



# ***F*OCUS ON *S*SOCIALISM**

**The Political Journal of Canadians for Peace and Socialism**

## **THE COMING FEDERAL ELECTION**

DON CURRIE – CHAIRMAN CPS

## **THE ATTACK ON THE CANADIAN WHEAT BOARD**

CATHY FISCHER

## **THE ALBERTA ADVANTAGE – PART II**

W.C. O'CASEY

## **SAVE THE CANADIAN WHEAT BOARD**

STATEMENT - CANADIANS FOR PEACE AND SOCIALISM



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**THE SOLUTION - PEACE AND  
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**FOCUS ON SOCIALISM:**

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**EDITORIAL**

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President George Bush has ordered an escalation of the war in Iraq and authorized U.S. incursions into Iran and possibly Syria. U.S. forces are authorized to launch major assaults, including bombing of civilian populations of Baghdad, in particular the 2.5 million Shia who live in Sadr City. The Bush administration has rejected all non-military options and now relies solely on the use of superior military power to achieve U.S. imperialist goals in Iraq. The Bush policy is open-ended foreshadowing a lengthy war, with the danger of igniting a regional war involving Iran and Syria in which Israel stands ready to employ nuclear weapons against the people of Iran.

The Bush administration has turned its back on the majority of U.S. citizens who elected a Democratic majority to the House of Representatives and the Senate with a mandate to end the war and withdraw the troops. The peace forces in the United States are mobilizing public opinion to confront a Presidential dictatorship and to strengthen the resolve of the Democrats to vote against military appropriations and oppose a planned 92,000 Pentagon build-up of the U.S. Army and Marine Corps in preparation for a wide Middle Eastern conflict.

The Bush administration will mount pressure on all NATO countries, including Canada, to support its policy of expanding the war. The opposition parties in Parliament are called upon to speak for the majority of Canadians who oppose the Bush Doctrine and reject all Canadian Government statements of support for the Bush escalation. The Harper Government has committed Canadian forces to Afghanistan, under NATO command until 2009. Parliament is called upon to revisit that commitment and to demand the Harper Government withdraw Canadian troops now lest they become involved in a wider U.S. instigated war in the region.

Prime Minister Harper is deeply implicated in a cover up of the real reasons for Canadian Government participation in the war in Afghanistan. The war in Iraq and the war in Afghanistan are in fact one war, to project and make permanent U.S. NATO and EU dominance over oil and gas resources and pipeline and outflow routes from the Middle East and Central Asia to Europe and North America. Canadian finance capital is directly involved in this process. Six major Liquid Natural Gas (LNG) refineries are at various stages of development on both coasts to gasify LNG from Central Asian and Middle Eastern sources for sale to Canadian and U.S. markets.

The peace movement is called upon to join in solidarity with the U.S. peace movement in public actions on January 27th with a demand on our Government to withdraw Canadian troops from Afghanistan.



# ***THE COMING FEDERAL ELECTION***

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**DON CURRIE**

## **THE MAIN ISSUE IS THE WAR IN AFGHANISTAN**

The coming federal election will take place in the midst of Canadian Government participation in a U.S.-NATO war of occupation and aggression in Afghanistan in which 44 Canadians have died, others have sustained terrible wounds and more will surely follow. Tens of thousands of Afghans have died, been maimed and displaced. The election will occur as Canadian forces help to suppress the just struggle of the poor of Haiti for representative government and an economic program to relieve their terrible economic suffering. The fact that these wars and occupations proceed with a fig leaf of UN approval speaks to the corrupting affect of the global ambitions of the U.S.A. on the decisions of the UN Security Council.

The Harper Conservatives and their supporters are doing everything they can to shift the attention of the public away from the war in Afghanistan as a major election issue. They have “discovered” that the environment is the main issue and thus far the Liberals, the NDP, the Greens and the media agree.

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The environment is not an “issue” it is a global catastrophe, the result of century of imperialist abuse of the planet. The question is, will the voters allow the political parties to trivialize the “issue” and in the end do nothing to resolve it. The environmental disaster overtaking the country and the planet cannot be separated from militarism and war. That is why the decision of the Harper Government to embark Canada on an openly aggressive imperialist stance in world affairs remains the central issue of Canadian politics. The left must not allow that issue to be sidelined. The problem of the environment cannot be solved while the federal budget is given over to militarism and war and corporate greed trumps the common good.

## THE HARPER GOVERNMENT AND NATO

Under the Harper Conservatives, Canada has taken on a high profile role in NATO. Canadian General Ray Henault, former chief of defence staff, is now Chairman of the NATO military committee. Henault was quoted in the National Post and Globe and Mail last February 24<sup>th</sup> 2005 that, “NATO is there to counter terrorism and to assist failing or failed states and to prevent the spread of weapons of mass destruction, that is not just an echo of Bush administration doctrine but rather NATO policy, agreed to by all 26 nations.” Henault continued, “NATO recognizes how clearly this threat is to the way of life which we enjoy.” Henault declared, “Afghanistan was job 1 for NATO and we’re saying to nations that this will be a task for NATO for 10 years or so”. The Prime Minister on November 28<sup>th</sup> declared in a joint statement with Jan Peter Balkenende the Prime Minister of the Netherlands; “We are in Afghanistan to confront the challenge to our security that exists in that country.”

The canard that Taliban fighters threaten Canada’s security is ludicrous and false. There were no weapons of mass destruction in Iraq and there are none in Afghanistan. Both Iraq and Afghanistan are failed states because the U.S. has caused them to



fail by destroying the infrastructure, fomenting civil war, constructing permanent military bases that are defacto administrative centres and imposing compliant puppet regimes on the people. The Government of Afghanistan is neither democratic nor representative of the people of Afghanistan. The Karzai government is a collection of war lords whose grip on government power is due to the personal armies they control and the wealth they derive from the drug trade and by seizing the lion's share of international reconstruction funds. Some are accused of war crimes against there own people and others threaten to kill Afghan women who have been elected to office.

## PROFITEERING AND THE AFGHANISTAN WAR

What are the real reasons the Canadian military is in Afghanistan? There are two major reasons. First of all the war is the pretext for massive Government spending on the military. Secondly it is to help ensure a permanent US-NATO presence in the entire region of Central Asia and the Middle East to control resources and territory for EU and US exploitation and to exclude competitors, Russia and China.

Consider the matter of profiteering in arms expenditures. Stephen Harper's first act as Prime Minister was to allocate \$17.1 billion last June and an additional \$4 billion in November for arms expenditures. Globe and Mail, columnist Lawrence Martin writes in the January 5, 2007 issue that Government approved non-competitive bidding of \$14.1 billion procurement of military hardware, has overpaid arms suppliers by \$4 billion. Martin writes that military specifications are so detailed that only one bidder can apply. Martin points to a tight personal relationship between Chief of Defence Staff Rick Hillier and his former boss retired Lieutenant General Patrick (Paddy) O'Donnell former vice-chief of defence staff who now heads CFN Consultants a major advisor to Government and industry on military weaponry. The list of partners at CFN is retired high ranking US and

Canadian military brass with extensive links to defence industries and many with former command responsibilities at NATO. Add to this, the fact that Harper's Defence Minister, retired General Gordon O'Connor (untouched in the recent cabinet shuffle) was himself a defence contractor consultant for many years before election to Parliament and promoted to cabinet. The intimate connections at the highest ranks of the armed forces, NATO and the Harper Government with the arms industry reveal the profit motive behind Henault's prediction of a "ten year war" and just who he means when he comments "the way of life which we enjoy." Where is the incentive among such people to end such a profitable enterprise?

Last May the Harper Government renewed the NORAD agreement with the Bush administration handing over maritime defence from Canadian to NORAD command and paved the way for Canada's participation in Ballistic Missile Defence (BMD). BMD has been endorsed by NATO and funding approved for the construction of the necessary BMD control facilities in Europe. Defence Minister O'Connor speaking to a Conference of Defence Associations said last February, "That in principle I don't have difficulty, personally with ballistic missile defence." Defence contractors especially those with high-end electronic and satellite technology such as are served by the likes of CFN are standing in line for more free money from Government, if the Harper Government is re-elected and BMD is developed and deployed in North America.

