

Canadians don't mean what we say about government spending

May 3 2012

Many Canadians complain about government, especially after tax time.

Nearly half – 45 per cent – say that government laws, services and programs are irrelevant to their well-being and quality of life, according to a national poll by McAllister Opinion Research on issues studied by University of British Columbia public policy professor Paul Kershaw.

“These results are ironic, because [Canadians](#) use public schools, universities, [medical care](#), pensions, unemployment insurance and many more programs and services on a daily basis,” says Kershaw.

Despite claiming that government policy doesn't matter, around 90 per cent of Canadians reject spending less on almost all aspects of social policy according to the poll. In fact, the poll shows most want governments to spend as much, if not more, on a broad range of issues like families with kids, seniors, medical care, the environment and poverty reduction.

“The fact is, Canadians are inconsistent in our political rhetoric and social policy priorities,” says Kershaw. “It has become trendy for Canadians to say that government doesn't matter. But nine in 10 Canadians want as much, if not more, spending on a variety of priorities.”

Many Canadians don't want to pay for what they

want

Despite the majority of Canadians wanting more social spending, 47 per cent of Canadians also indicate they would vote against any politician who wanted to increase taxes for any reason.

Kershaw's research shows that Canadian spending on medical care and pensions is \$80 billion higher today than it would be if we had 1976 budget decisions. Spending on these programs increased four times faster than the taxes that pay for them over the same period.

“Canadians haven't always been so unwilling to balance the country's chequebook,” says Kershaw, noting that just 10 years ago, taxes were \$80 billion higher because Canadians were still determined to pay for the things we want.

“But since 2000, we've prioritized tax cuts to ‘pay ourselves’ first and foremost, while continuing spending,” he says.

According to Kershaw, individual income tax is down nearly \$38 billion a year, and we slashed sales taxes by nearly \$19 billion to a level far below a generation ago. Corporate taxes also dropped substantially, down nearly \$18 billion.

Generational implications

Kershaw's research shows that the dramatic pattern of tax cuts over the last decade does not play out neutrally across generations. Since expenditures on medical care and pensions grew while taxes declined, there are far fewer resources with which to adapt to the declining standard of living for today's generations under age 45.

Kershaw says there are policy solutions to the challenges. “Policy solutions need to be paid for; otherwise we squeeze generations that follow with larger debts. We can make room to pay for them by spending less on other things or we have to pony up ourselves, as we did before the year 2000.”

Provided by University of British Columbia

Citation: Canadians don't mean what we say about government spending (2012, May 3) retrieved 23 April 2024 from <https://phys.org/news/2012-05-canadians-dont.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.