

Hypothetical 2009 Public Trust Green Canadian Budget

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PEJ News - Joan Russow - Global Compliance Research Project - REDIRECTION, RELOCATION AND REASSIGNMENT OF GOVERNMENT FUNDS. MOVING FROM SUBSIDIZING THE MILITARY, INDUSTRIAL, FINANCIAL WANTS TO FULFILLING HUMAN RIGHTS AND NEEDS WITHIN A SOCIALLY EQUITABLE AND ENVIRONMENTALLY SOUND ECONOMY.

Given that the Canadian Conservative Government has refused to reveal the exact financial figures in 2009, given that the Conservative government has provided substantial tax cuts for corporations, and given that there is the economic crisis and as a result the 2009 revenue will be considerably lower than anticipated, a budget, with the 2000 revenue of 170 billion, might be applicable.

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REDIRECTION, RELOCATION AND REASSIGNMENT OF GOVERNMENT FUNDS.

On budget night, February 28, 2000, in the Railroad Room in Parliament, the 2000 Public Trust Green Budget was presented.

All figures are from the 2000 Treasury Board Estimates. Usually the Treasury Board Estimates are a good indication of what will be in the budget. In 2009, the anticipated revenue is difficult to determine, so all the 2009 figures for the different departments is not knowable. It is clear, however that the Annual Defence Budget and associated military expenses have significantly increased to approximately 20 billion. The head of Canadian Forces indicated recently that there will be sufficient funds for growth. [Withdrawing from Afghanistan, and reallocating a significant portion of the military-related spending would be an important contribution to the stimulation of the economy through the promoting of socially equitable and environmentally sound development. Another means to stimulate the economy would be to reallocate the over 8 billion annual "security budget". In the 2000 budget there is also a section on Part of the Problem- POP; this list includes questionable expenses that probably are still within the subsequent budgets, and that should be reallocated to stimulating the economy. Subsidies for the fossil fuel industry and for the nuclear industry should be canceled, and the savings transferred into adding to the promotion of environmentally safe and sound renewable energy. The bail-out for the auto industry must be redirected to the production of public transit and to development of zero-emissions automobiles, coupled with a fair and just transition for workers impacted by the transition.

2000 PUBLIC TRUST GREEN BUDGET

Presented February 28, 2000

Joan Russow, (Ph.D.)

PUBLIC TRUST GREEN BUDGET: REDIRECTION, RELOCATION AND REASSIGNMENT OF GOVERNMENT FUNDS.

MOVING FROM SUBSIDIZING THE MILITARY, INDUSTRIAL, FINANCIAL WANTS

TO FULFILLING HUMAN RIGHTS AND NEEDS WITHIN A SOCIALLY EQUITABLE AND ENVIRONMENTALLY SOUND ECONOMY

TO COMPLYING WITH AND ENFORCING OBLIGATIONS AND COMMITMENTS PREVENTING HARM THROUGH ACTING WITH PRECAUTION

THE POLITICS OF PUBLIC TRUST versus THE POLITICS OF VESTED ECONOMIC INTEREST

THE GROSS DOMESTIC PRODUCT (GDP) AS A MEANS OF EVALUATING THE HEALTH OF THE

ECONOMY has been proven to be an inadequate tool. It measures economic growth, often ignoring the effects of social decline and environmental degradation. THE "CRITERIA OF PUBLIC TRUST" (CPT) is proposed in its place. The Gross Domestic Product (GDP) fails to factor in ecological and social costs and flourishes within the "cycle of error/rectification of error"; the Criteria of Public Trust" (CPT) serves to break this "cycle of error/rectification of error" (See Annex of Criteria of Public Trust).

The Federal Government has consistently demonstrated misplaced spending priorities

The Public Trust Green Budget is a diagram which illustrates department by department spending as detailed in the "Treasury Board Estimates 2000" with comment on how the department funds could be redirected, relocated, or reassigned.

REDIRECTION, RELOCATION OR REASSIGNMENT OF FUNDS:

The Public Trust Green Budget builds on the 1999 Public Trust Green Budget which stressed the need to redirect, relocate or reassign funds from subsidizing military, industrial and financial wants to fulfilling human rights and needs within a socially equitable and environmentally sound economy.

