

Canada's Liberal government on ropes after third high-profile resignation

Roger Jordan
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Treasury Board President Jane Philpott abruptly quit cabinet yesterday afternoon, declaring that she had lost confidence in Prime Minister Justin Trudeau and his Liberal government due to their handling of the SNC-Lavalin affair.

In resigning, Philpott—who has been lauded by the corporate media as one of Trudeau's most effective ministers—follows close on the heels of former Justice Minister and Attorney-General Jody Wilson-Raybould and Gerald Butts, Trudeau's top adviser.

Wilson-Raybould resigned February 12, five days after a newspaper report revealed that numerous government officials had pressured her to halt the criminal prosecution of SNC-Lavalin, a Montreal-based global engineering and construction firm, for paying out millions in bribes to win contracts in Libya.

Philpott's unexpected resignation is a staggering blow to the government, which has been under sustained attack from much of the corporate media for violating the prohibition on political interference in criminal prosecutions.

"Sadly," wrote Philpott in her resignation letter, "I have lost confidence in how the government has dealt with this matter and in how it has responded to the issues raised." She went on to implicitly call on other cabinet members to follow suit, noting that according to the constitutional convention of cabinet solidarity, ministers must defend all cabinet decisions. "Given this convention and the current circumstances, it is untenable for me," Philpott declared, "to continue to serve as a cabinet minister."

Trudeau was already on the back foot prior to Philpott's resignation, with sections of the press echoing the Conservative Official Opposition in demanding that he resign following Wilson-Raybould's damning testimony to the House of Commons Justice Committee last week.

In her testimony, the former justice minister and attorney-general provided extensive information to back her charge that she had been subjected to "consistent and sustained" government pressure to overrule the Public Prosecution Service and offer SNC-Lavalin a deferred prosecution agreement. Under such an agreement, criminal charges

would have been stayed in exchange for the company paying a fine and pledging to mend its ways.

Wilson-Raybould also pointed to "veiled threats" from top officials in the Prime Minister's Office to support her charge that she was removed as attorney-general in January and demoted to the lowly Veterans' Affairs Ministry, because she refused to heed their demand that she come to SNC-Lavalin's rescue.

She named 11 government officials, including Trudeau, Butts, Finance Minister Bill Morneau, and Michael Wernick, the clerk of the Privy Council or head of the civil service, as having been involved in the pressure campaign, which involved numerous meetings, e-mails and text messages.

Especially damaging was Wilson-Raybould's claims that the government was concerned about the impact its failure to intervene in support of SNC-Lavalin would have on Liberal fortunes in the federal election due this fall. Discussing a meeting with Trudeau and Wernick last September 17, she said that Trudeau reminded her he was an "MP from Quebec—the Member from Papineau."

Wilson-Raybould alleges that in a subsequent telephone conversation, Wernick informed her, "I think [the prime minister] is gonna find a way to get it done one way or another. So, he is in that kinda mood and I wanted you to be aware of that."

Underscoring the highly charged atmosphere within the government, Wilson-Raybould told the Justice Committee that Wernick's comments reminded her of "the Saturday Night Massacre," a reference to US President Richard Nixon's firing of the US attorney-general and his deputy, because they balked at his demand they sack the special prosecutor into the Watergate crisis.

The *World Socialist Web Site* holds no political brief for Wilson-Raybould. She is a thoroughly conventional, right-wing bourgeois politician. Nevertheless, her testimony—demonstrating how the Trudeau government functions at the beck and call of one of Canada's most powerful corporations, including in rewriting and trying to bend the law on its behalf (the legislation creating a "deferred

prosecutions” option was hidden in the 2018 Liberal budget)—is all the more damning because it comes from a political insider.

Far from being an opponent of the Liberals’ right-wing, pro-corporate agenda, Wilson-Raybould has backed all of the Trudeau government’s central anti-working class measures. These include Bill C-59, which enshrined the key measures in the previous Harper government’s legislation greatly expanding the powers of the national-security apparatus; the Liberals’ hiking of military spending by over 70 percent by 2026; their multibillion-dollar tax handouts to big business; and their criminalization of last fall’s postal workers’ strike.

At least up until yesterday, the Liberal government was giving every indication it is determined to find a way to shield SNC-Lavalin. Wilson-Raybould’s replacement as attorney-general has said he is reviewing the file and will make a fresh determination. Meanwhile, it has been reported the government is seeking a means to drop the prohibition on Ottawa awarding contracts to companies convicted of wrongdoing for 10 years.

The SNC-Lavalin affair is particularly damaging for Trudeau and his government because it cuts across the image they have sought to project, with the aim of providing a “progressive” smokescreen for their pursuit of the ruling class’s agenda of austerity at home and aggression and war abroad.

A key part of this has been the promotion of identity politics, with Trudeau claiming to be pursuing a “feminist” foreign policy as his government integrates Canada still more fully into the US military-strategic offensives—against Russia, China, and now Venezuela—and touting a gender-balanced, unprecedentedly ethnically diverse cabinet. The daughter of a hereditary First Nations’ chief and the former elected chief of the British Columbia Assembly of First Nations, Wilson-Raybould was herself very much a poster child for the Liberals’ diversity claims.

Now Trudeau and his top aides are being attacked from across the official political spectrum for bullying an indigenous woman.

There is an enormous amount of hypocrisy in all this.

Speeches Wilson-Raybould gave last fall suggest that she was unhappy with the Liberal government for not moving forward fast enough with “native reconciliation.” While popularly promoted as the answer to the poverty and squalor to which Canadian capitalism has condemned the vast majority of native people, “native reconciliation” is in fact directed at cultivating an indigenous elite that can contain and defuse mounting social opposition.

However, this is not what is motivating the corporate media or at least the large sections of it that are presenting

the bullying of Wilson-Raybould—something the ex-Attorney-General herself says was “not illegal”—as a transgression virtually without precedent.

They are cynically using the SNC-Lavalin affair to destabilize the Trudeau government, with the aim of pushing it further right and/or replacing it in the coming election with a government even more nakedly committed to reaction and militarism.

This includes cheering on the Conservatives as they recklessly seek to stoke regional divisions, with their claims that the Liberals’ determination to shield SNC-Lavalin from prosecution is due to their favoring Quebec’s interests at the expense of the oil sector in western Canada.

While the crisis rocking the Liberal government has emerged in a somewhat unanticipated manner, it is at root a product of the intractable crisis confronting Canada’s capitalist ruling elite under conditions of trade war, surging inter-imperialist and great power conflict, and the threat of a new global economic crisis.

The Canadian bourgeoisie, as already demonstrated in its bringing to power right-wing populist governments in Ontario and Quebec, is determined that the assault on the working class be intensified, including through the promotion of anti-immigrant chauvinism and the criminalization of working-class opposition.

In comments that underscore the ever-more desperate state of bourgeois rule in Canada, Privy Council Clerk Wernick began his testimony on the SNC-Lavalin affair at the Commons Justice Committee by saying, “I’m deeply concerned about my country right now and its politics and where it’s headed. ... I worry about the rising tide of incitements to violence, when people use terms like ‘treason’ and ‘traitor’ in open discourse. Those are the words that lead to assassination. I’m worried that someone is going to be shot in this country this year during the political campaign.”

After denouncing the “vomitorium” of social media, in what amounted to a veiled call for state censorship, Wernick got to the heart of the matter, warning, “Most of all, I worry about people losing faith in the institutions of governance in this country.”



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