## THE ENERGY SECTOR AND THE WAR IN AFGHANISTAN

Secondly the Harper Government is the front office of the energy sector of the economy. To paraphrase a bad joke, Bush and Cheney look upon the Alberta Tar Sands in the same way as they do the oil and gas resources of Central Asia and the Middle East; "what is our oil doing under your snow?" The energy sector wants



Harper to stay in power. Focus on Socialism has commented extensively on the work done by the Parkland Institute, the CCPA Monitor and Professor John Warnock on this issue and the political implications of the continued dominance of finance capital in the energy sector of western Canada on overall Canadian economic development. Let's shift our attention to the east. In the last issue of Focus we alerted readers to a \$6 billion investment by Irving Oil of New Brunswick, Canada's second largest refiner, to increase its refining capacity and we posed the question, where will the crude come from for this venture? The project will also increase Irving's capacity to gasify Liquefied Natural Gas (LNG). Irvings have a deep sea port for oil and it must be adapted to receiving LNG from abroad. Where will the LNG come from? Irving won't say.

Irving's U.S. competitor, Downeast LNG, a U.S. firm seeking approval for passage of ships carrying LNG near Canadian territory, is openly saying they are in discussions with Qatar, Nigeria, Egypt, and Algeria for LNG supplies. The real prize however is Turkmenistan possessing vast reserves of natural gas. In the February 9, 2005 issue of the Indian newspaper, the Tribune there is mention of a dual line from Turkmenistan through Afghanistan to Pakistan and India one for oil the other for natural gas. When Stephen Harper said in Washington DC that Canada was a global energy power he was ridiculed in the press. It was not an idle boast. The energy sector in Canada has rapidly become a global player in energy development and exploitation including LNG. Focus will have more to say on this development in future issues. The Irving interests and the government must be pressed to come clean as to where they expect to get their LNG supplies. If it is via the Afghan Pipeline from Turkmenistan it will fully expose why our troops are dying in Afghanistan; for the same reason that U.S. troops are dying in Iraq, to make the energy resources and pipelines safe for Big Oil.



## THE PRIME MINISTER AND PUBLIC OPINION

The Prime Minister and the interests he serves are involved in a massive disinformation campaign about the war in Afghanistan and the people of Canada are on to them. Last February a Globe/CTV poll showed that 62% were against sending troops to Afghanistan and 73% demanded that troop deployment be voted on in Parliament. A majority continue to oppose BMD and an overwhelming majority are opposed to President George Bush and his Doctrine of permanent war and regime change in Iraq. Ask Canadians if they believe Big Oil is involved in the wars in Central Asia and Middle East and the reply will be an overwhelming “yes”.

Prime Minister Harper has arrogantly defied public opinion branding any opposition to his policies as a failure to support the troops. Harper is contemptuous of public opposition because he does not act for the Canadian public; he acts for a separate interest, the energy sector and the arms industry.

That is why the upcoming election is not routine, it is pivotal. The next federal election is Canada’s “Congressional election” and progressive voters must not fail to deal a crushing defeat to the Harper Conservatives as the US electorate has dealt the Bush neo-cons. Any illusions that the pendulum is automatically swinging back from the far right to the centre and left must be dispelled. Harper can be defeated, but only as the result of mobilizing a broad electoral alliance to defeat him that will attract voters from all parties, all classes and all strata.

## WHAT UNDERLIES THE DIFFERENCES BETWEEN THE CONSERVATIVES AND THE LIBERALS?

A plus for the anti-Harper forces is that the capitalist parties are not on the same page on all issues because not all sectors of the



economy directly benefit from war expenditures and high commodity prices for oil and gas. Federal elections, designed to limit voter choice to two variants of the profit system, are in trouble. Outcomes are unpredictable. The fear that Afghanistan will become Canada's Iraq has caused many thoughtful Canadians to consider more carefully than in the past which party will receive their vote.

Prime Minister Harper's decision to escalate the Liberal Government's police action in Kabul to full blown participation in the NATO offensive in Southern Afghanistan has split the country. Prime Minister Harper fears a foreign policy debate. In an election campaign he would not find it so easy to dismiss criticism with trite chauvinistic one-liners to justify the sacrifice of soldier's lives and defend the "collateral damage" inflicted on Afghan civilians.

## SUPPORT THE TROOPS – BRING THEM HOME

A cunning ideologue, the Prime Minister refuses to debate in Parliament the historical, geo-political and economic issues underlying the NATO intervention in Afghanistan branding all political opposition to his policy as a "betrayal of the troops". Prime Minister Harper believes that Parliament has the same obligation to obey orders as the troops he has sent into action in Afghanistan. Obedience is the foundation of military doctrine as to what is moral. Prime Minister Harper seeks to impose that same morality of obedience on Parliament and the Canadian people. The Prime Minister contends that in times of war obedience and conformity should be extended to public affairs in general. When obedience is primary, the question of whether a war is just and legal becomes secondary, in fact superfluous. It is but a step from demanding obedience to enforcing it by the power of the state. Above all the Harper doctrine of obedience imposes no obligation on government to explain who the beneficiaries are



and who the victims of war. War becomes moral because it is waged by “moral” people an argument that resonates positively with the religious-right and those infected with the virus of racial supremacy.

The opposition parties are confronted with a dilemma; how to win votes without admitting their responsibility for a faltering economy and an imperialist war and without fundamentally altering the distribution of wealth. Jim Stanford, CAW economist quoting Canadian Business magazine, points out that there are now 46 billionaires worth a collective \$120 billion who possess more net worth than the bottom 14 million. The Liberals and Conservatives have led Canada into a political dead end and they have nothing to offer the people as a way out because they do not intend to alter the fundamental wealth distribution of Canada.

The economy has become dependent on the sale of precious gas, oil, and mineral and timber resources to the U.S.A. The manufacturing sector is in decline. The agriculture sector is driven by investor speculation rather than production of food for export to feed the hungry. Agricultural commodities are becoming hot items on the stock market underlining the Harper Government's determination to destroy the Canadian Wheat Board and create an open market for grain. (Elsewhere in Focus there is an analysis of the Harper Government's attempts to destroy the Canadian Wheat Board and turn over its global market share to big U.S Corporate interests.)

## TRADE AND THE CANADIAN ECONOMY

Canada is lagging in science and technology, the real cause of falling productivity. Only 30% of the economy is fully engaged in the production of real goods. The non-productive sector is dependent on debt financing, an inflated stock-market; channelling of workers pensions into speculative investments, and increasingly, massive Government expenditures on armaments.

Bank of Canada Governor David Dodge in his year end message warns that what has happened to the manufacturing sector because of outsourcing may now happen to the services sector, representing 70% of the economy.

NAFTA, the creation of the Mulroney Conservative Party, but for which all political parties including the NDP must assume responsibility, resulted in 85% of Canadian trade becoming dependent on the US market. With the recent decline of the US economy exports to the USA now account for 76.5% or a drop in Canada's overall trade surplus from \$4.5 billion to \$3.8 billion. Without energy sales to the US the loss would have been even greater. Warren Lovely, economist with CIBC World Markets warns, "...Canada's trade opportunities increasingly lie outside of the U.S."

The need to diversify trade is underlined by the \$25 billion trade deficit with China, Canada's second largest trade partner. China's economy is growing at the rate of 9.5% per year compared to U.S. growth of 2.2%. Instead of improving relations with China the Conservative Government is putting up barriers to China investing in the Alberta Oil Sands. The reason Harper is hostile to China investing in the oil patch is because he is protecting the monopoly of U.S. big oil in the Canadian resource. Prime Minister Harper is guided in his overall policy by what is "good" for U.S. big oil, not what is good for the Canadian economy.

## THE CRISIS IN THE U.S. ECONOMY

The Stephen Harper Conservative Government has moved closer on every key file to US imperialism, as most of the world is moving away from its crisis ridden economy resulting from the interminable disastrous war in Iraq. The militarization of the U.S. economy is creating uncontrollable crisis in the U.S. economy that threatens the global stability of the capitalist system. Most



countries, except Canada are adopting policies to cope with a potential slide.

