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Vol. 35 No. 2 Summer 2015

**Libertarian Pub Nights and Events****ANNUAL GENERAL MEETING**

Sunday November 1, 2015

Mark this date on your calendar, watch for details

**View from the fringe: The sale of a portion  
of hydro one***Allen Small - Party Leader*

Selling assets to pay for needs is a reasonable choice if the needs are worthwhile, but that is a judgment call. The imminent sale of a portion of Hydro One could be a tacit admission by the Ontario government that this sale would be less damaging to the government's fiscal position, than raising taxes or borrowing more money. That judgment must have been part of the calculus that prompted this decision in the first place. The sale certainly does not presage a new direction toward smaller, more limited government. The money accrued from this sale is to be used to pay down debt and advance questionable aspects of the government agenda.

Ordinarily Ontario Libertarians would support downsizing government by the divestment of components of a monopoly such as the electricity cartel, but this is not what is happening here. The government monopoly remains intact, but now private investors are being invited to participate in this monopoly. In addition, the proceeds of the sale will go to financing other monopoly ventures of government.

Critics of this proposal are lamenting the loss of "taxpayer control," the fire sale pricing, loss of income, and exposing existing consumers to the 'greedy private sector.' Are these criticisms warranted?

Presumably taxpayers have been in control up until now because the government still holds these assets. Why then have there been so many complaints (10,000 +) regarding Hydro One? What necessitated a 15-month investigation by the Ontario Ombudsman followed by a 119-page-report called "In the Dark"? That report is extremely critical of the taxpayer-controlled Hydro One. Aside from the huge number of billing complaints, the cost of electricity for consumers keeps rising. Surely consumers, taxpayers, would find a way to exercise better control, if it existed, over pricing. Obviously there has been little control, so, little to lose.

As for "fire sale" pricing, the prices of Hydro One shares have yet to be determined. Shares will be parceled out

**Kitchener-Waterloo Pub Night - Thursday July 23,  
7:00 PM (3rd Thursday each month)**

Benny's Family Restaurant 183 Weber St. N., Waterloo. RSVP to Paul Herriot by email or call 519 208-8379 so he can reserve a large-enough table. The next Pub Night is August 20.

**Liberty Summer Seminar**

July 24-26 in Hastings, ON. Register at <http://www.liberalstudies.ca/liberty-summer-seminar/>

**Stouffville Pub Night - July 29, 6:00 PM (4th  
Wednesday of each month)**

The Lion of Stouffville: 5917 Main St., Stouffville, ON, 905-642-1344. For more information visit our Facebook page, email Allen Small ([small4357@rogers.com](mailto:small4357@rogers.com)) or phone 905-477-4357. The next Pub night will be August 26, 2015.

**Toronto Pub Night: Wednesday August 12th, 7:00  
PM**

Location: Granite Brewery and Restaurant, 245 Eglinton Avenue East at Mt. Pleasant Rd. (416-322-0723). For more information email Jim McIntosh ([cfo@libertarian.on.ca](mailto:cfo@libertarian.on.ca)) or phone him at 416-283-7589. The next Pub Night is Wednesday September 9, 2015.

**Guelph Pub Night - Friday August 14, 7:00 PM (2nd  
Friday of each month)**

Bobby O'Brien's, 90 Macdonell St, Guelph. Information can be found here: <https://www.facebook.com/LocalsForLiberty> and people can RSVP to Andrew Donovan, via cellphone 519-362-7660. The next Pub Night will be September 11, 2015.

**Hamilton Pub Night - August 22, 7:00 PM (3rd  
Saturday of each month)**

FLA Cafe & Bar, 660 Barton St. E. Hamilton. Email Mark Burnison, [mark.burnison@gmail.com](mailto:mark.burnison@gmail.com), to confirm time and location.

*If you would like to organize a Libertarian Pub Night in your area, please contact John Shaw by email ([horton@adlib.ca](mailto:horton@adlib.ca)) or phone 905 806 5170.*

*For the latest schedule, visit [http://www.libertarian.on.ca/pub\\_nights](http://www.libertarian.on.ca/pub_nights)*

THE PARTY OF CHOICE – Our Vision is communities of freedom, harmony and abundance.

The Mission of the Party is to enable endless possibilities through recognition of, respect for and protection of individual liberty.

over time. What is certain is that the value of Hydro One shares depends directly on government adjusting the monopoly price through the Ontario Energy Board (OEB). The OEB sets the price twice a year and that is determined largely by government policy. It is the primary reason share ownership will provide a good rate of return. How good is the return?