In the 2000 Green Public Trust Budget a distinction is made among "redirecting" "relocating" or "reassigning" funds. "Redirecting" would be

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moving funds within the same department but allocating the funds for different purposes. For example, funds in the Department of Agriculture would be redirected from subsidizing genetic engineering and chemical dependence to promoting organic farming and other forms of ecologically sound farming, and instituting a fair and just transition for farmers and communities. Similarly, funds in the Department of Natural Resources would be redirected away from subsidizing the fossil fuel and nuclear industry to promoting environmentally sound alternative energy. In the Department of Fisheries, funds would be redirected from promoting aquaculture to preventing destruction of fish habitat and preserving wild stocks. Likewise, in the Department of Transport, funds would be redirected away from subsidizing automobile use to promoting systems that facilitate the moving away from car-dependency.

On the other hand, "relocating" of funds means either allocating funds from one department to another department, or to a newly designated department. An example of "relocating funds" would be the relocation of funds from the Department of Defence to the Department of Finance for transfer payments for health care, 3 billion to Finance for transfer payments for education, 1 billion to the Department of Human Resources, for an Anti-Poverty Fund, and .34 billion to the Department of Environment. Similarly "relocating funds" would be the relocation of 10,000 from the salaries of MPs, Senators and the Governor General into an Anti-Poverty Fund for poor children and their families.[Transfer payments to the provinces in the Department of Finance to assist in the eradication of child poverty.]

An example of "relocating" to a newly designated department would be the relocation of funds from the Department of Industry to a new department responsible for implementing "Fair and Just Transition and Conversion".

Finally, "reassigning" of funds would be the elimination of a department and its budget and reassigning the allocated funds to a similar or different purpose. For example, the Department of Indian and Northern Affairs should be dismantled and the funds in the Department reassigned and transferred to First Nations communities for them to create and implement their own policies within a framework of international principles.

Few will deny that there is an urgent need for change. Political action happens when it does not conflict with vested economic interests. The political response to issues - like erosion of health care, environmental degradation, disintegration of communities, over-consumptive models of development, globalization through corporate control, and privatization of essential services - has been mostly ineffectual.

If positive change is to occur, it must come as a reflection of

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global public trust, rather than at the whim of vested economic interests. For over fifty years, through international agreements, member states of the United Nations have incurred obligations through conventions, treaties and covenants. Member states of the United Nations have also made commitments through the UN Conference Action Plans, and created expectations through General Assembly Resolutions.

The Year 2000 begins the official UN Decade Promoting the Culture of Peace. The Culture of Peace will be in place when there is global implementation of the Public Trust International Law. Canada and other member states of the United Nations have undertaken, but not implemented, the following actions within public trust international law:

1. Promote and fully guarantee respect for human rights, including labour rights, the human right to unadulterated, healthy food, housing and health care, and social justice;
2. Enable socially equitable and environmentally sound development;
3. Achieve a state of peace, justice and security;
4. Create a global structure that respects the rule of law; and
5. Ensure the preservation and protection of the environment, the respect for the inherent worth of nature beyond human purpose, the reduction of the ecological footprint and moving away from the current model of over-consumptive development;

Unfortunately, Canadian Governments continue to undermine these international obligations, commitments and expectations.

The public trust concept reflects the interdependence of the above issues. For too long government departments have been functioning within a fragmentary model, rather than addressing the interdependence and complexity of the public trust. The Public Trust Green Budget diagram displays the spending priorities concurrently, department by department, so that the connections among departments can be examined, and a comparative analysis of spending priorities can be made.

The Minister of Finance claims that a surplus of revenue exists beyond current Treasury Board Estimates. This anticipated surplus could be allocated to the furtherance of the Public Trust as outlined above, and the Gross Domestic Product (GDP) as an estimate of economic value could be replaced with the Criteria of Public Trust (CPT). Increase transfer payments for universal, accessible, non-two-tier health care service, and for higher education for the promotion of corporate-free higher education (all intrusion by corporations into university research should be disallowed).

Debt and phasing out of sunset industries coupled with a fair/just transition program for affected workers and communities.

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The debt, which currently stands at roughly 580 billion, could be reduced through immediately addressing the corporate/individual tax imbalance. Tax contribution by corporations in relation to tax contributions by individuals was almost at 50% in 1950 (48% individual/46% corporate); now the corporate/individual tax ratio has declined to less than 12% by corporations and increased to 86% by individuals. The Canadian Economic Observer in June, 1991 estimated that "a reduction in corporate taxation was a cause of the debt". Additional revenue from the increased corporate tax should also be directed to the phasing out of sunset industries, coupled with a fair/just transition program for affected workers and communities.

