



# FEDERAL BUDGET 2017–2018

## HIGHLIGHTS AND REACTIONS

MARCH 2017



MUNISCOPE



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## Budget 2017 Brief

On March 22, 2017, Finance Minister Bill Morneau tabled the Government of Canada's 2017–2018 budget titled *Building a Strong Middle Class*. Economic growth in Canada strengthened in the second half of the year, which is attributed in part to the rebound in oil production as well as strong consumer spending. Employment has continued to rise, and the unemployment rate fell to 6.6% from 7.1%. The risks in economic outlook for Canada are highly contingent on the world economy, including factors such as a possible further decrease in oil prices, modest Canadian export due to possible U.S. policy actions affecting trade and weaker than expected global growth. The 2017 Budget builds on previous actions and intends to invest in priorities that will ensure a thriving middle class while maintaining a responsible fiscal management approach.

Budget 2017 does not include plans for a balanced budget and a deficit projection is expected to rise to \$28.5 billion by 2017–2018. The federal debt-to-GDP ratio is projected to be 30.3% by 2021–2022.

## Summary of Items of Interest

- A deficit of \$28.5 billion and a reduction of \$3 billion of the reserve.
- Revenues are expected to be \$304.7 billion in 2017–2018 compared to \$292.1 billion in 2016–2017.
- The nominal GDP growth is expected to be 4.1% in 2017, 4.0% in 2018, and about 3.7% on average over the following three years. The projected level of nominal GDP is lower than projected in the 2016 Fall Economic Statement by \$5 billion in 2017, with the difference rising to \$16 billion lower by 2021.
- Total debt is expected to be at \$637 billion by the end of the year.
- Debt-to-GDP ratio stays mostly flat at around 31.5%.

## New Announcements

### Infrastructure

- \$21.9 billion in green infrastructure, including initiatives that will support the implementation of the Pan-Canadian Framework on Clean Growth and Climate Change.
- \$35 billion over 11 years, to transform the way infrastructure is planned, funded and delivered across the country.
- \$10.1 billion over 11 years to modernize Canada's transportation system, protect our oceans and waterways and address the requirements of existing federally funded transportation assets (VIA Rail Canada Inc., Marine Atlantic Inc. and Eastern Atlantic ferries).
- \$20.1 billion investment over the next 11 years through bilateral agreements with the provinces and territories in new urban transit for which allocations will be determined using a formula based on ridership (70%) and population (30%).
- \$3.4 billion in new money over five years for indigenous' infrastructure, health and education.
- \$300 million over 11 years to launch a Smart Cities Challenge Fund, which would invite cities across Canada to develop Smart Cities Plans, together with local government, citizens, businesses and civil society.



## Housing

- \$11.2 billion in a range of initiatives designed to build, renew and repair Canada's stock of affordable housing over 11 years and help to ensure that Canadians have adequate and affordable housing that meets their needs, this commitment includes a \$5 billion investment for to establish a National Housing Fund administered by CMHC.
- \$225 million to improve housing conditions for Indigenous Peoples not living on-reserve.
- \$39.9 million to statistics Canada to improve housing data across the country.

## Economy and Jobs

- \$2 billion to help grow local economies, build stronger and more inclusive communities, and help safeguard the environment and health of Canadians.
- \$400 million will be provided through an Arctic Energy Fund for energy security in communities north of the 60th parallel, including Indigenous communities.
- \$4 billion to advance the process of reconciliation, and to support shared economic interests between Canada and Indigenous Peoples.
- \$2.7 billion over six years, including \$753 million this year, to help unemployed and underemployed Canadians access the training and employment supports to find and keep jobs.
- \$950 million over five years, including \$527 million in 2017–18, to support a small number of business-led innovation that have the greatest potential to accelerate economic growth.
- \$400 million through the Business Development Bank of Canada on a cash basis over three years, beginning in 2017–18, for a new Venture Capital Catalyst Initiative that will increase late-stage venture capital available to Canadian entrepreneurs.
- \$2.2 billion, on a cash basis, to support clean technology research, development, demonstration and adoption as well as to accelerate the growth of clean technology companies.

## Tax Measures

- \$523.9 million—over five years—to prevent tax evasion and improve tax compliance.
- Discontinuation of the tax credit for public transit passes.
- Discontinuation of the HST tax credit for tourists.
- Increase of the tax on tobacco products and wine.
- Phase-out of the Canadian Savings Bond Program.

## Child Care

- \$7 billion to support and create more high-quality, affordable child care spaces across the country, including programs for Indigenous children living on- and off-reserve (starting in 2018–2019).

## Education

- \$50 million over two years to support organizations delivering digital skills training to girls and boys from kindergarten to grade 12.
- \$300 million over three years, to develop a pilot project that will test new approaches to make it easier for adults who wish to return to school.



## Health

- \$11 billion over 10 years to provide more—and better—home care and mental health support for Canadian families.
- \$828.2 million over five years, starting in 2017–18, to improve the health outcomes of First Nations and Inuit.

