

Tax Freedom Day offers little relief

?Responsibility is the price of freedom.?

Elbert Hubbard

Mark Pavilons



June 10 was ?Tax Freedom Day,? when Canadians start working for themselves and not government.

Tax Freedom Day measures the total yearly tax burden imposed on Canadian families by the federal, provincial and local governments.

?Without our Tax Freedom Day calculations, it's nearly impossible for Canadian families to know all the taxes they pay each year because federal, provincial and local governments levy such a wide range of taxes,? said Charles Lammam, director of fiscal studies at the Fraser Institute and co-author of *Canadians Celebrate Tax Freedom Day* on June 10, 2015.

The list of taxes includes income taxes, payroll taxes, health taxes, sales taxes, property taxes, fuel taxes, vehicle taxes, profit taxes, import taxes, ?sin? taxes and more.

In 2015, the average Canadian family (with two or more people) will pay \$44,980 in total taxes or 43.7 per cent of its annual income.

On the calendar, those numbers represent more than five months of income ? from Jan. 1 to June 9. It's not until June 10?Tax Freedom Day?when families start working for themselves, not the government. The heavier the tax burden, the later the Tax Freedom Day.

The trend is tax bills for Canadians are increasing at a faster rate (currently 3.1%) than any growth in income (0 to 2.1%).

In 2015, average Canadians will pay about \$1,300 more in taxes than in 2014.

I don't know about you, but I could really use that extra \$1,300.

Household budgets are getting squeezed, limiting our ability to pay down existing debt, let alone any new debt that comes along.

Our family of five currently has two teenagers. For those who have some of your own, you know they eat a lot, putting a big dent in the weekly grocery budget. I've been told I can't just stop feeding them.

When they shoot up, they grow out of their clothes. I?say recycle, turn those pants into shorts!

While the average debt load for Canadians is something, it pales in comparison to what our governments spend, borrow and owe.

In 2015, seven provincial governments (including Ontario) expect to run budget deficits amounting to \$18.2 billion.

I'm downright affluent compared to these figures. I don't feel so bad about the hole in my car's muffler, or the holes in my socks.

But wait a minute, isn't government debt also our debt?

Will future generations of Canadians ? our sons, daughters and grandchildren ??face some challenges down the road?

You bet.

My son recently asked me about globalization, the world economy and the impacts on Canadian jobs.

Well, it's taking its toll. When people no longer have to shop locally to get what they want, it will eventually hinder our economy.

When immigration continues at record levels and without corresponding jobs, we will face some challenges to be sure.

Parents work hard to ensure their children have good lives, perhaps better ones than we had growing up. We believe a good education is key in today's global economy, so we encourage them to attend post-secondary institutions. We like to think once they've made it to college or university, they're all set.

Not so.

As the school year comes to an end, students are scrambling to find work, and in some cases, something to eat. A growing trend among Canadian campuses are the number of food banks and students living below the poverty line. There is now a food bank on almost every campus and post-secondary students are one of the fastest growing groups of food bank users in the country. 25 years ago, this was unheard of.

No student should have to go through poverty to get an education.

Students are facing higher costs and lower incomes than a generation ago. Tuition fees have risen 238% since 1991, at the same time that federal funding for post-secondary education has dropped 50%. Youth un(der)employment is at 27.7% and housing costs have increased 17% from 2009 to 2012 alone.

Our 17-year-old daughter understands the cost of living and has a part-time job. She has definite ideas about waste and tries to tell her siblings the difference between want and need.

While we're happy to have such an ally on our side, the younger ones still find cost of living, astronomical prices of everyday things simply beyond their grasp.

My son believes that \$300,000 for a luxury automobile is reasonable or that earning \$1,000 a week is amazing. He gets a confused look on his face when you tell him the steak he ordered at the restaurant is \$35 and that it would take more than three hours at minimum wage to earn that meal.

Our youngest, at nine, is trying, but has no real appreciation for the value of money. We go to the dollar store and spend \$12 on ?things.?

?But I gave you 75 cents, dad!?

I worry sometimes.

I?worry about the careers they choose, the spouses they marry, the homes they will eventually live in.

Our parents, for all intents and purposes, managed to raise us well on a shoestring budget.

Those times are gone.

What's ahead?