



FEDERAL BUDGET 2018–2019

HIGHLIGHTS AND REACTIONS

February 2018



MUNISCOPE



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Budget 2018 Brief

On February 27, 2018, Finance Minister Bill Morneau tabled the Government of Canada's 2018–2019 budget titled *Equality + Growth, A Strong Middle Class*. Gender equality was a major theme of the 2018 federal budget which included new measures aimed at encouraging greater participation of women in the work force. Although the Canadian economy is expected to continue to grow, uncertainty about the future of the North American Free Trade Agreement, tighter financial conditions and ongoing market volatility could weigh on Canadian growth prospects. The federal budget investments focus on investing in the middle class and makes investments in scientific and technological innovation, protect Canada's natural heritage and create opportunities for Indigenous people.

This year's budget is mostly in line with previous estimates from Finance Canada that, for the foreseeable future, the federal government will be running a deficit. The federal debt-to-GDP ratio is projected to continue to decrease, from 30.4 per cent in 2017–18 to 28.4 per cent by 2022–23.

Summary of Items of Interest

- \$18.1-billion deficit, including a \$3-billion adjustment for risk
- Total new spending over the next year comes in at \$5.4 billion, of \$338.5 billion in overall planned spending.
- The GDP growth rate is projected to slow from 3.0 per cent in 2017, to 2.2 per cent in 2018, bottoming out at 1.6 per cent in 2019.
- The budget does not contain a plan to balance the budget.
- Debt-to-GDP ratio stays mostly flat at around 30.4%.

New Announcements

Infrastructure

- \$100M over 5 years to develop rural broadband innovation, including low-earth-orbit satellites.
- The lapse in projected infrastructure spending for 2018 is estimated to be \$2.216B (it was \$2.67B this past year).

Table 1. Updated Allocation of Infrastructure Programs for 2018–2019 (in million)

Programs	Allocation in the 2017 Budget	Allocation in the 2018 Budget	Difference (Reprofile)
Legacy Infrastructure programs (pre-2016)	\$1,821	\$1,532	-\$288
2016 Infrastructure Investments	\$3,315	\$2,283	-\$1,032
2017 Investing in Canada Plan	\$4,049	\$3,153	-\$896
Total	\$9,185	\$6,968	-\$2,216



First Nations

- The 2018 federal budget sets aside about \$5 billion in new spending for First Nation, Métis and Inuit peoples and communities.
- \$1.4 billion over six years to support Indigenous children in foster care and promote family reunification, plus \$400 million over 10 years to upgrade and expand Inuit housing and \$500 million for Métis housing
- \$172.6M more over 3 years for clean drinking water on reserves, however the bulk of this funding (\$102 million) is slated for the 2018–2019 fiscal year, with \$50 million earmarked for the following year.
- The budget also provides about \$101.5 million over the next five years for First Nations to create their own governance structures outside of Indian Act rules.
- \$447 million over five years to change the current Aboriginal Skills and Employment Training Strategy into a new Indigenous Skills and Employment Training Program which will focus on training Indigenous workers for higher-quality and better-paying jobs rather than “rapid reemployment.”
- The budget also proposes \$1.5-billion in spending over five years on Indigenous health care, providing isolated community better access to doctors and nurses, support addiction treatment services, and provide better access to health benefits.

Housing

- The only new money for housing in this budget is an additional \$1.25 billion for a program that offers low-interest loans to builders of rental housing over the next three years. The program is supposed to support projects that "address the needs of modest- and middle-income households struggling in expensive housing markets."

Economy and Jobs

- \$3.2 billion over five years for Canadian science and research, including money for granting councils and Canada Research Chairs.
- \$2.6 billion over five years for a wide array of measures to encourage and foster scientific innovation and gender equality in the field, including encouraging female entrepreneurs and business leaders, revamping procurement and expanding access to broadband internet.
- \$1.2 billion over five years and \$344.7 million a year afterward for a new employment insurance parental sharing benefit that would provide additional "use-it-or-lose-it" benefits for non-birthing parents to encourage women to re-enter the workforce.
- \$448.5 million over five years to double the number of placements under the Canada Summer Jobs program by 2019–20.
- \$191 million over five years to support jobs in the softwood lumber industry, including litigation under the World Trade Organization and NAFTA's dispute resolution mechanism.



- \$75 million over five years, with \$11.8 million a year afterward, to bolster Canada's trade ties with China and Asia.
- Working Income Tax Benefit changed into the Canada Worker Benefit, which will allow low-income workers to get more money from the refundable tax credit that supplements their earnings. The federal government said that once in comes into effect in 2019, a worker earning \$15,000 could receive up to nearly \$500 more annually.

Tax Measures

- Increase of the tax on tobacco products including a \$1 increase on a carton of 200 cigarettes and an adjustment that would see taxes increase with inflation every year, rather than every five years.
- Allow small businesses to shelter up to \$50,000 of passive income untouched within their corporations. The government will instead only start clawing back the benefits of low corporate tax rates in line with how much wealth a business has accumulated as passive income above \$50,000.
- Prevent corporations from “sprinkling” income among family members to benefit from lower business tax rates, the more targeted measures will take in \$925 million a year when fully implemented.

