

Helping poor will boost N.B. revenues — activist

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The Common Front for Social Justice said a reduction in poverty is a win-win for the New Brunswick government.

Instead of catchy chants or horror stories, Sister Aurea Cormier, a member of the provincial anti-poverty committee, let the numbers speak for themselves. A 20 per cent decrease would translate into savings of more than \$260 million for the province.

It was the focal point of the Common Front for Social Justice information session held Wednesday at The Meeting Place Church. In advance of the looming 2012-13 provincial budget announcement, Cormier, in cooperation with the Anti-Poverty Organization, spoke to crowd of 20 on how the government spends its money and where it should be channelled, culminating in a proposal the group will present to Finance minister Blaine Higgs.

She said social assistance rates haven't budged since 2008. A reduced poverty rate would affect health care costs and productivity losses.

"Raising social welfare rates is really a priority. It has not been done since 2008 — it's long overdue," Cormier said. "The cost of food has risen by, I would think by now, 30 per cent in the past five years. This is so urgent."

She said the province's social assistance standards are well below its Atlantic Canadian neighbours.

"If the other Maritime provinces and Newfoundland can do it, why can't we? We're really end at the end of the queue in the provinces."

The proposal also calls for a reversal in the tax cuts given to corporate sector and small- and mid-sized enterprises in the past four years. Corporate tax fell from 13 to 10 per cent, while other businesses saw their five per cent tax rate drop to 2 1/2 per cent.

Cormier said the wealthy are benefiting from the provincial tax plan, while those less fortunate are significantly overtaxed. She said the group consulted experts and proposed a restructuring of the tax brackets.

Those earning less than \$34,835 would be taxed 10.12 per cent. The second bracket (\$34,835-69,672) will be taxed 15.48 per cent, and the third bracket (\$69,672-113,273) will be taxed at 16.80 per cent. The fourth bracket (\$113,273-150,000) will be taxed at 17.95 per cent. Plus, they will add a fifth bracket (more than \$150,000) will be taxed 21 per cent to reverse the trend.

Other areas the group would like reformed is increased royalties on natural resources, eliminating public-private partnerships and adopting pay equity legislation. Cormier said women are paid two-thirds the salary men receive at the same position.

“Their work is not valued to the extent it should be and they’re paid less,” she said. “If you value their worth, the revenue will increase.”

The anti-poverty organization suggested creating a Crown corporation for public auto insurance could raise revenues. A similar government-owned firm, Manitoba Public Insurance, reported revenue of \$92 million in the last fiscal year.

Cormier said the Common Front for Social Justice isn’t in favour of raising the harmonized sales tax to balance the budget. However, if it was raised, it would lobby for rebates for people below the poverty line.

She said the group doesn’t expect immediate change from government, but insists on heeding their message.

“It is not necessary to try and shrink that in a year. It’s better to long-range planning and save,” she said. “We’ll try to bring this down in five years, six years and so forth.”

She said the group can’t act alone. They want New Brunswickers to join them in their effort before March 22.

“When people say enough is enough, things will have to change,” she said.