A recent article in the Toronto Star criticized the sale as the "biggest con job ever seen." The author uses earning statements from 2014 and goes on to say: "1) Hydro One earns \$749 million. 2) The province pays, on average, a 3.8-per-cent interest rate on its outstanding debt and 3) the province can borrow new money at rates as low as 2.1 per cent for 10 years. So here's the question: how much should we, as Ontarians, receive for selling this \$749-million income stream?"

One-way to calculate it is to say that \$749 million pays all of the interest on \$20 billion in existing government debt at a rate of 3.8 per cent. So, to accept anything less than \$20 billion in cash is a bad deal." But, the government has already announced it expects only \$9 Billion for 60% of Hydro One, far, far less than the author of the above article considers fair value. No wonder the sale is attractive to private investors, given the circumstances it looks like a bad deal for Ontario.

The fact remains though; customers must still pay the uncompetitive price for electricity. Consumers now have poor service at high prices and this has happened under taxpayer control. If a competitive situation were allowed consumers might gain some benefit by escaping from the 'greedy public sector.' As for loss of income for the government, most voters won't notice that. What will be seen is that government may keep its 2014 election promise of eliminating the deficit by 2017-18.

Opponents of the sale complain that government oversight will disappear once the sale is made. It's hard to imagine it being worse than now. There are other agencies that handle consumer complaints, and the private sector owners may even be more responsive to complaints than the government controlled Hydro One. Could they be LESS responsive?

Is this sale beneficial for Ontarians? That depends on your point of view. Little will change for customers of the new owners, maybe a slight advantage in overall price. The government may shrink slightly by divesting itself of assets, which would be positive in our view. This asset sale may forestall raising taxes or borrowing more money, also a positive. By using this method of raising money for new ventures, the government is acknowledging that Ontario is in an untenable fiscal position, and that is the first step for necessary restraint. Will that happen?

1- <http://www.ombudsman.on.ca/Resources/Reports/In-the-Dark.aspx>

2- <https://www.thestar.com/opinion/commentary/2015/05/28/hydro-one-sell-off-the-biggest-con-job-ive-ever-seen.html>

## "I'm From the Government and I'm Here to Help"

*Jim McIntosh - treasurer*

I was at a Hamilton Pub Night a few months after the 2011 provincial election, chatting with a guest (i.e. not a declared libertarian). He commented that he considered voting for Anthony Giles, the Libertarian candidate in his riding, but he really liked the incumbent MPP (a PC if I recall correctly). He had been very helpful. I asked if his MPP had helped him to deal with government regulations. He thought about it for a minute and nodded his head in agreement. I think it gave him a new perspective on government. Maybe an unintended consequence of the hurdles governments create is that our representatives can appear to be helpful to their voters.

I was tempted to include this incident in my letter to the editor of The Landowner magazine, but I estimated it would have a better chance of getting published if it wasn't any longer. So here is my email sent May 29 after reading the February/March 2015 issue.

"Thanks for an excellent magazine. As a city boy my-self and former owner of a yellow lab, I particularly enjoyed Rick Andrews article about his 'Best Back-yard Chicken Dog EVER.' And as a citizen who is disturbed by the increasing government regulation and intrusions into our lives, I can relate to many stories in The Landowner about government harassment and persecution of farmers. Unfortunately, I'm not sure you appreciate the root cause of our problems. It hit me when I saw the Patrick Brown ad on the back of the Feb/March 2015 issue. Jack MacLaren is quoted as declaring, "Patrick Brown ... knows the job of government is to help people." Once you accept that government should HELP people by using force, its only tool, you are agreeing that politicians, bureaucrats and government appointees can decide what is best for you, me and the rest of us, and pass laws to tell us what we must or must not do. Your articles about the EPA (page 19) and LHINs (page 30) and others are perfect examples of this in action. Under the guise of HELPING us, government is limiting our rights and freedoms.

"Individuals, either alone or in groups, help people. Government 'helps' by forcing us as individuals to help others who may or may not be deserving of (or even need) that help. More often than not, it doesn't really help much unless it's for big business or big unions.

"The only time you or I may use force is to protect life, liberty and property. Why is it we expect government to us force for any purpose other than to protect us from those who would take our lives, freedom and property? Government should be limited to protecting us from foreign invaders (national defence), and those who would harm us, kidnap us, or take our stuff with-out our permission, or threaten to do so (police and courts). Instead, the government is taking away our livelihoods and expropriating our stuff. As long as we keep voting for politicians who promise to help us, we will continue to lose our freedom."

I signed as Treasurer of the Ontario Libertarian Party and provided phone numbers and web address,

I was pleased to receive the following reply later that day from Marlene Black, the editor.