Health

- A pledge for a new national pharmacare program, however but the budget did not allocate any funding to the program.
- The budget commits \$231.4 million over five years to fight the opioid crisis that has claimed thousands of lives—including a \$150 million emergency fund for provinces to launch treatment programs.
- With cannabis legalization on the horizon, \$63.5 million over five years will go to a public education program. About \$20 million will also go towards studying cannabis' effects on mental health and addiction.

Environment

- \$1.3B over 5 years to conserve land, waterways and wildlife and protect species at risk.
- \$20 million over five years to fund expert engagement on the Pan-Canadian Framework on Clean Growth and Climate Change.

Defence

- \$173.2 million in 2018-19 to support claim processing and to improve border security to better manage the increased number of people seeking asylum in Canada.
- \$155.2 million over five years for a new Canadian Centre for Cyber Security and \$116 million over five years for the RCMP to create a National Cybercrime Co-ordination Unit.



Culture and Democracy

- \$400 million in new funding over five years to support their Action Plan for Official Languages, which will support French and English language minority media and make it easier for Canadians to learn a second language.
- \$50 million over five years to go to one or more independent non-governmental organizations that will support media in underserved communities.
- \$6 million over two years, and to be repeated every-pre-election and election year, to support a new process for election leaders' debates, while the Office of the Commissioner of Canada Elections will receive a \$7.1 million boost over five years.
- \$757.3 million spread over 10 years to Statistics Canada towards improving the agency's data collection capacity.



Reactions

Provincial and Territorial Governments

PT Governments	Reactions
Alberta (CBC)	<ul style="list-style-type: none"> • Finance Minister Joe Ceci is pleased with the new funding for Indigenous communities announced in the federal budget and additional funding for on-reserve child intervention services, but says the money was long overdue. • “While these funds will go a long way towards filling that gap, we know that outcomes for Indigenous children and communities continue to lag far behind,” said Ceci. • Ceci did state that “despite the infusion of funding for Indigenous communities, the budget fell short in other areas, especially the energy sector.” • Ceci has also stated that “it was good to see some discussion in the budget about oil refining capacity and pipelines, but it is not enough.”
British Columbia (CBC)	<ul style="list-style-type: none"> • Finance Minister Carole James says she is pleased with the direction of the federal budget but is concerned with the slow pace of some of its initiatives. The budget touches on many of the same issues that were the focus of the B.C. budget including reconciliation, housing, child care, and opioids. James says she is looking for more help from the federal government on transportation infrastructure. • “I was glad to see rental housing mentioned in the budget, but I haven’t seen any of the long-term plans and most of the money is back-end loaded.”
Manitoba	<ul style="list-style-type: none"> • Manitoba’s premier Brian Pallister has stated that he saw very little that he liked and a lot lacking in the new federal budget. • “The words are good. We’ll have to see the details in respect to some of the priority areas. We agree with many of them. But at the same time this is largely tinkering and there is no real relief here for hard-working Canadian families.” • Pallister applauded for some provisions related to substance abuse, indigenous health, and gender equity. • There was concern over the absence of budget spending allocation for Manitoba’s Churchill rail line.
New Brunswick (CBC)	<ul style="list-style-type: none"> • Finance Minister Cathy Rogers says she is happy with what she sees so far and said there are 4 key items that will help its residents. • Rogers is pleased with funding that will be allocated for healthy senior’s projects and a commitment to address some of the EI issues. Overall, the minister is pleased with the provisions of the budget.



PT Governments	Reactions
Newfoundland and Labrador (CBC)	<ul style="list-style-type: none"> Finance Minister Tom Osborne has stated that his department is still assessing the numbers, but is encouraged by new parental leave, as well as a pledge for a national Pharmacare program. "Based on what's been put out so far, the Pharmacare program, the fact that we're getting closer to that possibly becoming a reality is good news for this province, especially with our demographics, our aging population."
Nova Scotia (Global News)	<ul style="list-style-type: none"> Nova Scotia Finance Minister Karen Casey says that the newly-released federal budget, that her government believes will generally fit well with the province's goals. "I'm pleased to see that some of the investments that the federal government are making do align with some of our own priorities in Nova Scotia; a focus on youth, a focus on women, research and development."
Nunavut	<ul style="list-style-type: none"> "We welcome these much needed investments in Inuit health and employment training," said Premier Paul Quassa. "We will be working closely with our partners in the federal government, Inuit Tapiriit Kanatami and Nunavut Tunngavik Inc. to affirm our roles in delivering Inuit-specific funding and programs in Nunavut." "Canada's investment in low-income workers and families with children will continue to help Nunavummiut who need it the most" said Finance Minister David Akeagok. Akeagok also said "I will continue to advocate on behalf of the Nunavummiut, to ensure our financial priorities are heard and fully understood by our federal partners."
Ontario (The Star) (Radio-Canada)	<ul style="list-style-type: none"> Ontario Finance Minister Charles Sousa praised his federal counterpart for pushing forward on areas of key importance to the province. But Sousa acknowledged he "was looking for some timelines" on when a national pharmacare program could be launched. Finance Minister Charles Sousa has stated that "Bill Morneau's budget is meeting Ontarians' expectations, particularly with respect to investments in science and technology and reconciliation with Aboriginal peoples." Sousa has recognized, however, that the federal budget falls short in specific areas. Sousa says he would have liked to have a timetable for the creation of a national drug insurance program. He is also disappointed that Ottawa is not increasing spending on mental health or home health care.



