



## **Liberals to Announce Today Whether to Defeat Harper (Update1)**

By Theophilos Argitis

Oct. 17 (Bloomberg) -- Liberal Party Leader Stephane Dion will say today whether he'll reject Canadian Prime Minister Stephen Harper's policy agenda, a move that would force elections for the third time in less than four years.

Harper outlined a platform late yesterday that included reducing the 6 percent sales tax and offering other tax cuts for businesses and families. His minority Conservative government also pledged to combat climate change, fight crime and assert the nation's sovereignty in the Arctic.

The policy plan, known as the Throne Speech, is considered a matter of confidence, so elections would be triggered if opposition lawmakers vote against it. The Bloc Quebecois and New Democratic Party said they would reject the plan, leaving Dion holding the balance of power. Dion said he will speak to Liberal legislators today before announcing a decision.

"We will have a very lively caucus," Dion told reporters in Ottawa after Harper's proposed agenda was read in the Senate. "Canadians don't want a third election in three years and a half."

The government's strength in recent voter surveys will probably keep Dion from rejecting the agenda and rushing to the campaign trail, analysts said. The Conservatives have 40 percent support among decided voters, according to an Ipsos Reid survey. That compares with 28

percent for the Liberals -- their lowest support since the last federal election. The survey of 1,002 people was taken between Oct. 9 and Oct. 11 and has a margin of error of 3.1 percentage points.

### Party Divisions

The Liberals, meanwhile, have been slow to catch on with voters since Dion became leader in December, and this month internal bickering forced the party's national director and its top organizer in the French-speaking province of Quebec to quit.

"The Liberals' internal divisions continue to become public and they seem to be paralyzed by self-doubt and incriminations," said Geoff Norquay, a former spokesman for Harper. "I think they now recognize it would be folly to force an election over the Throne Speech."

The government is 28 seats short of a majority in the House of Commons and needs help from opposition parties to pass laws and stay in power. The Liberals have 96 seats.

The speech is also far from controversial, analysts said.

The government will take measures to improve the world's eighth-biggest economy by implementing a long-term plan of "broad-based" tax cuts for individuals and businesses. The cut in the goods and services tax follows through on a campaign pledge in 2005 to cut the tax to 5 percent, from 7 percent. Harper also promised more help for workers in industries such as manufacturing and forestry that have been hurt by the dollar's surge to parity with its U.S. counterpart.

### Arctic Seabed

Other pledges include taking steps to assert Canada's sovereignty in the Far North, and map the

country's Arctic seabed for the first time, along with a series of crime bills that will tackle

everything from property crime to impaired driving.

Harper pledged to reduce trade barriers among provinces and limit federal government spending on provincial matters. The government plans to maintain military personnel in Afghanistan until 2011 to train police. The current military deployment is scheduled to end in 2009.

The government also reiterated that it supports a new global plan to reduce greenhouse gas emissions, arguing the targets in the Kyoto accord aren't reachable. Harper also said he'll keep fighting to end the Canadian Wheat Board's monopoly on barley exports.

"I don't think we're likely headed to an election," said Nikita Nanos, a pollster with SES Research in Ottawa. "The Conservatives haven't included any type of poison pill in the Throne Speech."

Governor General

Bloc Quebecois Leader Gilles Duceppe said his party will oppose the agenda, in part because the government is hinting it will seek to interfere in provincial jurisdiction on trade matters.

"We're going to vote against this and since there's a chance we'll have an election, we're ready to campaign," Duceppe told reporters yesterday.

New Democratic Party Leader Jack Layton said the speech didn't reflect the change of direction in policy his party wants to see from the government.

The speech, a remnant of Canada's British colonial past, was written by Harper and read by Governor General Michaëlle Jean, Queen Elizabeth II's representative in the country.

Jean, 50, kicked off the pageantry yesterday by inspecting a military regiment just outside Parliament, before being escorted to the Senate chamber to deliver the speech. The Usher of the

Black Rod, another position adopted from British parliamentary tradition, summoned members of the House of Commons to the speech by knocking on the lower chamber's door with an ebony staff.

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