

Confederation of Canadian Unions (www.ccu-csc.ca)
Raise Your Voice, Cast Your Vote Campaign – 2011 Election
Liberal Party Responses

Economics

1. The Canada Revenue Agency reports that the richest 1% of income earners received almost 33% of all income growth since 1997. According to Statistics Canada, economic inequality has been on the rise since the 1970s, and as of 2005, the richest 10% of Canadians controlled almost 60% of all wealth. How will your party reverse this trend and reduce the growing levels of economic inequality in Canada?

Equal opportunity is what makes Canada great. Liberal governments have built up the foundations of equality – establishing universal medicare, a good public pension system and a Charter of Rights and Freedoms guaranteeing equality of rights and responsibilities for all Canadians. Now, we're looking to the future.

Our platform in this election has one overriding objective: to make equal opportunity a reality for every Canadian, whether you live in a big city, a small town, a remote community, a farm or a fishing village. We call it the Family Pack, and it consists of five elements:

- **Learning Passport:** we will help every family with the costs of college or university, so your kids can be ready for the jobs of tomorrow.
- **Early Childhood Learning:** we will invest in quality, affordable child care for every young family that needs it.
- **Family Care:** we will help families take time off from work to look after sick loved ones at home.
- **Stronger Public Pensions:** we'll strengthen universally accessible health care for all, and build on the Canada Pension Plan so everyone can retire in security and dignity.
- **Green Renovation Tax Credit:** we will help families with the costs of energy-saving home renovations with a tax credit of up to \$ 13,500.

In order to fund our progressive and fiscally responsible platform, a Liberal government will implement two measures to make our tax system fairer and preserve revenues. First, we will cancel the Harper government's reckless corporate tax cuts, restoring the tax rate to the 2010 level for Canada's biggest corporations.

Second, we will limit the lucrative tax break on stock options. Currently, 8,000 Canadians who earn more than \$500,000 a year deduct an average of \$400,000 from their taxable income based on stock options. At a time of high deficits and growing inequality between the richest Canadians and middle-class families, this is a disproportionate benefit for the very wealthy.

2. Federal corporate taxes have almost been cut in half during the past fifteen years by Liberal and Conservative governments. Canada now has a federal corporate tax rate that is below even that of the United States and most OECD countries. At the same time, personal and public debt has soared, and a majority of Canadians, according to opinion polls, support greater funding for social

services like health care, child care and education. What will your party do to ensure that corporations are paying their fair share of taxes, like the rest of us?

As noted in response to Question 1, a Liberal government will cancel the Harper government's corporate income tax cuts of January 1, 2011 and January 1, 2012, restoring the 2010 level for Canada's largest firms. That will still maintain a 25 percent advantage over the United States, and one of the lowest rates in the G-7. Given that Canada's corporate tax rate is very competitive, using borrowed money to cut it further is unjust, reckless, and wasteful.

Our platform identifies all the funds needed to pay for all its new initiatives, without adding to the deficit. For example, we will:

- Cancel the Harper government's Public Private Partnership Infrastructure Fund, which in its two years of operation has only delivered eight percent of the funds allocated to it. Instead, we will invest in affordable housing. A dedicated fund is not necessary for P-3s, and in fact this one accomplished virtually nothing.
- Cancel immediately the Accelerated Capital Cost Allowance for oil sands investment. We will invest the savings in measures that will help make oil sands development cleaner.
- Cancel the mismanaged, \$30 billion deal for F-35 stealth fighter jets. When it is necessary to buy new fighters, we'll spend billions less than the Harper government would have. But the higher priorities will be investments in families, and building a stronger economy for the future.

Our plan does not require an increase in the GST, personal income tax or small business tax rates.

3. Economic research shows that more of Canada's resource industries are being taken over by international conglomerates. This has led to the loss of thousands of good-paying jobs in Canada and capital flight (in the form of profits) out of the country. What concrete policies will your party implement to protect Canadian resource industries from foreign domination?

The Harper government has presided passively over a string of foreign takeovers of major Canadian companies. Conservative ministers did nothing while Nortel, an icon of Canadian innovation, was sold off in pieces to foreign investors. Similarly, Inco, Alcan, and Stelco were bought out, with headquarters and management control removed from Canadian hands. Only intense pressure from Saskatchewan and opposition in the House of Commons led by Liberals prevented the same result for Potash Corporation, a dominant player in a key, global commodity.

