

NewsRelease



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Federal budget a medley of misguided priorities

OTTAWA – Conservative ideology has triumphed over the needs of Canadians in the latest federal budget according to the Public Service Alliance of Canada (PSAC).

“This budget is a medley of misguided priorities,” says PSAC National President John Gordon. “The Harper government’s obsession with deficit reduction continues unabated with more than \$10 billion going to pay down the debt this year, money that should have been invested in Canadians.”

“Continued debt reduction at a time when Canada may be facing an economic slowdown is not sound economic policy. Conservatives have once again missed an opportunity to use the surplus to invest in the health and well-being of Canadians through a national pharmacare or child care and early learning program or a comprehensive environmental protection plan.”

The Conservative budget is also long on initiatives for dealing with crime but short on the kind of initiatives that would help tackle the root problems that can lead to criminal activity, such as concrete action to eliminate child poverty and a national housing program to address the growing problem of homelessness.

Women, that ‘special interest group’ that makes up over half of the population also get short shrift from the budget. Advancing women’s equality merits two sentences with a vague reference to the development of an action plan. A real plan would have been to allocate a good portion of the more than \$37 billion the Conservatives have put into debt reduction to deal with violence against women, pay equity and other equality issues.

“The federal public private partnerships office, PPP Canada Inc. soon to be a Crown Corporation with \$1.26 billion to supply loans, loan guarantees and repayable contributions to the private sector, is nothing more than a mechanism to help the private sector make profits from public tax revenues,” says Gordon. “It makes more sense and would be cheaper to just provide funding for the infrastructure, without Canadians’ tax dollars being diverted to private profits.”

Meanwhile, the government’s ongoing program review continues its stealth attack on public services. Claiming to have reallocated \$386 million over the next four years, the Conservatives have given no indication why some programs are no longer needed but continue to talk about the government’s ‘core’ role while arbitrarily underfunding, eliminating or privatizing many programs that are vital to Canadians in all walks of life.

Gordon also wonders just what the Conservatives’ real intentions are with the creation of the Canada Employment Insurance Financing Board crown corporation. Putting unrealistic limits on both the surplus that the EI fund can accumulate and premium increases can only lead to an increase in eligibility requirements and a decrease in payments, particularly in the event of an economic slowdown or recession. Will that signal an end to EI for maternity, parental and compassionate care situations and a return to EI’s ‘core’ function?

“And once again, the Conservatives couldn’t resist another tax break for more affluent Canadians with their new tax-free savings account,” says Gordon. “Good social programs, not tax breaks, are what are needed to benefit all Canadians not just a select few.”

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For information: Denis Boivin, PSAC Communications, (613) 222-4617 (cell)

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