PT Governments	Reactions
Prince Edward Island (The Guardian)	<ul style="list-style-type: none"> • P.E.I. Finance Minister Heath MacDonald says he was happy to see investments in employment and skills programs, including those aimed at increasing participation of women in non-traditional trades. • “To get into a deeper dive into the numbers will be a telling tale, but I really think it really aligns well with what we’re trying to do here,” MacDonald said, adding that growing a skilled workforce is a key priority of the provincial government.
Québec (Radio-Canada)	<ul style="list-style-type: none"> • Le gouvernement libéral de Philippe Couillard se dit globalement satisfait du budget fédéral présenté mardi par le ministre des Finances Bill Morneau. « Je suis heureux de constater que, pour l’essentiel, le gouvernement fédéral partage les mêmes priorités et travaille dans le même sens que nous », a affirmé le ministre québécois des Finances, Carlos Leitaó. • Le gouvernement libéral accueille favorablement les sommes consacrées à la recherche et est déterminé à veiller à ce que le Québec obtienne sa juste part. • S’il approuve l’aide au secteur du bois d’œuvre en la qualifiant de « pas dans la bonne direction », il constate un soutien insuffisant aux médias. • À propos de l’évasion fiscale et des paradis fiscaux, « Québec suit attentivement les initiatives du gouvernement fédéral », précise le ministre des Finances.
Saskatchewan (CBC)	<ul style="list-style-type: none"> • Provincial leaders are not overly excited about what the federal budget means for the province. Finance Minister Donna Harpauer called it “status quo” and will not affect the upcoming provincial budget.” • Harpauer and Premier Scott Moe said they were pleased to see no changes to transfer payments to the provinces. • Moe and Harpauer are disappointed to see a new cap on passive income tax rates. • Moe condemns the federal government’s investment in what he refers to as “carbon cops” to enforce jurisdictions utilizing carbon tax measures.



Municipal Associations

Municipal Associations	Reactions
FCM <ul style="list-style-type: none"> • English • Français 	<ul style="list-style-type: none"> • Canada's local and federal orders of government are working together to tackle pressing national challenges. Today's federal budget strengthens that partnership by responding to municipalities' calls to urgently fund opioid treatment and to take steps toward ensuring they have financial tools to safely implement cannabis legalization in their communities. This budget, however, also missed a key opportunity to generate frontline outcomes by expediting repairs to Canada's social housing supply to kick-start the National Housing Strategy. • Today's new emergency funding for opioid treatment reflects the crisis unfolding on the front lines of our cities and communities and responds directly to recommendations made by FCM and the Mayors' Task Force on the Opioid Crisis. This budget also reaffirms the federal commitment to support a fair cannabis excise-tax revenue sharing model - a step toward ensuring local costs are covered as municipalities work to keep Canadians safe and well-served upon legalization.
FQM	<ul style="list-style-type: none"> • La Fédération québécoise des municipalités (FQM) est déçue du peu de mesures et d'investissements pour les municipalités dans ce 3^e budget du ministre des Finances du Canada, M. Bill Morneau. • « C'est un budget famélique pour le milieu municipal. On ne voit aucun nouvel investissement dans les fonds d'infrastructures. Il n'y a aucune indication qui démontre l'engagement du gouvernement fédéral à conclure rapidement les ententes bilatérales avec le Québec et à matérialiser l'utilisation des différents fonds d'infrastructures », a déploré Jacques Demers, le président de la FQM. D'ailleurs, la Fédération regrette qu'aucune entente bilatérale n'a encore été signée depuis les annonces du budget de l'an dernier. • La FQM salue la création du Fonds du leadership pour une économie à faibles émissions de carbone, dont les investissements de 260 millions visent la mise en place de pratiques innovantes et la modernisation des équipements dans les milieux agricole et forestier. De plus, l'aide annoncée pour renouveler le réseau des ports maritimes permettra notamment de consolider la digue du port de Sainte-Thérèse-de-Gaspé.



