

CHAPTER 8

To what extent should Canadians support social programs and taxation?

social program: services provided by government to reduce economic inequalities and promote the well-being of citizens

X-rays can cost hundreds of dollars, and some medical procedures, such as surgery or cancer treatment, can cost hundreds of thousands of dollars. **Think critically:** should individuals or society pay for medical services? How might a decision on this issue affect your quality of life?

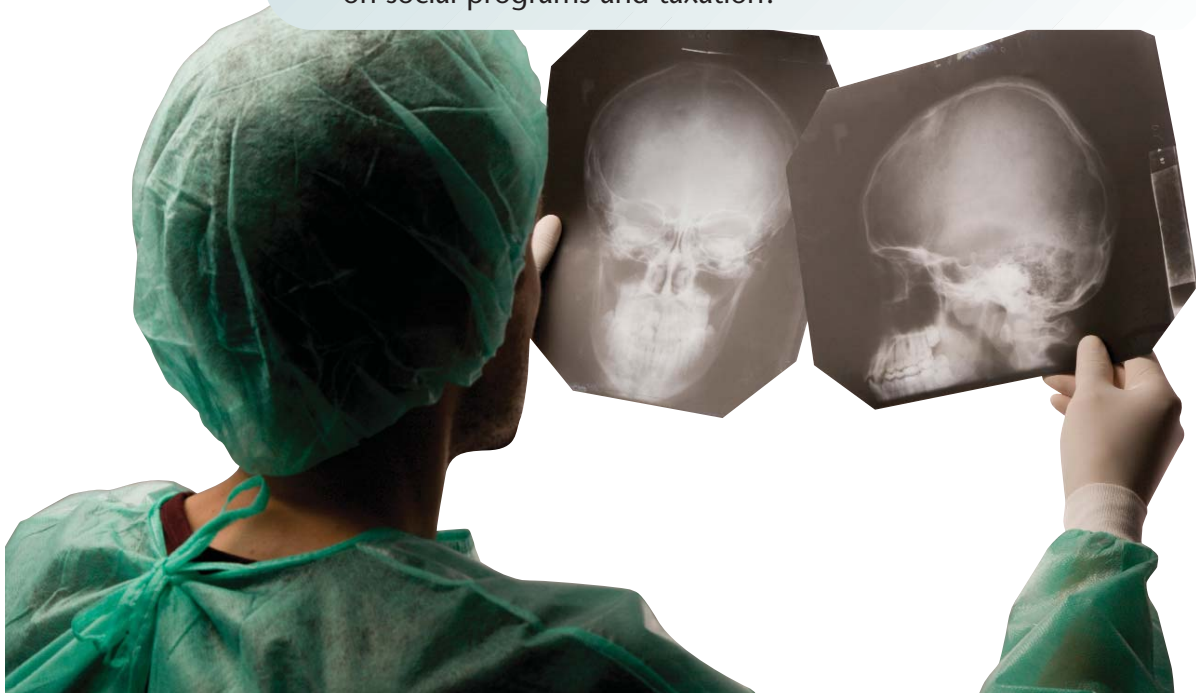
Think about the last time you visited the doctor. Who paid for the visit? If you required X-rays, who paid for those? In a way, **social programs** like health care are free — but not really.

You might not realize it, but the free, public health care government provides for people in Canada comes from taxes that citizens pay to government. It also comes from decisions the government makes on how to use taxes to benefit everybody. These decisions affect quality of life for you and others.

In this chapter, you will explore the underlying values of economic policies related to social programs in Canada and the U.S. As you work through the chapter, consider how political and economic decision making can affect people's quality of life. Also consider the views and perspectives you encounter. Think about what you believe people in Canada should most value as a society, and how decisions about social programs and taxation can reflect these values.

FOCUS QUESTIONS

- How do decisions about social programs and taxation in Canada and the U.S. attempt to meet the needs of citizens?
- What values shape the economic policies of political parties on social programs and taxation?



What issues could these photographs communicate?



Patrick Seibel, 15, prepares food hampers at a food bank in Calgary. Food banks receive support from voluntary donations and from government. They are one way to counter the effects of poverty. In Canada and the U.S., some people also receive income support, paid for by taxes.



Thousands of people are homeless in Canada, like this man in Montréal. Governments in Canada and the U.S. provide support to people in distress or those who cannot meet their basic needs.



Some senior citizens are retired or, for health or other reasons, are no longer able to earn income from jobs. Canada and the U.S. have different positions on supporting senior citizens.



Design an economic policy for social programs in Canada.

Your Role

The Speaker of the House of Commons is inviting youth from all over Canada to create an economic policy for social programs in Canada. An economic policy describes a plan for collecting and spending taxes to meet the needs of all citizens. Economic policies have a major impact on economic decision making, and reflect values about the public good and the role of government in society. The purpose of the task is to determine how youth view the importance of social programs in Canada's economy and how they would use taxation to support those programs.

In a small group, you will design an economic policy that answers the question:

What values should determine economic policies connected to social programs in Canada?

Your Presentation

Your group's economic policy should reflect:

- An understanding of the range of values and perspectives to be considered in determining economic policies about social programs.
- A statement of the values underlying your economic policy on social programs.
- A description of how you would use taxation to support social programs.
- A description of what social programs are the most important to your economic policy.
- An analysis of where your economic policy fits in the continuum of government involvement in mixed and market economies.

You can influence others by sharing your creative ideas on this important question that affects quality of life for you and others.

Let's get started!

As you work through the chapter, you will have opportunities to collect information to help you with your chapter task. Use a chart like the one below to organize your research and discussion notes. Then, with your group, come to a consensus on each inquiry question listed below, and prepare your policy for the Speaker of the House of Commons.

To review what a policy is, refer to the examples on pages 131 and 168.