## Environment

- \$73.5 million over five years to establish the new Canadian Centre for Climate Services.
- \$18 million over five years for a climate change and health adaptation program for First Nations and Inuit communities.
- \$220 million to reduce the reliance of rural and remote communities south of the 60 parallel on diesel fuel, and support the use of more sustainable, renewable power solutions.
- \$120 million to deploy infrastructure for electric vehicle charging and natural gas and hydrogen refuelling stations, as well as to support technology demonstration projects.
- \$182 million to develop and implement new building codes to retrofit existing buildings and build new net zero energy consumption buildings across Canada.
- \$2 billion for a Disaster Mitigation and Adaptation Fund to support national, provincial and municipal infrastructure required to deal with the effects of a changing climate.

## Defence

- \$8.4 billion in capital spending for equipment pushed forward to 2035.

# **Re-Committing Previous Announcements**

## Infrastructure Bank

- Budget 2017 has not yet provided details on the proposed Infrastructure Bank however the Government is committed to establishing the Canada Infrastructure Bank by proposing legislation establishing the bank with the goal of having the Canada Infrastructure Bank operational in late 2017.
- The bank is expected to work in partnership with provinces, territories, municipalities and Statistics Canada to measure the impact and better direct infrastructure investments.
- Canada Infrastructure Bank is expected to invest \$5 billion in public transit systems as part of its mandate to structure, negotiate and deliver support for infrastructure projects with revenue generating potential.



## Reactions

PT Governments	Reactions
Alberta <a href="#">(Global News)</a>	<ul style="list-style-type: none"> <li>Alberta Premier Rachel Notley said that the budget “came out pretty much the way we expected to see it,” she said. “You tend to expect the kind of detail in federal budgets that you have in provincial budgets but that’s not the way it rolls.” The Liberals’ budget made mention of Calgary’s Green Line LRT but didn’t get into specifics. Notley suggested she hopes Ottawa will make public transit funding commitments clearer. “You can bet that we’re in both of their corners (Calgary and Edmonton) on that matter (public transit) and it’s just a question of getting into the details.”</li> </ul>
<a href="#">British Columbia</a>	<ul style="list-style-type: none"> <li>Finance Minister Mike de Jong said that British Columbia will not match the record-setting of \$2.2-billion that Ottawa has committed for transit—something that mayors have been saying is essential to carry out the 10-year expansion plan for the region. The finance minister assumes that municipal governments will have to make up for this shortfall by bringing in more money from developers in exchange for density along new transit corridors. However, the province is pleased with commitment to improve affordable housing and child care.</li> </ul>
Manitoba <a href="#">(CBC News)</a>	<ul style="list-style-type: none"> <li>The federal budget failed to get Premier Brian Pallister's full seal of approval after it neglected to offer new money for asylum seekers or a commitment to a high-tech project promised more than two years ago. But the Manitoba premier did say he was "not displeased" by the budget's commitment to funding for Indigenous health care.</li> </ul>
<a href="#">New Brunswick</a>	<ul style="list-style-type: none"> <li>Finance Minister said Wednesday evening she had only had a chance to review highlights of the budget, but was "thrilled with what I see so far." "I see that the federal government's priorities line up very well with New Brunswick's priorities". Rogers cited federal investments in skills development, innovation, temporary foreign workers, and assistance to families for child care as some of the federal initiatives the Gallant government is also targeting. "I'm thrilled because these perfectly line up with what our priorities are, too."</li> </ul>
Newfoundland and Labrador <a href="#">(CBC News)</a>	<ul style="list-style-type: none"> <li>Newfoundland and Labrador’s Finance Minister Cathy Bennet said she's happy with the budget's commitment to infrastructure funding, which included \$11 billion for affordable housing over 11 years and \$7 billion over 10 years to create new child-care spaces. That's aligned with the provincial government's plan to spend nearly \$3 billion over 5 years for roads, hospitals and schools across the Newfoundland and Labrador.</li> </ul>