Foreign investment is good for Canada, and Canadians invest even more in other countries than foreigners do here. We should aim for still more success in global business. That will require the federal government to stop being a passive spectator. A Liberal government will strengthen the Investment Canada Act to make foreign investment reviews more transparent, clarify how "net benefit" is assessed, recognize the importance of Canadian headquarters and management control, and articulate when an asset can be considered of particular "strategic" value to Canada. Being pro-active is not the same as being protectionist. Rather, it's part of a more effective approach to innovation and Canada's place in the 21st century global economy.

Labour

4. Statistics Canada reports that on average, unionized workers enjoy 29% higher wages than non-unionized workers in the same line of work, as well as stronger pensions, superior health and safety standards, longer vacation time, better health and drug benefits, and more rights in the workplace. Does your party believe that unions play a positive role in our economy? If so, what policies will your party implement to create a climate that is easier for unions to organize?

The Liberal Party of Canada believes in the fundamental right to collective bargaining and ensuring employers cannot unjustly undermine workers' rights. Unions and collective bargaining have played, and continue to play an important role in maintaining the rights of Canadian workers, and the Liberal Party of Canada recognizes the need for unions to be able to effectively organize. A Liberal government will work with interested parties in order to explore available options for ameliorating labour relations in Canada and making them as harmonious as possible.

5. While corporate profits, productivity and GDP have all increased fairly consistently during the past thirty years, Statistics Canada reports that real hourly wages have been stagnant since 1980. Why do you think this has happened, and what does your party propose to change the situation?

We need a different kind of federal leadership – responsible, balanced and progressive. The Liberal plan proposes significant investments in learning, caring for children and loved ones who are sick at home, and pensions to help Canadians cope with the rising cost of living. These are the priorities of middle-class families, and the essentials for a strong economy. We can afford to make these investments by cancelling the Harper government's corporate income tax cuts for Canada's largest firms. Studies suggest that corporate tax cuts have not led to more jobs and higher wages, just increased corporate profits. That is why we will invest these funds towards the innovation required for the Canadian workforce to prosper in the future global economy.

A forward-looking government must foster an innovation-friendly environment. That is the way to increase the standard of living for everyone. While reigning in unnecessary regulation, the federal government can do more to target public investments, and provide the right incentives for entrepreneurs and investors to take risks on new ideas, technologies, business models and other productivity improvements. The most crucial long-term task for the federal government is to make learning through all stages of life truly a Canadian priority.

The Liberal Party of Canada believes that only through learning can the Canadian workforce benefit from the potential prosperity that will come from being the best trained workforce in the world. Learning must become a Canada-wide priority to maintain and enhance our standard of living and economic competitiveness in the years ahead. A Liberal government will introduce the Canadian Learning Strategy which will include the following major initiatives:

- Early Childhood Learning and Care Fund
- The Learning Passport
- Aboriginal Learning
- Expanded Language Training for New Canadians

- Veterans Learning Benefit
- The International Dimension of Canadian Learning

A Liberal government will also launch a new Innovation Gateway providing a “single window” approach that consolidates government support for innovation and entrepreneurship in emerging fields as well as long-standing areas of strength like aerospace, manufacturing and natural resources. The objective will be a simpler and more efficient emphasis on entrepreneurial, innovative companies.

6. Throughout the United States, working people and their unions, especially in the public sector, are under attack by governments who are stripping away their most basic rights and freedoms. What commitments will your party make to ensure workers in both the private and public sectors will maintain their collective bargaining rights?

As said in our answer to question 4, the Liberal Party of Canada believes that the right to collective bargaining is a fundamental right, which ensures that employers cannot unjustly undermine the rights that Canadian workers have acquired throughout the years. A Liberal government will be open to exploring, in conjunction with interested parties, ways to make sure that these rights are not eroded.

One example of Liberals protecting these rights is in the area of pay equity. A Liberal government will reverse the Harper government’s decision to reduce pay equity to an ordinary labour relations and collective bargaining issue in federally regulated industries. We would instead create an effective, proactive system for implementing and monitoring pay equity at the federal level in which equality is again recognized as a human right.

Social Policy

7. In 1989, the House of Commons unanimously passed a motion calling for the eradication of child poverty in Canada by 2000. Yet today, nearly one in eight children throughout the country live under the poverty line, and one in four Aboriginal children. What specific policies will your party implement to end child poverty in Canada once and for all?

More than 3.5 million Canadians live in poverty, including more than one in ten children. Canada ranks near the bottom of the list of major developed countries for poverty rates.

Leaders at all levels must come to grips with rising inequality. The persistence of poverty, and particularly child poverty, across the country remains an unmet challenge, robbing individuals of fair and equal opportunity, sapping productivity from the economy, and even undermining confidence in our democracy. Canada cannot afford not to fight poverty. It will require the engagement of all Canadians, including businesses, individuals, experts and civil society.

