

July 27, 2017

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# **Federal Government Marches Further into Dead End of Nation-Wrecking Billions in State Funds for Transportation Corridors to Serve U.S.-Dominated Empire-Building**

*The working class is determined to affirm its right to build the new!*

Transport Canada has announced another \$2.1 billion of state funds for the Trade and Transportation Corridors Initiative to serve the global oligopolies and their control of the Canadian and international economy.[1]

A Ministry press release on July 4 states the Trade and Transportation Corridors Initiative is "[to] build stronger, more efficient transportation corridors to international markets.... Canadian businesses will be able to better compete, grow and create even more jobs well into the future."



The aim of the financial oligarchy is not to "create jobs" or support "Canadian businesses." The aim is to maximize their returns on investments and defend and expand their empires through crushing their competitors and exploiting the resources and work-time of Canadians. Using state funds, infrastructure and police power to serve their narrow private aim and objectives has become standard practice within the imperialist system of states.

Transport Canada says the program is meant "to support Canadian business and spur job creation.... Canada is marking a long history of trade and recognizing the major role that transportation has played in growing our economy and supporting Canada's middle-class."

The early building of the east/west railway, ports in the Maritimes and later in BC, along with a Canadian steamship line, state-owned Air Canada serving most Canadian cities, and highways and bridges connecting far-flung population centres and resource producing regions were features of a nation-building project in part to block the expansionist continentalism of U.S. imperialism. That nineteenth and twentieth century nation-building is dead and replaced with U.S.-led global empire building with Canada integrated into a U.S.-dominated Fortress North America. The global oligopolies have seized control of Canada's human and material resources, especially in the basic sectors of raw material extraction, energy, manufacturing, finance, retail services, culture and the military. The Canadian economy has been subsumed into U.S.-dominated private global empires and the free trade agreements, military alliances and other international arrangements of the U.S. imperialists as they strive for world hegemony.

Trudeau and other governments since Mulroney have embroiled Canada into a worldwide array of military and economic arrangements including trade and transport corridors serving the global private oligopolies operating within the U.S.-dominated imperialist system of states. This retrogressive direction has absolutely nothing to do with nation-building to guarantee the well-being of the people or affirm their right to decide their future, control their economy, and solve its problems for the benefit of all.

The Transport Canada announcement ignores the economic context in which these state funds are

being disbursed. According to its press release, the main problem facing the Canadian economy appears to be congestion in the transportation of goods from Canada to world markets, including the dominant U.S. market, and vice versa. If the transportation corridors are improved, Transport Canada implies the problems of the economy will vanish.



The implication is not borne out with facts. The announcement was made at about the same time Employment and Social Development Canada revealed an increasing number of EI claimants are receiving five additional weeks of benefits in 15 regions of the country where unemployment has exploded over the last two years. The program to extend EI eligibility, while still far below the actual needs, temporarily untied the EI purse strings propelled by a rise in unemployment in

several regions. The expected number of 235,000 unemployed receiving the five weeks of additional EI benefits turned out to be 317,261 unemployed workers.

Much of the increased unemployment and extended benefits are in resource extraction regions badly hit with the decline in both demand and global market prices for Canada's natural resource commodities. Alberta, Saskatchewan and Newfoundland and Labrador heavily depend on exports and the employment and value workers create in harvesting natural resources. The problem for Alberta and most regions in Canada is internal, in the sense that exports overshadow the domestic economy, its self-reliance, vitality and ability to stand on its own. Control over the economy and those features that affect people's lives directly is impossible in a situation where the necessity to export is dominant and control over prices and external demand is not possible.

Congestion within the freight transport corridors is not the problem. The internal domestic economy is the problem because it is out of the control of Canadians, in particular the actual producers. Canadians are not able to manage the modern socialized productive forces because they have no control. The productive capacity of the modern economy of industrial mass production is enormous but it has to be brought under the control and scientific management of the actual producers with an aim to serve them, the common good and general interests of society.

Canadians do not even determine something as basic as the market price of what they produce so that it meets the price of production. Canadians have no control over how much they manufacture of this or that commodity, even basic essential ones such as steel, so that internal production conforms to the apparent internal demand allowing some stability and security in the sector. Canadians do not control their banking system and are even losing control of public services and social programs as they are sold off to global investors eager to exploit every aspect of the economy and have already-produced value pour into their private coffers.



