

**2009:04EI STIMULATING SOCIALLY EQUITABLE ECONOMIC ACTIVITY AT TIMES OF
ECONOMIC DOWNTURN**

Whereas 1 the National Council of Women passed a resolution in 1989, *Reduction of Federal Government Debt*, citing “wide support among Canadians for maintaining the debt of the Government of Canada at a low level in order to reduce high interest payments”; and

Whereas 2 Canada has moved to lower the federal debt since that time, so that, at the end of 2008–09, the size of the federal debt as a percentage of Gross Domestic Product (GDP) is projected to remain the lowest of the G7 countries; and

Whereas 3 at this time of severe world wide economic downturn which has led to sharply decreased economic activity, many official and important voices have spoken out, recommending that governments across the world engage in economic stimulus, as a matter of urgency, in order to avoid a long term “depression”; and

Whereas 4 other voices have refined the concept of stimulus spending by pointing out that investing in different areas of the economy increases economic activity at very different rates; and

Whereas 5 government deficits resulting from a slowdown in economic activity are deemed to be part of a business cycle or to be “cyclical” deficits, with economic stimulus seen as the best way to address the lack of demand in the economy; and

Whereas 6 although the regulation of the banking sector in Canada has been lauded internationally as maintaining economic health, credit has been tight throughout 2008 and early 2009, so that loans have been hard to access; therefore be it

Resolved 1 that the National Council of Women of Canada adopt as policy, during a period of significant and/or prolonged economic downturn, the principles of:

- a. **stimulus spending**
- b. **continued availability of credit to ensure the economic activities of the nation**
- c. **investment in programs that maintain and build health and skills for unemployed and low income people, particularly women; and be it further**

Resolved 2 that the National Council of Women of Canada urge the Government of Canada, during a period of significant and/or prolonged economic downturn, to:

- a. **work to increase demand in the economy by running cyclical deficits at times of low economic activity, the extent of the deficit depending on the severity of the downturn**
- b. **engage in the most effective and efficient stimulus measures, particularly by directing more resources to the unemployed and those on low income**
- c. **work with the financial institutions to assist them in continuing to advance credit at times of low economic recession**
- d. **explore other ways of ensuring the availability of credit and implementing needed alternative avenues**
- e. **pay special attention to the needs of women**
- f. **ensure adequate funding for appropriate retraining for those who have lost their employment.**