

## Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

By Christopher Gosselin

### List of Recommendations

- Recommendation 1: That the government Increase basic personal income tax rates on all incomes starting at, say \$75,000, with progressive rates on much higher incomes
- Recommendation 2: That the government tax capital gains (adjusted for inflation) as regular income.
- Recommendation 3: That the government close or severely limit non-productive corporate tax loopholes such as extravagant hospitality deductions.
- Recommendation 4: That the government take action against corporations and individuals using offshore tax havens.
- Recommendation 5: That the government assist municipalities struggling because of the pandemic.
- Recommendation 6: That the government work with provinces, municipalities, non-profits, and co-ops to increase the stock of affordable social housing.
- Recommendation 7: That the government Impose high taxes on sales of housing or farmland to non-residents or non-Canadian citizens to reduce speculative price increases.
- Recommendation 8: That the government appropriately tax the tech giants that siphon advertising revenue from Canadian media.
- Recommendation 9: That the government end all subsidies to fossil fuel production.
- Recommendation 10: That the government cut or pause federal investment in the Trans Mountain Pipeline.
- Recommendation 11: That the government impose extra tax on gas-guzzling vehicles that are not required to operate a business or farm.
- Recommendation 12: That the government increase support for physical infrastructure in Indigenous communities.
- Recommendation 13: That the government increase funding for education in Indigenous communities.
- Recommendation 14: That the government increase funding for restorative justice initiatives to reduce incarcerated populations.
- Recommendation 15: That the government increase support for the C.B.C.
- Recommendation 16: That the government partner with provinces, municipalities, and non-profits in increase safe, quality, and affordable childcare.
- Recommendation 17: That the government increase support for international peace-keeping operations.

## Body of Submission:

Thank you for the opportunity to provide citizen input to this crucial federal budget process to reset the Canadian economy in a more sustainable and socially just direction. There is growing consensus that there will be no return to business as pre-COVID usual. This gives us a once-in-a-generation opportunity to move to a more sustainable and fairer society.

Numbers in square brackets relate to the numbered recommendations.

[1-4, 8] The recently-reported budget deficit must be addressed over the coming years. We need to reverse the decades-long tendency to cut taxes (especially on the wealthy) and now consider increasing taxes on individuals and businesses most able to pay. Given the fact that many Canadians may not be able to return to work for an extended time, we also need to enhance the social safety net to support them through the transition. To that end, I have recommended several targeted tax increases. The rich and powerful need to shoulder more of the burden.

[5] Municipalities have been hard hit by the pandemic. As they are legally prevented from running operating deficits, they may be forced to make severe budget cuts that will affect public health and safety as well as the economic competitiveness of their communities.

[6,7] Housing was a big concern before the pandemic, and continues to be as many are facing eviction in tight market situations. Young families are having difficulty in many markets finding safe and affordable homes in which to raise the next generation. We need to work with all parties to increase the stock of affordable housing. Strong fiscal disincentives, if not outright prohibitions, on the purchase of housing and farmland by non-Canadian citizens or non-residents can help reduce speculative pressures on our housing stock and also help keep farmland more affordable for aspiring Canadian farmers. Changes to capital gains taxation will make housing less attractive as a speculative investment.

[9-11] Climate change is an ever-present and ever-accelerating challenge to the recovery. As a major global *per capita* emitter of CO<sub>2</sub>, we are morally obligated to transition to less harmful sources of energy. It is necessary to remove all incentives to increased fossil fuel production and its wasteful use. Given significant divestment by major corporations in our oilsands as well as the apparent reluctance of major insurers to insure major pipeline projects, we should pause further public investment in the Trans Mountain Pipeline before it becomes an unsustainable stranded asset that diverts investment from more pressing needs over the coming years.

[12,13, 14] Apart from making nice pronouncements, the federal government needs to commit additional resources to some of the tangible aspects of reconciliation with our First Peoples.

[14] The pandemic and anti-racism protests have exposed some of the additional financial, social, and emotional costs of maintaining a high incarcerated population. It is time to learn from some of the creative solutions in other countries to dealing with offenders.

[15, 8] The C.B.C. has done a superb job of keeping us informed and entertained during the pandemic. It should be given increased resources to enhance local and regional coverage. In addition, funds should be increased to makers of Canadian content. It's great to see some of our productions are now saleable abroad. What a wonderful way for Canadians to earn their living. We also need to remove disincentives to advertising in Canada's struggling print media.

[16] One of the biggest obstacles to reopening the economy is the lack of safe, quality, and affordable childcare. This particularly affects women, and unless it is resolved in the short term will retard the restart the economy, and set back the financial wellbeing of many Canadian families.

[17] Many parts of the world are in turmoil. Canada used to be a major contributor to global peace-keeping initiatives. We have significantly reduced these contributions over the past decades, and this may well have resulted in us losing out in the selection of new members to the Security Council. Helping to stabilise these countries will contribute to a more peaceful and healthier world and reduce the growing tide of refugees and displaced persons.