



# Budget priorities

A presentation to  
The Select Standing Committee  
on Finance and Government Services

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October 15, 2010  
Abbotsford, British Columbia

## About BC FORUM

I thank the honourable members of the committee for taking the time to consider our submission on priorities for the next provincial budget.

BC FORUM represents several thousand retired workers and older workers who are still on the job. Our youngest member is 50 years old. Our oldest member celebrated his 97<sup>th</sup> birthday in June.

We are a volunteer organization. We work together to negotiate group rates on extended health care and other services our families need. We find that by working together to support each other, we can achieve more than any of us can do alone.

It is in that spirit that we make this submission.

## Moving ahead: people first

The title of this year's public consultation document is "Building B.C. for your family." That is a worthy objective. It is a goal that we share with the committee. We hope that you will follow through on it in your final report because many British Columbians have lost faith that government has their interests at heart. A month ago, an Angus Reid poll found that 83 percent of voters don't trust the Premier.

Much of this is directly tied to budget decisions and taxation policy. It is a reflection of how government spends our money, and who it collects it from.

In a civil society, the strong must support the weak, not take from them. We have a shared responsibility to each other.

Establishing that sense of balance and fairness for all citizens is a primary role of democratic government. Government is the way all British Columbians can work together to achieve the things we cannot achieve alone.

This principle is sadly absent from many government decisions. The guiding principle is competition. We could use a little more consensus building and co-operation.

The HST is only the latest example of how the government has shifted the tax burden away from corporations and onto the backs of ordinary people. This is more than a communications challenge. It's not what the

government said or didn't say. It's what it did. Every family is paying more so corporations can pay \$1.9 billion a year less.

If the objective is to – in your words – build B.C. for your family, this is not the way to go about it.

Progressive taxes, including corporate and personal income taxes based on ability to pay, have been cut. This is another tax shift. The repercussions are being felt throughout society. Our tax system has been skewed to give more thousands of dollars to those who already have the most. The rest of us are paying for it in higher fees and lost services.

The government argues that these tax giveaways will encourage innovation. That doesn't make sense. There is no incentive for corporations to seek new ideas when the government guarantees net profits will go up if they just keep doing business exactly as they are.

There is no incentive to invent anything if government gives corporations a free ride with the lowest minimum wage in Canada, weakened environmental regulations, and an ever lower share of the cost of the public services and institutions that shape the society in which they operate.

These changes are happening while many retired workers are finding it ever harder to make ends meet. I've seen an elderly couple in a supermarket struggling with their decision over which loaf of bread to buy. They were not checking the nutritional value. They were counting the number of slices.

Many seniors have seen their savings dwindle as a result of the financial meltdown. Some have lost their homes. The fastest growing segment of the homeless population is seniors.

Retired workers have contributed a great deal for society. They seek to live out their days in a society that respects their independence and dignity.

There are so many areas where government decisions can make the difference between dignity and despair for ordinary people.

When government chooses to continually redistribute more wealth to the wealthy, everyone else suffers.

In the early part of this decade, ours was the only province in Canada where working families suffered a significant drop in their average income,

while all around them the economy was supposedly booming. Even the good times weren't good for the middle-class in B.C.

More recently, we've seen the elimination of government grants to volunteer-driven non-profit societies that help seniors who are isolated and alone. Now they are really on their own.

In addition, thousands of seniors must pay out almost \$700 a month more as they await the end of their days in residential care.

These cost-cutting decisions involve amounts that are almost insignificant in relation to the size of the provincial budget. They are also insignificant in relation to the size of the benefits and tax giveaways that continue to flow unabated to the richest of the rich. But they are a huge burden on the frailest of the frail, and an unnecessary attack on some of our most defenceless citizens.

## **Moving ahead: respect for citizens**

Government needs to change course.

I do not object to paying higher taxes in return for services people need, including public health care for the sick, public education for our children and grandchildren, equal access to justice through legal aid for those who need it, and protection of our rivers, streams, and natural heritage from unregulated exploitation and pollution.

Some things we pay for through taxes. Some we pay on our own. In many cases, paying for them through taxes is less expensive, provides better service, and is more fair to those who pay.

As a small example, BC FORUM negotiates group rates on services for our members. This includes services that government has eliminated, even as it continues to increase Medical Services Plan premiums. As a group, we get more for less than any of us can negotiate on our own. That's even more true for public services paid for through fair and progressive taxes, because government represents a much larger group.

So we do not object to paying more taxes to pay for services to people.

We do object to tax increases for which people get nothing in return, such as the harmonized sales tax. It is a profoundly unfair shift in taxes. We get nothing in return for this additional gift to the powerful, not even a thank you card.

I ask you to move B.C. towards a fair, progressive tax policy that recognizes the needs of the weak as well as the strong.

I ask you to put people first, and to seize that principle as the light that guides every government decision, and thereby help us move towards better days, more opportunities, and more respect for every citizen.

It is time now for budget decisions that reflect the traditional values of British Columbians – concern for others, compassion, and simple human decency towards our fellow men, women and children.

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