



## **Prince Edward Hastings Federal Liberal Association Newsletter 8 October 2012**

### **President's Letter**

**Dear Members, Supporters and Liberal Friends;**

I want to take this opportunity to welcome all of our new members and supporters in Prince Edward and Hastings. We continue to see renewed interest in the Association and we are optimistic about the future. With candidates such as Deborah Coyne and Justin Trudeau coming forward as leadership contenders, we expect to see interest continue to grow. As part of that welcome, I would like you to know that there are opportunities to get to know other members and supporters by attending or working at events in the riding. Please call 1-888 554-2372 for more information. (Continued on pg. 3)

### **Marci McDonald to Speak in the Bridge Forum in Belleville**



The award-winning journalist whose controversial best-seller, *The Armageddon Factor*, raised the ire of the Conservative party and the Harper government is coming to Belleville to address the question, "How much religion do Canadians want in their politics?" Think that the Tea Party is strictly an American phenomenon? Think again! Based on her 2006 cover story in *Walrus*

magazine, "Stephen Harper and the Theo-Cons," The Armageddon Factor which topped McLean's bestseller list for a month, is the first examination of the emerging religious right in Canada and its ties to the Harper government. Shedding light on an increasingly influential movement that the mainstream media has largely ignored, McDonald profiles many of the players who have set down organizational roots in Ottawa since Harper came to power, establishing think tanks, advocacy groups and youth lobbies to ensure they have a lasting voice in the national debate long after he has left office.

Don't miss this opportunity to hear the full story. **Date: Friday, October 19<sup>th</sup> at 7.30 PM Location: Capers Restaurant Event Rooms, 272 Front Street, Belleville. ON. Public invited to attend. Free will donation. Call 1-888-554-2372 for information**

### ↑LIBERAL INTEREST RATE GOING UP ↑



Even with jet lag and a bout of laryngitis, Interim leader of the national Liberal party, Bob Rae, managed to inject a good dose of enthusiasm into an address in Belleville last Thursday.

Rae told the crowd of over 150 people that party membership nationally is up by 25 thousand and on the rise. "The party rebuilding is already well under way, the party's finances are in

better shape, and we are moving on in a positive way."

He pointed to disaffection with Stephen Harper and his government for the increase and detailed many ways he says the conservatives are letting the country down. Rae said the current government is not about dialogue or about engaging Canadians.

" Canadians are frustrated because they don't see themselves in the (political) process."

He also accused the Harper regime of turning politics into something manufactured and artificial...

Rae said the Conservative belief in trickle down just doesn't work and the NDP takes prosperity for granted. "The middle class, Rae says, "needs to be reinforced"

**"The country wants to have a party that's "open, modern, progressive and caring and I don't think they want to be forced to go over to the left, they want a party that's going to govern from the middle."**

**He says the party plans to do engage the public in a more open conversation about national government. "The vast majority of Canadians are closer to the Liberal Party than any other. They are not looking for ideology, or simple answers."**

**"We can't take democracy for granted," he added. "We can't take prosperity for granted. We can't take accountability for granted, and we can't take Canada for granted."**

**Prince Edward Hastings Federal Liberal Association President Lenore Begley was clearly happy with the message and enthusiastic response. "We are extremely pleased to have had this visit from Bob Rae. I'm sure that he and the leader that will soon follow will continue to refine and articulate policies that Canadians want to hear and that we in the riding are helping to create. When Bob Rae said there were 25 thousand more Liberals signed up this year he was identifying a trend we are seeing right here as people recognize that Liberals are on the side of the middle class. We are working for the day when we have an MP that isn't in the riding for photo ops, self serving announcements about how our money is being spent, selling policies that simply don't work for the majority, and hiding others behind omnibus bills."**

**Rae was participating in the same speaker series that brought Justin Trudeau to Belleville in the spring and will bring writer Marci McDonald to Belleville later in the month. She is the author of the Armageddon Factor which discusses how deeply right wing religious fundamentalism influences the Harper Conservatives.**

**Further information about the riding association's speaker series can be obtained by visiting <http://peh.liberal.ca/> or visiting the association's Facebook page.**

### **President's Letter Continued....**

**We are following the Boundary Redistribution hearings that will be held in Belleville in early November. There will be more about that issue in the next newsletter. The proposal from Elections Canada would see Hastings County divided amongst three other ridings. We think that this is wrong and we are preparing our presentation to the Commission.**

**I want to take this opportunity to thank all the writers who contributed to this newsletter and all of the directors and friends who helped to make the**

Bob Rae event happen. We couldn't do it without you. If you wish to contribute, or if you wish to comment, please email [info@pehliberal.ca](mailto:info@pehliberal.ca) or call 1 888 554 2372.