<a href="#">Nova Scotia</a>	<ul style="list-style-type: none"> <li>• Nova Scotia's finance minister says the measures contained in the federal budget are in line with the priorities in his province. Randy Delorey says the budget's investments in such things as infrastructure, tech innovation, education, training opportunities and social housing are all measures that are important to Nova Scotia. Changes around employment insurance that will allow the unemployed to pursue training opportunities is a positive development for a province trying to bolster its shrinking workforce.</li> </ul>
Nunavut	<ul style="list-style-type: none"> <li>•</li> </ul>
<a href="#">Ontario (The Star)</a>	<ul style="list-style-type: none"> <li>• Ontario Finance Minister Charles Sousa says he “welcomes” the federal budget despite billions less than Justin Trudeau promised for public transit and other infrastructure. “We share very much the same values and we have common priorities,” Sousa said Tuesday after his federal counterpart Bill Morneau announced an additional \$6.6 billion for infrastructure programs across the country over the next two years. But that’s one-third shy of the \$10 billion pledged during the lengthy federal election campaign. “We’ll continue to work with the federal government to secure our per capita share of those investments,” Sousa told reporters at Queen’s Park, noting his government has pledged infrastructure efforts worth \$160 billion over the next decade, creating 110,000 jobs.</li> </ul>
Prince Edward Island	<ul style="list-style-type: none"> <li>•</li> </ul>
<a href="#">Québec</a>	<ul style="list-style-type: none"> <li>• Les ministres Carlos Leitão et Pierre Moreau se sont dits « extrêmement déçus » de l’absence dans le second budget Morneau de « signal clair » au sujet du financement fédéral des « grands projets d’infrastructure » : le Réseau électrique métropolitain (REM), le prolongement de la ligne bleue du métro et le Service rapide par bus (SRB) de Québec.</li> <li>• Le ministre des Finances, Carlos Leitão, s’est toutefois réjoui d’une nouvelle reconnaissance du fédéralisme asymétrique, qui prévoit de 1,2 à 1,5 milliard sur 10 ans au Québec pour les infrastructures sociales. « L’asymétrie a été reconnue. Ce n’est quand même pas rien, 1,5 milliard de dollars que nous allons pouvoir utiliser de la façon que nous jugeons la plus appropriée pour améliorer le niveau de vie des familles », a-t-il déclaré, moins de deux semaines après la conclusion d’une entente sur les transferts canadiens en matière de santé. « Il y a aussi des aspects intéressants du côté de la recherche et de l’innovation », a-t-il poursuivi.</li> </ul>
Saskatchewan	<ul style="list-style-type: none"> <li>•</li> </ul>



<a href="#">Yukon</a>	<ul style="list-style-type: none"> <li>• Premier and Minister of Finance Sandy Silver “welcomes the increased investment in infrastructure for northern housing. Canada’s commitment of \$24 million to Yukon over 11 years will be allocated to housing needs in Yukon.”</li> <li>• We also look forward to working with the federal government to ensure the strategic allocation of \$83.8 million for northern infrastructure to address climate change, infrastructure planning and emergency management and integration of traditional knowledge. One of our top priorities is improving community infrastructure when developing local economies in a fiscally-responsible manner.</li> </ul>
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Municipal Associations	Reactions
<a href="#">FCM</a>	<ul style="list-style-type: none"> <li>• "This budget is a game-changer because of the tools it gives municipalities to drive growth and a higher quality of life for Canadians," said FCM President Clark Somerville. "This budget's allocation-based transit plan puts cities in the driver's seat like never before, it creates a real opportunity to address the housing crisis, and its rural growth plan recognizes that Canada's future depends on communities of all sizes."</li> </ul>
<a href="#">FQM</a>	<ul style="list-style-type: none"> <li>• La FQM est heureuse de constater que le fédéral a entendu ses demandes en maintenant son financement des programmes d’infrastructures à 50 %. Avec la contribution du gouvernement provincial qui devrait se maintenir à au moins 33 % des sommes investies, les petites municipalités n’auront qu’à combler la différence.</li> <li>• Les détails de l’enveloppe de 2 milliards de dollars pour les communautés rurales et nordiques constituent une des rares nouveautés du présent budget. « C’est une excellente nouvelle pour les petites municipalités. Non seulement les projets seront mieux financés par le gouvernement fédéral, mais nous pourrons établir, en partenariat avec Québec, une définition de communauté rurale et nordique qui réponde à notre réalité.</li> <li>• Ombre au tableau, cependant, la FQM aurait souhaité retrouver dans le budget Morneau une réponse aux demandes répétées des communautés forestières qui craignent les conséquences néfastes d’une nouvelle crise du bois d’œuvre.</li> <li>• En terminant, M. Lehoux a rappelé au gouvernement de M. Justin Trudeau que les sommes qui seront investies en transport collectif ne doivent pas être destinées exclusivement aux villes centres.</li> </ul>