Funding over 750 foreign military bases, fielding the largest combined military force in the world, prosecuting the war in Iraq requires the US Government to spend \$482.2 billion a year, a staggering \$1,604 per capita on its military a sum greater than that spent on arms by the next 15 largest states combined. Militarism is a major component of the US economy. An economy dependent on militarism is an economy dependent on war.

The cost to the U.S. budget of its dependency on war is a US federal current account deficit of \$880 billion and a monumental public debt. According to U.S. financial analysts Bill Bonner and Addison Wiggins (Empire of Debt: John Wiley and Sons Inc. Hoboken New Jersey 2006) the total value of assets in the U.S.A. is about \$50 trillion but U.S. public debt is about \$37 trillion and rising. When the value of Federal government's gross debt of \$7 trillion is added the authors assert the U.S.A. is virtually broke.

The U.S. Governments current account deficit is a like a running overdraft on the month to month year to year operation of the US economy. When workers, farmers and students are forced to use overdrafts to get through the month it means their expenses exceed their income and they need to borrow to get through. Individuals are limited by the bank as to how much can be borrowed against next month's pay-cheque, grain payment or student loan. Workers, farmers and students must pay off a minimum balance to continue the overdraft. The bank charges a high interest on any unpaid balance. The total unpaid balance can be called at any time.

The US Government is not much different except it has legislative power and simply rubber stamps Presidential decrees to borrow more money and loads the debt on the backs of the people. How the debt is to be paid back is rarely discussed. Default is always an option. U.S. Banks, big investment houses and hyper-rich

foreign investors that hold US debt go along with this system so long as they get their cut first. The US Government foists the responsibility for paying back lenders on to the backs of US workers. Neo-con policies have reduced corporate taxes to their lowest point in history. Government relies on the productivity of the American workers and their taxes to pay the investor classes their cut, and uses what is left over to run the country. As Marx once quipped the only thing the ruling class shares with workers is the national debt.

The U.S.A. economy requires a steady stream of foreign capital to flow into the country to invest in the private sector and expand the economy and finance government operations. Foreign capital buys U.S. debt in the form of treasury bills. Bonner and Wiggin assert that foreign investors hold 45% of all U.S. government bonds. U.S. investments abroad generate profits that flow back to the U.S.A. When all is said and done the combined efforts of the U.S. working class, the taxes levied on workers and small business, the profits from foreign investments and the inflow of capital investment has resulted in a chronic net loss on the operation of the US economy. In a desperate effort to fend off a collapse the U.S. Government has cut back on budget allocations to social programs, enacted anti-labour laws allowing employers to lengthen the working day, pay below minimum wages and renege on overtime pay.

The other direction taken by the U.S. Federal Treasury is an attempt to make US goods more competitive abroad by reducing the value of the U.S. dollar. A falling U.S. dollar is not an incentive to foreign investors and does not sit well with foreign owners of US treasury bills as they see the value of their initial investment fall with the decline of the dollar. The falling U.S. dollar has made the U.S.A. a less attractive destination for foreign capital. A loss of confidence in the US dollar is resulting in a flight to the Euro. It means that foreign central banks are constantly reviewing their position and could at any time sell US treasuries

to diversify their currencies and reduce exposure in the event of a drastic fall of the US dollar.

In a year end Globe and Mail interview with Canadian economists, Sherry Cooper of BMO Nesbitt Burns listed one of her biggest fears for 2007 to be that “Exogenous shocks (*exogenous means “produced from the outside”- DC*) bring down the American and possibly Canadian economies. These could include: disruption in oil supply leading to sustained price spike; significant net selling of U.S. Treasuries by foreign central banks, (*our emphasis DC*) exacerbating a plunge in the U.S. dollar and a sharp rise in interest rates; unprecedented terrorism.”

None of these economic storm signals appears to be of concern to the Prime Minister. Stephen Harper is guided in his thinking by a deep belief in the permanence of US imperialist global supremacy and the destiny of Canadian capitalism to be a beneficiary of its global reach. When the Prime Minister speaks of Canadian values, it is always in the context of US imperialist supremacy. Harper is incapable of conceiving of an independent course for Canadian economic development that interacts with the whole world and not just the U.S.A.

Harper views the new trends in global development, the emergence of socialist China, the economic cooperation developing among Brazil, Venezuela, Chile, Bolivia and Cuba and the strivings of the people of the Middle East to be free of western imperialist interference as a threats, rather than opportunities for Canada.

Harper is unable to think outside the box because he is the political spokesperson for western Canadian oil interests that market 85% of their energy output to the U.S.A. and demand that their corporate goals are placed above the interests of the country as a whole. Not all finance capitalist interests share that view. These contradictions are at the basis of the current Parliamentary stalemate and minority government.



Prime Minister Harper is banking on retaining power by remaining silent about his real obligations to NATO and uniting his right wing constituency around trite chauvinistic formulas. His plan is to ignore that sector of public opinion that is beginning to wield a powerful extra-parliamentary pressure on politics. He is banking on a solid and united minority right wing base of voters and a divided majority of broad left democratic electorate to win the day. That is the challenge faced by all anti-Harper forces that cannot be ignored.

All opposition party leaders are reacting to the growing anti-war consensus. Jack Layton of the NDP, Gilles Duceppe leader of the Bloc Quebecois and Stephane Dion of the Liberals, have declared that their parties support policies aimed at winding down and ending Canada's involvement in Afghanistan. Remarkable is the fact that all of the public statements of the leaders of the opposition parties attempt to assure Canadian voters that they are not in the pocket of President George Bush nor do they support his disastrous foreign policy quagmire in Iraq. Public doubt and scepticism about the Conservative Government's cozy relationship with the Bush administration has become a liability for Conservative candidates and an eagerly sought after asset for the opposition parties. While distancing themselves from the Iraq quagmire, the opposition parties are reluctant to question its basic premise, the bogus war on terrorism. That is the role of the peace movement, to ensure that the full debate takes place during the election on the fundamental reasons for the imperialist debacle unfolding in the Middle East and Central Asia. That work should start now by organizing meetings and forums to plan a unifying electoral program of action to carry into the federal election campaign.



# ***THE ATTACK ON THE CANADIAN WHEAT BOARD***

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CATHY FISCHER

A December Canadian Press release headline reads: "Ag Minister Strahl Fires Wheat Board CEO in Tiff Over Marketing Monopoly." The struggle over the future of the Canadian Wheat Board is not a 'tiff' -- the Harper government has declared war on an organization which farmers support and benefit from to the amount of \$800 million per year.

The Canadian Wheat Board came into being in the 1930's to stop the exploitation of Canada's farmers by the giant grain companies, and to a great extent, it has succeeded in doing so. The largest wheat and barley marketer in the world, the CWB represents 85,000 farmers. One of Canada's biggest exporter earners, the Winnipeg-based organization sells grain to over 70 countries and returns all sales revenue, less marketing costs, to Prairie farm producers. Unlike private corporations, there are no CEO, President and Board members demanding larger, grossly inflated salaries because they increased profits and share value.

The CWB has achieved this only by being the sole marketer of grain for Canadian farmers in what is referred to as 'single-desk' selling. Now the Harper government is trying to turn the clock



back so that the country's farmers are once again at the mercy of transnational grain companies, now much bigger and more powerful than when the CWB was established. They plan to take away the 'single-desk' feature of the CWB, replacing it with what is termed a 'dual-marketing system, but in effect they will be destroying the Board. The large multinational grain companies who will take its place have as their main concern the dividends that will go to their shareholders, and the farmers will get that much less as return on their grain.

Chuck Strahl, Harper's minister of Agriculture and Agri-Food, and minister for the CWB, has announced that "western grain farmers should have the choice on how they market their grain while preserving a strong, viable, yet voluntary Canadian Wheat Board for those who wish to use it." But what is the reality? As Saskatchewan's agriculture minister Mark Wartman warns in a letter to the Regina Leader Post, such a 'dual marketing system' would mean the end of the CWB. A dual market, Wartman points out, with farmers delivering their grain to both the grain companies and the CWB would leave the CWB relying on its competitors to gather grain in the country and load it on ships at port. A careful reading of the recent studies funded by the government of Alberta - which also wants to get rid of the single-desk board - indicates a CWB with no grain elevators and port terminals would have little chance of success. A recent study by Gray and Fulton of the University of Saskatchewan, Wartman continues, also concludes the CWB will not survive in a dual market. Even Agriculture and Agri-food Canada studies predict the same result. Wartman concludes: "I have asked the federal government to release any analysis and studies it might have which could show that dual marketing is a benefit to Western grain farmers. They have not released any studies. Now we know why."