Municipal Associations	Reactions
UMQ	<ul style="list-style-type: none">• L'UMQ est déçue que le budget fédéral ne prévoit rien de concret pour les municipalités. Elle réclame la mise en œuvre sans tarder de la phase 2 du Plan fédéral d'investissement en infrastructures. L'UMQ aurait souhaité des mesures de soutien pour le développement économique des régions, notamment pour les ports et les aéroports régionaux.• The UMQ is disappointed that the budget does not provide anything concrete for municipalities.• UMQ President Alexandre Cusson stated "It is the municipalities that implement the solutions to meet the demographic, climate, and economic challenges. The money must follow the responsibilities. The municipal sector is disappointed with the budget."• UMQ would have also wanted support measures for the economic development of the regions, in particular with regard to the ports and the regional airports.



Municipalities

Municipalities	Reactions
Edmonton (Metro News)	<ul style="list-style-type: none"> Edmonton Mayor Don Iveson says the federal government's commitment to gender pay equity falls in line with efforts by the City of Edmonton to bring the issue to the forefront. Iveson was also pleased with the federal government's decision to allocate \$150 million to the opioid crisis as that was also consistent with the Mayor's Task Force on Opioids.
Toronto (Mayor Tory's Twitter account)	<ul style="list-style-type: none"> "The 2018 Federal Budget addresses many of the pressing issues we are facing in Toronto." "I'm glad to see the Budget reiterates the federal government's commitment that a substantial portion of revenue from the legalization of marijuana should go towards municipalities." "Also, I welcome the commitment to invest millions to address the opioid crisis."
Winnipeg (Winnipeg Sun)	<ul style="list-style-type: none"> Mayor Brian Bowman was encouraged to see an initial financial commitment towards a national opioid strategy in the budget. "It is encouraging to see the federal government recognize that municipalities like Winnipeg are on the front lines of cannabis legalization and, as a result, confirm that it expects provinces to transfer to municipalities a substantial portion of excise tax revenues from cannabis," said Bowman. Bowman is hoping for additional funding for infrastructure from the federal and provincial governments.
Ottawa	<ul style="list-style-type: none"> "Today's federal budget is good news for the City of Ottawa and its residents, as it includes the necessary funding for us to proceed with the joint Central Library project with Library and Archives Canada." "We are pleased that the federal government responded to the call of municipalities for an allocation-based approach to long-term transit funding, and that they remain committed to increasing the federal share of funding for transit projects across the country – including Ottawa."



Municipalities	Reactions
Calgary (CBC)	<ul style="list-style-type: none"> • "It was important to note we did hear from the minister of finance that the intent of the tax split on cannabis is really that those revenues are supposed to flow to municipalities and local communities." • "It was important to note we did hear from the minister of finance that the intent of the tax split on cannabis is really that those revenues are supposed to flow to municipalities and local communities." <p>"We're still in a fragile economic recovery. Even though our job numbers are looking better, I'm still concerned that we're looking at a jobless recovery and I'm going to really be pushing hard with the federal government to say, 'you know, at a time when the rest of the country is doing pretty well, you really have to focus your economic development efforts, your innovation efforts, your foreign direct investment efforts on Alberta."</p>
Ville de Montréal	<ul style="list-style-type: none"> • La mairesse de Montréal, Valérie Plante, accueille favorablement plusieurs mesures phares du budget fédéral. • Elle salue notamment la décision du gouvernement de reporter la date limite pour réclamer des investissements en infrastructures qui, selon elle, va permettre de mieux planifier le développement en matière de transport en commun. • Valérie Plante se réjouit aussi du financement dans la recherche et l'innovation. « Montréal, c'est une ville de savoir, donc on est heureux [...] que la question de la recherche soit priorisée par le gouvernement », affirme-t-elle. • La mairesse de Montréal se dit toutefois déçue du manque d'investissements dans la rénovation des logements sociaux.
Quinte West, ON (Quinte News)	<ul style="list-style-type: none"> • Mayor Jim Harrison liked the moves made regarding pharmacare, affordable housing, pay equity, and gender equality. However, Mayor Harrison said he was disappointed that there didn't seem to be much investment in the agricultural sector, saying the hard-working men and women in agriculture deserve a good return on their efforts as they produce top quality food for all Canadians.
Portage la Prairie, MB (Portage News)	<ul style="list-style-type: none"> • "The big news in the budget, I think, is the establishment of an advisory council on the implementation of a national pharmacare program," says Ferris. "So, this is huge. It will have an impact on a good number of our citizens right here in Portage. We have folks with chronic health issues in our community, and some of them are on pensions and fixed incomes." • He says another announcement was made for \$448.5 million that will be spent in the next five years for the number of summer job placements to be doubled.



