



The Empire Club Presents

**MR. KEVIN O'LEARY, LEADERSHIP
CANDIDATE FOR THE
CONSERVATIVE PARTY OF CANADA**

with

**AWAKENING CANADA'S ECONOMIC
ADVANTAGE**

April 7, 2017

**Welcome Address, by Paul Fogolin, Vice President of
the Ontario Retirement Communities Association and
President of the Empire Club of Canada**

Good afternoon, once again, ladies and gentlemen. From the Arcadian Court in downtown Toronto, welcome, once

again, to the Empire Club of Canada. For those of you just joining us through either our webcast or our podcast, welcome, to the meeting.

Before our distinguished speaker is introduced, today, it gives me great pleasure to introduce our Head Table Guests. Apologies for my voice. You noticed the winter came back today, so one last cold for the season. I would ask that each of our Head Table Guests rise when their name is called. Typically, we say to refrain from applauding, but at this Club, we like to clap. Clap as much as possible when everybody gets up.

HEAD TABLE

Distinguished Guest Speaker:

Mr. Kevin O'Leary, Leadership Candidate for the Conservative Party of Canada

Guests:

Mr. Andrew Boddington, Executive Vice President, Policy Concepts

Mr. John Capobianco, Senior Vice President, Senior Partner and National Practice Lead, FleismanHilliard
Mr. Mike Harris, Former Premier of Ontario; Senior Business Advisor, Fasken Martineau

Mr. Stephen Hewitt, Senior Manager, Communications & Public Affairs, TD Bank Financial Group; Director, Empire Club of Canada

Mr. Carmine Nigro, President and Chief Executive Officer, Craft Development Corporation

Ms. Sue VanderBent, Chief Executive Officer, Home Care Ontario; Director, Empire Club of Canada

Ms. Christine Van Geyn, Ontario Director, Canadian Tax Payers Federation

Again, my name is Paul Fogolin. In my day job, I am the Vice President of the Ontario Retirement Communities As-

sociation and your President for the Empire Club of Canada. Ladies and gentlemen, a round of applause for your Head Table.

Perhaps now, more than ever, economic anxiety is at an all-time high. People are interested in good jobs. They are looking to make ends meet, let alone being able to afford a house. These are genuine concerns of Canadians who are looking for stability in an otherwise unstable world. In light of this, anyone who wishes to lead this country must have a solid economic vision.

We are privileged today to have Mr. O'Leary with us, to let us know how he plans to unleash Canada's economic potential. To provide the formal introduction to Mr. O'Leary, it is my pleasure to ask a man who needs no introduction to the podium, a proven winner the 22nd Premier of Ontario, Mr. Mike Harris.

Introduction by Mike Harris, Former Premier of Ontario; Senior Business Advisor, Fasken Martineau

Thank you very much and welcome. It is a pleasure to be back at the Empire Club. I think I was here a few times, and then I retired 15 years ago, and you never invited me back. Anyway, that is fair. I understand.

Ladies and gentlemen, I have known Kevin O'Leary for many years, well before his Dragons' Den and Shark Tank days. To me, he has proven to be a smart, honest,

straightforward businessman, a great salesman, and I want to say a loyal friend. I am very pleased, then, to have the opportunity to introduce him for his first formal speech of this campaign.

We, in the Conservative Party, have a fine group of candidates running. I know most of them. I am a supporter of most of them, and I am a friend of several of them. I felt the time was right for an outsider to politics to throw their hat into the ring, someone with fresh ideas, someone with real-life business experiences to help policy-making and to help this country.

You know his background. He is a successful entrepreneur, a television celebrity, with a large public profile that quite frankly is an enormous advantage when running for politics. It usually takes two elections before a new leader becomes well enough known to win. That is what it took me before I was able to win in Ontario. Most people I run into forget I lost the first election. I think I came third. It takes time. With Kevin, the party starts out with a leader with an enormous profile. Half the battle in politics is just becoming known. Kevin is also a risk-taker and a disrupter. He is risking a very successful North American career to launch this campaign. His goal: A better Canada. He has put it all on the line for Canada because I know how upset—Kevin uses a different word—he is that our current government has squandered and continues to squander the sound fiscal books that Mr. Harper left behind.