Inquiry Questions	Research and Discussion Notes	My Group's Position
What range of values and perspectives needs to be considered in determining social programs for Canada?		
What values should determine our economic policy on social programs?		
How will we use taxation to support social programs?		
What social programs are the most important to our economic policy?		
Where does our economic policy fit in the continuum of government involvement in mixed and market economies?		

First you need to collect information, then you need to reach consensus with your group. Watch for a Task Alert later in the chapter on a process for consensus.



How do decisions about social programs and taxation in Canada and the U.S. attempt to meet the needs of citizens?

WHAT'S IN THIS SECTION

In this section, you will read about social programs in Canada and the U.S. You will find:

- A comic about health care in Canada and the U.S., and charts comparing policies on social programs in Canada and the U.S.
- Articles presenting different views about health care as a social program.
- Information about taxation and social programs.

What are you looking for?

As you read this section, think about:

- Why social programs in Canada and the U.S. differ.
- Why policies about social programs and taxation are linked.
- What issues connect to tax evasion.

WHAT ARE VALUES?

Values are beliefs about what's important — for example, beliefs about democracy, respect, accountability and peace. They influence your opinions and help you make decisions about issues that affect your quality of life.

Values are influenced by many factors such as family, school, religion, media, and life experiences. Your values can change over time, because of new information and experiences. Societies, such as Canada, are based on shared values that shape laws and things like social programs.

Examine these two photographs carefully. How do they communicate values?



March 14, 2007: Liberal leader Stéphane Dion gives a speech proposing to fight crime by providing more money to hire police officers.



March 19, 2008: Conservative Prime Minister Stephen Harper announces funding to provide medical-alert bracelets to every school-aged child with a medical condition.

What are social programs?

- Social programs are services provided by government and paid for by taxes. They aim to reduce economic inequalities in society and promote the well-being of all citizens.
- Views differ on what programs might count as social programs. The list can include health care, pensions for senior citizens, income assistance, education, affordable housing, child protection services, employment insurance, child care, and other programs administered or supported by government.
- This chapter focuses on three key program areas: health care, pensions for senior citizens, and income assistance.
- The decision by a government to provide, or not provide, social programs comes from different economic philosophies and different values. In Canada, governments generally support the idea of using taxes to provide services to citizens. In the U.S., governments support this idea less.

Let's look at an example: health care.

- Read the comic on the next page. The comic describes how paying for health care differs in the Canadian and U.S. health care systems.
- Canada has **public health care**. This means that public funds — taxes — pay for it. The U.S. has **private health care**. This means individual citizens cover the costs of their own medical needs. It also means that health care is more like a business, where people can offer health services to make a **profit**.
- In the U.S., many people buy **health insurance** to cover the costs of care. They pay money to a company on a regular basis, whether they are sick or not. If they become sick, the insurance company covers their medical costs. For many Americans, health insurance — like health care — costs more than they can afford.

health insurance: an agreement by a company to pay for your health services, in exchange for a fee that you pay each month or each year

private health care: health care paid for by individuals

profit: money made from a product or service above and beyond the cost of providing the product or service

public health care: health care paid for by taxes



CRITICAL THINKING CHALLENGE

How might decisions on social programs connect to the principles of mixed and market economies?



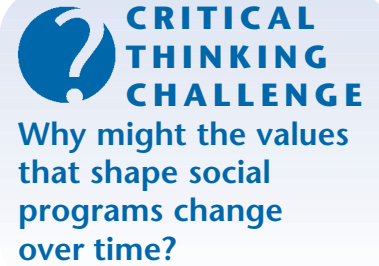
Consider the two scenarios. How are these two health care systems the same and different? In your opinion, which scenario benefits citizens most? Why?



A Snapshot of Social Programs in Canada, 2007

Canada has provided a different array of social programs at different points in its history. For example, in 1971, Canada had an employment insurance program supported by taxes, which provided financial assistance to people who lost their jobs. In 2007, Canada's government still administered an employment insurance program, but it did not support the program with taxes.

The following chart shows the key social programs in Canada in 2007.



Program Area	Health Care	Pensions for Senior Citizens	Income Assistance
What is provided?	All citizens receive basic health care from a system paid for by taxes. The federal and provincial governments fund Canada's health care system.	At age 65, all citizens who have lived in Canada for at least 10 years automatically qualify for a monthly pension, paid for by taxes.	In general, citizens who are unable to meet their basic needs for food, clothing and shelter receive assistance, paid for by taxes. The eligibility rules vary from province to province.
How is it provided?	Within the provisions of the Canada Health Act (see page 274), each province decides what services are paid for by taxes.	The federal government funds and provides the pensions.	The federal and provincial governments fund this program. Each province sets criteria for who is eligible to receive income assistance.
What legislation is involved?	Canada Health Act (federal)	Old Age Security Act (federal)	Each province has its own legislation.



What values lie at the foundation of the federal-provincial division of powers in Canada's constitution?

Government Responsibilities and Social Programs in Canada

Different levels of government provide and fund social programs in Canada. This is because, under Canada's constitution, the federal and provincial governments have different responsibilities.

For example, under Canada's constitution:

- The provinces have responsibility for health care. This ensures citizens in different provinces can have a role in shaping health care to fit their unique views, perspectives and needs.
- The federal government has responsibility for "peace, order and good government." It can pass laws, such as the Canada Health Act, that affect the way provinces carry out their responsibilities.

DID YOU KNOW?

The Canada Health Act

The Canada Health Act is a federal law that sets out five principles for health care in Canada. The act says that, in every province and territory, health care must be:

- **Publicly administered:** run by government for no profit.
- **Comprehensive:** for care provided by hospitals, physicians and surgeons.
- **Universal:** available to everyone.
- **Portable:** available everywhere in Canada, no matter where you make your home in Canada.
- **Accessible:** available within reasonable time and distance.

These principles apply to services provided by hospitals, physicians and surgeons. They do not apply to other health services, such as dental care and eye care.

