

**From:** Action Alberta info@actionalberta.ca   
**Subject:** ActionAlberta #129 - THIS FLAG SYMBOLIZES THE STATE OF CANADA TODAY!  
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# ACTION ALBERTA



**ACTION ALBERTA**

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## **BRACE YOURSELF FOR BRUTAL TAX HIKES - AND NOT JUST FOR THE RICH!**

**Brace yourself!** Massive financial support and unconstrained spending to counter an economic shutdown will **lead to painful tax hikes**.

In terms of policy and politics, **taxes come in two kinds**: those that may be popular but **generate precious little funds** and hurt the economy and those that can generate substantial revenue but are **sure vote-losers**. Let's take a wild guess that the government will prioritize its own **political survival** because of both a profound **sense of entitlement** and an equally deep belief that its Conservative opposition is not only unqualified to lead the country but is **fundamentally evil**. Since **the end justifies the means** in a Manichean battle, the prime minister may **implement both types of tax** increase — but with **careful attention to the sequence**.

Pollster Nick Nanos has pointed out that the **Liberals are in a sweet spot for an election this fall**. They could **cynically capitalize** on the hundreds of billions of taxpayers' **dollars they have bestowed on individuals and businesses** in dire circumstances. For months the prime minister has **monopolized** the spotlight and, in an **assault on parliamentary democracy** that would have brought the media to the barricades had he been a Conservative, **limited questions and terminated debate**. His rationale for an **unseemly rush to the polls** will be that he needs a mandate to confront the **new economic challenges**.

If he goes any **later than the fall**, fear of the pandemic will **subside** (barring a resurgence) and **public focus** will turn to our staggering **\$1-trillion debt** and the need it creates to **raise taxes** or cut spending. Critical eyes will also examine the **hastily concocted spending programs**, some of which do not bear even superficial scrutiny. And the Conservatives will have a new leader with time to communicate his vision. The Liberal lead in the polls could **quickly vanish** and the opposition parties force an election at their own, not the government's, convenience.

So if it is **autumn**, what will the government do? Opt for the first type of taxes

— popular but inefficient — and either **introduce a death tax or raise the inclusion rate for capital gains** or maybe even both. It will argue, wrongly, that each tax would raise substantial funds and make the system more fair by **soaking the rich**. Less likely is a **wealth tax** because it would be too painful for too many **uber-rich friends** of the currently governing party.

An **estate tax** changes how people plan their futures. It **reduces savings**, investment, employment and economic growth and **destroys** family businesses and farms. It would also **hit productivity and competitiveness**. In Canada, it would **exacerbate capital flight** and potentially drive away some of our most productive entrepreneurs.

**Canadians already pay high taxes**, with a marginal rate of over **53.5%** in **Ontario**, plus sales, property, fuel and other indirect taxes. **Confiscating** a portion of what is left would **incense those who have made sacrifices to provide for their families**. Even so, a generous exemption could exclude enough people to make its divisive politics of jealousy **politically profitable for the Liberals**.

For its part, **increasing the inclusion rate** for capital gains would **discourage** savings and capital formation, **reduce** economic growth, **unfairly** tax gains from inflation and impose double taxation. Furthermore, since the tax is only triggered when assets are sold, a higher rate would increase the “lock-in effect” that **distorts capital allocation and creates economic inefficiency**.

**Tax hikes change behaviour**, which is why they **rarely produce** the revenues their backers promise. For example, in 2014 the Heritage Foundation estimated that death tax receipts would account for only 0.5 per cent of U.S. federal revenue between 2015 and 2024.

If the prime minister were to win a **hastily called election**, he will finally have to **confront financial reality**. Either that or the **credit agencies will do it for him**. Both because **higher corporate tax rates** would **stymie recovery** and because this government seems constitutionally incapable of prudent spending it will be forced to either **raise income tax on the middle class or increase the GST**.

**One percentage point in the GST generates about \$8 billion a year**, so an increase from 5% to 8% would bring in roughly \$24 billion a year. The public

would be **outraged since**, during the election campaign, the Liberals would have **piously denied any and all plans for a massive tax hit**. But the people might forgive them four years later when Prime Minister Justin **Trudeau had fled to a dream sinecure at the UN** and **Mark Carney** could claim his record of rescuing countries from a financial turmoil merited a “new” Liberal government.

