

Politics

by Jim-beau Lleyeah

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Nothing like the pressure of a deadline to spur one's creativity. Fall means harvest time. Here on the Island that means many things to many different people. Thursday night at the Barn will be a better reflection of this Tea Hill Thrill. Harvesting of a different sort known as votes is what will be going on now until the Nov.27th federal election. So with an eye on that, I have ventured out into the political spectrum and come back with this stuff.

ECONOMIC FORECAST, BUDGET, OR...

Just plain buying votes. Call it what you want but when someone is running around the country saying vote for me because I will give you a \$100 billion tax cut, it gets people attention. It is not the Declaration of Independence but as the old saying goes, "money talks and bullshit walks." And there will be plenty of both over the election. The Liberals used this economic forecast for two reasons.

The old, wily Jean Chretien and his advisors had Oct.18th circled for awhile, most probably in red ink. Chretien, who one upped Stockwell Day's and Joe Clark's by-election wins, by forging a health accord, miraculously, on the same day, saw it as taking the wind out of their sails. If it works why not do it again? This time, use it with the Auditor General Denis Desautels report on government waste which included the Human Resources disaster. It is not hard to imagine how thick this report is and how damning. But if a Liberal does not show up at a committee to discuss it, does it mean anything? Hell, yes but everyone has election fever and has already forgotten about it, so who cares.

The second reason they had a mini budget was to use it as a springboard to try to create momentum as the Liberals go into the election. Momentum, or the illusion of it, is an important thing. People love a winner

and most have no problem jumping on bandwagons. What the Liberals were hoping for from this statement was to siphon off support from both sides of the spectrum. The big tax cut and debt pay down is sure to entice some Alliance and Tory supporters. Left wing appetizers included confirmed higher social spending on health care and new spending on the environment.

How does it affect students? The biggest measure was the doubling of the education credit to \$400 per month for full time students and \$120 per month for part-timers. This is a good thing as it will provide a more accurate amount that students spend in a month. This measure will cost the government a billion dollars over five years but benefit some million students.

The budget also provides low and modest income earners with a one time payment of \$125 per individual or \$250 per family to help combat the rising cost of energy in home heating. This will be welcomed by all as prices have been steadily rising for some time now. This measure will cost the government \$1.3 billion.

But the budget's biggest benefactors were the middle class and the wealthy. Tax cuts were accelerated to begin in January rather than spread over a longer period. The 5% surtax was lifted and another tax bracket was created for people earning more than \$100,000. While progressive taxation (those who earn more, pay more in taxes) is good, sometimes what the left hand takes away it gives to the right. In this case, it is the further reduction of the capital gains tax from 75% to 50%, after it had been recently dropped from a hundred. So not to long ago, people were forced to pay tax on all of the profit they made from an endeavor, now it is only 50%. This represents huge savings for those who can benefit from it.

It also looked at the national debt. It confirmed \$12 billion had been paid down on it in 1999-2000 and another \$10 billion would go against it this fiscal year. This is sound money management of paying down

debt when times are good and if necessary, taking on more debt when times are bad. But 20 consecutive quarters of economic growth, the best in 30 years, means good times and the unemployment rate is a respectable 6.8%. Altogether, the Grits have paid down \$28.7 billion of debt in four years. This is nothing to sneeze at especially considering debt retirement means no longer paying interest charges on that portion. Just as a debt can spiral up, so, too, can it spiral down.

Altogether most measures were good as this was an election budget. But Canada still lags behind many, especially in how we treat our poor. Those living below the poverty line are increasing. Limited social or low cost housing exists with little hope of this being changed in the future. The Grits could have raised the floor at which people begin to pay tax. But none of this was done. Why? As Bulworth would point out, most of these people do not even vote and if they did, they would certainly not vote Grit. And this is politics today. Water the plants that feed you and hopefully they do not turn color at harvest time.

PROBING BRIAN TOBIN...

Sometimes, one does not need to look for work, work finds the person. Welcome to former Newfoundland Premier Brian Tobin's world. When your buddy, who also happens to be PM, comes calling, you pay heed, as credits collected today have a tendency of getting collected on at party conventions. Chretien IOUs certainly have a value. But why?

The answer is simple. For the first time in a long time, perhaps since Confederation, the Atlantic provinces truly hold the balance of power. This mean how they choose to vote could determine which party forms government. How, one might ask?

The west is going to vote Alliance, that is no secret. Quebec will send forty-odd members to Parliament, which reflects the rock solid support for sovereignty in

Quebec. Ontario will be the battlefield that CCRAP and the Grits will fight over but unless Chretien pulls a David Peterson, who also called a snap election in 1990 when he was well out in front in the polls, and lost to a little socialist guy named Bob Rae, he should win at least 80 seats. This means the Grits have to make up these seats somewhere else. They may pick up a few seats as the Tories have become a virtual non-entity in Quebec. But it is in the Atlantic region that the Grits hope to make up these losses. They were shut out of Nova Scotia last time and this looks unlikely this time as the province is in tough shape and most know they could benefit from being a part of government.

So Chretien brings in Tobin. He was also hoping to get former New Brunswick Premier Frank McKenna and former Saskatchewan Premier Roy Romanow to run but this has no panned out. So the PM got Tobin on board and gave him the powerful Industry portfolio, formerly held by John Manley, who is heading to External Affairs and who could also, one day, vie for the Liberal crown. Will Tobin help bring the Atlantic back into the Grit fold. He cant do much worse, so gains must be expected. Will it be enough to keep the Grits in power? That depends on what he can harvest and how bleary eyed that support is. Only Nov.27th can tell us.

Pancake Breakfast

On Friday, October 27th, between 6:30-9:30AM, the international students from the faculty of education will be hosting a \$5 all you can eat pancake breakfast at Smitty's on University Avenue. Tickets available at the door and all are welcome.