

# Canada: Liberals wage “phony” war on Conservative government

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Canadian Prime Minister and Conservative Party leader Stephen Harper had two private meetings with the leader of the Liberal Official Opposition, Michael Ignatieff, yesterday.

Such tête-à-têtes are very rare in Canadian politics. But all four parties in parliament are maneuvering in the run-up to a vote this Friday on the government’s spending estimates. Should the Conservatives, who hold only a minority of the seats in the House of Commons, lose that vote, the government will fall, forcing a fourth federal election in five years.

At a press conference on Monday, Ignatieff announced that unless the Conservatives address four Liberal concerns—relating to Employment Insurance coverage, the specifics of stimulus spending, the burgeoning federal deficit, and the medical isotopes crisis—his party will vote against the government’s spending estimates. These concerns, however, were less than meets the eye. All were couched as requests for more information about the government’s actions and plans. In other words, they were formulated so as to give Ignatieff maximum leeway to proclaim that the Conservatives have ceded to Liberal pressure, then rally to the government’s support.

Later that same day, the Liberal leader began to back off from his quasi-threat to topple the government. (The two other opposition parties, the social-democratic NDP and the *indÉpendantiste* Bloc Québécois (BQ) announced last week they will vote against the government.) Appearing on the CTV News channel program “Power Play,” Ignatieff said, “I am not sticking to a Friday deadline.”

Ignatieff termed offers from Harper to meet with him to discuss how the government intends to widen Employment Insurance (EI) coverage and to provide the opposition with a report on its plans to deal with a shortage of medical isotopes “a couple of small yeses.”

During the past three years, the Liberals have repeatedly propped up the minority Conservative government in confidence votes, as well as twice joining with the Conservatives to extend the Canadian Armed Forces’ leading role in the Afghan war.

Late last year, the Liberals forged an agreement with the NDP and BQ to defeat the government on a non-confidence resolution and replace it with a Liberal-NDP coalition. But

Canada’s corporate elite soon made clear that it wanted no part of such a coalition. It strongly supported the Conservatives’ antidemocratic temporary shutdown of parliament, even while urging the Harper government to abandon its rigid, neoconservative ideological opposition to deficit spending and a significant economic stimulus package. (See: Canada’s constitutional coup: A warning to the working class )

When parliament reopened in late January, the two principal parties of the Canadian bourgeoisie joined forces to pass a Conservative-drafted “stimulus” budget.

Five months on, the Liberals are anxious to distinguish themselves from an increasingly unpopular and discredited Conservative government. The Liberals believe that the other opposition parties were able to score significant points in the last election by chiding them for their repeated votes in favour of the Harper government.

But among Canada’s ruling elite, as exemplified by editorials in such leading dailies as the *Globe and Mail*, *La Presse* and the *National Post*, there is no enthusiasm for a summer election.

Opinion polls indicate that neither of the bourgeoisie’s traditional parties of government is likely to win a parliamentary majority and thereby gain unbridled parliamentary power to impose big business’ agenda in the face of popular opposition. There are also concerns that a summer election would result in an even lower popular turnout than last October’s election, in which just 59 percent of voters participated, further eroding the popular legitimacy of the government. The *Globe*, meanwhile, has forthrightly stated that the differences between the Liberals and Conservatives are too small to warrant an election at this time.

The Liberals are acutely conscious of the sentiment within the ruling elite, hence Ignatieff’s theatrics on Parliament Hill this week.

The Liberals’ posturing has been politically revealing, however.

In recent months the Liberals have been demanding a temporary improvement in Employment Insurance (EI) coverage, so that all persons who have worked 360 hours in the last year can obtain some jobless benefits.

While Ignatieff has been attacking Harper for his vehement

opposition to any relaxation in Employment Insurance requirements, it is the Liberals who are responsible for the current rules that deprive large numbers of the newly unemployed of any jobless benefits. The Chrétien-Martin Liberal government, which the Liberals extol for its management of the country's finances, massively curtailed jobless benefits as part of the radical program of budget-cutting it implemented in the mid-1990s. It also siphoned tens of billions from the EI fund into general government revenues, so that they could be used to finance tax cuts and debt repayments for the wealthy.

In outlining his conditions for supporting the government Monday, Ignatieff said the Conservatives need to explain how they intend to improve EI coverage. Later that same day, the government responded by saying that in the fall it will make good on a promise it made in the 2008 election campaign to offer some form of jobless insurance to the self-employed.

By Tuesday, Ignatieff was backpedalling, telling reporters that because of the mounting federal budget deficit, he is willing to be "flexible" on his call for expanding EI coverage.

While the Liberals have been cynically posturing as advocates for the jobless, they have been appealing for the support of their real constituency, big business, by voicing alarm over the rapid rise in the budget deficit, which according to the most recent government projections will surpass \$50 billion in the current fiscal year.

At his press conference Monday, Ignatieff attacked the government for not making any reference in last week's parliamentary report on the stimulus package to its pledge to eliminate the annual federal deficit within five years. As a condition of continuing Liberal support, he demanded that the Conservatives reveal their "plans ... to return Canada's finances to balance."

This echoes a June 12 press release from the country's most powerful business lobby group, the Canadian Council of Chief Executives, which proclaimed "now is the time to begin thinking about a roadmap for fiscal recovery."

In response to Ignatieff's criticism, Finance Minister Jim Flaherty recommitted the government to eliminate the deficit by fiscal year 2013-14 and to do so without having recourse to any tax increases or to draconian spending cuts.

The Liberals are suggesting that these claims are not credible, but, for fear of the popular reaction, they are just as loathe as are the Conservatives to spell out how they will eliminate the deficit.

Tuesday evening, aides to Harper and Ignatieff said their two meetings had been "productive" and announced that a third meeting has been scheduled for this morning.

There is every reason to believe that Canada's two major parties will reach an accommodation, as they did in January, the better to pursue a bipartisan drive to use the economic crisis to restructure class relations in favour of big business. In recent weeks, it should be noted, the federal Conservative government

and the Ontario Liberal government worked together to threaten GM and Chrysler workers with the loss of their jobs and pensions if they did not accept further jobs cuts, speedups, and massive contract concessions.

But it is not impossible that Harper and the neoconservative ideologues with whom he is surrounded could revert to a hard line in the negotiations with Ignatieff. To allay dissension in their own ranks over the government's abandonment of its "no-deficit" mantra, the Conservatives have taken a series of provocative, right-wing stands on a whole series of issues relating to criminal justice, Israel, Guantanamo Bay, and the so-called war on terror. Harper has also made a major point of denouncing the Liberals' calls for loosening EI regulations as a tax on "hardworking Canadians."

In the unlikely event the Liberal-Conservative negotiations derail, the Conservatives will make a pitch to secure the parliamentary support of the BQ and even the NDP.

In the name of upholding "Quebec's interests," the BQ repeatedly lent support to the Harper Conservatives during their first two years in office. While the Conservatives have a long record of appealing to anti-Quebec chauvinism, the two parties have an ideological affinity in their common support for the devolution of powers to the provinces.

The NDP boasts that it has never voted confidence in the Conservative government. But it certainly has an inglorious record of right-wing parliamentary maneuvers. Under their coalition agreement with the Liberals, Canada's social democrats committed themselves to acting as the junior partners in a government formally pledged to implement the bipartisan program of the Canadian bourgeoisie's two parties of government, including fiscal responsibility, the Afghan war, and a \$50 billion-plus five-year program of corporate tax cuts.

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