

Finance minister, average Joe differ

By GREG WESTON

While the gathering economic storm in the U.S. started to rain on Canada's parade long ago, federal Finance Minister Jim Flaherty has continued to spread his message of fiscal joy: Don't worry; be happy.

Flaherty claims the economy here is defying the slump south of the border, thanks largely to personal and business tax cuts the Conservative government announced last fall, and which are now allegedly inspiring consumers to spend their way through adversity.

In a recent speech to the Economic Club of Toronto, the finance minister said: "There's good reason for all Canadians to be confident. Our economy continues to grow in all regions of Canada."

Consumers aren't buying it.

The latest Nanos Research polls for Sun Media offer a chilling picture of Canadians staring economic reality in the face, and suddenly fearing for their jobs, their debt loads and, ultimately, the future well-being of their families.

Until now, our Nanos-Sun polls have been showing consumer confidence remaining relatively stable, Canadians apparently believing the economic mess in the U.S. would not cross the border in any meaningful way.

No more. This week's surveys show a sudden evaporation of economic optimism among virtually every age group in every region of the country, except perhaps the oil-booming West.

As if there were any doubt, national politics into the foreseeable future is all about the economy.

No matter how much the finance minister implores Canadians to put on a happy face, we are a nation of furrowed brows with no relief in sight.

The Nanos-Sun polls show almost half the country sees the economy getting even weaker during the next six months, and similar numbers have concerns about keeping their jobs.

Many Canadians are already feeling the pinch in their pocketbooks -- 28 per cent of those surveyed say their personal finances are in worse shape now than at any time over the past year, a 75 per cent increase since last fall.

Contrary to Flaherty's claim that consumers with pockets bulging from tax cuts are spending their way through a slowing economy, the Nanos-Sun survey shows about 80 per cent of Canadians haven't noticed any improvement in their family budgets.

That figure is all the more revealing given the poll comes only weeks after most Canadians received their tax refunds from the Conservatives' much-touted budget measures last fall.

Even seniors, many of whom were supposed to save a bundle in taxes, seem unimpressed -- 24 per cent said their personal finances are worse off now than six months ago, while another 54 per cent said nothing has changed.

One reason so little has changed for so many is skyrocketing fuel prices that have eaten up their personal tax cuts and then some.

Whatever the cause, the results of the Nanos-Sun polls are a political minefield for both the ruling Conservatives and opposition Liberals.

The good news for Stephen Harper's government is the core Conservative vote in the West remains the most optimistic demographic of all.

But the Nanos-Sun survey does not offer the same sunny outlook for the Conservatives in Quebec, where Harper's party needs major gains to win a national majority.

With an astounding 25 per cent of Quebecers surveyed saying they are afraid of losing their jobs in the next six months, it is doubtful a laissez-faire finance minister is going to win the day in that province.

None of which means the Liberals are in for good times from bad times. Far from it.

While governments tend to get the boot when the economy is down, the Conservatives can legitimately ask voters if they are willing to trust Stephane Dion's leadership to steer the country through dangerous waters ahead.

As for Dion's promised new carbon tax that would raise already soaring heating costs, the Liberals would do well to heed the latest polls -- that is, read 'em and weep.