Canadians literally are at the mercy of the international financial oligarchy and its private empires. They control the basic sectors. Their empires serve their narrow private aim and needs to expand their wealth and defend their class privilege denying Canadians what is theirs by right. The oligarchs compete to defend and expand their private empires in a system that can only be described as



anarchy leading to crises, violence and war. The problem worsens with the increasing concentration of the social wealth that workers produce in the hands of global oligopolies and multi-billionaires who use it and state power to serve their narrow private interests.

The media report that Transport Minister Marc Garneau at the luncheon speech, where he made the announcement of the allocation of state funds, slavishly said the Canadian government is willing to pay the entire bill with respect to the U.S. border corridors, just as Canada is now paying the bill for the new Gordie Howe International Bridge linking Detroit and Windsor.

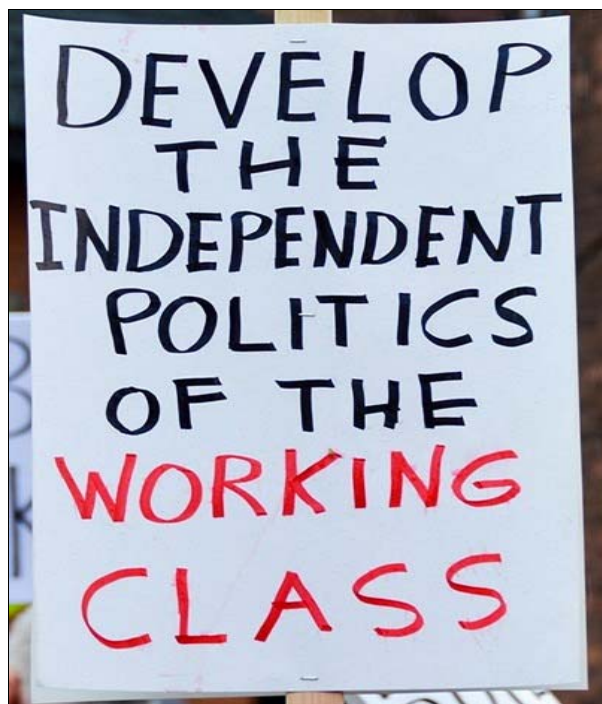


Dedicated to the class privilege of the oligarchs and their aim for ever greater power and social wealth, government representatives seem incapable of presenting the reality as it exists. Their imperialist outlook and thinking does not conceive of a society which take up social responsibility or changes the direction of the economy.

Minister Garneau does not consider it a problem that Canada, as a dominated trading nation:

- does not own or control its basic economic sectors or have any sovereign say in economic development;
- does not determine and control the market prices of its produced natural resources or any of its main commodities for that matter;
- does not have any arrangement for exports or imports with sovereign nations that meets a modern criteria of justice, stability, mutual benefit and development, and sovereign control outside of and in opposition to the control of private global empires;
- is entangled in global arrangements such as the World Trade Organization and free trade agreements that put economic decisions in the hands of those who own and control vast social wealth and have the single-minded aim to increase their wealth, power and class privilege through exploiting the resources and working class of Canada and other countries;
- attracts those global individuals and entities to make money by putting at their disposal Canada's resources and educated, trained and healthy working class and by providing infrastructure including transportation corridors and police state measures to restrict workers from affirming their rights;
- is at the mercy of the world market dominated by the oligopolies and is not able to protect itself against the inevitable cyclical economic crises within the imperialist system of states dominated by the U.S. empire, be it a generalized economic crises such as in 2008, or the current sectoral crisis of market prices of energy and other resources, which have fallen below their prices of production.

Across the country, workers are opposing the denial of reality and pragmatic ambitions of the Canadian government to serve the strivings of the



global oligopolies at all costs to the detriment of the well-being and security of Canadians and their economy. The need is becoming more and more obvious for the working class to assume its social responsibility to change the direction of the economy to make it work without crises for the benefit of all. In this regard, advanced workers are building the independent press of the working class such as *Workers' Forum* and taking up embarking on campaigns such as those led by Marxist-Leninist Party of Canada which emphasize the need for the mass political and ideological mobilization of the people to build the new.

The working class does not expect the ruling imperialist elite to lift a finger to assist in a modern nation-building project to vest sovereignty in the people and defend the rights of all. The ruling elite have done everything to wreck nation-building and are doing everything to block, disorganize and deprive the working class of its own independent outlook and institutions and fundamental right to build the new. Workers are determined to deprive the ruling elite of their power to deprive workers of what is theirs by right, the right to build the new!

### **Note**

1. A Ministry news release on July 4, outlined the spending in broad terms:

Two billion dollars over 11 years for a "merit-based National Trade Corridors Fund (NTCF) ... to strengthen Canada's trade infrastructure, including ports, waterways, airports, roads, bridges, border crossings, rail networks and the interconnectivity between them."

