

PUBLIC CONSULTATIONS FOR CANADA'S ECONOMIC ACTION PLAN 2010
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Economic Action Plan Measures to be Revised or Extended

Revised

- Consensus from participant groups for revisions to the Canada Pension Plan (CPP), each of these suggestions were made by only a couple participants;
 - increase CPP benefits; allows more workers to take early retirement in industries where youth are waiting to join the workforce;
 - create incentives for small businesses to have strong pension plans for their workforce;
 - increase the CPP death benefit to \$10 000;
 - Citizens eligible for CPP Disability should be automatically eligible for the Disability Tax Credit;
 - disability benefits should be refundable;
 - National plan to address disability issues following Canada's ratification of the United Nations convention on the rights of a person with disabilities.
- Employment Insurance reform, raised by members of the manufacturing sector who suggest EI is too difficult to qualify for
- Work Sharing Program; remains to be a popular program. The need for an improved strategy was discussed by a small number of the Manufacturing Associations, for businesses and employees reaching the end of the program.
- All members of our agricultural sector presented on reform of the Agriflexibility Fund. 'Agriflex' should fund or incorporate business risk management programs.
- A suggestion from a couple constituents, for an increase on the allowed percentage for charitable donations;
- Any focus on the auto sector should be revised to consider parts suppliers.

Extended

- The Home Renovation Tax Credit (HRTC) was discussed by all sectors at each of our public consultations; widely regarded as a positive influence for the economy, small businesses and home owners.
- Funding to Small to Medium Enterprises (SME's), in particular programs directed to Southeastern Ontario were discussed by Chambers and the Manufacturing Associations, programs like FedDev are well positioned for tangible improvements that will outlast the economic recession.
- Military spending on a number of occasions was also stressed as a good ongoing investment, particularly by Quinte West participants in light of CFB Trenton expansion.
- Strong support from the Chambers and Manufacturing sectors for the Work Sharing Program, Canada Summer Jobs, and improvements to EI Benefits

Suggestions for Areas of Spending Growth Restraint

- A concern was routinely expressed throughout participating sectors that stimulus funding should be wound down as the recession begins to dissipate.

- The primary focus for spending growth restraint should be the civil service; this opinion was very popular throughout consultations within all sectors.
 - Unemployment in the private sector should remain reflective of employment in the public sector;
 - hiring and retirement packages should be limited;
 - Employees kept on retainer should instead work on short term contract (reduce or stop double dipping).
- At one consultation, Chamber members, and limited members of the public, proposed that the public sector should subscribe to a regular ‘Strategic Realignment of Priorities’; evaluating effectiveness and productivity at cost.
- In other consultations, some Chamber of Commerce, and Manufacturing Association Members also focused on ‘Lean’ principles;
 - Government should reconsider the expenditure of resources for reasons other than profit, and the creation of any service that the ‘customer’ would not be willing to ‘pay’ for, should be considered wasteful, and therefore reduced.

Measures of the EAP Identified as Most Effective to Stimulate the Industry Sector

- Infrastructure stimulus funding was popular throughout the Manufacturing association and the public sector.
- Expansion plans for CFB Trenton were widely supported by Quinte West participants.
- The home renovation tax credit was mentioned throughout all sectors of consultations as a very effective initiative.
- A small number of the Northumberland Chamber of Commerce members mentioned the tax free savings account.
- Strong support from the public for initiatives that are well placed to ensure success of new businesses (CFDC, Trenval and Port Hope Business Incubator were specifically mentioned- as were their funding outlets FedDev which supports CAFI and CAFII as well as SODP funding).

Suggestions to Improve Speed of Delivery for Stimulus Measures

- Limit or remove red tape around stimulus funding (this was a limited concern).
- A concern voiced throughout Manufacturing Associations and the Chambers of Commerce was to make funding applications simpler.

Suggestions to Boost Canadian Economy to Attract Investment and Business

- Increase spending on environmental initiatives to attract ‘green’ business, this was a wide concern across all business and public sectors.
- A concern was voiced by a small number of the Manufacturing Association over the ‘cap and trade’ approach to emissions, and preferred the carbon tax concept.
- CFDC and Chambers of Commerce suggested the creation of support base for Canadian businesses expanding to international markets, examples include; trade delegations, mentoring programs, or an introduction to electronic commerce.

- SME's are lost to the United States because of incentive packages provided by local and regional American governance, increased support for Canadian Municipalities to do the same- particularly where infrastructure improvements are concerned, this was a concern of members from one Chamber of Commerce.
- Expansion of new markets to reduce the reliance on the US dollar (a number of Chamber of Commerce and Manufacturing members suggest a Canadian dollar trading above eighty-five cents U.S. is harmful to Canadian business)
- A number of concerns shared throughout members of the Chambers of Commerce associations:
 - Low tax rate as an incentive to new business
 - An increase in government backed loans, and private/public partnerships create a stable economy for businesses to expand to.
 - Tariffs such as 'Buy America' have a great potential to harm the Canadian economy and to discourage new enterprise.
 - Credit and debit card fees should be set and controlled by the government to assist small businesses.
- A strong number of members from the general public voiced concerns regarding investments in students, universities, and colleges. Funding may be better directed to tuition assistance rather than physical campus improvements as an increasing reliance on technology limits the time in the classroom.
 - In the case of trades programs, incentives should assist rural colleges to offer a wider variety of programs locally. Thus a broader range of youth may seek higher education or training, and this builds the networking potential for students to seek local employment after graduation.
 - Improve training programs for Canadian reserve forces to increase education levels and a transition to a knowledge based economy.

Suggested Time Period to Balance the Budget

- A suggestions put forth by several members across all sectors was that stimulus spending must continue until a clear end to the recession can be assured.
- There were limited suggestions as to a specific timeline, which included:
 - Spending growth should slow to a stop throughout 2010
 - In some cases constituents proposed a 5-6 year time period beginning in 2011 to bring the budget into balance
- Vehement opposition across all sectors that the deficit should be balanced through an increase in taxes. A local business owner suggested that should a tax increase be necessary, raise the GST. Many felt a crack down on lost revenue (billions) in the illicit Tobacco sales primarily on First Nations territories.