Most provincial governments have demonstrated leadership by launching poverty reduction strategies. Building on those efforts, a Liberal government will work with partners at all levels to develop a Poverty Reduction Plan for Canada. It will set goals, identify practical measures for achieving them and set out who can do what among all the partners. The outlook will be long-term.

Several major commitments of this platform will be the foundation of a Poverty Reduction Plan for Canada: the Canadian Learning Strategy, particularly Early Childhood Learning and Care (see response to Question 9), the Learning Passport for post-secondary education access, and Aboriginal learning; Family Care; a renewed focus on volunteerism through the Canada Service Corps; the National Food Policy's nutrition measures; and a new Affordable Housing Framework. These practical measures to support Canadian families, worth more than \$5 billion over two years, will help reduce poverty and inequality, especially as part of a whole-of-Canada effort to strengthen our communities. They will also contribute to a stronger economy over the long-term.

8. Our publicly administered, universal health care system is cherished by Canadians throughout the country. More of our health services, however, are being de-funded and privatized. Recently, a hospital in British Columbia was forced to utilize a local Tim Horton's restaurant as a makeshift emergency room. What policies will your party implement to ensure that health care in Canada is properly funded and remains under public control?

This election presents voters with a simple question: Who do you trust to speak for Canada as crucial decisions are made about the future of our healthcare system?

With the federal-provincial-territorial Health Accord expiring in 2014, a new funding arrangement must be a central priority for the next federal government. A Liberal government will maintain the current 6% health care funding escalator beyond 2014.

Liberal governments brought in universal medicare and passed the Canada Health Act. A new Liberal government will bring a robust, renewed commitment. For Liberals, as for most Canadians, universal access to quality, timely care regardless of your ability to pay, and regardless of which province you live in, is part of what defines Canada. It is embedded in Canadian values, and in the Liberal record. Under Liberal leadership, the federal government will return to its long-established role as a strong partner in health and healthcare.

Canadians are becoming more concerned about the sustainability of the system and the quality of services we are getting for taxpayers' dollars. The crunch is leading some to offer false solutions. User fees, for example, could actually make healthcare more expensive for everyone. Sick people deterred from seeking treatment when they need it can become more sick and require even more costly interventions later.

No level of government acting alone will be as effective as they will be in a real collaboration with each other and with stakeholders. We will introduce the following new initiatives:

- The Liberal plan for Family Care – supporting Canadians who care for loved ones at homes;
- Investing in health promotion, sport and a National Food Policy;
- Introducing a Canadian Brain Health Strategy;
- Collaborating with provinces and health professionals on quality and innovation;
- Implementing new measures to improve rural healthcare;
- Addressing the gaps in coverage of prescription drugs, and the high costs of drugs in general.

9. Canada is one of the few countries in the western world that doesn't have a national child care program, yet opinion polls show most Canadians strongly support one. What steps will your party take in government to make affordable child care available to parents throughout the country?

Every child in Canada deserves the best possible start in life and a comprehensive approach to learning in Canada must begin with Early Childhood Learning.

We've already seen leadership from some provinces, particularly Quebec. But due to the lack of federal leadership, Canada receives failing grades from international bodies, including the OECD and UNICEF, for having no coordinated, national early childhood learning and care policy. Working parents often struggle with waiting lists for the limited number of existing spaces.

A Liberal government will establish a new Early Childhood Learning and Care Fund that will begin with \$500 million in the first year, rising to an annual commitment of \$1 billion by the fourth year.

Administered as a new social infrastructure fund, provinces and territories will be able to apply to the Fund for cost-sharing of early childhood learning and care plans that create and operate new, affordable, high-quality early childhood learning and care spaces across Canada, with well-trained professional staff.

The long-term goal is a high-quality, affordable early childhood learning and care space for every Canadian family that wants one. But the federal government cannot do this on its own. It will require sustained collaboration among all governments. As implementation of the Fund ramps up joint investment, a Liberal government will also work with other governments on the research, policy development, and sharing of best practices for the system necessary to meet this long-term goal. This plan will support innovation and different approaches at the provincial and community level.

A Liberal government will place Canada on a path of step-by-step, year-by-year progress in improving access to inclusive early childhood learning and care. The result will be higher quality care for Canadian families, less waiting for spaces, and a country with a renewed commitment to the learning and development of our youngest citizens.

10. Canada's total student loan debt is reaching an incredible \$14 billion dollars, and due to the recent economic downturn, many governments throughout the country are once again cutting funding for post-secondary education. What steps will your party take to guarantee funding to Canada's colleges and universities? Will you now commit to reducing tuition fees?