A Snapshot of Social Programs in the U.S., 2007

In 2007, the U.S. did not provide social programs in all the areas that Canada provided them. It also had different criteria for determining who was eligible for social programs.

Program Area	Health Care	Pensions for Senior Citizens	Income Assistance
What is provided?	Citizens with low incomes receive health care paid for by taxes. All other citizens pay for health services or health insurance personally. In 2007, about 15 percent of people in the U.S. did not have health insurance, and some could not afford medical care.	Senior citizens generally support themselves through personal savings and pension plans.	In general, citizens unable to meet their basic needs receive assistance, paid for by taxes.
How is it provided?	The federal government funds and provides all assistance available.	Senior citizens and their families mostly meet their own needs.	The federal and state governments fund income assistance, and both levels of government are involved in setting criteria for who is eligible to receive income assistance.
What legislation is involved?	Social Security Act (federal)	No legislation	Social Security Act (federal). Each state also has its own legislation.

Government Responsibilities and Social Programs in the U.S.

Under the U.S. constitution, federal and state governments can make laws regarding social programs. The constitution does not identify particular federal or state responsibilities in this area — which is different than in Canada. In general, however, federal laws determine principles regarding social programs.

Health care as a social program: yes or no?

This page and page 277 present different views about providing health care as a social program. Read the views carefully and compare them. In what ways are they similar and different?

Private Health Care Still Best: President

January 20, 2004

WASHINGTON, D.C. — In his State of the Union address today, President George W. Bush outlined his plans to improve the U.S. health care system. The president identified two key problems with the American system:

- Rising costs. He proposes to reduce costs by computerizing health records and “eliminating wasteful lawsuits” against doctors.
 - The number of Americans without health insurance. He said he wants to make private insurance more affordable, so that “Americans can choose and afford private health care coverage that best fits their individual needs.”
- He rejected the idea of increasing the role of government in providing health care, saying “we will preserve the system of private medicine that makes America’s health care the best in the world.”

— Based on research into events, views and perspectives.



U.S. president George W. Bush, leader of the Republican Party, delivers the State of the Union address on January 20, 2004. The State of the Union address, given each year, outlines the president’s plans for the coming year.

Canadian Health Care Needs Innovation: Government

April 4, 2006

OTTAWA — In the Speech from the Throne today, Canada’s Conservative government promised changes to the health care system.

“Canadians have paid their taxes to support our system of public health insurance. But all too often, they find themselves waiting too long for critical procedures. That is not good enough. It is time Canadians received the health care they have paid for.”

The government said that health care needs “innovation” to reduce wait times and bring down overall costs. Any innovations, however, have to be “consistent with the principles of a universally accessible and equitable public health care system embodied in the Canada Health Act.”

— Based on research into events, views and perspectives.



Prime Minister Stephen Harper, leader of the Conservative Party, listens as Governor General Michaëlle Jean reads the Speech from the Throne on April 4, 2006. The speech is written by the government each year to outline its plans. The Governor General delivers the speech as Canada’s head of state.

The trouble with public health care

December 2007

CALGARY — Public health care is becoming unaffordable, according to a report just released by the Fraser Institute, a market-oriented research organization. The report warns that Canadians can expect to pay more in taxes, as governments attempt to cover spiralling health care costs.

In a separate report released in October, the Fraser Institute said Canadians were waiting longer than ever for medical attention, despite billions of dollars in government funding.

Some critics suggest that government funding leads to inefficiencies, such as high costs and long wait times. They say making health care into a business like any other would improve the system. Health care providers would then compete for patients and profits, creating an incentive to provide the best care at the lowest price.

— Based on research into events, views and perspectives.



CRITICAL THINKING CHALLENGE

Why might people have different views about the best way to provide health care? In what way do different views about health care reflect different values?

Profit is not the cure — advocacy groups

January 2008

The Canadian Health Care Coalition and the Council of Canadians say Canadians need to speak out in support of public health care.

“The promoters of for-profit health care have been doing their best to convince people that the only way to improve Canada’s health care system is to open it to private, for-profit interests,” says the website of the Council of Canadians.

The Canadian Health Coalition calls health care a public good that should not be subject to privatization. Both groups say problems with wait times can be fixed within the public system, by establishing better communication and coordination among hospitals.

— Based on research into events, views and perspectives.

“Privatizing health care will only benefit those who can afford to pay, and will allow some doctors, businesspeople and corporations to make money off sick and injured Canadians.”

— Council of Canadians



SPOT AND RESPOND TO THE ISSUE

Identify three issues about public health care these news articles raise. Choose one to research in more depth. Identify what the group for your chapter task values about health care. Consider how you would respond to these issues. Your responses can help shape your proposed economic policy about social programs.



1. Compare the information about social programs in Canada and the U.S. on pages 273 and 275. What similarities are there? What differences are there?
2. For your chapter task, you need to work with a group to prepare an economic policy on social programs — so, you need to understand the values that shape different views and perspectives on social programs. How did social programs in Canada and the U.S. in 2007 reflect different values — different beliefs about what’s important? Try completing the chart below to help you formulate your answer.

Value	Evidence Based on Social Programs in Canada	Evidence Based on Social Programs in the U.S.
How much responsibility should individuals have for their own well-being?		
How much should government be involved in economic decision making?		
What role do individual needs and group needs play in achieving the public good?		

To review the idea of the public good, look back at Chapter 6, page 205.

Building Consensus in a Group

What experience with consensus do you already have in social studies this year? For example, in Chapter 6, you made a decision in a group about government grants for cultural industries. You may also have made decisions in groups about other questions you are exploring.

For your chapter task, you need to work with a small group to create an economic policy that reflects your position on social programs and taxation. How will you work with your group to consider this complex issue and come to a shared vision?



WHAT IS CONSENSUS?



Reaching consensus means that each person respects the ideas of others and works for the good of the whole group. It involves exchanging ideas and solutions, and compromising to find a solution to issues and problems.