**Depressing? Only if you care about your standard of living.**

**By: Joe Oliver - Financial Post - June 11, 2020**

[Click here](#)

## **OUR READERS' COMMENTS SECTION**

**1. From a Reader:** The depiction on this newsletter is beyond right on. I'll never forget in the early 80's attending a Red Deer, Alberta town hall and hearing a big, burly man describe, to the full house, the devastation he, and many hard working men and women like him were facing because of the destruction created by Pierre Elliott Trudeau. He was brought to tears as were many of us in the audience. Talk about history repeating itself! Just yesterday, while listening to Danielle Smith, she, I, and many other listeners were also brought to tears listening to the devastation Outfitter and Guide Steve Overguard and his family are facing thanks, in large part, to Justin Pierre James Trudeau. The first part of this reckless, irresponsible Trudeau based story happened 40 years ago. Nothing has changed with regard to Trudeau attitudes and actions against Alberta and Albertans. I keep hoping and praying that someone with the required knowledge, skill and fire in the belly will come forward with specific, observable and measurable action to get us out from under this self-serving, oppressive, jaundiced Federal government. I'm past my expiry date to take something like this on, and I don't have what it takes to navigate the details, but I'll tell you what – when the right person does step up, I will support them in every way possible. That person is out there – we just need to find them – support them - and turn them loose! It's time!

**2. From a Reader:** I believe that the Canadian electorate has made up its mind that the left wing policies promoted by the Liberals (and supported by the NDP, Bloc and the Greens) on climate, immigration, energy and debt, are the right path for Canada at this time and that as a result the citizens and the country are doomed to suffer much of the pain graphically envisioned by Lincoln,

regardless of who the leader of the CPC is.

**3. From a Reader:** We live in troubled times and unfortunately most of our younger voters do not understand the amount of effort and personal sacrifice it took to get our nation to become so prosperous. They deem it to be the normal state that can simply be socialized and greened, yet still bear the original fruits of past labours.

**4. From a Reader:** Just met earlier this am with our family doctor on my annual medical. She brought up how shocked the MD community is with all these international arrivals coming into Canada. She has seen large numbers of these people wondering what to do. NO instructions or handouts are given to these newcomers. She said exactly what your article makes us aware of. Is Trudeau trying to make it so bad he has to take over and be a dictator? She said that national MD community felt if airports were shut down, like New Zealand, we would have very few cases in Canada. We have decades of costs to repay needlessly.

**5. From a Reader:** Stockwell Day was savaged for simply presenting his opinion. It's obvious that any criticism of the left is a "no-no" in this disgraceful land of ours. All of our previous efforts at cleaning up the constitutional mess between Laurentian Canada and the West have failed. No more talk, no more hoping and praying that Kenney and Moe will lead us out of this disaster. We have no other choice but secession.

## **ADDITIONAL READING/ VIEWING**

In closing, here is additional information on the problems we are facing and the need for us to take remedial action immediately to right our sinking ship.

### **1. BUFFALO PROJECT URGES RELEASE OF FAIR DEAL PANEL REPORT**

[Click here](#)

### **2. RICK BELL: HEY TRUDEAU, WHERE'S THE ALBERTA OILPATCH HELP?**

[Click here](#)

### **3. PRIVATE CITIZEN LAYS CRIMINAL CHARGES AGAINST TRUDEAU LEGALLY** [Click here](#)

### **4. CHILL BETA CHILL** [Click here](#)

**4. STILL GRETA, STILL: [CLICK HERE](#)**

**5. MICHAEL WAGNER: ANTI-ALBERTAISM COMES FROM EASTERN ANTI-AMERICANISM [Click here](#)**

## **ACTION ALBERTA - WHO WE ARE**

We are a group of deeply concerned, unpaid Alberta resident volunteers. Our work is intended to educate, inform and motivate all Canadians to be visible and vocal regarding the unequal, unfair and discriminatory treatment of Alberta by our Federal Government. Alberta's energy sector is the most important driver of the Canadian economy and its health directly impacts the standard of living of every Canadian. Unfortunately, that is not happening under our current Federal government!

Please **share** this email with your contacts so we can turn this unfair, inequitable, unjustifiable travesty around for the good of all Canadians. If you would like to submit information or articles, please send them to me.

**Thank you for ALL of your support and interest!**

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