## OPERATION OF THE BOARD

The CWB is run by a board of fifteen directors, ten elected by farmers, and five appointed by the federal government. The Board is empowered to act as the farmer's agent in dealing with Canadian and international customers. In so doing it provides reliable service and obtains the most favourable price, and return, for the farmer.

There is an election process by which the ten farmers are democratically elected to the Board. Every two years, half of these ten Board members are elected, the latest election having been completed in December. Ballots are mailed to farmers and in this last election there was a 51 percent return of votes, the highest on record. Out of the five new members, four were in favour of retaining the single desk. This brings to 8 out of the 10 of the farmer-elected Board members in favour of retaining the essential 'single-desk' feature of the Board.

The Harper government attempted to skew the most recent election by declaring ineligible 16,000 of the 85,000 farmers represented by the Board. If a farmer had not used his permit book in two years he was ineligible to vote. This, in spite of the fact that in many cases farmers had not used their permit books because they had experienced crop failure and had no crop to sell. Harper tried to gag the CWB during the election and prevent it from advertising the services it provides to its members, at the same time that he was carrying on a campaign against the Board, and not releasing information that supported the Board. As Wartman points out, Alberta has spent over a million dollars in an attempt to get rid of the CWB. Even with the these tactics in this most recent election, farmers returned 4 out of 5 Board members who supported the position of the board, not the position of the Harper government..

On the Board there are also five directors appointed by the government. Strahl has replaced all five of these government-



appointed directors with persons who "will actively support the federal government position." He fired one of the directors in order to do so. At the head of the Board is the president and CEO, one of the five appointed by the federal government although customarily on the recommendation of the Board members. Now Strahl has fired CEO Adrian Measner because he insisted on following the CWB Act and direction from the Board, not Harper. Measner had worked for the Board since 1974, including nine years in charge of grain marketing and transportation, and enjoyed an impeccable reputation in the grain trade. He became the Board's second president and CEO in January 2003, but was fired in spite of the fact that the Board of Directors sent a resolution to Strahl expressing support for him. Greg Arason, Measner's interim replacement has said he won't take a public position on the question of the 'single-desk,' but as reported in the Leader Post, a Strahl spokesperson made it clear that "the Harper government's choice to head the CWB backs a Tory campaign promise to move to open marketing." Will he do this against the Board's directions and the CWB Act?

The Board, backed by the Saskatchewan and Manitoba governments, the federal Liberals and the NDP and several farm groups, maintains that the Canadian Wheat Board Act requires the government to hold a plebiscite before taking any steps to remove grains from the control of the CWB. Strahl says he'll hold a non-binding plebiscite on barley, but won't commit to a similar vote for wheat.

## HARPER'S MOTIVES

Why is Harper doing this? Inside U.S. Trade reported on October 27 that "The U.S. government for years through the WTO [World Trade Organization] has tried to eliminate the monopoly powers of the CWB, which it argues gives Canadian wheat growers the ability to under price U.S. growers (the CWB has argued in response) that the monopoly allows the CWB to pass along a



premium to farmers that would otherwise go to a small handful of agribusiness corporations."

As Wartman points out "Our farmers need the tools to compete in world markets. The CWB is an effective marketer - that is why the United States and European Union want to get rid of the CWB at the WTO. Large grain marketers want to get rid of the CWB. Why? Because they could then move in and market prairie grain. And whose interest would they represent? Their shareholders - not those of the farmer!" The large American multi-national grain companies control 80 percent of the world's grain market, but they want it all, and Harper intends to help them take over the share now in the hands of Canada's farmers.

It is all part of Harper's promotion of the 'deep integration' of the Canadian economy with that of the U.S. It is not surprising therefore, that the corporate lobby group backers of the deep integration agenda, including the C.D. Howe Institute and the Canadian Council of Chief Executives, have also been very critical of the CWB.

## SUPPORT FOR THE CWB

Support for the CWB is coming from a variety of sources, but there are questions that can be asked with respect to that support.

The provincial governments in Manitoba and Saskatchewan are backing the 'single desk' CWB. Saskatchewan's Wartman says the Board is an effective marketer, and the agriculture minister of the main province serviced by the board should know. He states that the Saskatchewan government supports farmers making decisions about the future of the CWB. Saskatchewan supports a clear plebiscite question and the appropriate farmers getting the opportunity to vote. But what is actually being done to support the CWB and the farmers? Wartman says the Saskatchewan provincial government will 'keep an eye' on developments. Is the fact that the Saskatchewan government is tied in directly with the



multi-nationals for investment in the proposed canola crushing plant and ethanol plant, and the uranium industry, preventing it from more assertively supporting the Board?

At a demonstration in Saskatoon Nettie Wiebe, federal NDP spokesperson in Saskatchewan and a former president of the National Farmers Union, said Strahl's move to "to take a machete to the boardroom" by ousting Measner was unprecedented, completely unacceptable and anti-democratic. The federal government was disdainful of farmers and their rights, and were undermining them economically, she declared. NDP national leader Jack Layton promises that the NDP will introduce legislation ensuring that control of the CWB is handed back to farmers and any directors they elect, and notes that the CWB Act needs strengthening "to prevent ideologically driven governments from interfering with the marketing system that the vast majority of hard-working western grain farmers have repeatedly expressed their desire to retain." Stephane Dion, newly elected head of the Liberal party has said that if Harper brings in dual marketing, his party will return the CWB to its 'single-desk' position. The Liberals and NDP say they will restore the CWB if Harper proceeds with his dual marketing plan -- that's if Canadians vote for them. And what about NAFTA? Once the Board is changed can it be changed back?

The Council of Canadians has recommended that "the Government of Canada should maintain the CWB and supply-management mechanisms that support family farms, protecting them from the prejudiced impact of international trade agreements." The Council is asking its members to send a letter to Chuck Strahl supporting the CWB.

Farmers are not taking this attack on their marketing arm lightly. The National Farmers Union has a petition it has been asking people to sign, it has also called for a letter writing campaign to save the CWB. A new pro-CWB group was formed by prairie farmers under the name Real Voice for Choice. Farm



organizations co-sponsored a rally in Saskatoon to counter the anti-CWB invitee-only meeting hosted by Strahl and David Anderson, Parliamentary Secretary to Strahl. Farmers and Board supporters organized a recent demonstration in Winnipeg of 500 farmers. More recently farmers organized a picket of David Anderson's office in Swift Current; pickets at a second public meeting in Saskatoon attended by Strahl; and at the North Battleford office of Gerry Ritz, another leading opponent of the CWB

But what is needed is more public action, action that can be seen, action that can only be accomplished through the united effort of farm and labour and other groups who don't want to watch another sector of the Canadian economy which serves the people go down the drain. Saving the CWB is a blow against the deep integration of the Canadian economy into that of the U.S., it is a blow against the creeping power of the corporations whose only concern is profit; it is a step towards sustaining the economic independence of this country. Saving the CWB is not just a concern for farmers; it is a necessity for all Canadians.



# ***THE ALBERTA ADVANTAGE – PART II***

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BY W.C. O'CASEY - PART TWO OF A THREE PART SERIES  
W.C. O'CASEY IS A WORKER IN THE ALBERTA OIL SANDS

## **OLD BOYS CLUB**

Alberta has led the way in the sell out of resources to big US oil. As far back as 1917, Standard Oil of New Jersey acquired leases in the Turner Valley area. Standard Oil had 369,537 acres leased by the end of 1920. In 1921, Canadian Pacific Railway (CPR) and Standard Oil, through its Canadian subsidiary – Imperial Oil, signed an agreement that would see CPR reserve its prime leases for a share in the profits of Imperial Oil. In 1925 a pipeline was built from Turner Valley to Calgary.

