

## 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?*

The federal government needs to continue to provide for the growth of both small and large businesses, as well as to encourage foreign business to relocate to Canada. In order to decrease our rate of unemployment, we need to provide for small and large businesses at all three levels of government. Reducing the corporate tax rate would ensure that companies already operating in Canada would not only be able to afford to continue operating in Canada, but would also be able to afford to increase their workforce. In turn, the reduction of the corporate tax rate would also entice foreign companies to establish offices in Canada, further enhancing our status within the G8 and in the global economy. While the "Canadian Economic Action Plan" has gone to great lengths to limit the effects of a global recession on our economy, more action is needed. Increased funding for infrastructure, especially in more remote areas such as Northern Ontario, Yukon, Northwest Territories, and Nunavut would ensure that all areas of Canada would be accessible for corporate growth and job creation. Amongst all other things, restraint is what is needed. It is tempting to spend in order to please special interest groups and disenfranchised voters, however, without restraint the entire population of Canada suffers. Our number one priority needs to be the creation of jobs as well as the reduction of unnecessary spending.

#### 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?*

Canada needs to continue to promote foreign trade while diversifying the types of industry we are involved in. In addition, we need to continue to support the industries in which we are already successful. Foreign trade is the backbone of our economy. However, with the United States as our largest trading partner, we become limited in our ability to generate foreign income and trading relationships. It is essential that we decrease our dependence on trade with the United States. With emerging markets such as China, India and Mexico, we need to diversify and further establish our trading relationships. It is also essential that we continue to foster the growth of our successful industries, namely the manufacturing sector. Given the fact that we contributed a substantial sum to the Auto-Sector Bailout, it is important that we do not reduce funding, but increase funding to this sector. A strong Auto sector will ensure the continued creation of jobs to Canada and the increased status of Canada on the global stage

### **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 aging of the Canadian population is a double-edged sword. We are losing qualified employees in the workforce as well as facing increased costs for pensions which, in turn, is contributing to our unemployment rate. Companies cannot afford to hire new workers while providing for the retirement of previous workers. Providing for seniors is a definite priority in the budget. Seniors have spent their lives contributing to Canadian industry, and should be rewarded as such. We need to balance support for seniors with support for young people entering the workforce. Rising tuition fees have made it impossible for some young people to enter post-secondary education. With employers almost unanimously requiring post-secondary education in order to apply for adequate employment, many are being forced to work for minimum wage, even though they possess the skills that are required to work for more lucrative positions.

### **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?*

Increased funding is needed to develop skills in Canada's youth. While there is an increase in the amount of young people pursuing trades, rather than a "traditional" university or college degree, the government should do more to encourage those interested in this type of occupation. Canadians depend on skilled tradespeople every day. With the aging of the Canadian population, these people are exiting the workforce faster than they are entering it. It is important, while we still can, to utilize the skills of established tradespeople to train and develop future tradespeople. Increased productivity is also needed in the public sector. With recent reports that public sector sick days cost almost \$1 Billion per year, more oversight is needed into how the public sector operates. The public sector needs to be run as a profitable company. Employees in the private sector are not able to take unlimited sick days with no repercussions.

### **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?*

Canadians in general are facing the most challenges. Most of these challenges surround the creation of jobs within our country. As I mentioned before, our primary priority should be for the creation of jobs. Without increased employment, we cannot continue to function as a major economic player on the global stage. To achieve this, we need to reduce the business tax rate. Without making it economically sensible for a company to operate in Canada, we cannot expect a company to want to relocate to Canada or expect someone to establish a new business in Canada.