

We're picking up the tab for big business (18, 05, 13)

© by Mike Keenan

Do you fellow seniors detect a polarization that is sweeping feverishly like frantic bonspiel curlers across our home and native land? Polarization not so much in the sense of frigidty, but more in the area of separation, the widening gulf between the many and the few with regards to money.

And there's power of course, because money and power enjoy an affinity like gold and third world labour, or why else would any sane wealthy person run for public office in Canada? Paul Martin, for example, with his fleet of ships, registered in tax sheltered sunny havens, exempt from a higher percentage of taxation here.

We think that fiscal responsibility is based upon the common sense premise that Canadians pay their fair share based upon the size of their wealth and thus their ability to pay. Wrong!

The same premise exists south of the border where the moneyed and privileged one percent is supposed to pay its fair share, but with tax havens and dodgy politicians such as Majority House Leader, John Boehner and Minority Senate Leader, Mitch McConnell, the rich never have to worry because of politicians who seek to maintain an unfair tax imbalance.

If there is one key lesson to be learned from politics, it's the "follow the money" principle whispered to reporters Woodward and Bernstein in the Watergate cover-up. If you follow the money in North America, you quickly deduce that big business corporations that make tons of profit do not pay their fair share of taxes. Who picks up the tab? Take a wild guess. Yup, it's you and me.

With the Draconian U.S. style of economic drama lately, the fiscal cliff scenario aka Gunfight at the O.K. Corral, starring Republicans coerced by the Tea Party and Democrats purchased by lobbyists, Canadians and most other people in the world enjoy the dismal economic spin-off which threatens to demolish economic recovery from the U.S. banking community's collective greed displayed earlier in 2011.

The U.S. government sued 17 financial firms, including the largest U.S. banks, for selling Fannie Mae and Freddie Mac billions of dollars worth of mortgage-backed securities that turned toxic when the housing market collapsed. Among the 17 targeted by the lawsuits were Bank of America Corp., Citigroup Inc., JP Morgan Chase & Co., and Goldman Sachs. The total price tag for the securities bought by Fannie and Freddie affected by the lawsuits: \$196 billion!

Now, it has been suddenly determined that over 400 wealthy Canadians have been hiding money in off-shore banks, immune to federal income tax as they have been sheltered by bogus organizations, boards and anonymity. Not so much anonymity lately as we have a wiki-leak development that threatens to expose the scoundrels. Thus far, the main prize has been a western class-action lawyer.

In your municipality, the costs to run it are determined and then a mill rate is set. The mill rate is uniform for both business and residential concerns, but the assessment varies according to the value of one's property. We are supposed to pay our fair share. However at the federal level, we evidently subsidize more than 400 wealthy people because they have not disclosed their true wealth.

We have grown to accept this as a matter of course. And when the situation affects something that Canadians really value, hockey for example, we watch billionaire owners force a lockout of millionaire players, and despite the fact that we can no longer afford to take the family to a game, we sympathize with the millionaires because we know that the billionaires have much of their assets in convenient tax shelters.



Each year, the polarization becomes more acute such that this year, there is a request by some that the "Sunshine" law be increased to salaries above \$200,000 versus the current \$100,000 standard. Otherwise, it's possible that every police officer will have his name in the paper.

Meanwhile, good luck to seniors on fixed incomes. Feel a little chilly with the polarization? I do!