"Thank you for your letter and I agree with what you have said about government. Cutting red tape is a big one for us as we have been very disappointed in all levels of government that want to legislate and disrupt our lives for the worse.

"I guess I don't think government should help people by force. They could help us by fixing some of the problems that they have created, getting out of our lives, not into them, letting us grow our businesses without interference and encouraging freedom and independence. We knew amalgamation wouldn't work and it didn't and no one listened to those who knew best, i.e. the people fighting back, while losing control of their towns etc. We must say 'no' to government force which is what our "Back off Government" signs mean.

"Can I print your letter?"

"Thanks again.

"Marlene"

I of course replied that I had hoped she would publish my letter, including the Party name. It was too late for the April/May issue. Watch for it in the June/July issue.

To subscribe call 1-613-831-9061 or visit <http://www.ontariolandowners.ca/>.

## Unions, Under Current Laws, Violate Libertarian Principles

*Gene Balfour - Member*

I think existence of unions under current laws violate Libertarianism at its core. Libertarianism is based on two simple but very powerful principles that enable human survival within communities. These are: One - the protection of Individual Property Rights (IPR) that includes one's body, mind and the creations produced by one or both of these (aka: self-ownership). Inherent in these Property Rights is the natural right to resources supplied by the earth without which none of us could survive. Two - the Non-Aggression Principle (NAP) serves to protect and enforce Individual Property Rights by prescribing the three conditions where they are not protected - when real force is applied; when the threat of force is applied; or when deceit (fraud) is the method used.

Now, let's apply these principles to unions.

Considering the issue of IPR, who owns the job can be determined by who created it, who manages it, who pays for it and who determines its value to the enterprise. Obviously, only the enterprise owner(s) can claim the job as its property.

On the other hand, the employee owns his/her mind, body, and their application for productive pur-

pose. To receive compensation for applying these assets for achieving the productive purpose of the business owner, the employee agrees to a compensation package. If neither the employer nor employee accept each other's terms of employment, no employment arrangement exists.

Without collective agreements, all employment occurs on the basis of one to one negotiations and mutual agreements. Collective agreements change this relationship in a way that enables a union to issue serious threats to an employer, and/or inflict wealth-destroying actions against the employer by initiating job actions. The threats violate the NAP and the actions violate both the NAP and the IPR of the enterprise owners, who must endure tangible losses. It matters little whether these losses occur in private sector, for-profit business or a state enterprise such as our public Education system - harm is still inflicted on the stakeholders whether they be shareholders or tax paying citizens who are expecting service continuity from the government who takes their taxes without enjoying a refund if services are disrupted.

Concerning employment conditions, all employees within a unionized shop must accept union membership as a condition of employment. Furthermore, union due payments are mandatory and can be considered a labour tax since they must be paid - it is not possible to opt out of the membership and payment of dues unless one is willing to face employment termination or other sanctions. This may not be a strict violation of the IPR or NAP - after all, the employee would have been made aware of these conditions upon signing the employment contract - but these conditions are certainly flirting with violating these principles and it could be argued that they give new meaning the term "slave labour."

Finally, unions are free to use their financial assets, mainly acquired via union dues, for political purposes in order to tilt the legal and regulatory tables in their favour, and to the advantage of union members via the political process. Politicians need money to "buy votes" and unions are willing to fund political campaigns for those politicians/parties who are expected to return these favours once elected to office. However, this amounts to providing advantages to some members of the voting/tax paying population - in this case, the organized labour "special interest group" - at the expense of everyone else who is not a member of said group. Are our laws and regulations to be applied to all citizens equally, or is government really just a game of competing special interest groups with the "house" always the winner at the poker table playing by "house rules."

In any case, you can see how the application of Libertarianism's core principles can easily be applied to determine where an informed Libertarian will likely stand on any social or economic issue. The laws that have existed for many decades that have awarded unions their special privileges do not belong in a true liberal democracy and should be eliminated. In their stead, I would like to see them transformed into professional associations that work in synergy with employers for mutual gain so that Canada's lacklustre productivity record could finally receive the boost that it needs for the sake of everyone.