In 1923 Imperial Oil built a refinery in Calgary, British American Oil followed in 1939. Calgary solidified its position as the permanent financial and administrative centre for the oil and gas industry when the Aberhart provincial government set up the Alberta Energy Conservation Board in 1938.

## BIBLE BILL

Out of the depression came William “Bible Bill” Aberhart. In 1935, after defeating the United Farmers of Alberta, Aberhart became Social Credit Premier. Aberhart established the Prophetic Bible Institute in Calgary shortly after coming to power. With his mixture of religious fundamentalism and radical monetary theory, Aberhart began to describe the need for the “monetization of natural resources.”

The “Socreds” promised the people of Alberta \$25.00 a month in an effort to put more capital in circulation. A flood of hungry workingmen from all across Canada poured out of CPR boxcars and into Alberta to claim the promised \$25.00.

The treasury was empty. Aberhart responded by printing Alberta’s own money. Issued to provincial employees, these “prosperity certificates”, as they were called, were worthless and workers continued to go hungry. After his death in 1943, Social Credit continued to elect administrations. His legacy lives today in “Ralph Bucks”. Working people are no better off.

## BANK OF CANADA AND US FINANCE CAPITAL POLICY

Bank of Canada Governor, David Dodge, is the current chief architect of US finance capital policy in Canada. In the March 29, 2006 remarks to the New York Association for Business Economics (NYABE) Dodge reassured US capitalists that Canada will ensure the needs of richest US business elite will be met. In the first place – labour power for sale.

## LABOUR MARKET POLICY

Labour remains the fundamental barrier to maximizing already bloated corporate profits. Alberta capital construction and energy



expansion is challenged with increased labour demands. Capital investments must rapidly increase to meet the US demands of increased oil production.

Currently the total production capacity in Alberta is about 1 million bpd. Additional expansion of capacity is underway and is about 750 thousand bpd with future investment set to further increase another 1.2 million bpd. Labour availability and mobility will remain the biggest factor in realizing targets of about 4 million bpd.

Complaining about the “restrictive” policies of internal Canadian trade the CCCE December 2005 report says, “Despite the principles embodied in the Agreement on Internal Trade, Canada’s economic space is still marred by many fractures that inhibit the movement of people, goods, services and capital. Fixing this situation has remained a low political priority for too long. The federal, provincial and territorial governments must set aside short-sighted and selfish objections and ensure that Canadian enterprises are able to function efficiently from coast to coast.”

David Dodge, reporting to the NYABE, on Canadian “domestic microeconomic policies” progress in the fight to eliminate the US debt crisis, reiterated the CCCE policy by saying, “...we have seen some efforts to increase flexibility in some regions, but progress has been minimal. This is understandable because, politically, measures to **increase the flexibility of labour markets** can be very difficult.”

Dodge set the challenge to provincial governments to meet the demands of the Alberta labour market. As a result the April 2006 the Trade, Investment and Labour Mobility Agreement was released which spelled out David Dodges vision for reduced barriers to increasing labour productivity?

## CANADIAN WORKERS TOIL FOR US DEBT

Canadian workers are highly specialized, productive and skilled. Canadian workers increasingly shoulder more of the US debt crisis. Capital, through increases in productivity, is exported south in the form of raw resources and expansion of US control over natural resources, manufacturing and agriculture.

As US capital markets flounder and the general US crisis expands under enormous US debt pressure, obscene military expansionism and the rapid erosion of US manufacturing base, the highly developed Canadian economy and capital assets inventory are being viewed with ever greater importance to Washington's imperialist plans.

Wall Street drools at the Canadian prize. The Bank of Canada is manufacturing finance policy ensuring Canadian workers are marshalled into action in an effort to prop up a failing US economy.

## THE PRIZE

The US Department of Agriculture states in the September 2006 report, "Canada: A Macroeconomic Study of the United States' Most Important Trade Partner" that, "As the United States has become more dependent upon trade and foreign macroeconomic and financial conditions, Canada has become an increasingly important strategic and economic partner."

In the same US Department of Agricultural report, the authors recognized the extremely productive and specialized capital-intensive industrial development of Canada. The report says, "To overcome the relative scarcity of labor compared with its large land base, Canada's capital to labor ratio was 14 percent higher than the U.S. ratio in 2002." - (\$ US23 Billion vs. \$ US20 Billion).



This evidence is not lost on the Harper government. By following the political policies laid out by Thomas d'Aquino and finance policy implemented by David Dodge, Harper is setting the stage for dismantling the social, wage and pension gains of Canadian workers. Harper along with the Alberta oil oligarch is set to transfer the large capital to labour ratio to US companies. Canada is valuable and US corporate parasites want a piece. Harper and the Alberta boys are set to deliver!

## ALBERTA'S FIGHT FOR CANADA

The Alberta working class is confronted with a basic question, do workers want peace and the development of Canada as a whole or toil for US fat cats in the hope of getting bigger scraps.

“Today, Canadians are literally compelled to decide whether we will cooperate economically and politically with peoples who are establishing new social systems or allow our own welfare to be scarified in efforts to prevent their success; whether Canada's national policies shall help to maintain peace and make it enduring or will support Untied States imperialism in its ruthless drive to war.” (Tim Buck, *Canada The Communist Viewpoint*, Chapter III, *The Crisis of Imperialism and the Danger of a Third World War*, 1948.)

## LABOUR'S LOAD

The intensification of labour is felt most sharply where the “value added” component is realized. Heavy industry and large-scale industrial construction projects are under the weight of compressed construction schedules imposed from the boardrooms of money managers, investment brokers and share holders.

The effect of compressed schedules; is decreases in real wages, increased work hours (50-70 hrs/per week), increased living

costs, reduced access to health care, family breakdowns, increased drug and alcohol problems and other crisis related issues.

The current pace of development has no benefits for Canadian workers. The more rapid the increase in productive capital the quicker Canadians will lose control over our sovereignty and national wealth.

Marx stated, *“To say that ‘the worker has an interest in the rapid growth of capital,’ means only this; that the more speedily the worker augments the wealth of the capitalist, the larger will be the crumbs which fall to him, the greater the number of workers that can be called into existence, the more can the mass of slaves dependent on capital be increased.”* – Wage-Labour and Capital, p39.

## MIGRATION OF EASTERN CAPITAL

The rise of the Alberta oil oligarchs is a consequence of potential for fabulous profits. Ralph Klein removed all barriers to capital investments on the backs of Albertan’s and at the expense of Canadian sovereignty and national interests.

Capital migration from eastern manufacturing has resulted in an uneven development of Canadian industrial capacity, poverty and obliteration of whole industries in the east.

Marx guides us to the rise of the Harper right and the migration of power by pointing out that, *“A rapid growth of capital is synonymous with a rapid growth in profits. Profits can grow rapidly only when the price of labour – the relative wages – decreases just as rapidly.”* – Wage-Labour and Capital, p39.

The Klein regime set out the basic conditions to challenge eastern corporate power by removing regulatory constraints on oils sands development. He did this by reducing royalty costs to Big Oil, increasing the number of land leases issued and decreasing the social burden to oil companies by keeping minimum wages low

and transferring health, education and social costs onto the backs of workers. Oil profits soared!

Eastern corporate interests and the manufacturing industry remained under the high wages and pensions won through years of bitter industrial struggle by the leading industrial unions in the country. Alberta's right wing union leadership remains firmly under the control of the Klein legacy hoping to get bigger scraps from oil oligarchs table at the orgy of corporate profit!

## THE AFL AND CANADIAN SOVEREIGNTY

The Alberta Federation of Labour (AFL) is the largest union organization in the province. The Alberta labour movement has a critical role to play in the fight for peace, sovereignty and national industrial development. The Alberta working class represents one of the highest concentrations of industrial labour in Canada. The Alberta Federation of Labour needs to be a leader in the fight for Canada.

Gil McGowan, President of the AFL, said at the Oil Sands Development Hearings – Calgary, September 27, 2006, “There was a time not that long ago, that many Canadians complained about Canada becoming what they described as a branch plant economy. But today in Alberta, without a clear plan from our government, I'm afraid we're on the road to becoming a pipeline economy.”

