
The Canadian Government's 1998 Budget

We usually try to avoid political issues, but here are some things to think about.

- The Canadian Government has brought in its first balanced budget since 1970. We, the Canadian people have been spending more than we took in (living beyond our means) for almost 30 years.
- Interest payments on our debt (not counting Provincial, Municipal and Unfunded Pension Liabilities) is over \$40 Billion per year. That is equal to about \$1,500/year per Canadian, or \$6,000/year for a family of four.
- Total debt is almost \$600 Billion (not counting Provincial, Municipal and Unfunded Pension Liabilities). That is equal to over \$20,000 per Canadian, or \$80,000 per Canadian family of four.
- There is no plan to reduce the debt, so each Canadian family of four continues to owe \$80,000 (their share) and on average pays an extra \$6,000 in taxes per year to cover interest expense.
- The only money earmarked to pay down the debt is \$3 Billion in a contingency fund, to be used if it is not required for something else. At \$3 Billion a year it would take almost 200 years to pay the debt that we ran up in less than 30.

**We are Happy the Books are
Balanced**



**But we still have a monster debt
pinning us down.**

We do not want to sound too negative, as we do applaud Mr. Martin in achieving the very difficult task of balancing the budget. This was a landmark year fiscally speaking, a giant step that we should be very happy about. However, in the last 30 years, we did accumulate a major debt that must be significantly reduced, and should not be left for our great great grandchildren, not to mention what it is costing us today in interest alone.

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