

## Some cuts go too far

By COLIN READ, Everybody's Business

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— I can understand the arguments that require companies to economize, benefits and pensions to be trimmed, and employees and retirees to make sacrifices, all in the interest of long-term job viability.

But this is going too far.

The Canadian beer company Molson is resorting to cutbacks to their retirement plan that have retirees up in arms.

No longer will these unfortunate retirees receive part of their pension in beer. The tap is being turned off, and retirees' most valued perk is going down the drain (no pun intended).

As a Canadian, I can sympathize. Take away some of their pensions, or curtail health care. After all, Canada has generous social welfare nets. But even Canada, as progressive as it is, has not yet seen the wisdom in providing a beer benefit to all.

If any government can understand the importance of beer, it should be the Canadian government. They were reputed to have encouraged beer companies to put vitamins in beer consumed by Canadians so the population would be sure to get their daily intake of nutrients.

And Canadians have so prized their liquid lunch that beer is often referred to as barley sandwiches.

Yes, beer consumption has been an essential part of Canadian heritage and, indeed, represents the very survival of all things Canadian.

So, to threaten the physical and mental health of Molson retirees, in the interest of financial viability, is going a bit too far.

Of course, it is too easy to sit in my comfortable computer chair and offer up criticism without providing for some solutions that can address Molson's concerns. I have a ten-point plan for their consideration.

- 1) Make beer the national drink. Oops, maybe it already is.
- 2) Require their employees to be paid in beer. This is actually an interesting solution. In a world with money, Molson cannot be sure that the wages they pay out in production of beer will result in income from the successful sale of beer. If beer companies could pay their workers in beer, they would also be creating a ready market for their product.
- 3) Actually, we can support the beer industry by requiring a portion of all wages paid in Canada to be paid in beer. This would both stimulate an important industry and also stimulate those farmers who grow the grains

and hops used to produce beer. It would even save a lot of gas because employees would no longer have to drive down to the beer store every payday.

- 4) Canada can declare the beer industry an essential service. There are some sectors in Canada that are already declared essential services, thereby limiting some work actions by unionized workers. I am quite sure that, were Canadians polled, most would agree that beer production is at least as essential as mass transit, hospitals, and other essential services sectors.
- 5) Make beer freely available to border police. We all sense the tension arising from an increasingly restricted border between Canada and the U.S. Surely well-lubricated border officials would be much more amusing to deal with. Heck, Canada could even set up pubs in the no-man's land between the U.S. and the Canada border huts. Maybe these pubs would not help speed up the lines. But the lines would be more fun, at least.
- 6) While we are at it, we should allow Molson to cater the various high-level meetings between Canadian and U.S. trade delegations. These trade talks sometimes get contentious. It seems to me that freely flowing Molsons would prevent anyone from getting too excited about softwood lumber duties.
- 7) Increase research funding in the beneficial effects of beer consumption. Studies no doubt commissioned by the wine industry have demonstrated that the consumption of about 10,000 bottles of wine a day can make you live longer. While such consumption of wine seems almost impossible, some Canadians believe such consumption of bottles of beer is within the realm of the possible.
- 8) Pass a law declaring May the national "quaff a beer" month, as well as any month with the letters r or u in it. Actually, I'm not confident that such a policy would make much of a difference in Canada. To many, every month is already beer month.
- 9) Issue more shares in the beer companies in Canada, and distribute these shares to all Canadians. While it is true that these new issues would dilute the stock of shareholders, their losses would be more than made up by the sense that every beer drinker is increasing the value of their beer stock with every sip.
- 10) Finally, Canada could impose an additional penny a bottle tax on beer. If the government can withstand the clarion calls for a snap election, the additional tax would certainly cover any anticipated budget deficits. Economists know that such taxes are most effective on goods that are price inelastic because demand for such goods does not fall with a small price increase. In Canada, beer is surely the classic inelastic good, and is the perfect candidate to solve any recession-related budget deficit.

In these times, we all have to share in the pain. It seems that if we just think a bit more creatively about solutions to this economic crisis, we may not have to resort to such draconian actions as taking free beer away from retirees. So, give a Molson retiree a helping hand. Cheers.

**Colin Read runs Economic Insights, a local economics consulting firm, and teaches economics and finance at SUNY Plattsburgh. His fourth book, "The Fear Factor," will be published in the U.S. this October. He can be reached at [economicinsights@gmail.com](mailto:economicinsights@gmail.com).**

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