

Presentation to the Members of the Special Committee
on New Brunswick's Tax system

By

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I am Linda McCaustlin, Co-Chair of the Common Front for Social Justice Inc. I am here to speak on the effects this fiscal reform will have on those with fixed income, social assistance and minimum wage.

First, the raise of the GST by 2% is definitely going to hit the poor. Between 1996 and 2008, inflation has gone up 30%. Social assistance raises in that time frame has gone up only 9%. Minimum wage between 1996 and 2008 is up only to 17%. Low income seniors are indexed, but this is not keeping up to rising costs of inflation.

The price of furnace oil right now, for 100 gallons, is \$635. Adding 2% more in GST brings this amount to \$648 for 100 gallons. Right now these people can't even meet basic needs. A single person on permanent disability only gets \$521 a month. Did you do research at all concerning low income people. No? But I remember you saying there are other priorities. I hope you think it is worth it, for these rising prices cost one life this past winter. And there were 610 people cut off from electricity this winter, plus the ones cut off right now. And a carbon tax also? What about all low income people living in rural areas travelling for health services?

You talk about helping the most vulnerable, pretending pity, when you only make things worse for them. Regressive taxes on goods of first necessities are very unfair. How many will freeze to death this coming winter because of rising fuel costs and extra 2% added? The raise for social assistance coming in October is only 3% and that is gone before they get it.

What sacrifices are you going to make for big business? I will admit this campaign is well put together to shift more wealth from the poor and middle class to the well-to-do. This whole plan worries me. It is unsettling how far you will go. There will be less money for the government, with cuts to income tax for the rich. If so, what services are going to be cut? How many might loose job? Also, what cuts are going to be made for social assistance people? The Social Development Department has already become a loan company. This helps sometimes with bills but is all deducted from clients monthly checks. How long do you think this will go before they have nothing left on their check?

I have never seen a government so callous and cold. Can non-profit groups provide the money people need survive? If these changes go through, N. B. will become a poverty province. But also do not forget we, the population, outnumber the well-to-do when comes election time. And I do not think one death is going to sit well for you. All because money and big business is so important and peoples' lives are not.