**The Brief**

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### CERB is a subsidy to the banks

By MATTHEW HAYES

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Canada’s projected $343 billion deficit will draw a great deal of ink from traditional budget hawks, but Canadians should know what the effect has been: it prevented a financial crisis—at least for now.

This is important to bear in mind because ratings agencies are already clamouring for evidence that the Canadian government has a repayment plan. Accordingly, working Canadians would have to endure another decade of slow growth and austerity.

Though much of the emergency coronavirus stimulus was paid out directly to individuals or private firms, its benefits accrue disproportionately to the banking sector, which is disproportionately owned by the wealthiest one per cent of Canadians.

The effects of an economic crisis are different than the effects of a financial crisis. Thus far, during this COVID-19 era, we have been experiencing an economic crisis that has mostly affected workers, many of them young. We have yet to endure a financial crisis, which would affect the banks and their ability to lend money.

Despite the bank bailouts of 2008, and even before coronavirus, the financial sector remained unstable, with significant risks of a new crisis, caused by a build-up of debts that can’t be paid back. A sluggish recovery in the 2010s made the problem worse.

This is why the Canada Emergency Relief Benefit (CERB) is so important. The government did not do you or any of your friends a personal favour by “taking an debt so you wouldn’t have to.” That only makes sense if you are the only person going into debt. But with Canada’s big six banks offering deferrals on $1.6 billion in mortgages by the end of May, it is clear the risk of defaults is much more systemic.

If enough workers can’t pay their rent or mortgages, and if businesses can’t meet their loan obligations, the crisis could become a financial crisis, which would affect the banks and their ability to lend money.

The CERB is a subsidy to Canada’s big banks, enabling cash-strapped individuals to continue paying their debts—debts that have grown significantly since the 1992 reforms to the Banking Act, which unleased new leveraging practices (lending out the same dollar more than once) and risk taking in the financial sector.

That also means, of course, that the stimulus helps banks maintain risky, anti-social lending practices that have helped push the price of housing and overall indebtedness to record highs. These practices, a product of financial deregulation in Canada, are immensely profitable (the big six Canadian banks made above $45 billion in net profits last year), but pose systemic risks that the public eventually will have to pay for.

Canada’s stimulus packages are certainly helpful for the people who receive them, but they are no charity or government hand-out. They are a lifeline to the banks, Canada’s most profitable industry. They are designed to keep those profits rolling.

### Who takes in those banking profits?

Banks in Canada are owned mostly by an array of other financial companies that we all depend on—including other banks, insurance companies, and pension funds. Many of us own a small piece of them, and no one would want these institutions to fail. It would mean the loss of our savings and security.

But the profits of banking are not shared equally by all Canadians. Some pensions are larger than others. Some shareholders hold more shares. Canada is, after all, a very unequal society. The Parliamentary Budget Office estimates that the richest one per cent of Canadians owns 25.6 per cent of all the wealth in the country.

That wealth depends on banking, and if the economic crisis becomes a financial crisis, it has the potential to hit the wealthiest Canadians hardest.

Every $1 billion the Canadian government spends on CERB supports a system that disproportionately benefits the richest one per cent of the population (that is, people with portfolios north of $9 million CAD, according to one calculation).

When it comes time to figure out the political question of how we are going to pay for all this debt, let’s not forget: the ones who should pay most are the ones who most benefited.

Matthew Hayes is a sociologist and Canada Research Chair in Global and International studies at St. Thomas University.

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**Clinic 554 seeks last-ditch meeting with Premier Higgs as it lets patients go**

By JUDY BURWELL

Clinic 554’s Medical Director Dr. Adrian Edgar has the heartbreaking task of telling his patients they are losing their family doctor. He blames Clinic 554’s inability to stay open on the government of New Brunswick’s refusal to fund abortions performed at the Fredericton-based clinic.

Dr. Edgar is seeking an urgent meeting with Premier Blaine Higgs to discuss the matter as Clinic 554 remains up for sale.

Dr. Edgar and before him, Dr. Henry Morgentaler, spent a total of almost three decades fighting the New Brunswick government to respect the Canada Health Act and provide Medicare funding for abortions done at the clinic.

For the past five years, the award-winning Clinic 554 has operated as a family practice that also provides abortions and specialized services to the trans community who come from all over New Brunswick, Nova Scotia and PEI.