He has also dared to go where career politicians might shy away from: Using a notwithstanding clause to tighten our borders; asserting the federal government's role as the leader in setting economic policy, even if it means limiting the federal spending powers to do so; urging our party to accept all forms of identities and diversity that characterize a modern, Canadian society; and focusing us like a laser beam on the fact that we have to have an economic policy that allows us to compete in the tough world of international business.

Kevin has come through this campaign a little wiser about politics, but he has also made us open our eyes to revisiting subjects that less courageous politicians would not dare, and some now have even adopted some of those ideas. This is a long race for all the candidates, but Kevin has shown us how a modern-day campaign can use the tools of social media and the traditional media together to articulate a message that sells. We are going to need that in two years, and Kevin is by far the best communicator in the race.

For those of us who believe that this country is on the wrong path, that is the most important reason why I am supporting Kevin O'Leary. I believe he is the only candidate in the race who can beat Trudeau in the next election, not two elections out. Quite frankly, at the rate we are going, two elections out might be too late for Canada.

My friends, I hope you will join me in giving a

warm welcome to my friend, Kevin O’Leary.

Kevin O’Leary

I am working on it. I was born in a Montréal hospital in 1954. On paper, my birth was about as average as you can get, smack dab in the middle of the baby boom generation in one of the fastest-growing cities in Canada. Nothing was average about my family or the years that followed. I am the son of immigrant parents. My father was Irish. My mother was Lebanese. My mother taught me almost everything I know about money, particularly, about avoiding unnecessary debt. She always told me debt is a source of almost every problem known to man. The first thing my mother did when she started earning a regular wage was open a bank account in her own name. Having her own money meant she would always have her freedom. The value of money was something I learned very early on. I remember conversations with my mother. I would ask, “Can I have some money?” Her response would be the same every time, “What did you do to earn it?” Almost as soon as I could speak, I was acutely aware that money did not come from hopes and dreams; it came from hard work.

It is easy to understand why my mother fell for my father. He was a happy-go-lucky guy, charming, Irish, but he drank. He played cards, and he caroused—three things that dramatically clashed with my mother’s value system. I was only six years old when my parents’ marriage broke

down, and my mother was granted sole custody of my brother Shane and me. She got remarried to a man named George, who became my stepfather and the man I looked up to. After the wedding, we all moved to Illinois, so that my new stepfather could pursue a PhD in business. One day, fed up with the custody arrangement, my birth father, Terry, threatened to come to our home in Illinois and take Shane and me back to Montréal.

Knowing my birth father had fallen in with a rough crowd, my mother did not want that to happen. She did not want us to go back to that life, and she was determined to protect us at all costs. The plan was for my mom, Shane and I to fly to Europe for as long as it took for George to reason with my birth father, Terry, in Illinois, but the trip required cashing in almost all of George’s and my mother’s emergency savings. After waiting for weeks in a foreign hotel room with two small children, my mother broke down. I will never forget my mother’s fear, the look on her face when she finally realized that, eventually, the money would run out and she might lose her children.

That did not happen because, less than eight weeks into our exile, Terry, my birth father, died in Montréal of a heart attack at the age of 37 years old. The struggle was over, but still our precious financial situation was precarious, and my mother’s panic about it moved through my bloodstream. I have to say, it changed my DNA forever. I remember thinking I never want to feel this frightened and powerless again.

Today, I know with certainty I never want my own children to experience that kind of economic terror the way I did.

This was the exact moment that the seeds of my need for financial security became part of my DNA and my passion for giving access to financial freedom to my family was sewn in perpetuity.

Why am I telling you this story? Because the opportunity for financial freedom should be available to all Canadians and should be a core objective of any federal government. Sadly, under the current disaster of a government we have now, fewer and fewer Canadians will have a chance of experiencing any semblance of fiscal security. How can they even hope for such a thing, when our own government does not have the financial freedom it needs to fund the things that we, as a country, care about: Our environment, healthcare and the military?