<p><a href="#">UMQ</a></p>	<ul style="list-style-type: none"> <li>• L'UMQ accueille positivement le plan budgétaire 2017. L'UMQ se montre satisfaite des investissements confirmés en matière d'infrastructures, notamment pour le transport collectif et les infrastructures vertes. L'organisation accueille par ailleurs favorablement les investissements annoncés en innovation, notamment pour favoriser le développement de communautés intelligentes. Par contre, l'UMQ est déçue de constater que le budget ne prévoit pas de mesures de soutien à court terme pour le développement économique des communautés forestières.</li> </ul>
<p><a href="#">UBCM</a></p>	<ul style="list-style-type: none"> <li>• "The commitments made in Budget 2017 will deliver billions in new funding for public transit, water, wastewater and disaster mitigation infrastructure for BC communities," said UBCM 1<sup>st</sup> Vice President Wendy Booth.</li> <li>• "The new investments that will be coming through the National Housing Strategy demonstrate a recommitment of federal leadership in this area and will make a real impact in the diversification of housing supply in our province. Budget 2017 responds to many issues identified by our membership, and we are very appreciative of the focus and strength of these commitments."</li> </ul>
<p><a href="#">AUMA</a></p>	<ul style="list-style-type: none"> <li>• "Alberta municipalities are grappling with a \$26 billion infrastructure deficit, which requires significant long-term investment by federal and provincial governments to address," says Lisa Holmes, President of the Alberta Urban Municipalities Association (AUMA). "The federal commitment to infrastructure funding, re-stated in this Budget, will help set the stage for much needed projects to move ahead."</li> <li>• "Past delays in the signing of federal-provincial bilateral agreements have hampered the ability of Alberta municipalities to deliver the infrastructure their citizens need." [Holmes] adds, "Involving municipalities in developing the agreements is a better way to get results."</li> </ul>
<p><a href="#">SARM</a></p>	<ul style="list-style-type: none"> <li>• (SARM) is pleased to see further investments in infrastructure by the Federal Government under Budget 2017.</li> <li>• SARM welcomes targeted infrastructure funding for rural and northern communities. "We lobbied for a separate pot of funds for small communities so we are pleased to see this included in the Budget," said President Orb.</li> <li>• The Budget also includes \$2 billion for a Disaster Mitigation and Adaptation Fund that is meant to support national, provincial and municipal infrastructure projects. "We're glad to see the addition of this new fund designed to support all levels of government in their mitigation attempts. SARM has consistently lobbied for additional dollars to be invested in these types of infrastructure projects that will save public monies in the long-term," said Orb</li> <li>• "The infrastructure investments made by the Government in today's Budget move us in the right direction. We need to invest in local infrastructure if we plan to grow our national economy," concluded President Orb.</li> </ul>



Municipalities	Reactions
Edmonton <a href="#">(Global News)</a>	<ul style="list-style-type: none"> <li>Edmonton Mayor Don Iveson indicated he felt optimistic about the federal government committing to public transit improvements in the 2017 budget. "The game-changer in this budget is a transit plan that recognizes cities' role as nation-builders," said Iveson, who also serves as chair of the Federation of Canadian Municipalities. "This plan is really the model for how our governments can partner to achieve economic growth and climate goals."</li> </ul>
Toronto <a href="#">(Toronto Sun)</a>	<ul style="list-style-type: none"> <li>Mayor John Tory and councillors Josh Colle and Ana Bailao all gave the budget a thumbs up, with Tory saying "the need to invest in Toronto" is being recognized at the federal level. "The 2017 budget provides improvements to the city's transit and housing infrastructure that will ensure a stronger Toronto," stated Tory, "Over the last few months, I have stressed that when it comes to transit, housing, and infrastructure, we need the federal and provincial governments to step forward with much-needed funding."</li> </ul>
Winnipeg <a href="#">(CBC News)</a>	<ul style="list-style-type: none"> <li>Winnipeg's mayor says he's eager to take part in what may seem like a game-show aspect of the federal budget. "Smart cities, innovation — this is the direction that we're going here in the City of Winnipeg and if we're seeing similar priorities in Ottawa, that's obviously welcomed," Bowman said Wednesday. "We've moved forward with creating an innovation agenda, from creating a full standing committee on innovation to hiring Winnipeg's first chief innovation officer. So I'll be looking forward to looking into the details of those funds."</li> </ul>
Ottawa <a href="#">(CBC News)</a>	<ul style="list-style-type: none"> <li>Jim Watson, Mayor of Ottawa: "Today's budget, the federal budget, is good news for the residents of Ottawa and the most significant part of the budget is a renewed federal commitment to infrastructure such as transit and affordable housing, two of our top priorities.</li> <li>"I've been assured that the funding, 1.15 billion dollars we need to complete stage two of LRT, is in this budget. Now, we have to work with our federal partners to cross the T's and dot the I's over the coming months, so we can hit the ground running in May of this year with the [request for proposals]. This is great news for our city's future."</li> </ul>
Vancouver <a href="#">(Vancouver Sun)</a>	<ul style="list-style-type: none"> <li>"Today's historic federal investment in transit and transportation is a game-changer for our region and the largest in Metro Vancouver in 20 years," Vancouver Mayor Gregor Robertson, Chair of the Mayors' Council, said in a release. "The Mayors' Council appreciates the federal government's commitment to improving public transit and reducing traffic congestion to keep people moving across our growing region. Metro Mayors are ready to roll-up our sleeves in partnership with the BC government and match this funding with additional dollars to deliver crucial new projects like the Broadway Subway, Surrey rapid transit and the new Pattullo Bridge."</li> </ul>