Canadian families are willing to invest in learning. However, with tuition continuing to rise – more than 20 percent over the last five years – we are at risk of higher education slipping beyond the grasp of too many middle-class Canadian families. According to a study for BMO Financial Group in 2010, nearly two-thirds of parents believe they will be unable to afford post-secondary education for their children. That's a troubling trend when more and more of the jobs of tomorrow will require college or university.

Canada's approach must be based on a simple objective: "If you get the grades, you get to go."

A Liberal government will introduce the Canadian Learning Passport, a significant financial boost for higher education delivered directly to families. It will provide \$1,000 a year over four years for every high

school student in Canada to use for college, university or CÉGEP. For students in low income families, the amount will be \$1,500 a year, or an extra \$6,000 in total.

All parents will have to do is open a Registered Education Savings Plan (RESP). They won't have to make any contribution of their own to receive the Learning Passport.

This will be a new federal investment of \$1 billion annually.

There will be further relief for student debt loads through a Liberal government's Canada Service Corps, which will forgive \$1500 in student loan debt for young Canadians who engage in volunteer service.

In cooperation with provinces and territories, a Liberal government will also introduce a new incentive by forgiving a portion of Canada Student Loans for doctors, nurses and nurse practitioners choosing to practice in a designated underserved small-town or rural community. Family doctors will be eligible for student loan forgiveness up to \$8,000 per year to a maximum of \$40,000. Nurses and nurse practitioners will be eligible for student loan forgiveness up to \$4,000 per year to a maximum of \$20,000.

Democracy

11. Although there have been advances towards greater gender equity in Canada, there is still much work to be done. Women only make 75% of men's income, one in seven women live in poverty, while five provinces in Canada still have no pay equity legislation on the books. On top of this, federal funding to women's rights groups has declined 43% since 2006, according to the *Toronto Star*. What specific policies will your party propose to ensure greater gender equity and women's equality in government, business and society?

Pay equity, or equal pay for work of equal value, is a fundamental right that ensures economic fairness in our workforce. Statistics Canada data suggest the progress of younger women in narrowing the income gap between women and men has stalled in recent years. Pay equity also remains an issue for people with disabilities, and visible minorities. As the country's largest employer, the federal government has a duty to lead by example on equal compensation. A Liberal government will reverse the Harper government's decision to reduce pay equity to an ordinary labour relations and collective bargaining issue in federally regulated industries. Instead, we will create an effective, proactive system for implementing and monitoring pay equity at the federal level in which equality is again recognized as a human right.

12. Canada is one of the few countries in the western world that uses a Plurality voting system ("First past the post"). This has allowed parties with a minority of the vote to form majority governments, and has relegated such parties like the Greens, who won almost a million votes in the 2008 federal election, to having no representation in the House of Commons. Where does your party stand on reforming Canada's electoral system to one based on proportional representation?

The "first past the post" system used in all Canadian federal and provincial elections has many strengths, but also has serious weaknesses in producing legislatures that reflect the voters' choices. This has led to a number of Canadian provinces experimenting with changing the electoral system for provincial elections.

Reform to our electoral system is in need of a serious and comprehensive dialogue with Canadians about whether the current system is – for all its faults – working and, if not, what needs to be fixed or what is to replace it. Although we welcome that dialogue, it would be premature to start suggesting alternative systems at this time.

Liberals propose to engage all parties in Parliament and the Canadian people in a sustained effort to rebuild trust, respect and a meaningful connection between our democratic institutions and the people they serve.

A Liberal government will lead a democratic renewal with a wide-ranging, three-part plan designed to:

- Create an “Open Government”;
- Work with all parties to fix our hyper-partisan Parliament; and,
- Develop an internet voting option to modernize elections.

International Issues

13. Canada has one of the poorest environmental records in the entire OECD, and we aren't even close to fulfilling the 2012 greenhouse gas reduction targets laid out in the original Kyoto Accord. What policies will your party implement to reduce climate change and protect the environment? Will your party commit now to end the billion dollar subsidies given to the oil industry and instead use those funds to invest in environmentally-friendly forms of energy?

After five years and four environment ministers, Conservatives failed to tackle Canada's greenhouse gas emissions and build the cleaner energy economy of tomorrow. Liberals have committed to a long-term greenhouse gas reduction target of 80 percent below 1990 levels by 2050. We also urged the Harper Conservatives to work for an ambitious global agreement on climate change that would keep the global rise in temperatures below 2 degrees Celsius. Their embarrassing obstruction at the Copenhagen conference, and invisibility a year later in Cancun made it clear they have no intention to help reach a new global agreement.

