

# British Columbia's NDP government scraps \$1,000 grocery rebate for workers to "find dollars" to defend big business in trade war with Washington

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British Columbia Premier David Eby and his New Democratic Party (NDP) provincial government have scrapped a planned \$1,000 rebate that had been announced with great fanfare as a means of assisting workers with skyrocketing grocery costs. The move, coming ahead of a provincial budget due early next month, was declared by Finance Minister Brenda Bailey to be necessary to "find dollars" in the face of US President Trump's trade war threats and "four years of unpredictability."

Announced last week, the axing of the rebate is the opening shot in a new government austerity drive. In Tuesday's Throne Speech opening a new session of the provincial legislature, the government announced an "efficiency" and "spending" review of all government programs. To the delight of big business, it vowed that capitalist "growth" and investment are now the NDP's overriding priorities.

These actions expose the fraud of Canadian politicians' incessant claim that "we are all in this together" when it comes to Trump's threatened trade war. The social-democrat Eby has been a major peddler of this nationalist lie, which is meant to cover up the fact that provincial and federal governments of every political stripe are determined to defend the profits of the corporate elite and offload the costs of trade war onto the backs of the working class.

Bailey, who is due to present the provincial budget March 4, the same day that a 30-day "pause" on Trump's threatened 25 percent tariffs on Canadian and Mexican goods expires, stated that the impact of the "reckless" and "destabilizing" tariffs could not be predicted. The rebate, whose cost was estimated at \$2 billion, therefore had to go.

The NDP's U-turn came just months after an election in which it narrowly defeated the far-right BC Conservatives, in part by making meager pledges to help workers cope with rampant cost-of-living increases. The \$1,000 rebate was the headline pledge, which the NDP promised would be in the hands of workers by March 31, 2025, the end of the current fiscal year. Seeking to justify the abandonment of the measure, Bailey simply said, "The world has changed."

To appease the appetites of the rapacious Canadian and BC ruling class, Eby's government has also announced the fast-tracking of \$20 billion worth of resource projects. These include the expansion of 18 different mines mostly in the northern part of the province, as well as permitting a new LNG project near the northern town of Kitimat. This has been greeted with applause from the bourgeoisie, with Laura

Jones, CEO of the Business Council of BC, declaring that Eby's government was "hitting all the right notes with business right now."

The NDP government's response is typical of the Canadian ruling elite's "opposition" to Trump. While declaiming against Trump's tariffs, Canadian capital and its political representatives are adopting a Trump-style onslaught on the jobs and living standards of the working class north of the border to make Canadian workers pay for trade war and the broader capitalist crisis. Their dispute is not with Trump's authoritarian policies, which aim to consolidate the financial oligarchy's control over social and political life. Rather, their dispute with the occupant of the White House is that he has refused to adequately take account of the predatory interests of Canadian imperialism, which for decades has considered itself Washington's closest international ally.

Eby and the NDP have been loudly banging the drum of Canadian nationalism ever since Trump first announced his intention to impose tariffs on Canadian imports.

After Trump signed an executive order February 1 declaring his intention to impose 25 percent tariffs on Canadian imports, with a lower 10 percent tariff to apply to energy products, Eby stated in a press release, "President Trump's 25% tariffs are a complete betrayal of the historic bond between our countries and a declaration of economic war against a trusted ally." He warned on X a day earlier, "It doesn't make sense, but if the Americans go down this road we will respond."

In Tuesday's Throne Speech, the government invoked World War II to summon working people to support corporate Canada in its inter-imperialist wrangle with its American rivals. "Whether your house is bombed or whether you're foreclosed from it because you're fired, makes very little difference to a family," declared the government. "And this feels to British Columbians and Canadians, and I think rightly so, it feels like an unprovoked attack."

Eby's incitement of nationalist animosity was highlighted by his government's banning of sales in government-run BC Liquor Stores of spirits and wines from so-called "Red States" in the US in response to Trump's February 1 tariff threat. When Trump and Canadian Prime Minister Justin Trudeau reached a last-minute deal to pause the implementation of the tariffs and Canada's retaliatory tariffs for 30 days, Eby gave a press conference at which he reluctantly stated that the American spirits would be returned to the shelves, but added that

stores would not be rushing to do this.

In between his cynical proclamations of protecting “all” British Columbians, Eby has never mentioned the class danger that Trump and his gang of fascists represent to Canadian and American workers. That Trump is working to establish a presidential dictatorship in the United States in the interests of the financial oligarchy has not even rated a mention in Eby’s nationalist diatribes against Trump and his proposed tariffs.

