

# Canada's social-democrats hope to sustain Liberals in power after January elections

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Like social democratic parties the world over, Canada's New Democratic Party (NDP) has lurched far to the right during the past 15 years. In the campaign for the January 23 federal election, the NDP is doing everything in its power to prove it is a "responsible" party that can be trusted to uphold the interests of big business and defend the Canadian state. The New Democrats' fondest hope is that in the coming parliament, as in the last, they will have the opportunity to help sustain a government formed by one of the big-business parties.

The NDP has waged previous campaigns with the pretension of winning enough seats to form the government. But in the present campaign the NDP has explicitly focused its efforts on gaining the balance of power in a minority parliament. From this position—or at least so the argument goes—the NDP would be able to pressure the parties of big business into enacting social spending increases and modest reforms.

According to the NDP, the record of the last parliament shows the efficacy of this strategy. From May through November 2005, the NDP was in a parliamentary alliance with the Liberal minority government of Paul Martin. In exchange for the temporary dropping of a corporate tax break and a meager increase in social spending, the NDP helped the Liberals, who during their 12 years in office have spearheaded the assault on the working class, to beat back an attempt by the right-wing Conservative Party of Canada and the pro-Québec independence Bloc Québécois (BQ) to force a new election.

Although the NDP would doubtless prefer to prop up another Liberal minority government, it can by no means be excluded that Canada's social democrats would work with Stephen Harper's Conservatives, should the election result in a Conservative minority government. From the beginning of the campaign, NDP leader Jack Layton has consistently left open the question of collaboration with the Tories. "If we're starting the election by saying we're not going to work with other MPs who are elected, that would be a terrible attitude," Layton told a Vancouver rally in early December.

Last Monday night, when the moderator of the second English-language party leaders' debate pressed Layton to state whether he would prefer to work with a Liberal or a Conservative minority government, Layton dodged the question. He responded that the NDP wouldn't "give blanket support to anyone" and was "running against the Liberals... because they keep breaking their promises" and "against Conservatives because they're wrong on the issues."

That Layton's party is perfectly willing to collaborate with either of the country's two big-business parties was demonstrated during the last session of parliament. The present elections were triggered when the NDP withdrew their support from the Liberals, then voted for a Conservative no-confidence motion that brought down the government on the grounds that the sponsorship scandal had shown it to be corrupt.

For the Conservatives, it was crucial that any election be framed in terms of corruption, so that discussion of their own right-wing program and ties to religious fundamentalists and the US Republican right could be

avoided. Instead of presenting its own no-confidence motion based on the Liberals' right-wing record, the NDP chose to assist the Conservatives in their maneuvers.

Since then, an emphasis on Liberal corruption has been as much at the centre of the NDP campaign as that of the Conservatives. The NDP have led the pack in demanding that Finance Minister Ralph Goodale resign because of allegations that Bay Street insiders were leaked advance knowledge of a forthcoming Liberal announcement on the taxation of income trusts.

Indeed, the NDP played a key role in the intervention of the Royal Canadian Mounted Police (RCMP), the country's national paramilitary police force, into the election. It was NDP Finance Critic, Judy Wasylycia-Leis, who made public that the RCMP had launched a criminal investigation of the insider-trading scandal, information the RCMP was all too eager to confirm.

The unprecedented decision of the RCMP to reveal to Wasylycia-Leis, then publicly announce, that it was conducting a criminal investigation in the midst of an election campaign was without doubt politically motivated. The RCMP is gunning for a Conservative victory because of a history of bad blood with the Liberal party and because they calculate (correctly) that Harper's party will go out of its way to increase their budget and powers. In this respect, just as with the fall of the Liberal government, the NDP has served as a pliant tool in the maneuvers of the rightwing.

Like the other opposition parties, the NDP has framed the income trust affair solely as an issue of "insider trading" when the real issue from the standpoint of the interests of working people is the manifest subservience of the government to the interests of big business. The NDP has not dared campaign against Liberals' decision to maintain the tax-free status of income trusts and slash the taxation rate on stock-dividend income—by any measure a boon for the wealthiest sections of society. Rather it has simply highlighted the fact that certain business interests, rather than others, may have been apprised of Goodale's November 23rd announcement.