Municipalities	Reactions
Vaughan, ON	<ul style="list-style-type: none"> • Mayor Maurizio Bevilacqua said, “I welcome the city-building commitments outlined in the federal government’s budget that was brought forward by Finance Minister Bill Morneau today. It is a plan that understands the importance of equality, and works to safeguard and elevate the quality of life for Canadians in communities across our country. This is a budget that renews its promise to invest in the quality public services that municipalities help to deliver each day, including reliable infrastructure, accessible transit and affordable housing.
Mississauga, ON	<ul style="list-style-type: none"> • Finance Minister Bill Morneau and the Trudeau government have brought forward a Budget that aligns with many of the priorities of the city of Mississauga from an infrastructure, transit, housing, and economic development perspective. • “While the federal government affirmed its commitment to the National Housing Strategy (NHS), there was no short term commitment of funding for much-needed repairs to existing social housing stock in our communities – something cities have been asking for. We will continue to press the government to move quickly on the NHS to get money flowing quickly, to allow cities to repair and maintain our existing housing stock, as well as build new units.”
Saskatoon, SK (Global News)	<ul style="list-style-type: none"> • Saskatoon Mayor Charlie Clark said that there were no surprises in the federal budget, but he is waiting for the implementation details for infrastructure funding. • “We need an agreement with the provincial government on the rollout of the infrastructure money that’s coming from the federal government,” Clark said. • The federal government fell short on social housing funding, according to Clark, who along with other mayors met with federal ministers earlier this month and pushed for more funding for repairs to social housing.
Corner Brook, NL (the Western Star)	<ul style="list-style-type: none"> • Though he pointed out a couple of bright spots, Corner Brook Mayor Jim Parsons would have liked a little more clarity on infrastructure spending in the 2018 federal budget. “It seems to be light on that, and on cities and municipalities in general,” Parsons said Tuesday night after spending some time skimming over the details. • Though Parsons was happy to see the government stick to the previously announced Investing in Canada infrastructure plan of more than \$180 billion over 12 years, he said the money is still not getting allocated anywhere.



Municipalities	Reactions
Pembroke, ON (The Daily Observer)	<ul style="list-style-type: none">• Pembroke Mayor Michael LeMay said that it seems to him a 'people focused budget' and admits that he is pleased with the focus on encouraging women to become entrepreneurs and get into the trades, areas which he feels smaller municipalities will benefit from, as business is the continuing key to their success.• However, he is disappointed in the lack of any mention of additional infrastructure funding for municipalities, considering last year's budget was all about such things.



Organizations

Organizations	Reactions
<p>Association of Canadian Financial Officers</p> <ul style="list-style-type: none"> • English • Français 	<ul style="list-style-type: none"> • In the 2018 federal budget, the government has announced some positive movement on a few of ACFO's priorities including Phoenix and pay equity. ACFO is pleased to see the government taking steps forward on these issues. • [Regarding pay equity] While new legislation is most certainly a welcome development, this government's resolve to actually address pay inequality would be best demonstrated through an immediate commitment to work with ACFO to resolve our filed complaint in a collaborative manner before the end of 2018.
<p>Canadian Centre for Policy Alternatives (CCPA)</p>	<ul style="list-style-type: none"> • This is an ambition constrained budget. The government had the fiscal space and public support to do much more and didn't. The only substantive poverty reduction measure in today's budget is the small improvement in the Working Income Tax Benefit (WITB), renamed the Canada Working Benefit. • Canada's research granting councils (SSHRC, NSERC and CIHR) will get an average \$650 million boost in funding per year over the next five years, which will be especially important to the National Research Council (NRC). Unfortunately, the Industrial Research Assistance Program (funding for private research instead of public university research) is receiving more than the NRC. • If this budget suffers from anything, it's being too far from the next election. We get a pharmacare promise, which is good, and we can hope child care is just being put off to next year's election budget. But these needs are real for Canadians today.
<p>Canadian Federation of Independent Business (CFIB)</p> <ul style="list-style-type: none"> • English • Français 	<ul style="list-style-type: none"> • In general, the budget doesn't contain any big changes for small businesses. However, the budget did contain the long-awaited details on the changes to rules on passive investment income which have been (slightly) softened. All in all, budget 2018 does not focus on improving competitiveness or growth for small businesses.
<p>Canadian Labour Congress</p>	<ul style="list-style-type: none"> • Canada's unions say they are pleased to see this year's federal budget commit to moving forward on universal pharmacare and pay equity. "We are very pleased to see the government committing to a pathway that will finally establish a universal prescription drug plan for all Canadians, regardless of their age, income or where they live. We hope to see the promise of universal pharmacare fulfilled before the next federal election," said CLC president Hassan Yussuff.



Organizations	Reactions
Canadian Union of Public Employees (CUPE)	<ul style="list-style-type: none"> • After calling on the federal government to take action for years, CUPE is pleased to finally see a commitment on pay equity in Budget 2018, but stresses the need for more action from the federal government to support working women across the board. • CUPE is dismayed at the federal government’s continued failure in Budget 2018 to pursue tax fairness despite repeated calls from experts and civil society organizations who had been calling on the government to crack down on tax havens, close CEO stock option loopholes, and require international digital corporations like Uber and Facebook to collect and remit sales tax like any other business. • CUPE is pleased to see enhanced support for second parent leave in Budget 2018. However, for a budget supposedly focused on increasing gender equality, it is outrageous that the government continues to avoid taking meaningful action to support parents with the skyrocketing cost of child care.
C.D. Howe	<ul style="list-style-type: none"> • Federal budgets show an increasing tendency to put spin ahead of substance. The 2018 budget marks a new low: it buries the key fiscal projections, which in many provinces would be on the front page, in an annex on page 319. • Budget 2018 shows spending on programs up yet again, with interest costs putting further pressure on the bottom line. The government has adopted overspending and red ink as signature policies. Balancing the budget is out of scope. • Investors are looking for signals that this government takes the challenge of greater US tax competitiveness seriously. The 2018 budget is all but silent on that challenge – and does nothing at all. • The budget contains a host of initiatives, mostly small, to improve labour market outcomes of women. But a bigger bang for the buck could have been achieved by addressing the bigger problem head on: the child care expense deduction, which is of limited benefit for so many families and mothers.