Reaching consensus involves giving everyone a voice and considering what they say. It takes time to do this. The objective is to build common values for a course of action that everyone can support.



Try this!

In your small group, use these steps to help you reach consensus on the core values of your political party platform. These values will shape your position on social programs.

1

Choose a Leader and Recorder

- The role of a leader is to guide the discussion and ensure that each person has a chance to contribute ideas.
- The recorder should write down everyone's ideas, but not their names. Ideas belong to the whole group, not the individual.

2

Identify the Issue Question

- Begin by identifying and discussing the issue to make sure everyone understands. For your task, the question is: What values should determine economic policies connected to social programs in Canada?
- Each person states his or her initial opinion on the issue, so you can see how close you are to agreeing as a group.

3

Brainstorm

- After each person has shared his or her initial opinion, brainstorm all the possible responses to the chapter task question. It's important to welcome everyone's ideas without judging them.
- Combine ideas that are similar, and remove ideas that don't focus on the question.
- Brainstorm each of the inquiry questions in the organizer you began on page 269.

4

Negotiate and Compromise

- Consider each of the values. Discuss the advantages and disadvantages of each one.
- Focus on what is best for the whole group. What consequences does each idea have for the whole group? Look for ways to state values that the whole group can agree to. This may involve thinking beyond the values you listed during brainstorming.

5

Propose Consensus

- When you seem to have agreement on a statement of values for your economic policy, propose consensus. If no one raises concerns, or negotiates alternatives, then a consensus is reached. If not, continue to discuss and negotiate options until consensus is reached.



What's the connection between taxation and social programs?

- Government collects taxes to pay for the services it provides to citizens, such as social programs.
- In Canada, both the federal and provincial governments collect taxes. The federal government transfers some of the taxes it collects to the provinces. For social programs, these transfers include the Canada Health Transfer and the Canada Social Transfer.
- Individual Canadian citizens pay two kinds of tax to the federal government and to their provincial government: income tax and sales tax.
- **Income tax** is based on what you earn: the more money you earn, the more tax you pay.
- **Sales taxes** are based on what you spend on products and services: the more you spend, the more tax you pay. The federal **Goods and Services Tax (GST)** is a sales tax that everybody in Canada pays.

Goods and Services Tax (GST): a federal sales tax in Canada

income tax: tax based on a percentage of a person's income

median: a concept in statistics that means the middle number in a set of data organized in order of least to most

sales tax: tax paid at the time of buying a product or service, and based on a percentage of the price of the product or service

DID YOU KNOW?

Grade 9 students pay taxes, too!

Every time you buy something, you pay the GST. The federal government collects the tax you pay from the stores where you shop, and the tax becomes part of the money available to pay for social programs and other government services. In Alberta, the GST is the only tax you have to pay when you buy something. In the other provinces of Canada, you would also pay a provincial sales tax.

Grade 9 students working part-time jobs generally don't pay income tax, because there is a minimum amount you need to earn before you are taxed.

In 2005, Canadian families paid, on average, 17 percent of their income on taxes. If your family earned \$67 000 — the **median** income for families in 2005 — your family would have paid about \$11 000 in taxes.

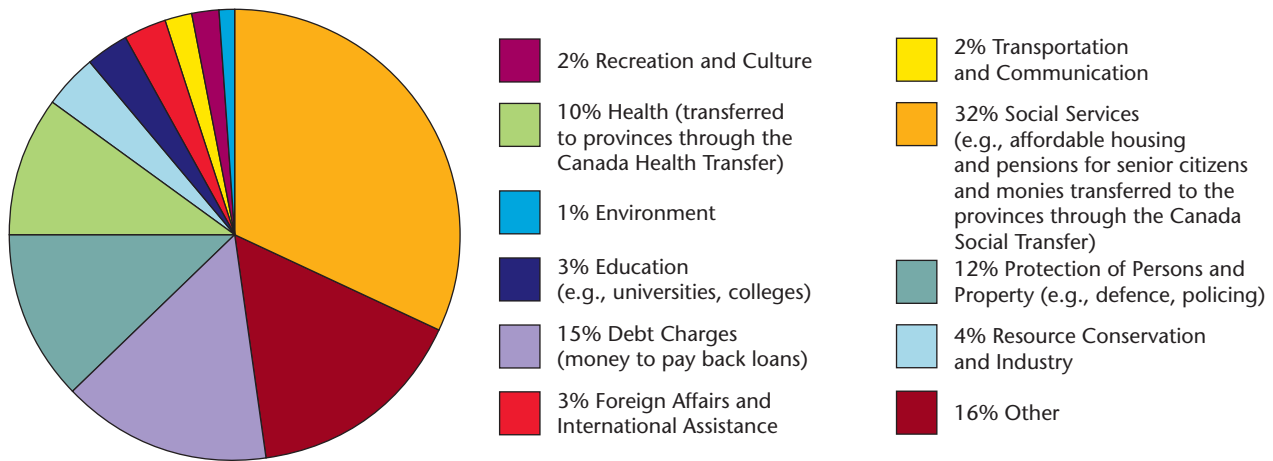


When this student pays for his new CD, he will pay a few cents to cover the GST.