BUDGET COMMENT

Note: figures apart from those that are suggested for redirection, relocation and reassignment are from 2000 Treasury Board Estimates.

REVENUE: 170,000,000,000?

2000 (152 BILLION + 18 BILLION ANTICIPATED SURPLUS) 2009 REVENUE

Surplus funds (if materialized), 12 billion/per year could be redirected from corporate subsidies to support social justice, human rights, environmentally sound development, increasing transfer payments to ensure the human right to a universal non-two-tier health care system, the human right to unadulterated healthy food, the human right to housing; to provide access to social programs--including pensions, child benefits, child care, and access to higher education. The commitment made at UNCED to .7% of GDP to be spent on socially equitable and environmentally sound development in the South has to be realized.

EXPENSES: (+.5803) 151,559,228,000 (as per Treasury Board Estimates including 42,5000,000 debt servicing (21% of Revenue)

GDP 1998, 895 billion; projected GDP 2000 PROJECTED GDP 2009

DEBT: Total debt is 580 billion, 20,000 per person. Debt reduction: institute an inheritance tax: first 200,000, no tax; up to 500,000, 25%, and over 750,000, 75%.

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DEPARTMENT BY DEPARTMENT COMMENT

DEPARTMENT OF AGRICULTURE

**AGRICULTURE AND AGRI-FOOD* (1,976, 310,000)
renamed ECO-AGRICULTURE

Citizens have a human right to unadulterated healthy food. The human right to unadulterated healthy food is essential and must be based on the precautionary principle. The Food Inspection Branch in the Department of Agriculture has been derelict in the exercising of its duty to protect the food supply in Canada. Funds from the Department of Agriculture must be redirected from "working with the Agribusiness sector to develop and produce competitive products and processes, to increase production...to help position the Canadian agri-food sector to meet its objectives.." to promoting and supporting organic farming and other ecologically sound farming practices, and to assisting farmers and communities to ban GE foods and crops and convert from pesticide-dependent and GE-dependent farming and communities.

All research grants to universities must be directed towards promoting the public trust.

2000 NATIONAL DEFENCE (10,304,500,000) [2009 PROBABLY 20 BILLION]

1999 was the culmination of the decade devoted to the furtherance of international law, and 2000 is the beginning of the Decade of a Culture of Peace. A culture of peace will be achieved through the "force of compliance". Through over 50 years of international agreements, the Canadian Government has incurred obligations, made commitments and created expectations related to the promotion of the public trust. In a General Assembly Resolution from 1981, for example, expectations were created that governments would reduce the military budget. The Canadian government has the opportunity of being at the forefront of promoting a culture of peace by reducing the military budget and relocating 3 billion into health care, 1 billion into higher education, 1 billion to Human Resources into an 'Anti-Poverty Fund for poor children and their families, and 304,500,000, to the Department of Environment. Two billion could be redirected into conversion programs linked with just transition programs for affected workers, and 3 billion redirected into a natural and anthropogenic disaster

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prevention and mitigation training program and into promoting a culture of peace through the "force of compliance". This program could be used to prepare the Canadian military for the expected increase in weather-related events brought about through climate change. This program could also be mandated to prevent risks incurred by the Federal Government such as the berthing of nuclear armed or nuclear-capable vessels, the continued use of bases such as the Nanoose Weapons Testing Range, and the use and disposing of depleted uranium from military activities. 304,500,000 transferred to the Department of Environment to supplement the cost of restoring sites damaged through military activities.