<p>Calgary</p> <p><a href="#">(CTV News)</a></p>	<ul style="list-style-type: none"> <li>The budget is putting billions toward transportation over the next 11 years across the country, leading Mayor Nenshi to call it a good news budget. "The funding announced for transit for the next phase of the transit infrastructure program is \$20.1 billion nationwide with an allocation formula. That formula means \$1.15 billion to the City of Calgary for the Green Line," said Mayor Naheed Nenshi.</li> </ul>
<p>Halifax</p> <p><a href="#">(Metro News)</a></p>	<ul style="list-style-type: none"> <li>Mayor Mike Savage says the federal budget is 'a good thing for municipalities,' but exactly how good it is for Halifax depends largely on the province. "We weren't sure to what extent the money would flow, but the signs are very positive that we can access this money for things that we need in Halifax, so I'm encouraged by it," he said. But how much money will flow to Halifax is uncertain, especially given its "tricky spot" as "a growing city in a province whose population has been declining." "In some things we get a pretty big share, but we don't know what exactly what it would mean for Halifax, and we also don't know what appetite the provincial government is going to have to match some of that money and be part of the funding," Savage said</li> </ul>
<p>Barrie</p> <p><a href="#">(The Barrie Examiner)</a></p>	<ul style="list-style-type: none"> <li>Barrie Mayor Jeff Lehman described Morneau's second budget as a "stay the course" budget. "There are very few new taxes and little new spending. It's definitely a second-year budget. Under the hood, I think one of the good things is there is now much more detail on how the various major initiatives that were announced last year will work," he said. "This should allow us to move forward with federal funding applications in areas such as social housing and infrastructure such as water and wastewater."</li> <li>"There is no plan to get out of the deficit. I worry about the impact of that. Deficits are fine for a while but there needs to be a plan to return to fiscal balance," he said. "And the public transit tax credit is being eliminated. I understand it's because it doesn't get used by very many people, but I'm surprised by that."</li> </ul>
<p><a href="#">Ville de Montréal</a></p>	<ul style="list-style-type: none"> <li>Le maire de Montréal, Denis Coderre, se dit satisfait de plusieurs mesures comprises dans le budget fédéral 2017. « On parle d'un budget de continuité, par lequel le gouvernement fédéral poursuit la plupart des objectifs qu'il s'était fixé l'an dernier. Pour Montréal, certaines des mesures annoncées aujourd'hui répondent à nos demandes ». En transport collectif, Denis Coderre se réjouit de l'investissement de 20,1 milliards de dollars sur 11 ans aux nouveaux réseaux de transport collectifs urbains et à l'élargissement de services existants. Toutefois, le maire Coderre aurait aimé que le prolongement de la ligne bleue figure dans le budget. Le maire de Montréal se demande comment le gouvernement fédéral peut, d'un côté, financer des mégaprojets de transport collectif et, de l'autre, cesser d'encourager les citoyens à les utiliser.</li> </ul>



<p>Ville de Québec (<a href="#">Radio-Canada</a>)</p>	<ul style="list-style-type: none"> <li>Malgré l'absence de mention du projet de Service Rapide par Bus (SRB), le Maire Labeaume croit que la Ville pourra miser sur les sommes annoncées pour le transport collectif. « L'argent passe par le gouvernement du Québec, et nous, on travaille très fort avec le gouvernement, alors c'est une bataille politique comme nous on est habitués d'en faire depuis des années et on le fera avec le gouvernement du Québec. Honnêtement, moi, je ne suis pas déçu. »</li> </ul>
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Organizations	Reactions
<p><a href="#">Association of Canadian Financial Officers</a></p>	<ul style="list-style-type: none"> <li>The 2017 federal budget contains encouraging messaging about several of ACFO's priority areas but the plan is short on the sort of details one would need before declaring it a true success. In particular, there are missed opportunities around pay equity and tax fairness that we hope the government will seize on in coming months as legislation to implement the budget is crafted.</li> <li>While ACFO applauds the inclusion of the gender-based analysis and the acknowledgement of Canada's wage gap, it is frustrating to see the government purport to be concerned with reducing this wage gap while still fighting against even hearing ACFO's own pay equity case.</li> </ul>
<p><a href="#">Canadian Centre for Policy Alternatives (CCPA)</a></p>	<ul style="list-style-type: none"> <li>Senior Economist David Macdonald for the Canadian Centre for Policy Alternatives said "While there are some positive aspects to Budget 2017," Macdonald says, "let's not mistake this for the bold, visionary inequality reduction budget that Canadians were promised by this government." There were some welcome developments on the spending side — including an expansion in homelessness spending, continued investments in child care, and Canada's first official gender analysis of the budget.</li> </ul>
<p><a href="#">Canadian Federation of Independent Business (CFIB)</a></p>	<ul style="list-style-type: none"> <li>"We're relieved by what we didn't see in this budget, but small business owners will be concerned that several key tax measures for independent businesses are under active review," said CFIB president Dan Kelly. These include the personal and capital gains tax treatment of businesses where several family members are involved.</li> <li>The biggest negative for entrepreneurs and employees is a projected 3% increase in Employment Insurance (EI) rates in 2018. "The payroll budgets of every business and the take home pay for Canadian workers will now drop for 6 straight years, with an EI hike in 2018 and 5 years of CPP premium hikes starting in 2019," Kelly noted.</li> <li>"Concern over government deficits has risen to become the number two issue for CFIB members, just behind the total tax burden," Kelly said. "We urge the government to introduce a plan to get back to a balanced budget and deliver on their election promise to reduce the small business tax rate to 9% by 2019."</li> </ul>



