



## Unseen fingers dip in our wallets

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Pickpocketing is one of the oldest crimes.

Usually, by the time a victim discovers something valuable is missing, the thief has disappeared.

Experts confirm skilled pickpockets can make as much money as armed robbers, without the danger.

They work in areas with few surveillance cameras and are harder to identify in police lineups.

It's the same with Canada's interest payments. Every 24 hours, unseen fingers dip into Canadian wallets and take \$84 million to pay the daily service charges on our \$514 billion federal debt.

Humourists believe they can solve the problem overnight. They suggest federal Finance Minister Jim Flaherty issue a patriotic plea for an "own the debt" program, administered in a similar way to our Olympic-sized "own the podium" effort. Every Canadian writes a cheque for \$15,302. A family of four pays \$61,208. In weeks, Canada would be debt-free.

Unfortunately, the country's financial system does not work that way.

During last year's harsh recession, Canadians urged Ottawa to boost the economy through stimulus spending.

Flaherty obliged with a cash infusion that will add \$56 billion to our federal debt. Interest payments that had declining from 38 cents of every tax dollar in 1990 to 14 cents, jumped back up again.

That's a shame. The Calgary Chamber of Commerce's membership is worried about this country's growing deficit and debt. When the downturn hit, Calgary companies imposed a disciplined approach to prevent their expenses from outpacing revenues. Ottawa needs to do the same.

Flaherty will deliver his 2010-11 budget next week and its theme must be restraint. As a governor of both the International Monetary Fund and the World Bank, he understands the impact interest payments have on a national economy and the damage it does to small business.

In its pre-budget submission to Flaherty, the Chamber recommended a target to reduce the deficit by 30% this year, 40% in 2011-12, and 50% in 2012-13 continuing until the deficit is wiped out and interest payments return to 14 cents on the dollar -- or less.

The business community is not interested in eliminating programs that help Canada's seniors, the poor or those incapable of working.

We support funding pensions, health care and education, but we realize taxpayers can't afford to underwrite every special-interest group or pet project in federal ridings.



The Chamber has long advocated the government abolish the country's internal barriers to trade, investment and the ability of employees to move to where the jobs are. According to Alberta government figures (2008), inter-provincial obstructions cost the economy \$14 billion a year.

Open trade between B.C., Alberta and soon Saskatchewan will create the second- largest economic region in the country, surpassing Quebec, and closing in on Ontario.

Two years ago, the feds committed to removing business barriers, but the eastern provinces and territories continue to negotiate, adding to the country's regional disparities. Once the deficit is gone and trade is moving freely, Canada must make some bold moves. The finance minister should lower personal income taxes, currently highest of the G7 nations and among the uppermost in the OECD countries.

We also encourage the government to raise the basic personal exemption to \$12,500 (by 2015), reduce the middle two tax brackets by 2% (down to 20% and 24%) and increase the threshold of the highest marginal rate to \$200,000. This would leapfrog Canada's global competition for highly skilled talent.

When spending is controlled, the economy will grow and consumer and business confidence should rebound. Debt repayments can resume and the unseen pickpockets dipping into Canadian wallets will take fewer coins.