Until the next time

Lenore Begley

President

### The Leadership Race Begins

We are watching with excitement as the campaign for the Liberal leadership begins in earnest with the entry of four candidates. Most recently Deborah Coyne dropped by Belleville for a meet and greet with Association directors. (Right) This followed the June visit by Justin Trudeau to our AGM. We will keep you updated as more candidates throw their hats into the ring.



### Follow the Links to Leadership Candidates Websites

<b>Alex Burton</b>	<a href="http://www.alexburton.ca/">http://www.alexburton.ca/</a>
<b>Deborah Coyne</b>	<a href="http://www.deborahcoyne.ca/">http://www.deborahcoyne.ca/</a>
<b>Jonathan Mousley</b>	<a href="http://www.mousley.ca/">http://www.mousley.ca/</a>
<b>Justin Trudeau</b>	<a href="http://justin.ca/">http://justin.ca/</a>

## **Hidden Claw back in New Conservative E.I. Program Increases Income Inequality**

**OTTAWA—** The Conservatives' new Employment Insurance (E.I.) pilot program increases income inequality by clawing back benefits from those who need it most, said Liberal Human Resources and Skills Development critic Rodger Cuzner today. 

“This government is once again attacking the most vulnerable by penalizing low-income workers on E.I. who are only able to find a few hours of work per week,” said Mr. Cuzner. “Like Mitt Romney and the Republicans, the Conservatives think it's not their job to worry about ‘those people.’”



The Conservative Working While on Claim pilot project contains a new, hidden disincentive that will have the opposite effect for E.I. claimants with low weekly earnings, clawing back as much as 50% of their wages. In addition, it will force people working in seasonal industries or living in areas of high unemployment to move away from their families and communities to take jobs in other areas of the country. This new Conservative program replaces the original Working While on Claim pilot, established in 2005 by the previous Liberal government, which sought to create strong incentives for people on E.I. to move back into full-time employment.

“Under these new rules, a part-time worker making \$78 a week will have it clawed back to just \$39,” said Mr. Cuzner. “The new E.I. program will only make it harder for unemployed Canadians to get back on their feet and into the workforce, and harder for employers to find employees willing to work only a few hours per week. This is unjust and unacceptable, and must be changed.”



### **We are the 60 %**

The federal election in 2011 ushered in a new era in national politics. For the first time in Canadian history we Liberals were denied the privilege of either government or loyal opposition status. The election results not only shook the foundation of our party but also, in many respects, washed it away completely. However, instead of feeling despair we ought to view this moment for what it is, namely, a unique opportunity to fundamentally reform our party in order to attract a new generation of Liberal supporters in Prince-Edward Hastings.

I'm excited about helping to build a rejuvenated Liberal Party in Prince-Edward Hastings while mindful of the serious challenges that stand between future success and us. It is vitally important that we recognize that any meaningful renewal of our party demands thoughtful changes to our positions, tactics, and culture. One position that needs revisiting is our stance on electoral reform. Specifically, whether our first-past-the-post system is appropriate in an era with three credible national parties.

I believe its time for electoral reform because our current system is producing an upside-down democracy where the minority rules the majority. In the last election more than 60% of voters rejected the Conservatives in favour of a more progressive Canada by voting for one of the other parties, yet the Conservatives won a sound majority in the House. Something isn't adding up here.

It's no secret that this paradoxical outcome is a direct result of the problem of vote splitting in our first-past-the-post system. With the unification of the Conservatives and the ascent of the NDP and Green vote, vote splitting is depriving progressive Canadians of their voice in Parliament. It's not only bad for our party, it's undermining our democracy.

In past elections, some of us would attempt to address the problem of vote splitting by warning voters that a vote for NDP or Green represents a vote for Mr. Harper. Although I believe that this happens to be true, I can see why it had limited success in bolstering Liberal support. It's been my experience that people don't respond well to threats and there is something unseemly about trying to coerce someone to vote for your candidate when they would rather vote for someone else. Ultimately, we are in no position to criticize our friends and neighbours for voting their conscience just as they shouldn't criticize us for voting ours.

I see alternative voting - where voters are allowed to make one or more alternative votes in addition to their first choice - as an effective solution that would benefit our party and the country at large. The fact is that, despite our differences, many NDP and Conservative voters would rather see a Liberal government in power instead of a Conservative or NDP government respectively. We would have substantially more Liberal MPs in Parliament than we have today if voters were permitted to make alternative choices on their ballots last year.

Introducing alternative voting would empower the progressive coalition in Prince-Edward Hastings who believe that we deserve better representation than Mr. Kramp's party and would only improve our prospects of causing positive changes in Ottawa.

Our party should give electoral reform serious consideration as a way to yield more progressive, transparent governments that more accurately represent the views and aspirations of all Canadians.

*Keenan Sprague, Belleville*



### **Area Activities**

Please consider joining us for some or all of the following no cost activities in our communities.