<p><a href="#">Canadian Federation of Students</a></p>	<ul style="list-style-type: none"> <li>• Despite welcomed investments for Indigenous learners and part-time students, Budget 2017 lacks innovative vision for higher education.</li> </ul>
<p><a href="#">Canadian Labour Congress</a></p>	<ul style="list-style-type: none"> <li>• “We are pleased to see today’s budget invest in several key areas that unions have long championed, including infrastructure, skills training, and child care,” said Canadian Labour Congress President Hassan Yussuff. “By investing in skills training and infrastructure, including \$11 billion in support of a National Housing Strategy, this budget lays the foundation for the creation of good jobs with a social benefit. It also sets the stage for an ongoing, constructive dialogue between government, unions and employer groups to advance skills training in this country,” Yussuff said. However, Yussuff noted concerns with the establishment of a new Canada Infrastructure Bank, designed to facilitate private investment in public infrastructure, even though reports consistently show these P3 projects are costlier and offer lower-quality jobs and services.</li> </ul>
<p><a href="#">Canadian Union of Public Employees (CUPE)</a></p>	<ul style="list-style-type: none"> <li>• CUPE National President Mark Hancock. “Mr. Trudeau has talked a good game lately about things like inclusive growth, pay equity, a living wage, and addressing inequality. But unfortunately, for Canadians, Budget 2017 proves it’s just more talk. That’s not how you create jobs and solve rising inequality in a precarious economy.” The government’s infrastructure privatization bank, included in today’s budget, could double the cost of building new infrastructure in Canada. Even worse, privatization of new infrastructure like public transit and water facilities will force Canadians to shell out user fees on infrastructure they already overpaid for.</li> </ul>
<p><a href="#">C.D. Howe</a></p>	<ul style="list-style-type: none"> <li>• Ottawa has missed an opportunity to steer fiscal policy toward a more competitive tax system to attract top talents, encourage private investment, and more work. The budget does not put on the brakes on deficit spending. Overall program spending this year is about the same as was projected in last year’s budget, but spending in each of the next two years is higher by more than \$5 billion.</li> <li>• And the escalating federal debt will not make it easier for the feds to fund infrastructure commitments—there is a limit to governments’ ability to borrow. Delivering on the Infrastructure Bank would help, and although the budget targets the next few months for the Infrastructure Bank to become operational, it provides no new details on its planned operations. The bank is a good idea only if taxpayers reap the same rewards as their private partners for the public infrastructure they will ultimately pay for through their user charges. The bank should be investing in equity on the same basis as private investors, thus ensuring taxpayers are equally compensated for the financial risks they undertake.</li> </ul>



<p><a href="#">CUTA</a></p>	<ul style="list-style-type: none"> <li>• “By committing to long-term and dedicated transit funding, this government has empowered transit agencies to plan for the infrastructure projects that their communities need today, and the projects they will need in the future,” said Sue Connor, Chair of the Canadian Urban Transit Association (CUTA) and Executive Director of Brampton Transit. “But funding is only part of the equation. Now all levels of government, the transit industry and the Canadian public must work together to ensure that this funding is utilized in a way that maximizes economic, environmental and social outcomes for Canadian communities.”</li> </ul>
<p><a href="#">TransLink</a></p>	<ul style="list-style-type: none"> <li>• “Today’s historic federal investment in transit and transportation is a game-changer for our region and the largest in Metro Vancouver in 20 years,” said Vancouver Mayor Gregor Robertson, Chair of the Mayors’ Council. “The Mayors’ Council appreciates the federal government’s commitment to improving public transit and reducing traffic congestion to keep people moving across our growing region. Metro Mayors are ready to roll-up our sleeves in partnership with the BC government and match this funding with additional dollars to deliver crucial new projects like the Broadway Subway, Surrey rapid transit and the new Pattullo Bridge.”</li> </ul>
<p><a href="#">Chambre de Commerce du Montréal métropolitain</a></p>	<ul style="list-style-type: none"> <li>• À la Chambre de commerce du Montréal métropolitain, on parle carrément d’une « <i>occasion manquée</i> ». Son président, Michel Leblanc, reproche à Ottawa de ne pas avoir clairement signifié qu’il allait financer le REM. Cela aurait, selon lui, facilité le travail de la Caisse de dépôt et placement (CDP) pour convaincre des joueurs à l’international d’investir dans le projet.</li> </ul>
<p><a href="#">Fédération des communautés francophones et acadienne (FCFA)</a></p>	<ul style="list-style-type: none"> <li>• La FCFA du Canada a déploré le peu d’importance que le gouvernement accorde à la francophonie et à la dualité linguistique. « Nous nous attendions à ce que le gouvernement fasse à tout le moins mention du plan d’action pour les langues officielles sur lequel travaille présentement la ministre du Patrimoine canadien... »</li> </ul>
<p><a href="#">Le Front d’action populaire en réaménagement urbain (FRAPRU)</a></p>	<ul style="list-style-type: none"> <li>• Le FRAPRU se dit déçu par la faiblesse des montants prévus au budget Morneau pour débiter la mise en œuvre de la nouvelle Stratégie canadienne sur le logement. L’organisme déplore qu’aucune somme ne soit dédiée précisément au développement de nouveaux logements sociaux. Il constate qu’à partir de 2019-2020, seulement 255 millions \$ seront accordés annuellement aux provinces pour une panoplie d’initiatives. « Non seulement Ottawa accorde des fonds insuffisants aux provinces, mais ceux-ci pourront être utilisés à diverses fins. Il aurait été plus encourageant pour les ménages mal-logés qu’Ottawa dédie spécifiquement des sommes au logement social ». Le FRAPRU s’inquiète par ailleurs de l’absence d’une annonce claire quant à la poursuite à long-terme des subventions aux logements sociaux existants.</li> </ul>