## CRAFT UNIONS

The Alberta Building Trades Council (ABTC) represents some of the most powerful unions in the province directly connected to the point of oil sands development value added labour activities. Representing 48000 workers with 16 craft unions and 22 locals, the ABTC has a key role to play in the fight for Canadian



sovereignty. These workers are the only component in the expansion of Big Oil that can derail their plans.

Highly skilled, educated, well organized and “accustomed” to the construction of heavy oil upgraders and mining projects, Alberta workers are being sold out by the historically reactionary craft union leadership. The AFL is infected with “Alberta First” rhetoric.

## CHANGE OF GUARD

The Alberta Conservatives have selected a new representative for carrying out the policies of US oil interests. Klein had set the basic conditions for the new guard to manage.

Leadership candidates were Lyle Oberg, former Alberta cabinet minister, Ed Stelmach, former cabinet minister, Mark Norris, former cabinet minister, Jim Dinning, former Alberta treasurer and TransAlta Corp. executive.

The Alberta Building Trades Council attempted to “influence” the Conservative leadership race. The Edmonton Journal reported October 6, 2006, that the ABTC was set to purchase 10,000 PC “memberships”. Executive Director of the ABTC, Mike Buffin said, “We are asking you to participate in the leadership race, to be politically active so you can be part of picking the next premier of the province.” Buffin and the ABTC leadership remain infected by bourgeois labour ideology, paralysing them in any meaningful action on their membership’s behalf.

Oberg, Dinning and Stelmach, all pressured to respond to the enormous profits being made by oil companies in Alberta, have indicated that some additional regulation and controls need to be imposed on oil sands development.

Dinning said, “I believe that if you mine it here, you upgrade it here.” This statement has set shock waves through the boardrooms of Calgary and Huston.

This flies in the face of the EnCana Corp. Conoco Phillips US\$11 billion deal that will see an eventual 650,000 bpd raw bitumen exported to US upgraders in Illinois and then sent to refineries in Texas for final processing.

Kathy Sendall, chair of the Canadian Association of Petroleum Producers, lamented in a speech to The International Pipeline Conference in Calgary September 25-29, 2006, “The debate has shifted from creating wealth to redistributing wealth, and that is a very, very scary situation.”

In the National Post article, “Why oilmen pine for Klein”, it was reported that export of raw bitumen is not a concern of Big Oil. As reported, an “industry analyst” said, “There is a massive agenda from multiple players here that isn’t necessarily the agenda of the people of Alberta.”

Ed Stalmach’s victory, and of greater significance, the defeat of Mark Norris, oil biz fave, has sent waves through the oil industry and has resulted in dispatching of industry “experts” and government public relations machine to reassure oil executives that “their” oil is still secure with “Ed”.

Gil McGowan said, “All in all, this cabinet continues to suggest a government more interested in protecting the energy industry than determining how Albertans can benefit from the boom.”

## NEW CONDITIONS SAME AS THE OLD CONDITIONS

The majority of the head offices of Alberta Federation of Labour unions are in the US, handicapping organizational, economic and social policy efforts by the local leadership. Long time trade union organizer and CPUSA General Secretary from 1945 - 1957, William Z. Foster traced the historical roots and weakness in craft unionism in his book, *History of the World Trade Union Movement*. Foster stated, “*The subordination of the Canadian*

*trade unions to reactionary American labour leaders helps vastly in the active drive of American Imperialism to make a US satellite of Canada, both economically and politically.” p438.*

## THE ATTACK ON LABOUR AND CANADIAN SOVEREIGNTY

The rapid removal and export of national wealth and concentration of capital continues unabated without regard for Canadian working families, farmers, seniors, youth and minorities. Canadian workers are working longer and harder, for less wages, pensions and health and safety protection. The Canadian working class is under attack. Labour must step up and defend the interests of Canada in the face of the Big Oil attacks.

**NEXT ISSUE:       THE ALBERTA AGENDA (PART III) – ALBERTA  
LABOUR AND THE FIGHT FOR CANADIAN  
SOVEREIGNTY**



***SAVE THE CANADIAN WHEAT  
BOARD FROM REACTIONARY  
GOVERNMENTS, CORPORATE  
RAIDERS AND AN INTERFERING  
FOREIGN GOVERNMENT***

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STATEMENT - CANADIANS FOR PEACE AND SOCIALISM

At no time in history has the Canadian Wheat Board(CWB) been openly attacked by a federal government - members of the board of directors are fired and replaced with ones who have been hostile to the CWB; a ‘gag’ order was instituted to prevent the CWB from promoting itself; during the election period, 1/3 of the electorate had to ‘prove’ they were eligible; the President/CEO was fired for following the CWB Act not the agricultural minister’s directives and the conservatives carried on a campaign against the CWB during the election period. A very brief history of the farm struggle will help to understand why this is happening.

The late 1800s problem of farmers obtaining full value for their production followed them to the prairies. As grain production grew, prairie farmers found they confronted two more major



problems besides trying to get a fair price from the grain trade- 1) A grain based economy meant most grain had to be exported, 2) they were land locked and had to rely on railroads to get their grain to consumers.

Tired of being exploited by the railroads and grain trade, at the turn of the last century producers began working together. Every attempt of the farmers to have more control of their production, when successful, resulted in being out manoeuvred by the railroads, grain companies and grain trade, resulting in catastrophic failures. The agricultural politics of the day dictated the provincial and federal governments become involved to stabilize the western economy.

This struggle of farmers working together to get a better deal for themselves finally forced governments to financially and legislatively support them. The major benefits resulting from this struggle were: co-operative legislation guaranteeing successful Co-ops and Wheat Pools, a Grains Transportation Act which ended railway gouging, a Canadian Wheat Board Act which stopped grain trade manipulations and a Canadian Grains Commission Act to ensure quality grading for internal use and export. By law the Canadian Wheat Board worked for farmers and returned all revenues after expenses to them, thereby paying for it, with little political interference.

The last two decades of attacks on legislation and structures which benefited western producers has taken its toll. The Saskatchewan Wheat Pool Act was changed to return grain handling to private companies(don't be fooled by the retention of the name,) allowing 'management' to steal farmers equity and restart grain buying shenanigans which for the most part ended over six decades earlier. Changing the Grain Transportation Act immediately cost the grain producers \$750 million, allowed railway branch line abandonment and without Wheat Pools, local elevator destruction resulting in large increases in grain trucking costs. This is the



principle reason farmers expenses are now higher than their income.

The last major structure in the way of total corporate control of western grain is the Canadian Wheat Board. Contrary to so much of the propaganda, the CWB does not cost any government any money nor is it trade distorting as proven in many trade challenges.

This democratically farmer controlled business directly benefits farmers by up to \$800 million more than could be realized in the 'open market.' The CWB obtains for farmers a premium price for their grain, negotiates better transportation and elevation fees, ensures a premium product and markets it to the world. It works with the Canadian Grains Commission in these areas to ensure 'farmer interests are protected.' It also partially funds the Canadian International Grains Institute(CIGI) which develops grain products and educates farmers and buyers. No other country or corporation has an organization like CIGI.

There can be no place for 'protecting farmer interests' in this government's view- all grain trade in Canada must fall within the confines of the 'free market,' so it becomes clear why the attack on the CWB. To ensure this happens right-wing think tanks are funded to plan and test strategies, then a few reactionary farmers who believe they can benefit are given 'unequal' time to spew their propaganda of 'freedom' and 'choice' to confuse other farmers and the public. Finally, with current members of this 'conservative' government from this background, they do what their masters want and start to remove the real power of the CWB has - single-desk selling- which the overwhelming majority of farmers want.

We must not be fooled by the use of the terms 'freedom' and 'choice' to accept changes nor think that the 'CWB can survive' and 'farmers will benefit' from the increased 'competition.' History shows these sycophants hate the CWB and want it destroyed. The Canadian Wheat board has no grain handling



facilities and would unlikely survive even if it did (the WalMart effect.)

This is a struggle we all must be involved in because if the CWB 'single-desk' is lost, there will be fewer farmers, rural communities and Canada itself will be affected by the 'ripple effect.' The remaining 'food security' programs of 'supply management' in dairy, eggs and poultry will be the next to suffer the 'freedom' and 'choice' dogma.

