

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?

Continued the push to downsize of federal government, to not do anything that the Provinces could do alone without federal subsidy, as there is still a duplication problem. There must be a concerted drive to reduce federal spending, so that taxes can stay at current overall levels for the longer term. The Canada Health Act needs to be amended to allow full private Medicare. It is a violation of rights, and the change would unleash much economic growth and foreign investment into Canada. It is a policy rule that has hurt the country, and a mere change of the rule, could break the dam that is holding back national growth. Develop a national strategy to highlight the need for the Provinces to cooperate to work on developing one true national economic zone within Canada. The federal government needs to take a strong hand and leadership role in pursuing the goal of eliminating interprovincial barriers to the movement of goods, capital, and labour. It might even take a Constitutional amendment that says, any law or regulation that is designed to limit interprovincial trade (goods-capital-labour), be unconstitutional and unenforceable. There needs to be struck, a high-powered working group within Finance, to discover all the federal subsidies in the economy that might have a distorting effect upon the market. The assumption is, that in the long run, the market is fairer and more effective for the overall economy, to reallocate. The market is better than the mix of subsidies and taxes that are intended to reward and protect, or punish and re-shape economic behaviour.

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?

Ensure that E.I. does not have a perverse effect in the economy. Instead of increasing investment into large educational organizations and institutions, rather make those investments more directly to consumers. It is more effective to incentivize workers themselves to for skills upgrading, through a bottom-up process, than to try to foster desired outcomes of productivity and opportunity from the top downward.

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?

The demographic change is coming, but no further CPP and OAS expenditure changes are needed beyond those already announced. The answer for skills shortage is to be found within Canada, by changing the current regime, to make it much more financially worthwhile for companies to train internally their own for the people skills they will need. There are significant social cost drag economic problems with Immigration above current levels, and that option can never solve the problem. The drive for more selective immigration, that includes the separate refugee system, is also needed.

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?

Make Canada one true economic unit. Invest in people directly for productivity, not institutions.

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 cost of Health Care could break the country, if private options are not fully allowed.