<p>Institut professionnel de la fonction publique du Canada (IPFPC) /The Professional Institute of the Public Service in Canada</p> <ul style="list-style-type: none"> <li>• <a href="#">Français</a></li> <li>• <a href="#">English</a></li> </ul>	<ul style="list-style-type: none"> <li>• Le gouvernement fédéral a annoncé qu’il investira 529,9 millions de dollars de plus dans la lutte à l’évasion et l’évitement fiscaux en engageant de nouveaux vérificateurs. C’est une bonne nouvelle, mais les investissements stratégiques nécessaires dans le personnel scientifique font défaut.</li> </ul>
<p>Alliance de la Fonction publique du Canada / Public Service Alliance of Canada</p> <ul style="list-style-type: none"> <li>• <a href="#">Français</a></li> <li>• <a href="#">English</a></li> </ul>	<ul style="list-style-type: none"> <li>• L’AFPC se réjouit que le gouvernement réinvestisse dans les services publics, mais juge que les crédits accordés sont nettement insuffisants pour les rétablir.</li> </ul>

<b>Media</b>	<b>Reactions</b>
<p><a href="#">Calgary Herald</a></p>	<ul style="list-style-type: none"> <li>• The detail provided about infrastructure programs—as the Parliamentary Budget Office noted, billions of dollars already approved by parliament in the current year have not yet been spent. But there seems no pressing need to have included much of the new policy in a budget.</li> </ul>
<p><a href="#">The Star</a></p>	<ul style="list-style-type: none"> <li>• Not even in the last days of the Harper Conservatives did a budget provide for so little new spending—\$1.3 billion in the current budget year, total, in all fields of government.</li> <li>• This budget adds new details about how Ottawa will spend some of the \$93 billion in new money the Liberals had already set out for infrastructure.</li> <li>• The budget flags the high level of Canadian household debt as a “key risk to housing and consumer spending, especially if the economy were to face slower income growth.”</li> </ul>
<p><a href="#">National Post</a></p>	<ul style="list-style-type: none"> <li>• Andrew Coyne: No money, no ideas, but a wealth of bafflegab and buzzwords from the Liberals</li> <li>• Give the Liberals kudos for referring to women on nearly every page of the budget, for showing that the federal government knows its own statistics. But Canadian families—especially low-income mothers striving to join the middle class—already know where they’re crunched and what might help.</li> </ul>



<p><a href="#">Ici-Radio Canada</a></p>	<ul style="list-style-type: none"> <li>• Bien qu'il salue le budget Morneau, le Conseil du patronat du Québec (CPQ) aurait aimé un engagement plus précis du gouvernement fédéral dans la construction du Réseau électrique métropolitain (REM), de la Caisse de dépôt et placement du Québec.</li> <li>• Même si de nouvelles mesures ciblent les services de covoiturage afin qu'ils perçoivent et remettent la TPS, le syndicat s'explique mal pourquoi d'autres services issus des nouvelles technologies, comme Airbnb et Netflix, ont été omis.</li> <li>• Parmi les mesures qu'il salue, Jerry Dias, président national d'Unifor, souligne la hausse du financement des services de garde, une nouvelle stratégie nationale en matière de logement</li> </ul>
<p><a href="#">Ici-Québec</a></p>	<ul style="list-style-type: none"> <li>• Il n'y a rien du tout concernant la ville et la région de Québec dans le budget de M. Morneau. On parle des projets de transport en commun pour la région de Montréal, pour la région de Calgary, mais on ne parle pas de la région de Québec, donc il n'y a rien pour Québec dans ce budget-là », dénonce M. Deltell.</li> </ul>
<p><a href="#">Financial Post</a></p>	<ul style="list-style-type: none"> <li>• Budget 2017 ends the public transit tax credit that allowed commuters to claim a non-refundable tax credit equal to 15 per cent of the cost of their bus or transit passes.</li> <li>• This budget is levelling the playing field for taxi services competing with ride-sharing services like Uber by forcing Uber and others to pay GST and HST just like cab companies do.</li> <li>• "Philip Cross: The Liberals have become prisoners of their own, unwise budgeting."</li> <li>• The second problem for this budget is the uncertainty surrounding Canada's economy. Without knowing Trump's economic policies or how sustainable house prices are in Canada, it is difficult to forecast Canada's economic growth and therefore hard to commit to spending or taxation plans—which is why there was so little news in this budget.</li> <li>• The other wildcard is the sustainability of soaring home prices in Toronto and Vancouver. BMO and TD last week joining the growing crowd calling Toronto's housing market a bubble, and the course bubbles take is notoriously hard to predict since they are based on irrational exuberance.</li> <li>• The creation of the Housing Statistics Framework is one of several housing-related measures in the budget. Douglas Porter, chief economist with BMO Capital Markets, said the national housing data will be welcome. "Just last year I poked fun at the government for announcing all of \$500,000 on foreign data collection. That's barely enough for a down payment on a Vancouver or Toronto home."</li> </ul>