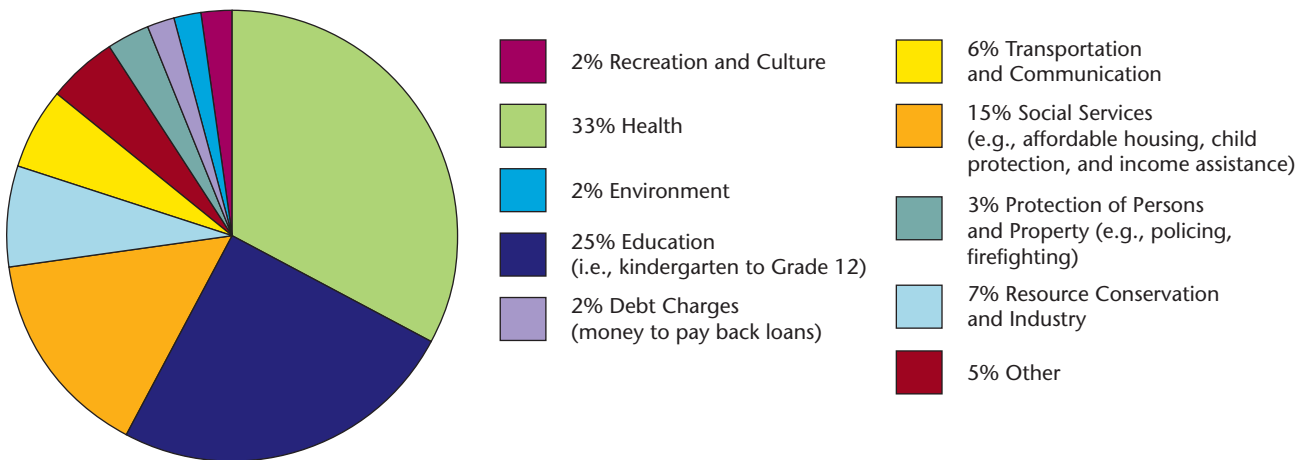
What do taxes pay for in Canada?

Examine the charts on this page. They describe how Canada’s government and Alberta’s government spend the money they collect. What percentage of government spending did social programs represent in 2007?

Spending by Canada’s Government, 2007



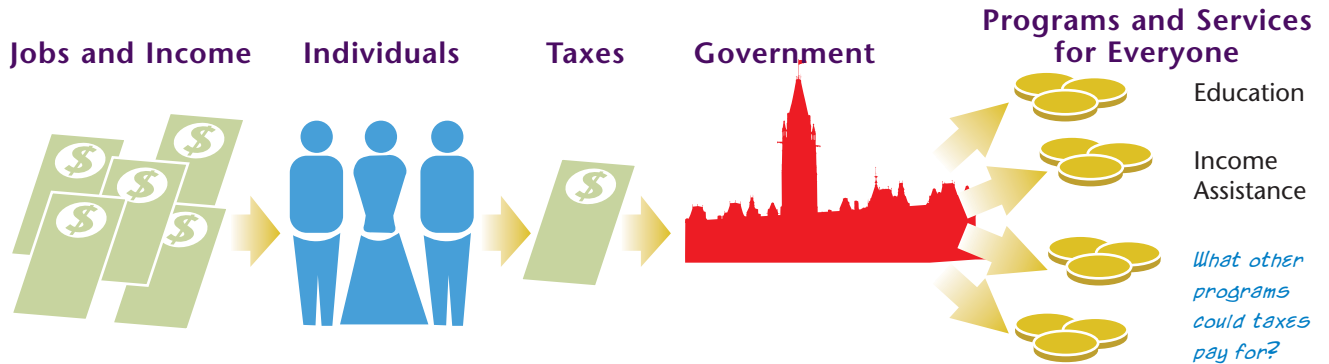
Spending by Alberta’s Government, 2007



Based on your understanding of taxation and social programs so far, do you believe the distribution of tax dollars indicated in these charts is appropriate? Does the distribution reflect values you support?

What is a taxation model?

A taxation model is a policy about taxation that describes what to tax, how much to tax and how to spend taxes. **How do taxation models reflect values?** Examine the flow chart below.



How does paying or not paying taxes affect social programs and quality of life?

The charts on page 282 show that social programs represent a large part of government spending in Canada. Canada’s federal and provincial governments collect taxes to make that spending possible. This page, and pages 284 to 285, explore the issue of **tax evasion**. Tax evasion means to avoid paying the taxes you owe.

- In all countries, including Canada, it’s against the law to avoid paying taxes. Canadians must report what they earn, so government can determine and collect the tax they owe.
- The economic activity that governments tax is called the **tax base**. The tax base pays for the services provided by government, such as social programs.
- Tax evasion involves not reporting your economic activity, so government cannot collect the tax you owe.
- People who work without paying taxes are part of the **underground economy** — “underground” because it functions in secret from the government. The underground economy is also called the **black market**.

black market: another term for underground economy. See below.

tax base: all the economic activity in a society, taxed by government to pay for services

tax evasion: misrepresenting what you earn to avoid paying taxes

taxation model: a policy of a political party or government about what to tax (e.g., incomes, purchases), how much to tax and how to spend taxes

underground economy: economic activity based on buying and selling products and services illegally




How does economic decision making about taxes affect the quality of life of individuals? Based on the flow chart, identify two examples.



Based on the flow chart on this page, how can tax evasion affect programs and services for everyone? How might this affect quality of life?



What other examples of the underground economy can you identify? To what extent does the underground economy affect quality of life for you and others? 

The Economic Excavator

Price: As cheap as possible, but not less than you're willing to pay.

ADVICE FOR READERS

Ask Mr. Equity!

*Uncertain what's fair?
Mr. Equity answers all
your questions in his
popular advice column.*



Dear Readers:
A few weeks ago, I asked readers to write in with responses to a letter. Here's the letter again, with two of your responses. I can't make a call on this one yet — any more thoughts out there?

— Mr. Equity

Dear Mr. Equity,
A woman came to my door last week, offering to do work around the yard. It offended me slightly that she thought my yard needed work — but that's not why I'm writing.

The woman explained that she could help with all sorts of things I apparently need — like mowing the lawn and pulling weeds. She said she knew how to make my car not say “wash me” anymore. Then she explained that she could save me a lot of money. I would have to pay her in cash, though, so she could avoid paying taxes. That's how she could work for cheap.

I could use the help, I guess — and I like saving money. Should I hire her?

— Uncertain in Alberta

Here's what you wrote in response.