Organizations	Reactions
<p>Chambre de Commerce du Montréal métropolitain</p>	<ul style="list-style-type: none"> • Un budget à caractère davantage social qu'économique. « Les efforts du gouvernement pour faciliter l'entrée des femmes sur le marché du travail et favoriser l'équité salariale témoignent d'une stratégie explicite pour corriger un déséquilibre nocif pour la société canadienne et l'économie. Toutefois, en matière d'équité inter-générationnelle, l'absence d'un plan de retour à l'équilibre budgétaire met à risque l'économie du pays face à d'éventuels chocs économiques ou à une récession. Cette situation, en dépit du contexte économique mondial et canadien actuel très favorable, reporte le fardeau de rétablir cet équilibre sur les contribuables futurs. C'est inquiétant », a déclaré Michel Leblanc, président et chef de la direction de la Chambre de commerce du Montréal métropolitain. • « Bien que le ministre Morneau ait amélioré les éléments de sa réforme fiscale, nous nous inquiétons du traitement fiscal plus lourd des revenus de placements passifs de nos PME à partir de 50 000 \$. Le budget ne permet pas de saisir comment le gouvernement du Canada maintiendra la compétitivité de notre régime fiscal à la suite des baisses massives d'impôts aux États-Unis. Enfin, nous demeurons très perplexes devant la décision de ne pas imposer de taxe de vente sur les contenus, produits et services achetés en ligne et provenant de l'étranger. Cela nuit à la position concurrentielle des entreprises canadiennes et met en évidence que notre régime fiscal n'est pas adapté à l'économie numérique ».
<p>Le Front d'action populaire en réaménagement urbain (FRAPRU)</p>	<ul style="list-style-type: none"> • Le Front d'action populaire en réaménagement urbain (FRAPRU) est déçu que le budget fédéral de cette année n'ait pas permis d'accélérer la réalisation des engagements prévus pour le logement social dans la Stratégie canadienne sur le logement. Bien qu'Ottawa ajoute cette année 447 M \$ de prêts pour la réalisation de logements locatifs, dans l'état actuel des choses, le gouvernement Trudeau confirme que l'essentiel des sommes ne seront utilisées qu'après les élections fédérales de 2019. Le FRAPRU salue toutefois le financement prévu pour la mise en œuvre des stratégies sur le logement des Premières Nations, et ceux annoncés pour les Inuits du Nunavik; vu l'ampleur et l'acuité des besoins de ces nations autochtones, il demande à Ottawa de les leur verser rapidement. • Le FRAPRU, à l'instar d'autres organisations canadiennes, rappelle qu'il est également urgent d'entreprendre des travaux pour protéger le patrimoine canadien de logements sociaux. À cet égard, le FRAPRU se serait attendu à des précisions du fédéral sur la reconduction du financement des subventions aux locataires à faible revenu qui y habitent, pourtant annoncée dans la Stratégie canadienne.



Organizations	Reactions
<p>Alliance de la Fonction publique du Canada / Public Service Alliance of Canada</p> <ul style="list-style-type: none"> • Français • English 	<ul style="list-style-type: none"> • L'Alliance de la Fonction publique du Canada (AFPC) se réjouit des engagements financiers pris aujourd'hui par le gouvernement fédéral en ce qui concerne Phénix. Malheureusement, le budget fédéral ne prévoit pas d'exempter les fonctionnaires de l'obligation de rembourser le montant brut des trop-payés. • Il est grand temps que le gouvernement s'engage à adopter une loi proactive sur l'équité salariale en 2018. « Si le gouvernement a la ferme intention de s'attaquer aux inégalités hommes-femmes, il doit en faire plus, notamment en investissant davantage dans les services de garde d'enfants pour qu'ils soient abordables et de qualité », ajoute Mme Benson.
<p>Canada Housing and Renewal Association (Metro News)</p>	<ul style="list-style-type: none"> • The CHRA was hoping for more details about the measures outlined in the National Housing Strategy that was previously announced. • "We are growing increasingly concerned over the lack of details regarding implementation of those specific measures. We had hoped that the 2018 budget would have provided that opportunity – the government needs to provide information as quickly as possible to housing providers on how to access these necessary programs," said Jeff Morrison, the organization's executive director. • Although the budget did allocate \$1.25 billion over 3 years to increase the amount of loans available through the Canadian Mortgage and Housing Corporation's Rental Construction Financing Initiative, the CHRA raised concerns that the initiative won't make much difference for Canada's most vulnerable populations. • CHRA President Stephan Corriveau commended the government for its investments in Indigenous housing. However, he has called on the government to commit funding for Indigenous housing in urban areas as well.
<p>Canadian Medical Association</p>	<ul style="list-style-type: none"> • "The CMA is encouraged that the 2018 budget addressed a number of areas where the Government of Canada can act to improve seniors' care across the country," said Dr. Laurent Marcoux, president of the CMA. • CMA welcomes several initiatives that address important public health issues—along with social determinants of health—such as providing funds to address the opioid crisis, awareness efforts regarding potential health impact of cannabis, and the provision of clean and safe water on reserves.



