

## Financial Patriotism

Financial patriotism is a very real concern of our country. Do Canadians understand the ramifications for our lack of personal financial responsibility?

For several years, working for the Ministry of Human Resources, I was exposed to an ever growing epidemic of consumer debt and financial instability. One of the common sayings in the industry was that we are all just “two paycheques away from being in a welfare line-up” and many statistics are pointing out the reality of this statement. Being one of the richest countries in the world, it is a shame to know that a majority of Canadians are on the brink of financial ruin? We are a society that no longer believes in living in the “Now” but rather we live for the “Right Now”? Our “happiness” and financial well-being is determined by the amount of plastic in our wallets. The average Canadian has seven credit cards, with an outstanding balance of \$30,000, with car payments on top of that. We are now relying on credit to meet our living and annual expenses without the consideration of what should happen if we should lose our job, health issues impede our normal living situation or a spouse were to pass away. We can all see how this would impact our lives personally but do we understand how this affects our country economically?

Manav Tanneeru from CNN recently reported that “the national savings rate for Americans is at its lowest point since the Great Depression, yet 78 million Americans will retire in the next 20 years.”

Canadians should think about what will happen when overwhelming numbers seeking financial intervention start relying on government resources to maintain their living standards. Look at our baby boomer generation retiring in the next 20 years. One in three Canadians are baby boomers and they represent the largest group in our population. A majority of these people will be looking at retirement with very little personal financial savings. Their options will be to either depend on our Canadian Pension Plan system, which is hardly a good bet given the state of our federal government or they’re going to be taking early retirement at the age of 75. If government resources are lacking then where will the aid come from? What if our government resources can not sustain? Look for instance at the situation in Louisiana and the aftermath of Hurricane Katrina. The lives of many of the survivors still hangs in the balance due to the fact that financing for rebuilding is at a stand still because the State and Federal governments are quibbling over where the funding responsibilities lay. Meanwhile many people’s lives have not changed and they continue to live in devastating situations. I know that we as Canadians do not believe or even think that something such as 9/11 or Katrina could happen to us and that is a bad place to be. Currently Oprah has challenged her nation to take the initiative and go on what she is calling “The Debt Diet”. Maybe we Canadians should also step up to the plate and do the same. Taking personal responsibility for our debts may very well be the only option we have to continue on with the lifestyles that we have all become accustomed to.

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