

We're not all as obsessed by the numbers as the opposition and the media

More to the Story

By Ben Bennett

Well, this was inevitable.

Prime minister Justin Trudeau and his (still) merry band of Liberals are continuing to bathe in the glow of not being Stephen Harper and his miserable band of Tories, but crunch time is coming.

Even with an extended honeymoon, at some point the reality of our financial situation will have to be addressed.

The Liberals are already backing off on the promises they made about the level of the deficit, and that is understandable. The cupboard is always more empty after the election than it was claimed to be before.

But, other than the miserable band mentioned above, I am not sure that many people care that much. No one wants a return to the bad old deficit days of the 1980s, but I don't think most folks are as obsessed about the numbers as the politicians and media are. Whether it is how many refugees actually get here by a certain date or how many billion the deficit turns out to be, as long as things seem to be moving in the right direction the Liberals have enough goodwill to carry them through.

That being said, when Mr. Harper took two points of the GST he really did a number on any government who may want to invest in this country down the road. That act alone meant that about \$13-15 billion a year are no longer available to help balance the budget. No wonder it took the Tories so long to do it. And all this for a GST cut that frankly most people didn't really notice.

So something needs to be done and now is the time to do it.

As long as he can frame it as a "Canada is back" approach to governing, I think Mr. Trudeau can get away with a lot of traditionally scary stuff, politically, right now. And that includes raising taxes.

In addition to the recent moves to give the middle class a break, the Liberals have talked about reviewing the whole system through which we support those needing help. To assist those in poverty, whatever the cause of it, the idea of a guaranteed income has been talked about – and tried quite successfully by all accounts in other countries.

By tying in a broader approach for support payments to a reorganization of our tax system, there is a chance to bring in things like carbon pricing while offsetting the impact on the poor. Heck, they could even look at ways to improve our collective health by encouraging the food industry through special levies to make more things that are good for us and fewer things that will kill us.

The Green Party always talks about taxing “bads” and not taxing “goods”. It’s a pretty simple concept and one that is hard to argue with, I have always thought.

Given that so much of our economy is based on the old way of doing business, we can expect a lot of complaints, threats and talk about job loss, just as we do now about the transition of our economy from fossil fuels to renewable energy.

This is where the unity we saw at the Paris climate talks needs to be reinforced and applied to all trade discussions so that business cannot play one country off against another. That will be tough sledding politically and perhaps even suggesting it is naïve.

But if Mr. Trudeau’s “sunny ways” approach to the world has done nothing, it has at least allowed us to set aside our cynicism for a moment and give him a few months to give it a try.

If he can wrap it up as a return to the days when Canada was a caring country, and can make sure the less well off truly see a benefit, Mr. Trudeau could reform the whole system, and get the revenue he needs to balance the books.

It would take a lot of courage and determination, and it would be a very rough ride. So he would have to do it early in the mandate – certainly within the first 18 months.

That would give Canadians a couple of years to get used to the idea and to see that they were getting value for their money.

Assuming they were.

(Ben Bennett’s past columns can be found at www.bbc.guelph.org.)