1) Servers for the 'Volunteer Dinner' to be hosted at St. Joseph's Parish Hall on Victoria Street (at Herchimer Ave) on Saturday, December 8<sup>th</sup> from 4-8 pm. We've committed to providing 6-8 people. (I will be one of those, Ian)

2) CPR Christmas Train-no date yet available. Approximately 2-hour time frame

involved helping serve hot chocolate and accept food donations. We've committed to providing 6 people for this event. Wear your red proudly!

3) Harvesting for Senior's Residences- no date yet available but we expect it to be mid November". We've committed to providing 6-10 people.

4) Putting the garden to bed. Wednesday, November 7th (weather permitting) OR in the case of inclement weather, Wednesday, November 14th. Volunteers to arrive at Noon. We've committed to providing 6-10 people.

Join us and meet fellow Liberals and other community member. Call 613-399-1414 or 1 888-554-2372 for information or to sign up.

## Corporate Welfare



### **What all the fuss is about? An Explanation.**

Corporate welfare is a shopping bag term denoting several favourable programs for business, administered by government, including tax breaks, subsidies, grants and repayable grants.

Corporate tax breaks are traditionally awarded during depressions, recessions and other unsettled times, as a way of easing costs, reducing risk and maintaining national competitiveness, a strategic consideration. Costs are reduced by several tax points; money is not handed out and banked. A cost reduction is not a revenue increase and may or may not affect the bottom line. National competitiveness keeps Canada on par with other nations levying the same or similar tax burdens, an increase could lead to a corporate exodus in some sectors, e.g. Indiana versus Ontario, a decrease aids in maintaining the status quo. A tax break is a temporary measure, not tax reform, and can be given or withdrawn at the will of government.

When a company is investigating new locations it reviews a series of competitive factors: availability of natural resources; availability of cheap and plentiful utilities like power and water; proximity to major transportation routes; stable government; tax rates; available work force; low union membership; low wages and benefits programs; value of national currency. Taxes are a singular and significant consideration and with NAFTA and the similarity between and proximity of Canadian, American and Mexican environments they can be a relevant factor and can be used as a slight hedge against financial parity. National currency has become a major issue, as Canadian and American dollars are at par, removing Canada's export advantage, making Canadian workers among the highest paid in the world, e.g. current basic, hourly auto rates in Canada, the U.S. and Mexico are \$35.00, \$28.00 and \$2.00 respectively.

Tax breaks do not foster employment. Stating that is to voice an economic heresy, certainly a political one, but decades of personal, empirical observation indicate that CEO's do not say, "We have a tax break, let's hire people." A tax break is a temporary measure of unknown duration, not something on which to base long-

term expansion. People are hired in good times, not in bad, hired when a larger workforce is required to exploit expanding and new markets and to implement new programs. People are not hired because corporate costs have been reduced, in fact downsizing over the past 20 years, (recessions in the last decade of the last century and the first decade of this century), have compelled corporations to work more efficiently and more effectively with less, resulting in new business models requiring fewer people. Tax breaks do not foster economic growth; they reduce costs during risky times.

They remove competitiveness, for the sole benefit of one sector of the national economy, resulting in higher prices to the detriment of the public at large. One can argue that supply side economics and marketing boards are a government form of subsidy to the agricultural industry.

Grants and repayable grants have similar effects and put the government in the position of picking winners and losers, money advanced to some businesses but not to others, to some sectors but not to others. Grants are gifts, as repayment is neither demanded nor expected; repayable grants are generally not repaid, the term becoming oxymoronic. None of the government administered business aid programs have proven either effective or of economic benefit yet continue to be heralded as important and necessary policies. By giving grants, the government supplants banks as lending agencies for no apparent reason, as measureable benefits do not flow to the Canadian people. The question has to be asked, in each case, as to why a corporation would approach government rather than a bank for operating or development funds.

In the words of Marke Milke of the Fraser Institute reviewing 30 years of Industry Canada involvement in corporate welfare programs, "corporate welfare is a losing proposition. It does not support economic growth or job creation." We should end the practice and use the money for constructive purposes

Bailouts of the auto industry are of a different category, as they are a combination of share purchases and loans, government as corporate investor, changing the business dynamic and introducing a degree of security to other investors, in that government may act favourably to protect its interests should further difficulties arise. They are also designed as a social investment to protect large numbers of jobs that would have been lost otherwise, (sometimes letting a corporation fail of its own accord is not the best policy). The initial results of the auto bailout have been sustained and enhanced employment; the July 2012 General Motors announcement of new research and development programs in the amount of \$850 million; the positioning of Ontario as the single largest auto manufacturing centre in North America. Government investment, taking a position in a corporation is a different question and one worthy of separate debate. Stay tuned.



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