

nathan cullen

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January 18, 2015

Minister of Finance
The Honourable Joe Oliver
435-S Centre Block
House of Commons

Dear Minister Oliver,

I am writing on behalf of the New Democratic caucus in response to your request for input regarding the federal budget.

Our country faces serious challenges, but there are also important opportunities to be seized. Surrounded by volatility in the world and national economy, we face falling oil prices, reduced government revenues and a stagnant job market punctuated by significant layoffs. Desperately delaying the budget – in hopes oil prices might recover – is no substitute for balanced economic planning, so we urge that you reconsider delaying tabling the budget until April.

We have just experienced a decade of Conservative budgets causing damage to our country. Middle class families are working harder than ever, yet falling further behind. Family incomes are stagnant while household debt skyrockets. Young families struggle to pay for childcare while seniors can't access the care they need.

Conservatives seem to think Canadians should settle for less. The NDP believes we need principled and focused leadership ready to make a difference in people's lives. We believe it is time for a budget that is honest with Canadians and focussed on making life more affordable, protecting and creating good jobs, defending public health care, and growing the economy while protecting the environment.

Taxpayers want a plan they can trust, that gives an honest accounting of the nation's finances. To this end, we reiterate our demand for a stronger, more independent Parliamentary Budget Office to help Canadians have faith in the trustworthiness of what their government.

Budgets are about making choices. Your Conservative government has chosen to slash programs and services that Canadians rely on and gut Canada's fiscal capacity to help families through tough times. At the same time, you have put all our eggs in one basket and failed to foster a balanced 21st century economy that would insulate us from resource market volatility.

You specifically asked for ideas to eliminate ineffective spending. In light of falling revenues, this is more important than ever. We have some suggestions.

To start with, the NDP finds it wasteful to spend hundreds of millions of dollars on government advertising to advance your party's political interests; we find it wasteful to spend tens of millions a year on an unelected, unaccountable and under investigation Senate; and we find it wasteful to give away billions in subsidies to oil companies and handouts to the most profitable corporations.

Perhaps the most egregious example of recent wasteful and ineffective spending is your decision to push ahead with an income splitting scheme that provides no benefit whatsoever to over 85% of Canadians while draining billions from federal coffers. This handout to the wealthy few would leave regular Canadians falling further behind and must be scrapped.

Given the weakening labour market and falling revenues, it is time to implement practical, evidence-based policies that help families make ends meet while boosting economic growth – like investing in childcare. NDP Leader Tom Mulcair has put forward the NDP's plan for universal, affordable childcare – cutting parents' costs from well over \$1000 a month to no more than \$15-a-day. Fully implemented, this plan will fund one million child care spots, enable tens of thousands of women to return to the labour force, and boost economic growth by tens of billions of dollars. We are available to work with you on getting this started in the upcoming budget.

We also believe people working full-time should be able earn a living wage – yet too many working people are still living under the poverty line. It is time to restore the federal minimum wage and gradually raise it to \$15 per hour. This would not impact the federal treasury but would help to boost household incomes and make life more affordable for tens of thousands of Canadians.

It is clear that the Conservative approach to economic growth is not working. Nearly 1.3 million Canadians are unemployed – and thousands more jobs were lost last month. Canadians will not accept more rose coloured glasses and self-congratulation - they know that finding a good job these days is far too difficult. The coming budget must include clear and decisive action to help create the next generation of good jobs in Canada.

We can start by giving a break to the small businesses who create 74% of new jobs in this country. We can do more to help them grow their business and expand their workforce by reducing the costs of red tape and cracking down on predatory merchant fees that unfairly eat into their bottom line. At the same time we need to protect good middle class jobs in sectors like manufacturing and retail that have suffered under the Conservative government's watch. And we need to seize new opportunities to grow the emerging sustainable economy creating sustainable clean jobs and enshrining the polluter pay principle.

We must also do more to address the youth unemployment crisis and help young people get a good start despite discouraging labour markets – over three thousand more youth saw their jobs disappear just last month. We must work with the private sector to create more jobs for young Canadians and ensure interns are paid for the work they do. This is not just a matter of responsible policy – it is a question of intergenerational fairness. Mr. Oliver, I am calling on you to make tackling youth unemployment a priority.

New Democrats also believe your government must abandon your unilateral approach to health care funding. Your decision to cut \$36 billion in future health transfers to the provinces places provincial budgets in a fiscally unsustainable position and threatens the future quality of care for Canadians at a time when millions now don't have timely access to primary care. Budget 2015 is an opportunity to reverse this decision and commit to working with premiers and health professionals on reducing wait times for Canadians.

Canadians are also worried about whether they will be able to retire with dignity. We face a growing retirement security crisis that demands strong and decisive action from your government. You can start by committing to reversing your damaging cuts to Old Age Security and restoring eligibility back to age 65. You must also stop blocking progress on boosting CPP/QPP benefits – which has broad support from experts, Canadians, and a majority of provinces.

A decade of Conservative rule has damaged the relationship between the government and First Nations, Inuit and Metis peoples, with unequal funding to First Nations education versus other Canadians. It's time for a new relationship with Indigenous peoples starting with action to improve education and employment outcomes for First Nations children.

And it is long past time your government started listening to veterans, who have given so much in service to their country. Budget 2015 must include a commitment to finally fixing the broken Veterans Affairs department, implementing the Veterans' Charter and re-opening the nine veterans' service centres across Canada.

Mr. Oliver, it is time for a Budget that makes the economy work for Canadians, not another budget focused on help for the privileged few.

I look forward to the opportunity to discuss these proposals in greater detail in the near future.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Nathan Cullen'.

Nathan Cullen MP (Skeena—Bulkley Valley)
Finance Critic
Canada's New Democrats