Dear Mr. Equity,
No one should hire people who don't pay taxes! These people make health care and schools more expensive for all of us. If people paid their taxes — their fair share — everybody's taxes would be lower. Everybody would have less to pay. Taxes are a privilege. They're a badge of citizenship: a contribution we make to our society and to each other. Let's remember: Canada is a great place to live, and our taxes help make it that way.

— A Proud Taxpayer

Dear Mr. Equity,
Taxes are a burden. They are too high, and they force people to work in the underground economy. Taxes are too high because they provide services to everyone — people who get sick from smoking, for example, or who drive unsafely and end up in car accidents. Why should I pay for their bad judgment? And if I don't have children, why should I pay for schools?

I say people should pay for the services they use. They buy their own groceries — they should buy their own education and health care, too.

— An Overburdened Taxpayer



Write your own response to the letter received by Mr. Equity. Include your position on issues related to tax evasion supported with facts and evidence. Read your letter with your classmates.

What values shape the economic policies of political parties on social programs and taxation?

WHAT'S IN THIS SECTION

In this section, you will read about the economic policies connected to social programs of political parties in Canada and the U.S. You will find:

- Information about political party platforms.
- Charts comparing the policies of different political parties.

What are you looking for?

As you read this section, look for:

- Where economic policies connected to social programs fit into the political platforms of different parties.
- Values that underlie the economic policies of different political parties.

These photos show the leaders of federal political parties in Canada in 2007. Who leads the parties today? What do the parties stand for?



Stéphane Dion, Liberal Party of Canada



Gilles Duceppe, Bloc Québécois



Stephen Harper, Conservative Party of Canada



Elizabeth May, Green Party of Canada



Jack Layton, New Democratic Party of Canada

What's a political platform?

- A political platform describes the official policies of a political party. It reflects a variety of issues, including those linked to social programs and taxation models.
- Political parties create platforms to reflect the values of their members. Parties also consult constituents in electoral ridings to learn more about issues that concern voters.
- Parties add and remove policies as issues become more or less important to their members and to voters. Issues can change in response to local, national and world events.



This chapter focuses on social programs. Based on what you know, which issues listed in the chart on this page connect to social programs? How does this reflect values?

Some Examples of Issues in Platforms: Canada

Bloc Québécois	Conservative Party of Canada	Green Party of Canada	Liberal Party of Canada	New Democratic Party of Canada
MPs: 49	MPs: 125	MPs: none	MPs: 96	MPs: 30
Key issues: <ul style="list-style-type: none"> • Canada's role in Afghanistan • climate change • child care • employment • federal role in Québec affairs • gun control • international affairs 	Key issues: <ul style="list-style-type: none"> • crime • government accountability • child care • environment • health care • leadership • lower taxes • sovereignty in the Arctic 	Key issues: <ul style="list-style-type: none"> • Aboriginal peoples • climate change • culture and identity • elections based on popular vote • equality for women • health care • immigration • justice system • Québec within Confederation • sustainable development • urban and rural Canada 	Key issues: <ul style="list-style-type: none"> • Aboriginal peoples • agriculture and rural Canada • communities • economy • environment • equality for women • families • health care • international affairs 	Key issues: <ul style="list-style-type: none"> • Aboriginal peoples • economy • education • elections based on popular vote • environment • equality for women • health care • poverty • senior citizens

This chart presents information on federal political parties in Canada, based on issues posted on their official websites in December 2007. The parties covered here include the major parties. These parties either ran candidates in every electoral riding in the previous federal election, or had MPs in the House of Commons. Note that the Bloc Québécois runs candidates only in Québec. Canadians can also elect independent MPs, who are not members of any political party. In addition, not all political parties in Canada are represented in parliament — in any particular election, they may not win seats.



Check out the chart on issues in the platforms of major political parties in the U.S. on page 290. How do the lists compare? To what extent do they reflect the same or different values?

What's the connection between values, policies and the economic continuum?

Economic policies come from values and form part of the platform of political parties. The policies within platforms indicate where parties fit on the economic continuum. Here's an example. The platforms shown here are models, not the platforms of real political parties.

Platform	Political Party A	Political Party B	Political Party C
Values	<ul style="list-style-type: none"> • Economic inequalities are unjust. • Government should strive to eliminate economic inequalities. • The public good comes from cooperation: acting on what is best for society. • Government should play a central role in ensuring the well-being of individuals. 	<ul style="list-style-type: none"> • Individuals should have the freedom to better their own incomes. • No one should live in poverty. • The public good comes from individualism and cooperation. Society needs to cooperate to assist those in need. • Government should play some role in ensuring the well-being of individuals. 	<ul style="list-style-type: none"> • Individuals should be responsible for their own well-being. • Assisting individuals reduces their motivation to solve their own problems. • The public good comes from individualism: people acting without interference from society. • Government should play no role in ensuring the well-being of individuals.
Economic policy	<ul style="list-style-type: none"> • Government should play a central role in the economy. 	<ul style="list-style-type: none"> • Government should play some role in the economy. 	<ul style="list-style-type: none"> • Government should play no role in the economy.
Policy on social programs	<ul style="list-style-type: none"> • Government provides extensive social programs. 	<ul style="list-style-type: none"> • Government provides some social programs. 	<ul style="list-style-type: none"> • Government provides no social programs.
Taxation model	<ul style="list-style-type: none"> • Taxes are high to pay for social programs and other government services for everybody. 	<ul style="list-style-type: none"> • Taxes are moderate and spent to provide some social programs and other government services for everybody. 	<ul style="list-style-type: none"> • Taxes are low and spent on a minimum of government programs and services.

Here is where these three models fit on the economic continuum.

THE ECONOMIC CONTINUUM



CRITICAL THINKING CHALLENGE Think about your own circumstances. How would the different values of policies of each political party affect your quality of life?

What are some examples of political parties and their economic policies connected to social programs?

This page and page 290 present information posted on the official websites of the major federal political parties in Canada and the U.S. in December 2007. As you examine this information, consider what values shape the policies of each political party.

