



HOSPITAL EMPLOYEES' UNION

# NEWSLETTER

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## Budget meets lower than low expectations – CUPE

OTTAWA — “The Federal government set expectations low going into the budget, and they met lower than low expectations, said Paul Moist, national president of the Canadian Union of Public Employees (CUPE).

Minister Flaherty did not address health care, child care, poverty or homelessness, and there are no long-term solutions for the municipal infrastructure deficit.

“The budget allocated only \$500 million in new money for public transit. However, Flaherty has abandoned government public responsibility in favour of private sector profits through P3s. The federal government is moving forward with its privatization agenda by establishing the PPP Canada Inc. office and selling off more public assets. CUPE will oppose public-private partnerships in communities across Canada,” Moist said.

The budget introduced a new tax shelter in the form of a tax-free savings account. “What good is a tax-free savings account if you have no prospect of having savings? Few Canadians are even able to contribute to RRSPs let alone have any other savings. Essentially the Harper government maintains that wages must be taxed – but investment income is tax-free,” said Moist.

There was no increase in the working income tax benefit – which would be a genuine incentive that could have been used to address the needs and vulnerabilities of the working poor. The government chose not to make the tax system more progressive and weakened public services, which are widely recognized as universal poverty busters.

“Canadians want increased funding for public services: including health care, child care, a robust infrastructure fund that is not tied to privatization efforts, and a real commitment to tackle the pressing problems of climate change.

Stephen Harper’s minority government promised responsible leadership – in contrast he has consistently abandoned a strong leadership role and federal responsibility to improve the quality of life for working Canadians,” concluded Moist.

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