

The 'corporate agenda'?



by Troy Lanigan
President

No aspersion has been cast in our direction more frequently than the claim (mostly by unions and far-left bomb throwers) that the Canadian Taxpayers Federation (CTF) represents the “corporate agenda.”

What does that mean? Well, according to my exchange with one far-left blogger it means: low taxes, deregulation, private provision of services, balanced budgets, small government, liberalization of trade, curbing the power of government unions, market competition, etc.

He’s certainly right in one sense. The CTF wholeheartedly supports these good policies because they underpin prosperity and wealth creation. They allow for entrepreneurs to flourish, for services and goods (even government ones) to be delivered in a competitive environment instead of a one-size-fits-all monopolistic spoon-fed variety, for jobs to be created and for those on the margins to climb out of poverty.

But he’s absolutely wrong in another sense. His definition of corporate agenda is off by a mile. He’s defining what might properly be called a “market agenda.” My retort to him is simple: “by your definition, corporations don’t support the corporate agenda.”

Oil giants Canadian Natural Resources, Suncor, Shell and Cenovus seemed strange bedfellows with Alberta Premier Rachel Notley when they stood beside her last year and celebrated her new carbon tax and emission caps. But behind the scenes the oil giants had cut a favourable deal that would give them a leg up on their competitors under the new regime.

Auto manufacturers regularly line up for taxpayer cash and oppose trade deals that bring competitive products into the country. Canadian aerospace companies are so knee-deep in the taxpayer trough it would be more honest if companies like Bombardier and Pratt and Whitney were simply nationalized.

Large US-based film companies have managed to get most provinces to provide industry-specific tax credits that reimburse upwards of 45% of their labour costs; they threaten to leave if a province turns off the tap or another province offers a more generous bribe.

Until the exhaustive five-volume series of examples is published, suffice to say when corporations game the coercive power of the state to their own advantage – “rent-seeking” in economic jargon – it may help them but it hurts everyone else because it inevitably leads to less efficiency, fewer choices and higher costs (products, services and taxes).

This isn’t the only corporate aversion to market forces.

In the early ‘90s my predecessor Jason Kenney would say “I wish we got donations from these corporations whose agenda we’re supposedly advancing.” Back then, the CTF re-

ceived nary a penny from corporations. Today, after having knocked on countless doors I can report a whopping – wait for it – 3% of our



“No aspersion has been cast in our direction more frequently than the claim ... the Canadian Taxpayers Federation (CTF) represents the ‘corporate agenda.’”

revenues come from big corporations. And while we appreciate it, the support is small and, ironically, is a mere fraction of what's received by those same people screaming about "corporate agendas."

David Suzuki – who compares the oil industry to slavery and suggests politicians who don't agree

with his view of climate change should be jailed – receives \$100,000+ donations from RONA Inc., Desjardins, MTS Allstream and Cisco Systems to feather the nest of his foundation. Power Corporation often gives \$1,000,000 annual gifts to Suzuki.

Or how about Ed Broadbent, who once declared: "Until we break corporate power, we will not succeed in redistributing income. We will not be able to end ... exploitation ... We will not be able to achieve the socialist goal of equality." He managed to get a cheque from virtually every blue chip corporation in the country to fund his foundation's 2015 Press Progress conference and gala: CIBC, Air Canada, General Electric, WestJet, Bell, Google, Loblaws. If you go to the Broadbent Institute's website (broadbentinstitute.ca) you can watch a video of Linda McQuaig sipping corporate-funded champagne.

The Pembina Institute, whose mission it is to "reduce the harmful impacts [wink, wink] of fossil fuels" and leads efforts to stop pipeline development in Canada, has received donations from Petro-Canada, Shell, Encana, Suncor and Nexen. In the case of Pembina it might be easier to run a list of which fossil fuel companies haven't given them money.

I would love for the CTF to receive this level of support from corporations in Canada, but my experience in unreturned calls and closed doors is that most are not interested in organizations that promote a "market agenda."

None of this is limited to Canada either: heirs to the great American industrialist families — Rockefellers, Hewletts and Pews — today give millions through their foundations to groups opposed to the very market mechanisms that gave rise to their wealth and the gifts they

Ed Broadbent's
2015 Press
Progress Gala:
a who's who
of blue chip
corporate
Canada



gave the world.

In fact, one comprehensive study of foundation giving found public-policy philanthropy that aims left gets about 11 times as much foundation money as that which aims right (\$0.8 billion compared to \$8.8 billion in 2009).

Does any of this make sense?

When I was at university in the 1980s, Fraser Institute founder Mike Walker would from time to time take a group of students out for lunch. Idealists that we were back then we'd toss every imaginable question his way, including one the answer to which I will never forget.

"Why start the institute?" I asked. After a long pause: "so business people understand capitalism."

To be sure, Dr. Walker was being provocative and not literal. But to quote a current employee of the Institute, Jason Clemens, "too many people confuse the interests of business with markets." Thirty years ago I was certainly in the same camp where our far-left blogger friend is today. Since then I have come to understand that when governments empower "corporate agendas" to trump "market agendas," consumers, taxpayers and indeed the economy as a whole pay dearly.

"Corporate agenda" is an aspersation grounded in an understandable and culturally popular pejorative, but it's certainly misused as it pertains to the CTF. **t**

