

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?

Investment in green technology, education, the arts, and infrastructure (including public transit). Cutting red tape for business start-up, and tying tax credits and government investment in industry to job guarantees. If a company reneges, they pay up.

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?

Tax incentives are the most effective tool government has at its disposal regarding job creation. For example, Saskatchewan just ended a film subsidy that was said to deliver \$6 to \$9 of return for every dollar invested. Their decision was imprudent to say the least. The government of Canada must refrain from making similar decisions, and, indeed, do the exact opposite. Invest in industries that offer a substantial return to the tax payer. Arts & Culture is one such area where this sort of investment pays off in spades and it cannot be outsourced to China or Brazil. Same goes for infrastructure (transit, roads, bridges etc), and education. We also must get in the game on the green tech front. Germany, and now China, are beating us, which, I would argue, is a national embarrassment. Oil is finite, sun, wind, geothermal, and tidal energy, are infinite.

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?

Get serious about apprenticeship programs. A good start would be to study Germany's highly successful model. Then get on with it! Invest in education in a way similar to J.F. Kennedy's investment in the space program of the 1960s. Immigration is, at best, a stop gap. We must educate our own in order to be truly, sustainably, successful. Come up with a plan that makes it easier for foreign credentials to be recognized in Canada. Do the same for native-born Canadians as well. It must be easier to transfer between institutions and to have one's credentials recognized (College to University and so forth). End wasteful over-education. How is it that the U.K. can educate a lawyer in 3 to 4 years but it takes, on average, 7 years in Canada? Re-up the federal government's investment in science. The cuts of 2012 have been astonishingly short-sighted. The long-term damage that will be done to Canada's prosperity as a result will be significant. It is not too late to reverse course.

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?

A guaranteed wage, something even conservative economists have advocated for sometime now. Increased investment in Arts & Culture, Science & Technology, and apprenticeships. Creating a climate where investing in one's own education will be met with opportunity facilitated by good government policy. That does not mean tax cuts, that means incentives tied to investment and jobs (conditional tax cuts if you will). That means making it easier for capital investors to incubate new businesses.

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?

Ontario is the economic engine of Canada. It cannot be replaced by the energy sector in Alberta and Saskatchewan. Ontario needs federal help to transition away from manufacturing to a green energy future. We need to get away from the pejorative "hewers of wood, and drawers of water" image of old Canada. Now we're increasingly seen as strip miners who ship out raw product for others to add value to. This has to stop. We must produce value added goods in-country. We must invest in future technology. We must invest in education. We must set aside some of our natural resource wealth in a legacy fund similar to what the Norwegians have done (Alberta's fund is laughable by comparison). This government must stop being a toady of big business and invest in its people. Business is, of course, important, but business does not exist without people, and a healthy environment - full stop. Prosperity is borne of a solid middle class. Without the middle we revert to feudal Europe, which was, you'll remember, rife with almost never-ending war. Surely, that cannot be the Canada the CPC envisions for our country in the twenty-first century.