Instead, our country is stuck in a black hole of debt that is spiraling further and further below the red line every day. At this rate, Canada will be \$1.5 trillion in debt by 2055. I might not be alive by then, but my children will be, and it breaks my heart when I think about their future. How have we let this happen to our country?

The answer is simple. Mediocre career politicians are in charge of our economy, politicians who have lived off government pay cheques for their entire working lives, politicians who have never had to build something out of nothing, who have never had to manage a payroll or be

accountable for anyone's livelihood, politicians who have lost sight of the fact that they work for us and that they are spending our money.

Today's politicians skirt around the issues that really matter to Canadians for fear of upsetting somebody and hurting their chances at re-election. Instead of leading with ideas and actions, they lead with platitudes and political correctness. It makes me sick. There is nothing honourable about telling people what they want to hear to keep them happy, especially, when those very people have entrusted you to take care of them and their families.

I have been criticized before for refusing to sugar-coat the truth. People have called me cruel for calling out incompetence. There is nothing cruel about honesty. Here is some honesty, folks: Canada does not work without our economy growing at 3%. Our military, education and our healthcare systems will always be underfunded, and we will continue into this black hole of debt. This means that your grandchildren will take their first breath as Canadians \$60,000 in debt, each one of them.

With the election of Donald Trump, the U.S. situation has become more acute. I would have thought that with the U.S. moving to a low corporate and personal tax environment, Mr. Trudeau would have pivoted from his taxes spending agenda of penalizing success and adding to overall debt, as he is doing now. Instead, he is doubling down with anti-competitive carbon taxes and huge increases in

personal and corporate tax. When coupled with provincial premiers who refused to develop their resources and instead have their hands out for federal transfer payments, it is no wonder Canada's growth rate has stalled at 1%. That is not good enough. We must do better. It is time for a new agenda.

Canadian families deserve a government that is singularly focused on making their lives better. People everywhere are waking up, and they want a different kind of leader. They are tired of politicians. They want someone with executional excellence, someone who can build a team, execute on a mandate and deliver results. They do not want the same old politicians in charge. They want someone who knows how to create jobs. I believe the role of government is to create a fertile soil where entrepreneurs can grow small businesses into bigger ones.

Today, I am announcing my growth plan, a concise plan that utilizes five different levers to grow the economy and create jobs. These levers are one, significant tax cuts; two, attracting and retaining top talent; three, investing in productive infrastructure; four, reducing regulatory drag; and, finally, five, unbridling Canada's natural resource sectors.

These five levers are the key to generating growth and security by making Canada competitive again. Let me explain how. The first lever is tax cuts. Canadians are paying too much in taxes. When you look south of the border,

it is clear that our businesses' taxes are too high. This stifles job creation and makes us uncompetitive. An O'Leary government will cut the federal business tax rate from 15% to 10%, but we will go further. We need to do more to keep capital here, to make sure people reinvest in Canada and its businesses. Here is what we will do. We will eliminate capital gains taxes for individuals and businesses in Canada that reinvest their gains back into a company that has at least 51% of its assets and employees in Canada, within 365 days. If they do that, they will pay zero capital gains taxes. This is a great incentive for investors to keep investing and reinvesting in Canada and its businesses and jobs.

If you think businesses have it badly, Canadian families are being crushed by personal taxes. The fact that some people here in Ontario pay almost 54% tax, in income taxes and personal taxes, is insane. Add in the HST and other taxes, and it is far too much. It is simply uncompetitive. To keep more money in the pockets of all Canadians, an O'Leary government will reduce federal tax rates to make Canada's combined federal and provincial taxes competitive with the U.S. We will also introduce federal tax payer protection legislation to protect against future abuse and ensure Canadians never again have to spend more than 50% of their income on combined federal and provincial income taxes.