The apparent contradiction involved in denouncing the Liberals for corruption while at the same time quietly hoping to be able to sustain a Liberal government in office is explained by the NDP leadership's perceived need to distance itself from the Liberals so as not to enable the Conservatives to paint them as "soft" and to deter "strategic voting". An analysis of prior opinion polls and the results of the 2004 federal election has shown that a quarter of those who had been preparing to vote NDP were persuaded to vote for the Liberals on the grounds that only the Liberals could prevent the coming to power of a neo-liberal and socially-conservative Conservative government.

In this election, as in the last, Martin's Liberals have been keen to present themselves as philosophical allies of the NDP, and not only as part of a calibrated attempt to woo NDP voters. The Liberals have won four elections in a row by depicting themselves as a bulwark against the right-wing policy prescriptions of successively the Progressive Conservatives,

Reform Party, Canadian Alliance, and Harper's Conservatives, only to subsequently implement their policies. Needless to say, a major reason Martin courted the NDP last spring, was with the aim of using the social democrats to lend legitimacy to a fifth attempt to pull off the same trick.

To the extreme chagrin of the NDP leadership, its election-time efforts to distinguish itself from the Liberal Party have been undercut by a faction of the union bureaucracy. Early in the election campaign, the leadership of the Canadian Auto Workers (CAW) Union came out with an explicit call for its members to engage in strategic voting, i.e., to vote in those ridings where the Liberal candidate seems to have the greatest chance of preventing the election of a Conservative. Prime Minister Martin was even invited to address the union's national council; the same courtesy was not extended to Jack Layton.

In an op-ed piece published in the financial pages of the right-wing *National Post*, CAW President Buzz Hargrove spelled out that he was working for the election of an NDP supported-Liberal minority government and complained that he was "somewhat puzzled" by the criticism this stance had provoked from the NDP milieu. Echoing the NDP's own rhetoric, Hargrove eulogized the seventeen months of the preceding parliament as "an inspirational moment of opportunity."

After describing a new Liberal minority government propped up by the NDP as the "best the left can now hope for", Hargrove attacked the NDP's campaign against the Liberals as "a surefire recipe for alienating potential supporters who are both relieved at the good things the minority government has delivered (thanks in large part to the NDP) and reasonably worried about the prospects of Tory rule."

The dispute between the CAW leadership and the NDP over strategic voting boils down to a question of tactics. Both champion the same strategy. The CAW bureaucracy explicitly calls for a Liberal minority propped up by the NDP, while the NDP does so only implicitly with its call for the NDP to be given the balance of power in the next parliament. But at every opportunity, both repeat the claim that the NDP was able to pressure the Liberals to effect significant social reforms during the last Parliament.

This claim is a lie and a dangerous trap for the working class. As witnessed by the Supreme Court decision opening the door to the dismantling of Medicare, the ruling class has launched new offensives aimed at destroying what remains of the welfare state.

The true political significance of the NDP-Liberal alliance is not what the social democrats and the union bureaucracy would have people believe. Under conditions of deep popular disaffection with the traditional parties of big business and a growing anxiety within the ruling class over its perceived inability to match the success of its rivals in the US and Europe in pushing through neo-liberal policies, Canada's social democrats are once again coming forward to help prop up the party that for most of the past 110 years has been the preferred party of government of the Canadian bourgeoisie—the Liberal Party.

The 12-year-old Chrétien-Martin Liberal government has been the most right-wing federal government in Canada's post-Great Depression history. Between 1993 and 2001, federal government spending shrank from 15.7 percent of GDP to 11 percent, a reduction of nearly one-third, as the Liberals cut tens of billions from public and social services. This was accompanied by an equally astounding tax handout for the rich. As cut after cut to public spending led to federal budget surpluses, the surplus funds were quickly eliminated through a combination of tax cuts and repayments of the national debt. In 2000, the Liberals introduced a five-year program of \$100 billion in tax cuts, taken right out of the program of the Canadian Alliance (a party of the far-right which subsequently merged with the Progressive Conservatives to form the present Conservative Party of Canada).

With these numbers came a drastic change in the physiognomy of Canadian social life, whether the index be the length of waiting lists for

medical treatment, the dramatic increase in the preponderance of insecure, part-time labour, or the doubling of food bank usage in the course of 12 years of Liberal rule.