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## **FOCUS ON ELECTION**

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The 35<sup>th</sup> Central Convention of the Communist Party of Canada (CPC) is being called for February 1-4, 2007 in Toronto ON. The CPC Central Convention meets at a period in Canadian history when attacks on workers are being elevated in support of the Harper war profiteers and the corporate agenda of Big Oil and finance capital. The Main Resolution says, "Our 35th Convention meets at a time of unprecedented dangers facing our class, our country and all humanity, arising from growing militarism and war, economic plunder, vicious attacks on the democratic and social rights of the peoples, and increasing environmental destruction. Each of these crises has its specific features and content, but all emanate from the same source – the prevailing socio-economic system of capitalism at its present imperialist stage. This situation makes the fight for peace, to save our environment, to defend democratic rights, and for social advance an imperative task of our times. The struggle today for progressive reform is inextricably tied to the struggle for the revolutionary transformation from capitalism to socialism."

The call to the defeat of the Harper Tories is seen by the CPC as the main political task facing workers. The resolution says, "This convention will look carefully and objectively at how we function as a revolutionary Party amidst all the political activity in Canada today. From the top to the bottom and back up again, we will assess what we can do as a Party, and take action to achieve our most important political objectives today to: - defeat the Harper Tories in the next election - end Canada's occupation of Afghanistan - prevent Canada's complete subordination to US imperialism and to defend our sovereignty - defend the national rights of Aboriginal peoples and Québec - oppose privatization of public programs and services."

While the parties of big business enjoy unfettered access to the main stream media the CPC is denied the same privileges. Changes to the Canada Elections Act have limited the ability to challenge the political power of the corporate agenda. Corporate power enjoys wide spread coverage of political conventions; workers get nothing.

Canadians for Peace and Socialism wish the Communist Party of Canada a successful and productive 35<sup>th</sup> Central Convention in this challenging time of corporate power.

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## TIM BUCK AVENUE

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Fifty kilometres east of Thunder Bay, Trans-Canada Hwy. 11/17 intersects with Hwy. 582 leading to the hamlet of Hurkett ON nestled on the shores of Black Bay, Lake Superior. From the 1930's to the late 1950's, 582 was known to locals as "Tim Buck Avenue"\*. Every second household in the 1930's and 40's was a member/supporter of the Communist Party, later the Labour Progressive Party. During the Dirty Thirties the authorities cut off relief to the local unemployed. The locals confronted the "Relief Officer" and forced the authorities to restore cash relief. Some attributed the Hurkett protest to halting planned cut backs to relief throughout the entire district. The local Communist Party Club conducted classes on Das Capital, organized a YCL Club, sponsored public meetings, sold subscriptions to the Clarion and later the Canadian Tribune and participated in federal election campaigns, and in one such campaign put up a local candidate, Bob Aylward. The legendary Sam Scarlett was a candidate and along with other leaders of the Communist Party visited the area on speaking tours.

There are many "Tim Buck Avenues" in Canada. From coast to coast there are stories of struggles inspired by the Communists and the ordinary working people who led them. Tim Buck Avenue is dedicated to those people. If you have a story to tell, an anecdote or memoir and want it published, that is what this column is all about. Send us your story and we will publish it.

"Tim Buck Avenue" begins with a tribute to Fred Schofield.

\* Dorions Roots and Branches – One Hundred Years Rembered 1901-2001 pg 212. Published by the Dorion Public Library 170 Dorion Loop Road Dorion ON P0T 1K0

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### FRED SCHOFIELD - A PIONEER COMMUNIST FARMER

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From 1953 to 1963 the citizens of Rural Municipality #137, in southwest Saskatchewan, were represented in the provincial legislature by a member of the CCF. For those same ten years they chose for their representative in the federal government a member of the Liberal or Conservative Party. And at the same time, they elected as their R.M. councillor a well known Communist, Fred Schofield. Such an anomaly was not as strange as it might seem. Fred Schofield was recognized as a person genuinely interested in striving for a better life for his community.

Fred and his wife Fay farmed for many years near the village of Beverly, just west of Swift Current. But they were not just farmers. They were well integrated in their community, they were acquainted with the hardships suffered by farmers in the Dirty Thirties, and they looked on farming not only as a means to make a living, but as an essential element in the makeup of the country and the basic requirement for feeding its people. They were active in the many organizations through which farmers tried to improve their standard of living, and to thwart the efforts of the grain companies to turn the family farm into corporate farming. As was pointed out at Fred's funeral in September 1996, attended by some 300 people, in addition to the ten years



he served as councillor, he had always been active in the National Farmers Union, he was on the local school board for 14 years, on the local committee of the Wheat Pool for 59 years, on the Credit Union board for many years, and was secretary of the local telephone company. In his spare time (!) he was active in the local history group. Fay, who still resides in Swift Current, was equally as active.

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**THEY SAW IN SOCIALISM  
THE ANSWER TO THE  
PROBLEMS FACED BY  
THE FARM COMMUNITY.**

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Early on the pair realized that there was little or no future for the family farm under capitalism, with its control of markets by the stock exchange and other instruments of oppression used by the big agriculture corporations. They joined the Communist Party and for many years were well known in their community for their work as Communists. Fred ran as a candidate for the Labour Progressive Party, as the Communist Party was known during the war years and for a time after. In 1969 and 1970, Fred served as leader of the Communist

Party in Saskatchewan, in spite of considerable hardship and sacrifice on their part as the provincial office was in Regina.

The 70's saw the Communist Party of Canada, influenced by the better times of the period, adopting theories of accommodation with capitalism, as were many of the Communist Parties around the world. The Schofields, and the Party members in Saskatchewan, did not agree with this accommodation. They held to the position espoused by Tim Buck, who for years had been the national leader of the Party in Canada. That position declared the necessity to continually struggle against the forces of capitalism and work for socialism in Canada. In 1979, in spite of the Schofields' record of a lifetime of fighting for socialism, the Central Committee of the Communist Party decreed that they, along with all the members of the Saskatchewan provincial committee and the Regina club were enemies of socialism and they were expelled. Subsequently Fred and Fay played an active role in the founding of the Committee of Canadian Communists, forerunner of Canadians for Peace and Socialism, where they continued to work to bring socialism to Canada.

**FOCUS ON PEACE**

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**WORLD PEACE COUNCIL /  
CANADIAN PEACE  
CONGRESS**

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Focus on Socialism will devote a column to statements and news from the World Peace Council (WPC) and its Canadian affiliate, the Canadian Peace Congress (CPCong) along with local news from local peace councils.

World Peace Council:  
President - Orlando Fundora Lopez

Cuba Movimiento Cubano por la Paz y la Soberania do los Pueblos (MOVPAZ).

General Secretary - Thanasis Pafilis  
Greek Committee for International  
Détente and Peace (EEDYE):  
10 Othonos Str. 10557 Athens Greece  
[info@wpc.in.org](mailto:info@wpc.in.org).

The interim executive of the Canadian Peace Congress can be reached at:

On The Web:  
[www.canadianpeacecongress.ca](http://www.canadianpeacecongress.ca)  
Email:  
[office@canadianpeacecongress.ca](mailto:office@canadianpeacecongress.ca)

The World Peace Council publishes a quarterly, "Peace Messenger". Copies are available by contacting the Canadian Peace Congress committees listed on their website.

**STATEMENT OF WORLD  
PEACE COUNCIL ON THE  
EXECUTION OF SADDAM  
HUSSEIN JANUARY 2, 2006**

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The World Peace Council (WPC) expresses its anger and deep disapproval about the execution of Saddam Hussein, an act of political revenge against the Iraqi people, aimed at the justification of the Anglo-American invasion and occupation of Iraq. Saddam Hussein committed many crimes and political errors and should have been tried by the Iraqi people. The U.S. paid and orchestrated trial of Baghdad was not only far away from being fair but covered finally the complicity of the U.S.A. and its European allies towards Saddam Hussein's reign. The WPC expresses furthermore its serious concerns about the plans of the occupying forces to divide Iraq into parts serving the imperialist interests in the region. The WPC demands the complete withdrawal of all forces of occupation and reiterates its support to the people of Iraq and their legitimate right to resist occupation.