2000 DEPARTMENT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE 3,388,038,000{2009 } }

388,000,000 should be relocated to the Department of Canadian Culture for the promotion of "Safe Anti-Racism Sites" and implementation of the International Convention for the Elimination of All Forms of Racial Discrimination. Funds should be redirected from subsidizing international vested economic agreements to implementing international public trust agreements.. Rather than acknowledging obligations, commitments and expectations under International Public Trust agreements, the Canadian Government only appears to adhere to perceived privileges and demands under international vested interest agreements or institutions such as WTO, NAFTA, GATT, APEC, NATO. The Canadian Government has failed to sign and ratify significant conventions, such as the Law of the Sea and the Convention on the Rights of Migrant Workers and their Families. When Canada does sign and ratify international public trust agreements, it often has failed to implement the necessary legislation to ensure compliance. Canada has also made commitments through UN Conference Action Plans. The funds in Foreign Affairs must be relocated to and redirected towards the promotion of and compliance with the Public Trust International Law. The Canadian Government should support the call for the dismantling of NATO for violation of international law, and should work towards the dismantling of the WTO and APEC and other vested interest international agreements for contravening International Public Trust Law. Funds in CIDA must be redirected away from subsidizing the vested economic interests of Canadian industries but into supporting the public trust. While continued levels of funding for CIDA should be at current rates, funding to support Canadian corporations in developing countries should be terminated immediately and redirected to projects that are socially equitable and environmentally sound and that have been conceived and executed in consultation with disenfranchised citizens of partner countries. The funding for IDRC should be maintained but its mandate extended to include also the failure of international agreements to be implemented in Canada.

DEPARTMENT OF INDUSTRY (3,502,284,000)

[DEPARTMENT OF JUST TRANSITION][2009]

Rename the Department of Industry to the Department of "Just Transition"

Redirect 2,000,000,000 to fair and just transition programs for workers and communities affected by conversion of sunset industries to socially equitable and environmentally sound development and employment. In the 1999 Public Trust Green Budget there was a recommendation to relocate the funds in the Department of Industry away from subsidizing corporations and corporate-beneficial research. To address the challenges of the 21st century, Canada must move away from policies of economic growth at any cost. In the future, the Canadian Government must act with foresight to prevent the entrenchment of socially inequitable and environmentally unsound practices. Canada is in a situation where a transition and conversion policy is necessary to phase out, or ban socially inequitable and environmentally unsound practices. Public policies must direct public funding to ensuring a just transition for workers and communities economically affected by these transition policies. There must be a national commitment to implementing the public trust throughout the country with a fair distribution of the effects, and an obligation to communities and to maintain full income and all-inclusive targeted transition assistance for working people who are dislocated as a result of the implementation of specific policies until they can find comparable work. Workers and the communities affected by the policy must be involved in the decision-making process from the development of the terms of reference and throughout the process, and that the decision-making process must be based on the fundamental principles of Just Transition supported by respective unions. Redirect 1,502,284,000 from the National Research Council and Natural Science and Social Science and humanities research to socially equitable and environmentally sound projects. The research must not be linked to industry or "partnershiped with industry".

SOLICITOR GENERAL (2,727,095,000) - 500,000,000[2009]

Redirect funding into a new training and education program for CSIS and RCMP to assist them in distinguishing between dissent and subversion, in removing preconceptions, stereotypes, and prejudice, and not in violation civil and political rights and into retraining programs fostering respect for the public trust. Redirect funding also into disciplinary action for violation of civil and political rights and for having discriminated on any designated ground. The emphasis should be on crime prevention through social programs, rather than incarceration. Redirect CSIS funding of .16 BILLION into International cooperation supporting Non-Governmental Organizations that are promoting the public trust. Redirect .003 billion from the National Round Table -an arena of competing interests condoning conflict of interest - Principle-based Advisory Compliance Enforcement (PACE) -- a principle-based decision-making process promoting the establishment of Criteria of Public

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Trust. PACE will not be sector-based but principle-based, drawing upon expertise and experience of members of the community. 500 million relocated from the Solicitor General to Social Justice and Development (Human Resources) to promote youth-related programs.

PUBLIC WORKS AND GOVERNMENT SERVICES (3,811,119,000) [2009]

Funds relocated from Parliamentarians (@3,00,000,000), from Senators (@1,000,000), from the Governor General's budget (@3,00,000), to Human Right to Housing Fund. At Habitat II (1996), Canada made a commitment to develop environmentally sound human settlements in consultation with community organizations and individuals, particularly those that have been traditionally marginalized from the decision-making process. Ensuring that all Canadians have access to housing is not only the right thing to do, but also is a human right recognized under the International Covenant of Cultural and Economic Rights, 1966. Redirect, as proposed in 1999, 1.63 billion from the Department of Public Works to implement commitments made though Habitat II, in particular, funds from Canada Mortgage and Housing should be redirected to guaranteeing the human right to housing.

JUSTICE (885,697,000)