The NDP and the trade union bureaucracy played a pivotal role in enforcing the right-wing program of the Chrétien-Martin Liberals. Throughout the 1990s, NDP provincial governments implemented cuts to social spending and attacked workers rights (a role that fell to the BQ's provincial sister party, the Parti Québécois in Québec) while the union bureaucracy ensured that opposition to this program was contained within the straitjacket of collective bargaining and protest politics.

In Ontario, the NDP government of Bob Rae attacked public sector workers and was responsible for brutal social spending cuts. In 1995, discredited by their assault on the working class, the Rae NDP gave way to, and was itself responsible for the coming to power of, the Conservative regime of Mike Harris. When a 1997 strike by the province's public school teachers became the focal point of mass opposition to the right-wing agenda pursued by all levels of government, the trade union apparatus, backed by the NDP, torpedoed the strike.

Given the depth of the Liberal assault and the NDP's collaboration therein, the "NDP amendments" to the 2004 budget were so modest that to call them reforms would be a grave abuse of the language. According to the deal between the NDP and the Liberals, \$4.6 billion of corporate tax cuts over two years were to be canceled, with the funds redirected to a paltry 2 percent increase in social spending.

More fundamentally, none of the long-term goals of the Canadian ruling class has been called into question either by the 2004 NDP-Liberal budget or by the NDP itself during the present campaign. On the contrary, the party has gone out of its way to show the Canadian elite that it can be counted on to play by their rules.

In order to underline its commitment to upholding the interests of the ruling class and its federal state, the NDP has dropped its opposition to the Clarity Act. (Passed in 2000 by the Chrétien Liberals, the Clarity Act states that any referendum on Québec's secession must have a clear question, that it must win a clear majority, and that the Canadian parliament will be the arbiter of whether or not these conditions have been met.) Layton has also attacked the Conservatives on the grounds that they would cooperate with Québec separatists in the dismantling of the federal state.

The limited proposals for modest tax increases on business, the wealthy and estates that the NDP campaigned on in the 2004 election have also been entirely discarded. The NDP has vowed not to raise any taxes, and has even opposed the Conservative campaign promise to reduce the federal Goods and Service Tax (GST), from 7 percent to 5 percent, within 5 years. The GST, as a consumption tax, has a greater impact on the working class and poor than on those with greater means at their disposal. Certainly, the Conservative proposal represents a craven example of populist posturing. Nonetheless, it is a measure of the NDP's rightward lurch that they would implicitly defend this regressive tax, originally proposed by the Mulroney Tories and then implemented by the Martin-Chrétien Liberals.

The NDP's new tax policies were announced by Layton from the trading floor of the old Toronto Stock Exchange building. And as he delivered the message to the Bay Street financial elite that his party was "fiscally responsible", Layton was joined by one of the star candidates recruited by the NDP for the election, former RBC Dominion Securities chief economist Paul Summerville (running in the Toronto riding of St. Paul's).

The NDP's recruitment of another "star" candidate, former Manitoba Premier and Governor-General Ed Schreyer, underlines the party's attempt to present itself as a defender of the Canadian state. By the 1970s, Schreyer was notorious within the NDP for his right-wing views, and as the NDP Premier of Manitoba applied the wage controls of Prime Minister

Pierre Trudeau. In the late 1970s, amidst rumours that he might join the federal Liberal cabinet, he instead accepted Trudeau's offer to take over as governor-general—the unelected final arbiter of disputes with the Canadian parliamentary apparatus.

The WSWs will have more to say about the NDP's election program and campaign. But for the present suffice it to say that the NDP—the Janus-faced left-wing of the Canadian political establishment which claims that it is possible to pressure big business for reforms while simultaneously reassuring big business that it will do them no harm—is in no way a political instrument through which working people can defend their interests.

The defence of jobs, social conditions and democratic rights requires the construction of a new mass party of the working class that will oppose the subordination of social needs to the profits of business and unite Canadian workers with workers around the world in a common struggle against the capitalist profit system. It for this that the *World Socialist Web Site* and the Socialist Equality Party fight.



To contact the WSWs and the  
Socialist Equality Party visit:

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