At a press conference in Vancouver January 29, Eby announced the creation of a nine-member “War Room Cabinet” headed by the provincial Housing Minister Ravi Kahlon. He also used the event to declare the creation of a task force comprised of local business leaders, CEOs, trade union bureaucrats and First Nations representatives.

The task force is headed by the CEO of Vancouver International Airport (YVR), Tamarra Vrooman, Jonathan Price, CEO of Teck Resources (a massive mining conglomerate), and Bridgitte Anderson, head of the Vancouver Board of Trade.

The class character of both the task force and the War Room Cabinet reveals the political orientation of the NDP government. Kahlon, seen by many as the second most powerful figure in the BC NDP and considered to represent the right wing of the party, is a former finance and banking executive.

Eby has also issued a stark warning to the working class, claiming that the effects of the looming trade war would likely surpass the effects of the 2008 Great Financial Crisis. Implying that austerity, widespread job loss and unemployment were on the horizon, he warned that the total cost to the British Columbian economy could be as high as \$69 billion. In other words, the scrapping of the \$1,000 rebate is only a down payment on the attacks that workers will confront in the coming months.

On January 20, Eby issued a mandate letter to Finance Minister Bailey authorizing her ministry to find ways to slash costs. Bailey told reporters that “we have put a pause on a number of different potential responses in terms of affordability in order for us to look very seriously at the impact of these tariffs.”

The tariff-war crisis comes as three-year contracts imposed on the majority of the BC public sector work force in 2022/23 begin to expire this spring and summer. In 2022, the union leadership of the British Columbia General Employees Union played a key role in imposing below-inflation contracts on the majority of provincial government workers, including teachers, nurses and liquor store workers.

Current BCGEU President Paul Finch told the *Vancouver Sun* that he expects negotiations to be “difficult.” Noting that the previous union-endorsed contract passed with only 53 percent support, after a 95 percent strike vote, Finch said that “conditions” are likely to be “even tougher” this time around. Finch’s remarks were an effective announcement that the union bureaucracy is conspiring with their NDP allies to impose even greater concessions in 2025.

Bailey, who was also named to the nine-member War Room Cabinet, told the *Vancouver Sun* that the province would prioritize “the province’s fiscal situation and the broader economic landscape” in the contract talks.

The trade union bureaucracy has been just as instrumental as the NDP in the promotion of a corporatist alliance to uphold the interests of big business. The BC Federation of Labour, with over 500,000 members, issued a denunciation of Trump’s tariffs and stated that BC workers “stand united with the provincial government and businesses.” BCFL President Susanne Skimore sits on Eby’s tariff

task force.

Meanwhile, the province’s official opposition party, the far-right BC Conservatives, led by John Rustad, have pleaded for Eby and the country to pledge fealty and loyalty to Donald Trump, and acquiesce to his bogus demands of tightening the border to prevent the flow of illegal immigrants and narcotics such as Fentanyl.

Rustad bizarrely blamed “wokeness” for the province’s failure to diversify its trading partners, employing a Trumpian dog-whistle, and echoing his attempts to blame divisive, identity-politics driven DEI policies, not capitalism and the financial elite’s relentless drive for profit, for society’s ever more malignant maladies. While proposing no alternatives other than an abject surrender to whatever the fascistic demands of the Trump government are, Rustad argued that the province would be best served by adhering to the track advocated by Alberta and Saskatchewan Premiers Danielle Smith and Scott Moe. Themselves far-right figures, Smith and Moe have indicated that they would not support some of the more aggressive retaliatory measures proposed by Prime Minister Justin Trudeau as part of a so-called “Team Canada” approach, and want, if possible, to strike a separate deal with Trump on behalf of the oil and natural gas barons who dominate their provinces. Toward this end, Smith visited Trump’s Mar-a-Lago with the far-right intellectual-provocateur Jordan Peterson and businessman and Trump enthusiast Kevin O’Leary, and later spent much of inauguration week in Washington .

Eby and the BC NDP’s response to Trump’s trade war is of a piece with the federal NDP. With the enthusiastic approval of its trade-union sponsors, the NDP has propped up the pro-war, pro-austerity Trudeau Liberal government since 2019. This support has allowed the Liberals to massively increase military spending, wage war alongside US imperialism against Russia in Ukraine, support Israel’s genocide against the Palestinians, and impose the cost of militarism and the capitalist crisis on workers with “post-pandemic” austerity. Now, confronted with the threat of tariffs, the NDP and union bureaucracies have closed ranks with the government and corporate Canada in a “Team Canada” response aimed at ensuring that workers on both sides of the border bear the cost of the looming trade war.



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