I want to pause here for a moment to make clear a distinction. There are a lot of candidates in this Conserva-

tive leadership race. Many of them are also promising tax cuts. Some, however, are suggesting the federal government vacate the tax space to allow the provinces to raise their own taxes. I do not agree with this approach. The federal government has a responsibility to oversee trade and commerce and to ensure our country remains competitive. To achieve this goal, I believe we require a small, but very strong federal government. I do not want some black swan event, like Premier Kathleen Wynne, to come swooping in behind me and raise the provincial taxes. That would defeat the purpose. Many provinces have this problem. They require economic mentorship from a strong federal leader. Canadians need to pay less in taxes. When an O'Leary government cuts taxes, I will ensure they will stay cut. I will not hand the keys over to the likes of Kathleen Wynne or any incompetent provincial leader. I will use our leverage in federal equalizations and transfer payments to ensure the provincial governments act in a fashion that enhances job growth and overall economic growth. The whole point is that this makes all parts of our confederation part of a team striving for a goal of 3% GDP growth. I am tired of politicians who try to shirk responsibility to the provinces. Giving up tax points just to get along is the wrong approach. Provinces have their area of jurisdiction, yes, but it is the federal government who has the power of trade and commerce, and it cannot just turn a blind eye to bad provincial policies.

The second lever of this plan is to attract and retain top talent. Canada's population is aging. Our highly skilled labour force is too small to meet the current and future needs of some of our high-growth sectors. If this is not fixed, we will have a serious problem. We need to make Canada irresistible to top international talent, particularly, in the fastest-growing sector on earth: The digital one. An O'Leary government will do this by fast-tracking the citizenship for foreign students that graduate from targeted programs in Canadian universities and colleges. If they are willing to stay and build their families here, I will personally sign their passports.

We will also accelerate immigration for immediate family members and approved skilled immigrants working in targeted sectors with a goal of bringing them to Canada in less than a year. To do this, we need to know the types of highly skilled workers that are actually needed. To solve this, we will need to work with the CEOs and industry experts to identify their current and future demands. You cannot grow an economy without the right talent in place. We will also dramatically scale up work visas and immigration programs and streamline permanent and temporary programs, so high-growth companies are not held back by bureaucrats and delays.

It is not just our economy that needs the best and the brightest in its rank, but our elected leaders as well. Therefore, a key piece of this lever is to recruit the highest

caliber of talent to the Conservative Party. I am going to build on our strong Conservative caucus by personally being involved in recruiting more top talented candidates. I am going to put out a call to the best and brightest Canadians with a track record of success and the determination to grow our country. I will build a team of remarkable people, the best in their sectors. Together, this team will do extraordinary things.

The third lever is investing in productive infrastructure. Canada needs to invest in infrastructure that creates jobs and helps grow the economy, not waste our money on pet projects and ribbon-cuttings. Politicians seem to have forgotten that tax dollars are actually our money, not some bottomless piggy bank. We are going to put an end to that. An O'Leary government will take the politics out of infrastructure spending. We will demand that projects are selected based on national objectives and return on investment, a foreign concept to the current government. We will eliminate Trudeau's bureaucratic Infrastructure Bank, and we will prioritize investments that will be growth driven, such as roads, ports and rail. Under our plan, as the economy grows, our trade infrastructure will be modernized to manage the movement of greater volumes of goods and people.

The fourth lever is reducing regulatory drag. Justin Trudeau has overseen a tsunami of new regulations on businesses and ordinary Canadians. These excessive regulations drive up costs and drive down research and de-

velopment and job creation. An O'Leary government will overhaul the system and mandate that each regulation that is new must be accompanied by the repeal of two old ones. This will support entrepreneurship by allowing businesses to start more quickly and existing businesses to grow at a higher rate. We will also implement a five-year sunset clause on all regulations to ensure they are still relevant. If it does not make sense, we will simply just get rid of it.

