

Tax Justice Newsletter - August 2011

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CTF says Environment Canada cuts driven by ideology, not necessity

While large profitable corporations, including the oil companies, are being handed billions of dollars in tax cuts, the Harper government announced the elimination of 776 positions at Environment Canada as a cost-saving measure.

In an August 5 press statement, CTF Vice President Chandra Pasma said the move clearly illustrates that ideology rather than necessity is driving the federal budget process. "The government is turning a blind eye to a more balanced, practical and less ideological approach to meeting the social and economic needs of Canadians," said Pasma. "We need more common sense and less ideology to ensure we preserve the Canada we love and can build the Canada we need." See the [full press release](#) here.

CTF fall/winter action agenda taking shape

CTF will be meeting with other organizations in early fall to begin planning a major Fair Tax Summit, tentatively planned for January or February in Ottawa. This is shaping up to be a pivotal event in sparking a much wider tax justice movement and campaign in Canada.

The CTF petition to Stop Corporate Tax Cuts will be circulated widely during the upcoming provincial elections.

In early October, CTF will hold a media event at Parliament as part of an international day of action, coordinated by the UK-based Tax Justice Network. The international actions will be drawing attention to off-shore tax havens and tax secrecy laws that are robbing countries of billions in tax revenues.

People in the Toronto area – stay tuned for further details on these two events. CTF will be sponsoring an Ontario post-election forum featuring Linda McQuaig and Neil Brooks, talking about their book, *The Trouble With Billionaires*, as well as the implications of the provincial election. On November 10, CTF will

be co-sponsoring a forum with Inter Pares, featuring tax justice organizers and experts from Africa and Canada. More details on both events will be available in September.

Work has begun on our book, tentatively titled *Saving the Canada We Love, Building the Canada We Need*. The book will provide a comprehensive plain-language overview of tax justice issues in Canada and abroad. Twelve to fifteen writers will contribute chapters. Confirmed to date are: Alex Himelfarb, former Clerk of the Privy Council; Linda McQuaig and Neil Brooks, authors of *The Trouble With Billionaires*; Jim Stanford, CAW economist and media commentator; Trish Hennessy, Director of CCPA's Income Inequality Project; Richard Swift, author and former co-editor of *The New Internationalist* magazine; and Larry Gordon, Coordinator, Canadians for Tax Fairness. The planned publication date is spring 2012.

Great videos from Canada, UK and US

If you haven't seen it yet, check out the latest video from Operation Maple showing people on the streets of Toronto taking the [Tax Cuts Quiz](#). A number of UK groups and campaigns have been organized to fight the draconian cuts to public services. One of the campaigns, called False Economy, produced this great video [Bringing the Cuts Home](#). And south of the border, Vote Kids has some excellent TV, radio and print ads – our favourite is [What Would You Cut?](#)

These are also examples of why we need to build a strong, well-funded grassroots tax justice movement in Canada – to create the organizing tools for grassroots tax justice supporters.

Which leads nicely to our next item.

If you have read this far...

...you're someone who understands the critical importance of tax justice and the need to fight for tax fairness in Canada. If you haven't done so already, we hope you will make a generous [donation to Canadians for Tax Fairness](#) or, better yet, become a monthly donor to help sustain our work. We're delighted with the early results of our first fundraising appeal, but we have to raise a lot more to sustain an ongoing campaign. Every dollar counts! Every donor is a Tax Justice Hero! Thanks!

Canadian corporations sitting on huge cash stash

Erin Weir, [Progressive Economics Forum](#) chair and CTF advisor, writes that private non-financial Canadian corporations held \$471 billion in cash in the first quarter of 2011.

"If corporate Canada already has half a trillion dollars more than it wishes to invest in physical or financial assets, there is no reason to expect that corporate tax cuts will boost investment. On the contrary, if the government collected more of this money and invested it directly, Canada would have more investment in total," writes Weir at [rabble.ca](#). [See the full article here](#).

The rich, very rich, extremely rich...and hedge fund CEOs

Last year, the average income for the top 10 US athletes was \$44.6 million. Wow! The top 10 pop stars averaged \$87.2 million. Whoa!

Over the top, right? Well, think again. The average income for the top 10 hedge fund managers was \$1.7 billion. Yes, that's *billion*.

The term "billions of dollars" is now thrown around with such frequency that many people simply have no feel for what it means. In their book, *The Trouble With Billionaires*, Linda McQuaig and Neil Brooks put it in perspective: "Imagine this: you are given one dollar every second. At that rate, after one minute, you would have sixty dollars. And after twelve days, you would be a millionaire – something beyond most people's wildest dreams. But how long would it take to become a *billionaire*? Well, at that rate, it would take almost thirty-two years."

A billion dollars is an *astronomical* amount of money. And those with billions, hundreds of millions, tens of millions or even a few million can certainly afford to contribute more taxes to build and maintain a healthy 21st century society.

CTF board appoints executive officers

We're delighted to announce the following people will serve as CTF's executive for the coming year. President - Murray Dobbin, writer/activist; Vice President - Chandra Pasma, Public Justice Policy Analyst, Citizens for Public Justice; Treasurer - David Langille, Executive Producer, *Poor No More*; Secretary - Shannon Daub, Communications Director, BC Office, Canadian Centre for Policy Alternatives.

Peter C. Newman and Clayton Ruby join CTF Advisory Council

We're also pleased to announce two more distinguished Canadians have joined the CTF Advisory Council: journalist and author Peter C. Newman, CC, CD, and lawyer Clayton Ruby, CM, QC.

They join Karen Hamilton, General Secretary, Canadian Council of Churches; Alex Himelfarb, former Clerk of the Privy Council and Secretary of Cabinet for three Prime Ministers; Tom Kent, CC, former principal policy advisor to Prime Minister Lester Pearson, and former royal commission chair; and Douglas Peters, former Secretary of State (Finance) and former TD Bank Chief Economist.

Stay tuned for further announcements on new Advisory Council members!