Major Federal Political Parties in Canada

Policy 2007

Bloc Québécois

- Supports accessible health care for all citizens.
- Supports income assistance for senior citizens in financial need, beyond payments under the Old Age Security Act.

— Based on the website of the Bloc Québécois.

Policy 2007



- The Conservative Party is improving Canada's health care system to build a stronger, safer, better Canada. For example, Conservatives have provided \$612 million in new funding to help provinces reduce patient wait times.
- Canadians pay too much tax. Conservatives are cutting taxes to build a better Canada. For example, the Conservatives have cut the GST from 7% to 6%, and now to 5% — that's a tax cut for all Canadians.

— From the website of the Conservative Party of Canada.

Policy 2007



- The Green Party of Canada fully supports the Canada Health Act and all of its principles. We oppose any level of privatized, for-profit health care.
- The Green Party of Canada would take steps towards a Guaranteed Livable Income (GLI) for all. A GLI could eliminate poverty. It would provide a regular annual payment to every Canadian without regard to need, set at a bare subsistence level. Canadians would add to the GLI with other income.

— From the website of the Green Party of Canada.

Policy 2007



- Our national health care system is a legacy that Liberals will never abandon. We will ensure that our health care system will continue to be there when Canadians need it, no matter where they live, and no matter what their income.
- Canada has the capacity to improve its social programs and help Canadians across the country experience equality of opportunity.

— From the website of the Liberal Party of Canada.



Where would you place the political parties on this page and page 290 on the economic continuum? Refer to the information on page 288 to formulate your answer.

Issues 2007



- Canadians want quality, reliable health care for everyone, not just those who can afford to buy it. That's why the NDP created public medicare in this country, and it's why we defend it so strongly today.
- Poverty denies us freedom and hope. Confronting poverty means recognizing the human dignity in everyone — and our responsibility to help those neighbours who fall through the cracks.

— From the website of the New Democratic Party.

Major Federal Political Parties in the U.S.

Issues 2007

Democratic Party



- Supports measures to provide health care insurance to every citizen, so that all citizens can afford medical care.
- Supports continuation of income support for senior citizens who can't meet their basic needs.

— Based on the website of the Democratic Party.

Issues 2007

Republican Party



- Supports making private health care insurance more affordable to more citizens by offering tax cuts.
- Supports lower taxes.
- Supports changes to income support for senior citizens that reduce taxes in the long term.

— Based on the website of the Republican Party.



CRITICAL THINKING CHALLENGE Why might political parties focus on similar issues? How does the way they respond to issues reflect different values?

Some Examples of Issues and Platforms: U.S.

Democratic Party	Republican Party
<ul style="list-style-type: none"> • economy • election reform • energy supply • environment • government ethics • health care • immigration • justice system • national security • social security 	<ul style="list-style-type: none"> • economy • education • energy supply • faith (religion) and values • health care • justice system • lower taxes • national security • social security

DID YOU KNOW?



Many Canadians call Tommy Douglas the “father” of Canada’s health care system. He championed the idea of a health care system available to all and paid for by taxes, first as premier of Saskatchewan from 1944 to 1961, and then as leader of the New Democratic Party from 1961 to 1971.

The idea did not receive widespread support at first. For example, doctors in Saskatchewan went on strike to oppose it, and the NDP won only 19 seats in the federal election of 1961, after Tommy Douglas became leader. Other federal leaders, however, also supported the idea of universal health care. These included John Diefenbaker, leader of the Progressive Conservative Party and prime minister from 1957 to 1963, and Lester Pearson, leader of the Liberal Party and prime minister from 1963 to 1968. Canada’s health care system was established in 1966 by the Medical Care Act. At the time, the Liberal Party formed a minority government (see page 28), which meant that it needed the support of other parties in Parliament, such as the NDP, to stay in power.

In 2004, Canadians voted Tommy Douglas the “Greatest Canadian” in a nationwide contest sponsored by CBC. More than 1.2 million Canadians cast votes during the contest, which listed a variety of candidates for “Greatest Canadian,” including John A. Macdonald, Terry Fox and Wayne Gretzky. The contest highlighted Douglas’s role in helping to establish social programs in Canada, including universal health care.



Tommy Douglas



CRITICAL THINKING CHALLENGE

Why might Canadians view Douglas as an important Canadian? How might the choice of Douglas as a great Canadian reflect Canadian values and identity?

In 2007, the platform of the Republican Party in the U.S. endorsed the idea that each individual should pay for their own health care. How does this view contrast with the view of Tommy Douglas?

connect to the big ideas

For your chapter task, you need to present an economic policy. Your policy needs to reflect an informed position on social programs and taxation that demonstrates knowledge of different views and perspectives. Use the questions on this page to explore the different views and perspectives of political parties.

1. Choose two Canadian political parties from pages 289 and 290: the one that currently forms the government and one other. Visit the official websites of these political parties. Collect information about their current policies on social programs and taxation. Use an organizer like the one below to collect your information.

Political Party	A _____	B _____
Health Care		
Income Support for Senior Citizens		
Income Assistance		

To research the website of a political party for information on specific policies, look for buttons called “issues,” “vision” or “policy.” You can also use the search function available on some websites to explore topics. Type in key words such as “health care” or “senior citizens.”

2. Use a similar organizer to collect current information on the policies of the two major federal political parties in the U.S.
3. Compare the information you collect with the information on pages 289 and 290. To what extent have the parties’ policies changed or remained the same?
4. In a small group, discuss how a political party’s platform reflects its values. To what extent do you agree with the values of the party now forming Canada’s government?

HOW TO DETERMINE THE VALIDITY AND AUTHORITY OF INTERNET INFORMATION

The Internet has a wealth of information and misinformation on just about any topic you can think of. It also has a lot of information about the policies of political parties and their platforms. Some information comes directly from political parties, and some reflects the views and perspectives of others. Sometimes it can be challenging figuring out what information is authentic and valid when researching political parties on the Internet.