**Income and Expenses**  
Excluding Goods and Services

INCOME	January 1 - December 31				2014 Budget	Under Over	2015 Budget
	2013	2014	Notes	Difference			
Contributions	13,613.81	14,121.88	1	508.07			
Interest Income	92.21	131.21	4	39.00			
Other Income	240.00	40.00	6	-200.00			
<b>TOTAL CASH NON-ELECTION INCOME</b>	<b>13,946.02</b>	<b>14,293.09</b>		<b>347.07</b>			
OPERATING EXPENSES							
Advertising	1,087.47	755.67	12	331.80	1,600	844	400
Audit	-	-		0.00		0	
Bank Charges	601.32	606.73	13	-5.41	600	-7	900
Brochures, Newsletter	4,426.97	649.96	14	3,777.01	500	-150	600
Conv'ns, mtgs, attended	10.71	-		10.71		0	
Insurance & Utilities	1,101.60	810.00	17	291.60	1,100	290	850
Meetings Hosted	422.83	576.36	18	-153.53	2,000	1,424	1,000
Office & Equipment Rental	149.16	324.71	19	-175.55	150	-175	400
Office Supplies	572.11	1,276.50	20	-704.39	500	-777	650
Postage & Courier	1,296.07	1,942.76	21	-646.69	1,300	-643	1,300
Professional Fees	600.00	400.00	22	200.00	400	0	400
Signs	-	6,032.51	23	-6,032.51		--	
Telephone	509.99	635.45	24	-125.46	600	-35	600
Travel Expenses	-	32.00	25	-32.00		-32	
Web and Internet	127.82	382.58	26	-254.76	130	-253	300
<b>TOTAL CASH OPERATING EXPENSES</b>	<b>10,906.05</b>	<b>14,425.23</b>		<b>-3,519.18</b>	<b>8,880</b>	<b>487</b>	<b>7,400</b>
<b>INCOME - OPERATING EXPENSES</b>	<b>3,039.97</b>	<b>-132.14</b>		<b>-3,172.11</b>			
TOTAL Election Income	2,647.56	13,537.50	2				
TOTAL Election Expenses	-2,573.50	-12,134.62	30		14,400		
<b>Bank Balance January 1</b>	<b>11,625.03</b>	<b>13,431.45</b>		<b>1,806.42</b>	<b>23,280</b>		
A/P January 1		-47.01		47.01			
A/P December 31	47.01	3,455.07					
A/R January 1	0.00	1,354.62					
A/R December 31	-1,354.62	-784.87					
<b>Bank Balance at December 31</b>	<b>13,431.45</b>	<b>18,680.00</b>		<b>5,248.55</b>			

NOTES: Items not covered in this budget must be approved by the Executive.

- 6 Out of province memberships.
- 12 Major advertising expenses in 2013 include Meetup Subscription (\$180 now web & Internet), Word on the Street booth (\$390), Liberty Now table (\$200), and Facebook (\$280). 2014 Expenses include Word on the Street (\$390), Facebook ads (\$217), and 20 copies of The Law (\$150). 2015 Budget includes \$250 for FB ads and \$150 for more copies of The Law.
- 13 2014 expenses include \$245 for Chequing Account, \$290 for Credit Card Processing (29% of \$999) and \$290 for PayPal Fees (4.0% of \$7250). 2015 Budget includes \$250 for Chequing account, \$330 for Credit Card Processing and \$320 for PayPal Fees.
- 14 2013 included \$4,000 for Platforms. 2015 Budget allows for 600 Bulletins.
- 16 Postage Meter at \$20.28/mo from April 2014. 2015 Budget allows for a 3% increase. Estimate the Party saved about \$160 in postage. (Paid \$0.75/letter instead of \$0.85.)
- 18 2014 expense for Convention only. 2015 Budget includes \$500 each for Caucus and AGM
- 19 Office Rental covers the Mail Box at Rylander Blvd. (\$150) and postage meter (\$250 or \$20.28/mo.)
- 20 2014 Expenses include \$800 for ink, \$295 for envelopes (including for Fundraising letter), and \$128 for cheques. 2015 Budget includes \$500 for ink and \$150 for envelopes.
- 21 2014 Expense includes \$600 postage for year-end fundraising letter
- 22 2015 Budget includes \$400 for folding and mailing Bulletin.
- 23 Election Signs purchased prior to election in 2014 will be reported in Annual Return to Elections Ontario.
- 24 Cell phone expenses reduced from \$76 to \$36 per month on new plan. 2014 Budget allows for additional usage and LD charges during election campaign
- 25 Most travel expenses are contributed services.
- 26 2015 budget includes \$135 for Web Site and \$165 for Meetup subscription
- 30 Budget of \$12,400 approved at 10Sep13 Exec Mtg. \$5,500 add'l approved at 6Jan14 meeting. Budget reduced by \$3,500 for 30,000 Platforms bought in September 2013. In 2013 \$1,090 spent on 166 signs, \$1,033 spent on 3,000 platforms.