Media

Media	Reactions
<p>Calgary Herald</p>	<ul style="list-style-type: none"> • As an economic document, the 2018 federal budget will be forgotten before the end of February, unless you are a scientist or a smoker (the former got more government grants, paid for, in part, by the latter). But as a political platform, it is so cunning you could put ears on it and call it a fox. • Given Morneau’s goal of conserving his resources until next year’s pre-election budget, the emphasis in this year’s edition on the long-term aim of closing the gender gap in pay and employment made sense. • This budget may lack substance but stylistically it allows Justin Trudeau to continue to trumpet the optimistic “hope and hard work” refrain that got him elected in 2015. The Liberals have the support of more than half of those voters who self-identify as “left of centre,” compared to one-quarter who routinely say they support the NDP. This budget should help sustain that winning formula.
<p>The Toronto Star</p>	<ul style="list-style-type: none"> • It [electoral campaign] effectively started on Tuesday when the Liberal government, through Morneau’s budget, made clear that far from trimming its sails mid-mandate, it intends to tack firmly to the left for the foreseeable future. Quite rightly, it does not intend to take its cue from the reckless corporate tax-slashing of the Trump administration and the Republicans who control the U.S. Congress. • Instead, it’s attempting to ensure that the fruits of an expanding economy are shared more equally and are directed to areas that will encourage both social justice and economic growth – getting more women into the workforce, raising the level of services for Indigenous people, and betting heavily on science and research. • Morneau’s budget is more ambitious than might have been expected for a government in the third year of its mandate. At this point it might well have hedged its bets a bit, preparatory to bringing out an overtly political pre-election budget next spring.



Media	Reactions
National Post (1)	<ul style="list-style-type: none"> • As Peter Stockland noted in Convivium, “a \$338.5 billion investment plan that put, say, cocker spaniels first would raise eyebrows at the very least.” As does, on my face, a budget whether labelled an “investment plan” or something more forthright like “How we will spend and tax this coming year if all goes well” that actually puts smugness first. • Modern statespeoplekind, swelled with majestic aspiration, do not deign to discuss tawdry tax and spending. Hence the crucial “Summary Statement of Transactions” was buried on p. 319 of 367 as essentially an afterthought. As Andrew Coyne notes, these documents aren’t really budgets at all any more, or even the long tortured econometric rationalizations we used to get in a vain effort to reassure us the government’s deficit projections were not voodoo. Now it’s about “equality.” Well, “That, and pandering to every conceivable Liberal client group and policy cult.”
National Post (2)	<ul style="list-style-type: none"> • The Liberals deliver a federal budget that has nothing to do with budgeting, or the economy. • With this installment the federal budget has reached the final stage of transformation. It is now about virtually everything else except spending or taxing or the economy. Economic analysis, in particular, is not only noticeably absent but in places explicitly abolished. What is more, it proposes to make this approach permanent. • Until lately the Canadian economy has had the benefit of three things: high prices for the commodities we sell abroad, rapid growth in the labour force, and a substantial tax advantage over the U.S. All three are now gone: the first due to changes in the world economy; the second, to the aging of the population; the third, to the recent U.S. tax reform. You would think, then, that any government presenting a budget at this moment would be seized with the need to respond to these developments. • Budgets used to be written by the Finance department. This one appears to have been written out of Status of Women Canada (the budget proposes to make it a full department, but on the evidence it would appear to have taken over the entire government) or perhaps a campus gender studies course: this is surely the world’s first “intersectional” budget.
Radio Canada	<ul style="list-style-type: none"> • J'ai l'impression que c'est un budget en attente de voir ce que vont donner les négociations sur l'Accord de libre-échange nord-américain (ALENA), de voir ce que la réforme fiscale de Donald Trump va donner comme résultats. »



