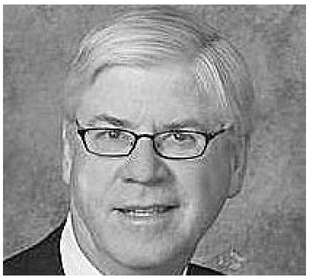
Ottawa Journal by David Tilson MP ? Trudeau government?s Advisory Council on Economic Growth



Finance Minister Bill Morneau released some of the recommendations published by his Advisory Council on Economic Growth Oct. 20.

The recommendations are intended to provide a framework of sorts for pre-budget planning and for the Minister's Fall Economic Statement; however, there are several concerns with the Council's recommendations and the current government's strategy for economic growth.

The Advisory Council on Economic Growth was created by Morneau in March 2016 with the goal of identifying ways to increase annual GDP growth above two per cent. The recommendations resulting from the work of the Council are timed to ensure they can be considered for inclusion in the government's fall fiscal update. Some of the recommendations include a national infrastructure investment bank that would attract private capital to invest in infrastructure projects in Canada, to be capitalized with $40 billion in federal funds over 10 years; a new one-stop shop to attract foreign investors and help them navigate the regulatory system; raising annual immigration flows to 450,000; and new immigration programs for designated companies or industries that would provide temporary entry for high skilled workers.

There are several concerns with the Advisory Council and its recommendations. The Council has now spent a number of months performing drawn out consultations to develop complicated ideas to address Canada's struggling economy, when the current Liberal government could've used a straightforward approach ? keep taxes low, cut red tape, and make it easier for businesses to compete. Minister Morneau and the current government could approach Canadian job creators and innovators for input, but instead chose to seek it from consultants, foreign companies, and Liberal donors. There are 14 members of the Council, but not one of them is a business owner. Prime Minister Justin Trudeau himself had the opportunity to meet a group of 50 Canadian tech CEOs visiting Ottawa Oct. 20, but instead opted to meet with Amazon, one of their biggest competitors.

Minister Morneau also needs to explain why he chose not to wait for the Council's advice before he decided to borrow and spend $30 billion this year alone. Unfortunately, none of the recommendations from the Advisory Council have been budgeted for, while economists have already cautioned the current government against further increased spending. The Bank of Canada recently confirmed that a year of reckless spending hasn't done anything to improve Canada's economy and downgraded GDP growth to 1.1 per cent for 2016. In addition, economists from both TD Bank and BMO have publicly called on the current government to halt any additional spending, while Minister Morneau has hinted to media that he is considering more spending in the November fiscal update.

Our economy is struggling and the current Liberal government's reckless spending has not improved Canada's economic growth. If the recommendations by the Advisory Council on Economic Growth are pursued by the current government, this will mean more spending, while at the same time, major financial institutions are warning against such action. Canadians have every reason to be concerned about the further harm this will do to our economy and the negative impact more spending will have on long-term growth.