the big picture not just the bottom line. A Canadian company will never be able to produce products as cheaply as a country where people are expected to work for what basically is a "slave wage". Why try. We can protect Canadian companies by putting reasonable tariffs on countries who support these type of working conditions thereby leveling the playing field.

#### 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?*

You need to look at creating programs where young people are able to invest the time learning a trade while still being able to make a decent wage. When a person is spending time being an apprentice they are currently making very low wages. This is very unappealing to a young person. Often they can make better money working at a lower skilled position which does not have a future. Yes young people should be able to see that in the long run they would make more money if they spent time learning a trade but

sadly we live in a society where instant gratification is the norm. As a government put your money where your mouth is. Make it financially appealing to be an apprentice and you will get more people training. You should also make this type of financial assistance available to Canadians who need to find a better job in the work force. Isn't this a better use of money in the long run then paying someone to take a minimum wage job just to get off social assistance? Sometimes the right fiscal decision is more costly in the short term, but pays higher benefits in the long term. Sadly with the way government is set up in this country, I fear that making these types of decisions are unsavory because people reward the political party that makes you pay the least amount in taxes. Creating a society where people are well educated requires a financial investment and a vision.

#### **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?*

People need security and job satisfaction. Employers want to pay the lowest wage with the least commitment. Contract work where there is no security or benefits only benefit the employer. People function better when they know there is security. Unfortunately the atmosphere in the work force is turning into an "employer vs. employee". Instead of working together with their employees to create the best products or the greatest development, companies are battling their people into accepting wage and benefit cuts to help better the bottom line for their investors. In the short term this philosophy may work but in the long term, it is destined to fail. The rise of trade unions in the last century were a direct result of this type of scenario. As a federal government, you need to help uphold and strengthen existing labor rights in order to keep a balanced playing field. Employees who feel undervalued are not as productive or creative. Companies who treat their employees better have higher levels of productivity and lower rates of absenteeism.

#### **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?*

Your job as a federal government is to insure that all Canadians are treated fair and equitably. I believe that there are many different challenges facing different groups. Specific programs could help support refugees and other new Canadians. Social assistance for those in our society facing financial challenges are also important. Having a strong national voice through the CBC is absolutely imperative. It is one of the only ways that Canadians from coast to coast to coast are connected. They question and challenge politicians from every political party. They can do the same for business and industries in this country too. They speak for the people not for the company that owns them. They need to receive stable funding so that they can continue in their apolitical role. The CBC gives every group in Canada that has challenges a voice. When people haven't got a voice, they haven't got any power. We need the CBC!