A Liberal government will establish a cap-and-trade system – a mechanism that sets a ceiling on the total amount of permissible greenhouse gas emissions by large industrial facilities, and then auctions off emission permits to companies who can trade them amongst themselves to remain compliant under the law. We will continue to advance our long-term emission reduction target, and ask the National Round Table on Environment and Economy to recommend a series of science-based, achievable mid-term targets. And we will not wait for the US to take action before we do.

In support of cleaner oil sands development, a Liberal government will immediately end the generous tax break for the industry. We will earmark these funds for two purposes: new or improved incentives for industry investments in emerging technologies that will decrease greenhouse gas emissions and other environmental impacts of oil sands development; and we'll invest in monitoring and scientific research on environmental impacts of oil sands development.

Additionally:

- A Liberal government will ensure Canada meets its Pittsburgh G20 commitment by immediately cutting subsidies to the oil sands. This money will be reinvested in cleaner technology development.
- A Liberal government will dedicate \$400 million to support a Green Home Renovation Tax Credit to help families to improve the energy efficiency of their homes.
- Liberals are committed to quadrupling Canada's low-impact renewable energy production from 2009 levels by 2017, to significantly reduce our greenhouse gas emissions and create clean energy jobs. A Liberal government will invest \$1billion in a Renewal Power Production Incentive (RPPI) program over the coming years to achieve this.
- A Liberal government will invest \$100 million annually to bolster efforts to clean up key water basins.
- A Liberal government will halt all new leasing and oil exploration activities in Canada's Arctic waters pending an independent examination of the risks.
- To prevent an oil spill from occurring in the coastal waters of the ecologically sensitive Pacific North Coast, a Liberal government will formalize the moratorium on crude oil tanker traffic in these waters, including the Dixon Entrance, Hecate Strait, and Queen Charlotte Sound, through regulation, legislation or both.

14. In November 2008, Prime Minister Harper signed the Canada-Colombia Free Trade Agreement. Colombia has one of the worst human rights records in the world. In 2008 alone, 49 trade union activists and leaders were assassinated in the country, according to the International Labour Organization. 474 have been killed since 2002, mostly by paramilitary death squads, many of whom have been officially classified as terrorist organizations by our own government. Does your party believe that global trade should serve the interests of corporations and the wealthy and powerful, or should trade be fair and take into consideration human rights and democracy, and the rights of workers, farmers, Aboriginal peoples, and the poor?

Regarding the Canada-Colombia Free Trade Agreement, we believe increased economic engagement will help build Canada's influence on Colombia in the area of human rights, poverty and other social ills. Colombia has made progress towards reducing violence and human rights abuses in the face of armed conflict fuelled by the Colombian drug trade. There is still a long way to go, but achieving further progress in Colombia depends on growing Colombia's legitimate economy. Through free trade, Canada can help build Colombia's legitimate economy, and create real jobs and opportunities for all Colombians, including the most vulnerable.

The Liberal Party, however, is also very concerned about human rights in Colombia. That is why we secured the world's first human rights amendment to a free trade agreement. This Liberal amendment strengthens Canada's ability to influence Colombia in the area of human rights as well as continually monitor how the Canada-Colombia free trade agreement impacts human rights in Colombia.

15. Canada currently provides only 0.3% of its Gross National Income to foreign aid, putting us in 14th out of 23 donor countries. Eleven of those countries have reached their 0.7% commitment or are scheduled to do so. How will your party ensure that Canada keeps its international promises and reaches its 0.7% commitment to foreign aid?

In the 2010 Budget, the Harper government froze Canada's Official Development Assistance (ODA), removing billions from planned investments. This brought Canada's steady improvements in support levels to a standstill and has jeopardized long-term program achievement. To restore some of the ground that has been lost under the Conservatives, Liberals will re-invest in development assistance, as we re-balance the spending in our international priorities.

The government reports that the annual incremental cost of the combat mission in Afghanistan is nearly \$1.7 billion. The Parliamentary Budget Officer has reported that this cost is even higher than what's been disclosed. The incremental cost of the 2011-2014 training mission will reportedly be \$500 million annually. That leaves more than \$1 billion per year to be reallocated by a Liberal government in a balanced manner across the full spectrum of defence, development and diplomacy. This change will free up resources to reinvigorate other international capacities across the federal system, better reflecting the full range of integrated functions and forward-looking engagement that define the Liberal Party's "Global Networks Strategy."

For more information on our Global Networks Strategy, please see our platform at: www.liberal.ca/platform