*WORLD PEACE COUNCIL*

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**VISIT****FOCUSONSOCIALISM.CA**

**FOR CANADIANS WHO WANT TO  
CHANGE THE SYSTEM!**

**THE PROBLEM - IMPERIALIST WAR  
AND THE PROFIT SYSTEM!**

**THE SOLUTION - PEACE AND  
SOCIALISM!**



## FOCUS ON ENERGY

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***BOOK REVIEW - SELLING THE FAMILY SILVER - OIL & GAS ROYALTIES, CORPORATE PROFITS, AND THE DISREGARDED PUBLIC***

WRITTEN BY: JOHN W. WARNOCK

PUBLISHED BY: PARKLAND INSTITUTE AND CANADIAN CENTRE FOR POLICY ALTERNATIVES - SASKATCHEWAN OFFICE, NOVEMBER 2006.

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John Warnock’s “Selling the Family Silver” outlines and exposes the plunder of Canadian oil and gas revenues by the capitulation of the Canadian elite to US imperial policies. Warnock, a research associate with Canadian Centre for Policy Alternatives in Saskatchewan, details the structures, revenues and royalties of the second largest oil and gas producer in Canada – Saskatchewan.

The paper is an exceptionally well written and documented expose of the Global, National and Saskatchewan oil and gas industry in the context of imperialism’s drive to secure control of the most valued of all natural resources – oil and gas.

It is clear from Warnock’s research that energy policies ensuring Canadian sovereignty, economic and industrial development and domestic consumption have been abandoned by Canada’s political and economic elite in favour of quick super profits by selling raw oil and gas to US markets.

While 77 percent of global energy production is produced by National Oil Companies, Canada remains firmly in

the grips of US imperial demands for extraction and transfer of oil and gas revenues to capital exports and finally into US BigOil coffers. This is done through a host of complex mechanisms in the framework of NAFTA, foreign ownership rules and obscenely low taxation and royalty revenues.

Warnock discusses the geopolitics of oil, the fiscal and royalty structures that capture the “economic rent” and the need for policy directions that place the public interests of Canadians ahead of corporate profits, military and consumer demands of US imperialism.

Economic rent is defined by Warnock as, “the financial surplus created by the exploitation of natural resources, over and above the costs of exploitation (which include ‘normal’ profits).” The neo-liberal theory of privatization of resources, employed to make maximum profits, is the dominant force in policy development in the federal and provincial governments today. Warnock exposes the Liberals, Conservatives and the NDP in discarding democratic policies benefiting their publics in return for favour in Washington.

Marx teaches us that capital moves to where the rate of profit can be maximized. It is no surprise today that Alberta and Saskatchewan are seeing an “economic boom”. Warnock exposes the massive erosion of Canadian sovereignty by pointing to the fact that, “Canadian royalties are among the lowest in the world at \$0.23 per barrel.” He continues to say that the industry has seen a very high return on equity at 22.4 percent making the oil and gas sector “the most profitable sector in Canada.”

The current phase of imperialism is characterised by shrinking sources of easily exploited hydro carbon resources.



Warnock says, "Because the advanced industrialized capitalist countries have had a shortage of these resources, access to them has been a central focus of imperialism, colonialism and political domination."

Historically US imperialism was unchallenged in the access and control of this most strategic of all resources. Warnock makes the connection to imperialism's need for secure energy and the "central role that is played in all world military systems" by liquefied petroleum.

Harper continues the policy of his predecessor, Brian Mulroney, in the transfer and control of Canadian oil and gas into the hands of US through the agreement to allow EnCana and ConocoPhillips build a pipeline to transfer raw bitumen to Illinois. For Canadian workers it means higher energy costs, a shrinking manufacturing base in Ontario and transfer of labour power to the imperialist policies of US world hegemony.

Warnock has completed an exceptional work that is essential for every Canadian worker to read, study and talk about. Warnock places the question of nationalization on the agenda and discusses several options to achieve greater control in Canadian energy resources. He links the depletion of Canadian oil and gas to US imperialist control, military and domestic consumption. Warnock should be commended for this important work in the fight for Canadian sovereignty.

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**HALT THE EXPORT OF RAW  
BITUMEN!  
NATIONALIZE ENERGY!**

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## **FOCUS ON MARXISM-LENINISM**

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*EXCERPT FROM: ROLE & PLACE OF NDP, COMMUNIST VIEWPOINT, VOL. 2 No. 1 JANUARY 1970,*

*BY BILL BEECHING*

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The Communist Party does not limit itself to the parliamentary arena. Communists work all year round on all fronts of the people's battles to achieve immediate and ultimate aims. There has been too much of a conception that the united front means the endorsement of this or that NDP candidate, or the calling for an NDP government.

Communists strive in election campaigns to warn against the illusion that the election of the NDP will itself solve all the people's problems or take us to socialism. Communists estimate that, because the NDP enjoys considerable electoral support, such an outcome would be the first break, as it were, with the traditional way of voting, and could lead to reforms in the best interests of the workers. But such a tactic should not be elevated to a principle that endures for all time, or read into it a political perspective that doesn't exist. Just as important, the election of an NDP government does not automatically give reforms to the people.

From the foregoing it is clear that the problems the Communist Party faces do not arise from within it, or from within Marxism-Leninism. Concern about the smallness of the Communist Party is because we want it to become a mass party of the working class. But this concern has, at times, led to an opportunistic obsession with becoming popular at the expense of principle.

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## FOCUS ON LABOUR

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### *BATTLE GROUND ALBERTA – PALACE CASINO WORKERS FIGHT FOR FIRST UNION CONTRACT*

BY: CHRISTINE MCMECKAN

UFCW LOCAL 401 UNION  
REPRESENTATIVE AND MILITANT  
ALBERTA TRADE UNIONIST

VISIT [WWW.ITSNOPALACE.COM](http://WWW.ITSNOPALACE.COM)

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Alberta is growing, “moving and shaking” as they say. It is the envy of many around the country who think the streets here are paved with golden opportunity - if not the precious metal itself. Companies make grandiose offers to workers in the hope of attracting cheap labour. Many arrive only to find desperate circumstances in both housing and working conditions. The so-called Alberta Advantage is only an advantage for the bosses, and so workers continue to fight for basic rights within many of these low wage jobs; health and safety, living wages *and the right to join a union.*

Edmonton is the battle ground at the moment for workers at the Palace Casino and are on strike for a first union contract. Palace Casino, owned and operated by Gateway Casinos G.P. Income Fund., is the 3rd most profitable business in B.C. The Alberta gaming industry contributes more to the Alberta provincial government coffers than Alberta Big Oil.

It has been a battle that started well before the September 9, 2006 strike began, which continues to this day. The fight for wages and working conditions are the two key issues confronting

Palace Casino workers. CEO David Gadhia and V.P. Howard Worrell pay many of their workers starvation wages. The average wage of a Dealer is \$8.88 per hour and the average wage of a Server is \$7.01.

In 1993 Palace Casino workers, tired of harassment, poor working conditions, low wages and benefits attempted to join the UFCW Local 401 but after employer interference opted for a staff association which over 10 years ultimately failed. The failed employee association resulted in the 2003 decision by employees to join UFCW Local 401. Two years of bitter litigation due to Palace Casino interference lead to the Alberta Labour Relations Board’s (ALRB) recognition of the legal merger of the Employee Association and the UFCW. The Union won certification, despite the employer’s extremely aggressive tactics in its anti-union campaign, and was certified in August 2005.

At the heart of this fight is the struggle for workers to freely join a union. It is a struggle that affects each and every worker, because this is about ideology. This is about a giant industry, supported by the Alberta government, refusing, due to ideology, not business demands, to negotiate as they have repeatedly been instructed to do by the ALRB. Why not negotiate? Because the Palace Casino, and casinos across this province, want the unfettered right to operate and maximize profits on the backs of the working poor.

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**SUPPORT THE UFCW LU401  
PALACE CASINO WORKERS IN  
THE FIGHT FOR THEIR FIRST  
CONTRACT!**

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