Fifty million dollars over five years, "[to] stay on top of new disruptive transportation technologies in order to update rules and regulations for UAVs (drones) and connected and automated vehicles."

Fifty million dollars over 11 years, "[to] launch a Trade and Transportation Information System, to be implemented by a new Canadian Centre on Transportation Data, to have access to high-quality, timely and accessible information on our transportation system."



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## **Sale of Canadian Airports -- Privatizing Everything and Selling the Country to the Global Oligarchs Exacerbates the Crisis**

Canadian airports are the latest state asset up for sale. The Trudeau government has hired the U.S. company PriceWaterhouseCoopers to study and make a plan to sell equity stakes in Canada's airports. This follows the federal government's hiring last year of Credit Suisse Group AG to study selling off the country's eight largest airports: Vancouver, Montreal, Toronto, Edmonton, Calgary, Ottawa, Winnipeg and Halifax.

The sale of the airports whets the appetite of a section of the ruling imperialist elite both as buyers and sellers. For the buyers, airports represent a necessary public service where user/rental fees by airlines, passengers and retail outlets hold tremendous potential for private profit. For the sellers, the sale price represents a one-time injection of cash into the federal coffers to transfer into the pockets of other oligarchs.

The current airport ownership model according to a spokesperson for Transport Canada is the following: "Airport authorities, the entities operating the largest airports in Canada, are private, not-

for-profit, non-share capital corporations. They are not government entities. What is commonly meant when using the term 'privatization' in this context is, rather, a move from the current not-for-profit corporate structure, to a for-profit corporate structure." The Transport Canada definition is disingenuous. If airports are "not government entities" but private corporations, why then does the federal government have the right to sell those private corporations and pocket the sale price?

In the world of the neo-liberal elite, selling off Canada's airports is quite innocent, just a minor change to the corporate structure. What this seeming innocence masks is that control is handed over to oligopolies which are out of control. An imperialist outlook uses the privileges of state to impose the aim for society as the striving to squeeze private profit for the oligarchs from every cell of the economy to the detriment of the people and country. The sellers and buyers in this case are one and the same interests. The individuals involved themselves move seamlessly from government to big business to being point persons of the state and back again to advance private interests, careers and corporations. The federal Minister of Finance Bill Morneau is a prime example.

Moving from his company Morneau Shepell into government opens great prospects to advance his career and the private interests of his billion dollar company and sector. Governments at all levels have tremendous influence and offer possibilities for expansion. From the Morneau Shepell website we get this description of the business: "Health and Benefits, Administrative Outsourcing, Asset and Risk Management, Retirement and Pensions."



To describe airports as "private, not-for-profit, non-share capital corporations" is deceptive. Airports are a necessary facility in air transportation. Without airports, airlines could not function. The value airport workers produce is incorporated into the value airline workers produce creating the entire value of a passenger ride or available seat on a plane, not to speak of the movement of freight. This value does not include the retail sector at the airports, which is not integral to flying but has its own dynamic.

The privatization of the Canadian airline industry began in the mid-20th century with the formation of Canadian Pacific Airlines, a subsidiary of CP Rail, along with Pacific Western Airlines and Wardair as private carriers. The federal government of Brian Mulroney privatized Air Canada in 1988, which later merged with the other privately held Canadian airlines.

Privatized Air Canada intensified the class struggle against its employees to force them to reduce their claim on the value they produce. Using its private corporate character as a weapon, it entered bankruptcy protection of the *Companies' Creditors Arrangement Act* (CCAA) in 2003 demanding radical reductions in wages and benefits, and detrimental changes to the workers' pension plans and working conditions.

The airports use their corporate structure to keep their employees disorganized and insecure. The airports do not consider themselves employers of most workers who do the work but merely coordinating centres contracting out most work to other companies for limited periods. In this way, airport workers do not even have the stability of direct employment with a state agency or corporation directly in control and responsible for the means of production. Lacking stability and a central employer in control of the workplace, workers are subjected to constant downward pressure on their claim on the new value they produce as different contract companies come and go.





**Air Canada maintenance workers (left) and flight attendants fighting for their rights in 2011.**

The method of contracting out work at airports also puts the lie to their character being "not-for-profit," as the contracted companies are private for-profit companies claiming a portion of the added-value their workers produce.

The instability and lower wages, benefits and poor working conditions extend to airport workers in the retail sector as well. Similarly, airport retail workers are considered workers of separate retail outlets and not employees of the airport. This status is used to split them from their fellow airport workers, weaken their collective strength and deprive them of their rights.