The closure of Clinic 554 is a particular blow for trans health care. More than 70 trans people are on a waitlist to see a doctor and very few doctors provide trans health services in the Maritimes.

In a letter sent to Higgs on July 16, Dr. Edgar said the patients he talks to are distraught: “They, like myself, cannot understand why New Brunswick is the only province in Canada that withholds Medicare coverage from community-based abortion providers, knowing that hospital abortions carry increased risks and cost more.”

“Today, it was an elderly patient approaching dialysis. Last week it was a young parent on the organ transplant list. The week before, three families with newborns learned they are losing their family doctor.” Two more families this week joyfully welcomed the news they are expecting, only to find out they are losing their family doctor, too,” said Dr. Edgar.

On July 23, CBC reported that four family doctors are leaving the Fredericton region for positions elsewhere. The closing of Clinic 554 will only make the waitlist for a family doctor even longer.

New Brunswick behind other provinces on abortion care

New Brunswick is the only province that continues to not fund abortion services in settings outside a hospital, such as community-based clinics.

In response to calls to fund abortion services at Clinic 554, the Higgins government and previous Gallant Liberal government argued that it would be a slippery slope to private health care, which Reproductive Justice NB (RJNB), an organization that formed to restore abortion access in Fredericton and fight for health care for all, calls hypocritical given that successive Conservative and Liberal governments have allowed the creeping privatization of various health care services.

RJNB has argued that Clinic 554 is not a private clinic; it is a family practice that also provides abortion services and just like any other health care that is accessed and funded by Medicare at a family doctor’s office so should abortion services. The advocates want what they call misogyny in New Brunswick’s health care system to end.

“Clinic 554 is not a private clinic by choice, this government denies us public funding. Yet, Mr. Higgs and Mr. Flemming try to reverse these facts. Private healthcare providers don’t write their public funding dozens of times seeking public funding,” said Dr. Edgar.

Reproductive Justice New Brunswick, the Campaign to

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“We know what you are against, but what are you for?” Farming and permaculture in Bayside

By AMY FLOYD

On June 27, 20 people met at Mike Humble’s FoodsGood Farm in Bayside to learn about using permaculture for food production. Growing up, Humble lived on a dairy farm near Stanley. He took the long way around to get back into farming, for many years he worked as a musician and in the food and entertainment industries. After a show one night, Humble was talking with another musician, Ian Griffiths of Tequila Mockingbird Orchestra. At that time New Brunswick was embroiled in divisions over shale gas development. As Humble explained his anti-fracking position, Griffiths asked this: “I know what you are against, but what are you for?”

Sometimes, someone asks just the right question to change a life. Humble was curious enough about permaculture that he took a Permaculture Design Certificate course with Ben Falk in Vermont in 2015. Humble was sold on permaculture and after that sought out land in the St. Andrews area and began the first stages of FoodsGood Farm.

Many readers may have the same question that Humble has been asked, “What the heck is permaculture anyway?” It is a set of design principles, centered on whole systems thinking, that simulates patterns and features observed in nature to help humans live in a resiliant way.

The elements of permaculture that Humble discussed at the gathering are: looking to nature to learn design patterns for our daily life, managing water on land, feeding microbes to build healthy soil, learning from Indigenous earth care methods, inviting predatory insects to control pests in the garden, working in ergonomic patterns, and using clever hand tools in the gardening.

Humble calls permaculture “ecolution, or revolution in disguise.” Permaculture isn’t complicated, but as most everyone has been asked, “What the heck is permaculture anyway?” It is a technique that simulates patterns and features observed in nature to help humans live in a resilient way. The permaculture design process is called permaculture, and it is based on the idea of “regarding the whole.” It is a way of thinking about the world around us and how we can work with nature to create sustainable systems.

The gardens contain a healthy variety of perennials, including many in the garden beds. The gardens are at the heart of all permaculture design. The gardens contain a healthy variety of perennials, including many in the garden beds. The gardens are at the heart of all permaculture design. The gardens contain a healthy variety of perennials, including many in the garden beds. The gardens are at the heart of all permaculture design. The gardens contain a healthy variety of perennials, including many in the garden beds. The gardens are at the heart of all permaculture design.

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