Do a brief online search of three or four different political parties, including parties in Canada and the U.S. Use the information on pages 287 to 290 to get started. **Go to the Skills Centre on page 361 for tips on doing your search.** Practise determining the validity and authority of the information you find using the steps below.



Inquiry	Source 1	Source 2	Source 3
What is the name and URL of the source?			
Who is the creator of the source?			
Is the creator of the source qualified to communicate the information?			
Is the source current?			
Does the source reflect facts, opinion or bias?			
Does the source provide sufficient information for your research into the policies of political parties?			
To what extent does the source provide relevant and reliable information for your research?			

WHAT'S A URL?

A Uniform Resource Locator (URL) is the website address of an online source. The suffix of a URL — letters at the end — can give you clues to the information on the site. What do these suffixes tell you about the authenticity and validity of sites?

- .gov — government resources
- .edu — educational or research information and materials
- .org — an organization
- .com — a commercially sponsored site
- .ca — a Canadian site



On your own or with a partner, use the steps above to determine the validity and authority of three or four websites that you usually go to for fun or information. What conclusions can you draw about their validity and authority? Share and compare your conclusions with others.



PROFILE

Participating in a Political Party

Chris Winton has been active in politics since he was 15. He attended junior and senior high school in Edmonton, and is studying Public Affairs and Policy Management at Carleton University in Ottawa.



Chris Winton

I joined a political party because I want to drive the future. We are living in the most exciting times, with tremendous opportunities to change what Canada is. Looking back on this time in the future, I'd be embarrassed to tell my children and grandchildren that I *wasn't* involved.

I think social programs are absolutely crucial to Canadian society. They are what get me excited about this country and why I'm involved in politics. I believe in creating a society that's fair to everyone. That's an ideal — hard to achieve — but social programs can get us closer. They can help solve pressing problems, like urban poverty and the injustices Aboriginal peoples face.

Young people can have a big impact on the platforms of political parties, especially if they work together. Platforms get built in working groups and forums on different issues, like the environment or justice for Aboriginal peoples — and youth issues, too. You can join these groups and have your say. You can vote.

I attended the 2006 Liberal leadership convention. The highlight for me was the enormous excitement. The speeches — some of them just made you want to run outside and start fighting an election. There's a crazy amount of idealism and it's really refreshing.



Do you agree with Chris Winton that social programs are crucial to Canadian society? Why or why not?

DID YOU KNOW?

Grade 9 students can join political parties in Canada.

- If you join a federal political party in Canada, you can participate in choosing its leaders and formulating its platform.
- Most parties have these membership requirements:
 - ✓ Resident of Canada.
 - ✓ At least 14 years old.
 - ✓ Endorse the principles of the party.
 - ✓ Not a member of any other political party. For example, if you are joining a federal political party, you cannot be a member of another federal political party (most parties require this). It's possible, however, to be a member of both a federal political party and a provincial political party.
- Anyone 18 years of age or older can form a new federal political party. For the name of the party to appear on ballots during an election, the party must:
 - ✓ Have the endorsement of at least 250 eligible voters in Canada.
 - ✓ Have a name.
 - ✓ Run at least one candidate during a federal election.



This photo shows Tony Clement, a candidate for leader of the Conservative Party of Canada at the Conservative leadership convention in 2004.



This shows Michael Ignatieff, who ran for the leadership of the Liberal Party of Canada, at the party convention in 2006. In addition to electing a leader, party members vote on resolutions that help define the party platform.



As a Grade 9 student, what opportunities to participate in political parties interest you most? Why?



Wrap Up Your Task

Gather all your research and ideas and wrap up your task. Remember, in small groups you will create an economic policy that answers the question:

What values should determine economic policies connected to social programs in Canada?

Summarize Your Ideas

Refer to the inquiry questions you began on page 269. Summarize and organize the information and write it up in a report. Remember to:

- State your position on the question.
- Present your ideas, supported with evidence.
- Organize your ideas logically and persuasively.

Create Your Economic Policy

Your policy should reflect a summary of your research and the values your group reached consensus on. The policy can be communicated in many forms such as:

- A slide presentation that describes your group's conclusions, supported with visuals and graphics.
- A brochure or press release that outlines your group's research and ideas.
- A video or DVD presentation where you orally present your group's ideas.

Decide what format will work best for you to communicate your group's ideas most persuasively.

Tips for Creating a Policy

- ✓ Make sure your policy ideas are clear and concise.
- ✓ Highlight how your policy will benefit groups and individuals in society.
- ✓ Indicate how your policy delivers a good quality of life for all Canadians.

Chapter 8 Review

WHAT DID CHAPTER 8 EXPLORE?

- How do decisions about social programs and taxation in Canada and the U.S. attempt to meet the needs of citizens?
- What values shape the economic policies of political parties on social programs and taxation?

Revisiting the Chapter Issue

Use what you have learned in this chapter to develop your own informed position on the chapter issue:

To what extent should Canadians support social programs and taxation?

Work through the directions for “Demonstrating Your Learning” on page 55 to present your position.

Share What You Know

Create a poster or other visual comparing the philosophy and platform of political parties in the U.S. and Canada. Include graphics and charts to support your explanation. Present it to your class.

Link with Technology

Scan online and print media over a two- to three-week period for articles on current issues related to social programs in Canada. Using the skill of determining authenticity and validity of Internet information you learned in this chapter choose one issue to research in more depth. Summarize your findings using publishing software and share it with others.

Take Action

Consider the purpose and benefits of joining the youth division of a political party. Choose one or more political parties that interest you, and write or email the parties for more information on their policies. Compare your choices and your research with others.

Reflect Before You Forget

Reflect on what you learned in this chapter. Complete these thoughts:

- The most important skill I learned about reaching consensus is...
- In this chapter, I learned... about social programs, taxation and economic decision making in Canada and the U.S.
- One thing I'd like to know more about the platforms of political parties is...