The value airport workers produce is realized in exchange as rental fees from the airlines and from passenger user fees. The added-value airport workers produce goes towards various claimants including the top executives, interest on outstanding debt, the owners of the contracted companies whose workers do the work, the state, and possibly towards lower rental rates for airlines and user fees for passengers, and for reinvestment back into the airports for renewal and expansion.



**Workers at Pearson International Airport in Toronto unite in action on May Day 2017.**

The sale of Canada's airports would concentrate their ownership in the hands of the global financial oligarchy increasing their wealth, power and control over the lives of Canadians. The added-value airport workers produce would more commonly go out of the local economy and into the hands of the global oligarchs who gain control. It may also bring pressure to raise the rental fees for airline carriers and retail outlets and eliminate any claim those companies have had on the added-value airport workers produce. This is one reason why a section of the ruling imperialist elite oppose the sale of airports. Also, the pressure to raise passenger user fees would be constant.

For airport workers who are now actively fighting to defend their interests and rights in organized actions with analysis throughout the country, the opponent in the class struggle would change in the sense they would be doing battle more directly with global oligarchs and their state weapons such as CCAA. The present corporate method of contracting out bits and pieces of airport work would probably continue as contracting out is a preferred method for the oligarchs especially in the service sectors.

The overall picture is a challenge for Canadians to change the direction of the economy in general away from the control of the financial oligarchy and its class privilege and overbearing power to deprive the people of their rights. The economy should serve those who do the work, those who need the use-value workers produce, and the general interests of society. For this to happen, working people have to organize their independent political headquarters and institutions and deprive the ruling imperialist elite of their power to deprive Canadians of the right to control those affairs that affect their lives, very importantly the basic sectors of the economy.

All out to build the new, a modern nation-building project that vests sovereignty in the people and guarantees their well-being and rights!



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### Growing Opposition to Privatization of Public Assets

## Ontario Public Sector Workers Denounce Hydro One's Empire-Building Purchase of a U.S. Utility



**March to Queen's Park on April 8, 2017 demands government stop privatizing Hydro One.**

Hydro One is Ontario's electricity distribution and transmission utility. The Ontario government has steadily sold chunks of shares of the Hydro utility to private interests during the last two years. Non-state ownership has now reached 60 per cent. Recently, privatized Hydro One used the former public assets as collateral to borrow \$3.4 billion to finance the purchase of a U.S. gas and electricity utility called Avista and in addition assumed the purchased company's \$2.3 billion in U.S.-based debt.

The Ontario section of the Canadian Union of Public Employees (CUPE) has strongly denounced both Hydro One's privatization and its recent purchase as contrary to the public good and interest. CUPE Ontario is waging a campaign against the privatization of Hydro One as part of the Keep Hydro Public Coalition and is currently engaged in a misfeasance suit against the Ontario government over this privatization.

CUPE says Hydro One's \$6 billion in new debt will put Ontario electricity consumers at risk of even greater rate increases than they have already suffered. According to the union, since private interests took over majority control of Hydro One this past spring, the company has already applied for and been granted a rate increase. Hydro One's empire-building includes not only Avista but local public utilities across Ontario.



A CUPE July 20 press release denouncing Hydro One's purchase says, "Hydro One's purchase of U.S. utility puts empire-building ahead of Ontario rate payers."

Referring to this empire-building, CUPE Ontario President Fred Hahn says in the communiqué, "If you needed proof that privatizing Hydro One is bad for the people of Ontario, this is it. Under public control the company's mandate was to deliver reliable and affordable power to Ontarians. Now it's a private, predatory company focused on profits and building a private multi-national electricity empire. And they're taking on billions in debt that the people of Ontario will have to cover if their gamble doesn't pay-off. This is not good for Ontario and now it's not good for the people of Oregon, Washington and Alaska. Our grandparents bought and paid for Ontario's hydro system to make sure our province could always count on reliable and affordable power for our home, our industries and our small businesses. And now Ontario Energy Minister Glen Thibeault has the audacity to try and spin this [empire-building] as a positive and intended consequence of his government's privatization plan – it's Orwellian."



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## Health Canada Gives Go-Ahead to Private Pay-for-Plasma Clinic in New Brunswick



**Protest in Halifax, March 24, 2016, demands province not allow sale of plasma and blood.**

Health Canada on July 24, gave the green light to private company Canadian Plasma Resources to pay people for their blood plasma at its clinic in Moncton, New-Brunswick. The company plans to sell to foreign pharmaceutical manufacturers whatever plasma it buys from Canadians. The clinic has been open for months but only allowed legally to collect plasma from a few dozen donors for purposes of what it calls training, subsequently discarding the plasma or donating it for research.

