



# COMMUNIQUÉ

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## More Surprising is What's Missing from the Throne Speech

*Ottawa* — As expected, the April 4<sup>th</sup> Speech from the Throne outlined the new Conservative Government's concentration on five priorities:

1. Accountability legislation, which remains its first priority
2. GST reduction from 7 per cent to 6 per cent
3. Crime reduction through tougher mandatory sentencing as well as better community crime prevention
4. Child care choice through a \$1,200 per year grant for each child under 6 years of age as well as tax credits to create 125,000 new child care spaces
5. Patient wait time reductions and guarantees for health care

Co-operatives are touched directly by only a few elements in the speech.

- The intention of the government to "...conduct comprehensive reviews of key federal legislation... [including] the *Bank Act*." The review of the *Bank Act* and probably other financial legislation will directly concern credit unions and other financial co-operatives, although Finance Minister Jim Flaherty has said that bank mergers are not on at this time.
- **Agricultural policy** is mentioned with a promise to "...respond to short-term needs (in the agricultural sector), create separate and more efficient farm income stabilization and disaster relief programs..." While details are short on these policies, the Minister of Agriculture has also talked of introducing a mandatory renewable fuel standard of 5 per cent for ethanol and bio-diesel. This could have a very important impact on farmers and also open the way to the creation of more co-operatives.
- The government does not plan to extend the existing **child care** agreements with the provinces beyond 2006-07. The Canadian Co-operative Association (CCA) continues to support the need for a national child care strategy with the creation of quality, universal, accessible and developmental child care. CCA will examine whether the Government's promise to create new child care spaces will benefit co-operative day care centres.

While there was mention of many other topics such as fixing the fiscal imbalance, open federalism, better relations with the U.S., democratic reform and the environment, details and policies were not present.

What is striking about the Throne Speech is how many of the traditional economic concerns of Federal Government are not present — job creation, job training and job losses in the manufacturing sector as well as plans for stimulating and developing economic sectors and regions.

Also missing are any promises to implement the Kelowna Accord with Aboriginal peoples as well as any commitments to expand affordable housing.

Finally, while the Conservative Party had committed to raise foreign aid to OECD levels in its election platform, there was no mention of this key issue in the speech.

It remains to be seen if the consultations with the Minister of Finance (to which CCA has been invited and will attend on April 12) and the new budget (which we have learned will follow no earlier than May 9) will result in the government adding any more details to the Throne speech promises and developing other important issues of concern to the co-operative movement agenda.

CCA plans soon to release its detailed pre-budget submission and will continue to develop proposals on how co-operatives can be used to deal with the key issues of health care, alternative energy, aboriginal people's economic development, and agricultural policy.

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