The final lever of our growth plan is unbridling Canada's natural resource sectors. Canada's natural resource sectors are the cornerstone of our economy. Energy, mining, forestry, fishing and agriculture all form the foundation of our competitive advantage, yet Trudeau's unnecessary restrictions and random anti-development moratoriums on these assets have significantly held back our economic potential. An O'Leary government will unbridle these critical sectors in several key ways. First, we will scrap the job-killing carbon taxes. Carbon taxes, as it turns out, are only good at raising revenues for governments and do nothing to reduce emissions. This will be the first Trudeau policy that will be reversed when I get to Ottawa in 2019. I will also leverage transfer and equalization payments to encourage the elimination of provincial carbon taxes.

Second, we will improve environmental assessments and the permanent approval process to accelerate pipeline construction as well as other major oil and gas developments.

Third, we will introduce an accelerated capital cost allowance for oil sands to make it more attractive for capital to invest.

Fourth, we will ensure projects of national importance are not delayed by global protest groups and Hollywood celebrities. Do not come up here to Canada and chain yourself to a pipeline construction fence. If I am driving the bulldozer, you might just get run over.

Fifth, we will encourage private sector market-driven green technology investment by creating an attractive environment for all entrepreneurialism in small businesses.

Sixth, we will allow provinces to retain 100% of royalties from offshore resource extraction, making the terms of the Atlantic Accord a national policy. After all, do we really care who gets to keep these royalties, as long as it goes into the hands of fellow Canadians?

By unbridling these critical sectors, we will unlock huge economic potential, create thousands of jobs and grow our economy. I believe the role of government is to create a fertile soil where entrepreneurs can grow small businesses into bigger ones. Justin Trudeau has poisoned the soil in Canada, and, today, you cannot even grow a weed. I am not a politician, but I know how to create jobs. I am the only one who can beat Trudeau in the next election. By utilizing these five levers of growth, lowering taxes, attracting and retaining talent, investing in productive infrastructure, reducing regulatory drag and unbridling Canada's natural

resource sectors, we will unleash the economic potential of our great country and get our economy growing at 3% again.

If you join my team, I know that together will build a strong, conservative movement. When we get to Ottawa in 2019, we will undo every harmful policy that Justin Trudeau has put in place. In our first 100 days, we will wipe away his mismanagement and make this country competitive again.

I do not tolerate mediocrity, and we will bring to Ottawa a team like you have never seen before. Together we will build something remarkable. We will put my mother's advice to work. We will be prudent. We will spend responsibly, and we will create conditions for all Canadians to have financial freedom. Nothing would make her prouder.

I hope I can count on your support. Thank you very much.

Note of Appreciation, by Mr. Carmine Nigro, President and Chief Executive Officer, Craft Development Corporation

I am definitely not a politician—sorry, guys. Thank you very much, Mr. O’Leary, for the very enlightening speech. I must say that the issues you have raised made for a thoughtful and provoking luncheon. I am also optimistic for the future of our children, knowing your advice and plan for tomorrow is followed. Premier Mike Harris—now that we are so fortunate to have with us today—relayed his message and made it crystal clear to all Ontarians not too long ago by using two very simple words: Common sense. Mr. Harris delivered this simple message to the province, and he became our premier. Now, just like when we were kids playing tag, you are it. It is your turn, and, only now, the stakes are a little higher. It is the country. So, take those two simple words and run with them and share them with all of Canada and become our leader. Thank you, sir.

Concluding Remarks, by Paul Fogolin

A sincere thank you to our generous sponsors today, Craft Development and our VIP sponsor, Policy Concepts. We are a not-for-profit club and without sponsorship, we could not host lunches like this, so, please, a round of applause for our sponsors.

I would also like to thank the *National Post*, as our print media sponsor, and mediaevents.ca, Canada’s online event space for broadcasting this on the web. Although our club has been around since 1903, we have moved into the 21st century and are active on social media. Please, follow us on Twitter at @Empire_Club, and we are also on Facebook, LinkedIn and Instagram.

Finally, we are a club that does welcome politicians of all stripes, so, please, join us next April 13th for Minister Charles Sousa, who will be discussing Ontario’s upcoming budget.

Thank you so much for your attendance today. This meeting is now adjourned.