Canadian Plasma Resources currently operates a donation clinic in Saskatoon. It had two clinics in Ontario, but they were shuttered by provincial legislation in 2014. Donors at the Saskatoon clinic and now at the Moncton clinic will receive a VISA gift card that ranges from \$25 to \$50 in payment for their blood.

Health Canada has given the green light to the pay-for-plasma clinic in Moncton despite growing opposition from the people of New Brunswick and across Canada. Activists of the campaign to ban

payment for plasma, working through the Canadian Health Coalition and its provincial chapters such as the New Brunswick Health Coalition, recall the situation in the early 1980s and '90s when over 30,000 Canadians were infected with HIV and hepatitis C through blood transfusions. A Royal Commission Inquiry chaired by Justice Horace Krever on the blood scandal recommended the creation of a new blood agency, the Canadian Blood Services, as well as stricter regulations.



Justice Krever's report said that Canadian blood supply should be governed by five basic principles:

- blood is a public resource;
- donors should not be paid;
- sufficient blood should be collected to preclude imports from other countries;
- access to blood and blood products should be free and universal; and,
- safety of the blood supply system is paramount.

The Krever report also recommended whole blood, plasma and platelets be collected in quantities that meet domestic needs.

"I don't understand why federal Health Minister, Jane Philpott, is allowing Canada to move backwards and jeopardize the safety of our blood system," wrote Adrienne Silnicki, National Coordinator of the Canadian Health Coalition last

April regarding the Canadian Plasma Resources' Saskatchewan clinic. "Despite evidence from other countries which show a donor-remunerated plasma system will directly compete with our voluntary system, the federal government has still given CPR the green light," she said.

The federal government insists it must create competition to the public voluntary plasma clinics with private pay-for-plasma clinics because of the gap between domestic need and Canadian supply. Instead of taking steps to ensure a domestic supply of plasma is provided through public clinics the government is using the current lack to allow the privatization of yet another aspect of health care.

Instead of increasing domestic voluntary supply, Canadian Blood Services has closed down some of its voluntary plasma collection centres. This opens the door for propaganda that private health care is necessary to compete with a universal free public system accessible to all Canadians.

The manipulation of the situation is exposed by the fact that Canadian Plasma Resources will export Canadian plasma for sale on the international market most likely to the United States, where it will be mixed with large pools of plasma from other paid donors. A similar situation is developing in the international private trade for profit in human organs.



In the end there will be no greater self-sufficiency in plasma products. Canada will still have to import plasma-based drugs unless Canadian Blood Services expands its voluntary plasma collection

sites to increase supply of plasma. By licensing Canadian Plasma Resources to collect plasma from paid donors, Health Canada and the Saskatchewan and New Brunswick governments are promoting the global private for-profit trade in plasma, not creating self-sufficiency for Canada. This increases the domination and control of Canada's health system by the global pharmaceutical and other medical oligopolies.

The Health Coalition says this international trading of plasma on the global markets in the context of NAFTA and big business dominated free trade agreements intensifies the pressure against the sovereign right of nations to build their own health care systems including an internal public supply system of plasma and other necessary products for a successful free universal public health care system that guarantees the people's right to health care.

Resistance to Health Canada's green light for the private pay-for-plasma clinic in Moncton will not fade. *Workers' Forum* recently talked with Daniel Légère, the President of CUPE New Brunswick, which is part of the Health Coalition, who said, "This coalition is there to stay. For months, we have waged that campaign, we have done demonstrations, we have hired somebody to manage the office on a regular basis, we've had a campaign on the social media, etc. The resistance is going to carry on and is likely to increase as New Brunswick is going into a general election in September 2018 and this is going to be made an election issue, I am sure."

(Photos: TML, R. Devet.)



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## Note to Readers

With this issue, *Workers' Forum* will take a break and resume publication on Labour Day, September 4, 2017.

During this time, please continue to support this important work to smash the silence on workers' living and working conditions across the country, by sending your views, reports and photos, as well as sharing *Workers' Forum* with your friends and coworkers and all those fighting for the dignity of labour and defending the rights of all.

We also urge you to financially support the Workers' Centre of CPC(M-L) to make its work possible, including the publication of *Workers' Forum*. Your all-sided support is greatly appreciated.



We wish you all the best for summer.

*Workers' Forum Editorial and Technical Staff*

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