<p><a href="#">La Presse</a></p>	<ul style="list-style-type: none"> <li>• Le gouvernement cite dans son budget le Réseau électrique métropolitain (REM), mais sans s'engager formellement à le financer, comme l'avait réclamé la veille le premier ministre québécois Philippe Couillard.</li> <li>• Le gouvernement est avare de détails sur la Banque sur l'infrastructure qu'il avait déjà annoncée dans sa mise à jour économique de l'automne dernier, sauf pour mentionner que le processus de sélection d'un patron se mettra en branle en 2017.</li> <li>• [Les crédits d'impôts] sur le transport en commun, jugé « inefficace », sont passés à la trappe</li> </ul>
<p><a href="#">Le Devoir</a></p>	<ul style="list-style-type: none"> <li>• Le ministre des Finances et le président du Conseil du Trésor du Québec se sont dits « extrêmement déçus et préoccupés de l'absence d'un signal clair sur l'engagement du gouvernement fédéral à participer au financement des grands projets d'infrastructure » du Québec, à savoir le Réseau électrique métropolitain (REM), la ligne bleue du métro de Montréal ou le Service rapide par bus (SRB) de Québec-Lévis.</li> <li>• D'après François Bonnardel, le porte-parole en matière de finances publiques, « Nous ne savons toujours pas si Montréal pourra accueillir la Banque de l'infrastructure du Canada, ce qui engendrerait la création d'une centaine d'emplois de qualité.... »</li> </ul>
<p><a href="#">Huffington Québec</a></p>	<ul style="list-style-type: none"> <li>• En transport collectif, Denis Coderre se réjouit de l'investissement de 20,1 milliards de dollars sur 11 ans aux nouveaux réseaux de transport collectifs urbains et à l'élargissement de services existants.</li> <li>• La Ville de Montréal se réjouit que le document budgétaire mentionne spécifiquement le projet de Réseau électrique métropolitain (REM), de la Caisse de dépôt et placement du Québec, une des priorités de l'administration municipale en matière de transport collectif.</li> <li>• L'élimination du crédit d'impôt pour le transport collectif, à compter du 1er juillet, ne passe pas inaperçue. Le maire de Montréal se demande comment le gouvernement fédéral peut, d'un côté, financer des mégaprojets de transport collectif et, de l'autre, cesser d'encourager les citoyens à les utiliser.</li> <li>• Parmi les autres mesures que le maire de Montréal salue, on retrouve les investissements de 11,2 milliards de dollars sur 11 ans pour le logement abordable</li> <li>• Denis Coderre soutient que le gouvernement fédéral devrait établir à Montréal le siège social de la future Banque de l'infrastructure du Canada, qui disposera d'un fonds de 35 milliards de dollars.</li> </ul>



<p><a href="#">Newswire Canada</a></p>	<ul style="list-style-type: none"><li>• L'Institut de développement urbain du Québec (IDU) s'attendait à un « signal très fort » du gouvernement canadien. Ce signal n'est pas venu. L'industrie immobilière commerciale est déçue et demande être rassurée. Ce qui est ici en cause c'est le possible report de centaines de millions d'investissements privés qui sont censés compléter les investissements publics en transport</li><li>• L'IDU appui le Gouvernement du Québec et lui demande de réunir dans les meilleurs ses partenaires du secteur privé afin de convenir d'une stratégie commune pour que rapidement le gouvernement fédéral clarifie ses intentions et qu'ainsi les investisseurs de notre industrie sachent sur quel pied danser</li><li>• L'IDU souhaite finalement que le gouvernement entende la voix de la communauté des affaires du Québec qui réclame que l'éventuelle Banque des Infrastructures établisse son siège social à Montréal.</li></ul>
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## References

<http://www.budget.gc.ca/2017/docs/themes/strong-canada-fort-en.html>