Media	Reactions
Le Journal de Montréal	<ul style="list-style-type: none"> • Ce budget continue à excaver un énorme trou dans les finances du Canada, à un moment où rien ne justifie ce choix. Le gouvernement Trudeau creuse des déficits comme s'il cherchait du pétrole. Justin Trudeau emprunte de l'argent de façon idéologique. Faire un déficit est devenu non pas une façon temporaire de financer des dépenses, mais plutôt une façon permanente de gérer, voire une façon de vivre. Aucun plan de retour à l'équilibre. • Lorsque l'économie dépassait les attentes, le ministre des Finances avait une petite galette disponible pour rembourser l'énorme dette accumulée. La dette se remboursait lentement et personne ne saignait dans le pays. Dette réduite : l'année suivante, nous avons un peu moins d'intérêts à payer à même nos impôts. Une sagesse dont on s'ennuie depuis l'entrée en scène de Justin Trudeau.
Le Soleil	<ul style="list-style-type: none"> • S'il est un point qui ressort du budget de Bill Morneau, c'est sa timidité au chapitre des dépenses. À part la recherche et l'innovation qui obtiennent le gros lot de 6,4 milliards \$ sur cinq ans, personne ne sort vraiment gagnant de ce budget qui se veut rose avec des mesures d'équité homme-femme. • Comme on s'y attendait, le gouvernement ne lève pas le petit doigt pour forcer les Netflix et Amazon de ce monde à payer leurs taxes et impôts. C'est décevant. De la même manière, ils n'annoncent rien pour aider les grandes entreprises de presse du pays à passer à travers la difficile transition qui menace leur survie.
Financial Post	<ul style="list-style-type: none"> • Canada may have just squandered its best shot at balancing the budget • Even with new tax revenues from marijuana, tobacco and private corporations, Morneau was unable to accelerate the deficit-reduction path, totaling \$98 billion (\$77 billion U.S.) over six years. • Canada's foremost business groups had issued widespread calls for Morneau to improve business competitiveness, either by cutting corporate taxes or providing other incentives for business investment. And yet the budget was silent on the risks posed by Trump. Morneau said he wouldn't respond to U.S. measures in an "impetuous way" and that Canada will review its overall competitiveness, and taxes are only part of that.



Media	Reactions
La Presse	<ul style="list-style-type: none"> • À n'en pas douter, il s'agit d'un budget féministe. Le budget est plus généreux en mots qu'en chiffres. Plus riche en diagnostics qu'en remèdes. • À court terme, le budget offre surtout un recul partiel sur la réforme fiscale risquée des PME. Quant à la menace Trump aux États-Unis, M. Morneau réfléchit. Et pour la taxation des géants en ligne comme Facebook et Netflix, il demeure obstinément passif. C'est une injustice qui l'indiffère...
La Presse (2)	<ul style="list-style-type: none"> • Plusieurs propositions dévoilées hier sont directement inspirées de programmes qui existent déjà chez nous. Y'a un p'tit peu de nous autres là-dedans, comme disait l'ancien slogan de la soupe Habitant. • Tant mieux si le reste du Canada peut s'inspirer de nos pratiques exemplaires. Mais d'un point de vue québécois, il est difficile d'être débordant d'enthousiasme face à de «nouvelles» mesures dont les citoyens bénéficient déjà depuis longtemps.
La Presse (3)	<ul style="list-style-type: none"> • Dans un gouvernement plus fonctionnel, le ministre des Finances jouerait le rôle de contrepoids, pour ancrer les grands principes dans le concret, les traduire en action, en résultats, comme on l'a vu par exemple avec le tandem Jean Chrétien-Paul Martin, le chef d'orchestre politique et l'homme fort économique. Bill Morneau ne joue pas ce rôle de contrepoids, d'abord parce qu'il intervient sur le même mode que son premier ministre, celui des généralités généreuses, ensuite parce qu'il ne prête pas attention autant qu'il le devrait à ce qui devrait être le fondement de sa contribution, les questions économiques ou financières. Le résultat, c'est que son discours du budget est extrêmement partisan, verbeux, et finalement assez léger. • Le fait que les questions de finances publiques n'intéressent pas le ministre des Finances, et que le gouvernement ne se préoccupe pas de déficit ou de contrôle des dépenses, prive M. Morneau des leviers qui en feraient, comme c'est le cas dans la plupart des administrations, l'homme fort du gouvernement. • Bref, encore une fois, de grandes paroles et de petits gestes. Une telle dispersion dans mille sujets, une telle orgie de détails, qu'on cherche en vain une véritable direction.



Media	Reactions
Le Devoir	<ul style="list-style-type: none">• L'incertitude provoquée par la renégociation de l'ALENA et la réforme fiscale américaine n'a pas provoqué de réponse frontale du ministre fédéral des Finances, Bill Morneau. Sans vraiment gonfler ses dépenses, il a choisi de miser sur les forces de l'économie canadienne tout en tentant d'en corriger quelques faiblesses. Sa marge de manœuvre reste toutefois inchangée, les fruits de la lutte contre l'évasion fiscale se faisant encore attendre.• En se privant de revenus auxquels il a droit, le gouvernement n'épargne pas la classe moyenne qu'il dit défendre, il se prive simplement de moyens pour mieux servir tous les citoyens.

Reference

<https://www.budget.gc.ca/2018/docs/plan/toc-tdm-en.html>

<https://www.budget.gc.ca/2018/docs/plan/toc-tdm-fr.html>