
A Budget Without Restraints

Rod Taylor

Leader, CHP Canada

On Monday, April 19, the federal Liberals unveiled a budget that showed no attempt to achieve balance or relief for taxpayers.¹ What else could one expect? The same government that took the national debt over the \$1 trillion mark in 2020 has now laid out a plan to allow that debt to further balloon to \$1.23 trillion over the course of the 2021-2022 fiscal year. In the rearview mirror, last year's deficit is pegged at \$354 billion, and the projected deficit for the year ahead is \$154.7 billion . . . that is, if all the unknown factors don't go sideways. Judging by the developments of the past twelve months, unforeseen economic challenges seem not unlikely.

Terence Corcoran writes this in the National Post: "The claim is that the great federal spending machine will boost economic growth. One graph in the budget claims that improving potential GDP growth by about 1.1 percentage points per year "would increase per capita GDP by about \$6,000." Which is not a lot considering that the \$6,000 output gain per capita means it will take a few years to recoup the \$17,000 in new debt per capita."²

Your individual portion of our burgeoning federal debt is now nearly \$30,000!³ Better tighten your belt; it could get tough keeping up with your share of the federal debt, provincial debt, municipal debt, and any personal debt you may have accumulated! And the spending spree continues.

Showcased in her budget, Finance Minister Chrystia Freeland has thrown in a \$30 billion national childcare program . . . at a point in time when one or both parents are not even able to work due to COVID restrictions imposed by both federal and provincial governments. The whole idea of a childcare program is to make it possible for both parents to work, while entrusting their children's care to paid childcare workers. Although there has long been a demand for such service, surveys have also shown that many parents would prefer to have either the father or mother caring for their own pre-school age children at home—if they could afford it—and that young children generally benefit more from parental than institutional care.⁴ The taxpayer-funded childcare program presented in this budget only makes that option less affordable. Taxpayers, present and future, will now be on the hook not only for the spending on this and other budget rollouts but also—since much of it is being financed by borrowing—the additional interest payments that come along with the increased debt load.

The Trudeau Liberals can't help themselves; they seem unable to present any kind of a budget or financial forecast without virtue-signalling on abortion access and climate change mitigation.⁵ Not that their exasperating approaches to these issues are virtues. Far from it. Perhaps that inappropriate focus is understandable from a Prime Minister who believes that "the budget will balance itself."

Domestically and around the world, Prime Minister Trudeau has used economic leverage to entice or compel provinces and even foreign countries to make abortion more accessible to more women. The obvious result of that is more dead babies. At a time when every government leader is constantly talking about "saving lives," fixating on the expansion of abortion and assisted suicide (as in the recent passing into law of C-7) is both hypocritical and counter-intuitive. In Monday's budget, the government is throwing another \$45 million to organizations that promote "inclusive training materials for sexual and reproductive health care

providers.” Another \$7.6 million⁵ is earmarked for a “survey on sexual and reproductive health.” In a typical Orwellian turn of phrase, “reproductive health” actually means preventing reproduction and has little to do with health.

Also predictable in the first (but not the last) massive-budget-deficit-blamed-on-COVID: the Liberals have thrown some red meat to their base and a pacifier to their willing partners in the NDP by introducing a Luxury Tax on high-end cars, aircraft, and boats.⁶ While this will not touch the vast majority of Canadians, it should concern all of us. It feels like the precursor to the NDP’s dream of a “wealth tax” that would annually punish those who manage to save and accumulate tangible wealth.

Budget 2021 also promises an additional \$304.1 million over 5 years to the CRA (Canada Revenue Agency) to “fund new initiatives and extend existing programs.” I wonder if that will motivate the CRA to re-open its grossly mishandled case against David Elderfield and finally perform the audit he has been asking for on his now-ruined business?⁷ Rather than giving them more money to “fund new initiatives,” I’d like to see them use their existing resources to properly perform their duties. Individuals like Mr. Elderfield have seen their hopes and businesses destroyed and seem to have little recourse to find justice. So why should the CRA have more money?

By 2026, after implementing permanent annual spending increases of \$100 billion, Canada will be paying \$39 billion annually in interest payments . . . IF interest rates remain low.⁸ Even if we avoid a disastrous rate increase, I can think of many better uses for \$39 billion per year. Obviously, there are many alarming aspects to this vote-buying, taxpayer-abusing budget; we’ve only touched on a couple. Not much of it is directed to getting Canadians back to work, and none of it to restoring our constitutional freedoms. It promises the continued cancerous growth of government and a more oppressive debt burden for our children and grandchildren.

The CHP would replace the income tax with a fair tax, rein in runaway government spending, institute mandatory balanced budgets and allow entrepreneurs to create and manage successful businesses that feed families. For common-sense solutions, join the CHP.⁹

Footnotes

¹ www.taxpayer.com/newsroom/federal-budget-spends-more-on-everything-with-no-plan-to-pay-for-it

² financialpost.com/opinion/terence-corcoran-liberal-budget-marks-a-major-shift-toward-centralized-state-planning

³ www.debtclock.ca/

⁴ www.verywellfamily.com/research-stay-at-home-moms-4047911

⁵ www.cbc.ca/news/politics/abortion-access-budget-1.5994678

⁶ budget.gc.ca/2021/report-rapport/p4-en.html#chap10

⁷ biv.com/article/2019/05/inventor-says-taxman-has-ruined-his-life-and-business

⁸ <https://www.taxpayer.com/newsroom/taxpayers-federation-slams-freeland’s-fiscal-inferno>

⁹ www.chp.ca/get-involved/