

Balancing the budget and providing tax relief

2023-24 Pre-budget
submission

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CANADIAN TAXPAYERS FEDERATION

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Executive summary

The objective of the Canadian Taxpayers Federation's 2023-24 federal pre-budget submission is to show that the federal government could balance its budget in the fiscal year by returning its program spending to pre-pandemic levels, adjusted upward for inflation and population growth. This is achievable as the federal government was spending all-time highs, adjusted for inflation and population growth, in the last full budget year before the pandemic. That means that the federal government spent more in 2018-19 than it did during any single year during World War II.

The table below shows the fiscal summary using the CTF's proposed spending plan. The CTF recommends balancing the budget in 2023-24 by bringing program spending to pre-pandemic levels, adjusted upward for inflation and population growth.

Table: CTF recommended fiscal summary (billions \$)

	2023	2024	2025	2026	2027
Program spending	\$399.4	\$413.7	\$427.1	\$440.8	\$454.8
Debt charges	\$42.0	\$44.8	\$45.0	\$46.3	\$47.6
Net actuarial losses	\$2.1	\$0.1	\$0.1	-\$1.5	\$0.2
Total spending	\$443.5	\$458.6	\$472.2	\$485.6	\$502.6
Total revenue	\$444.5	\$465.1	\$484.1	\$504.9	\$525.2
Budgetary balance	\$1.0	\$6.5	\$11.9	\$19.3	\$22.6

The rest of the pre-budget submission is broken into four sections.

Section 1 provides an overview of the federal government's spending problem, how the federal government put itself into its debt mess and where the federal government's budget situation is heading under the trajectory laid out in the last budget.

Section 2 is the CTF's budget analysis. It shows how the federal government can balance its budget by bringing spending to pre-pandemic and all-time high levels, adjusted upward for inflation and population growth.

Section 3 recommends tax relief. Using the CTF's proposed fiscal summary, this section demonstrates how the government can reduce taxes while beginning to pay down the debt.

Section 4 identifies specific savings the CTF is recommending the government find. The CTF identifies more than \$40 billion in annual savings in addition to up to \$41 billion in potential one-time savings.

Summary of recommendations:

Balance the budget:

Recommendation: Balance the budget in 2023-24 by reducing program spending to match pre-pandemic and all-time high levels of spending in 2018-19, adjusted upward for inflation and population growth.

Tax relief:

Recommendation: Reverse all pandemic tax hikes, including the alcohol tax, payroll taxes, and scrap the carbon tax.

Recommendation: Do not impose a second carbon tax.

Recommendation: Reject future tax hikes, such as (but not limited to) a home equity tax, an annual surtax on homes, wealth tax, excess profits tax, luxury taxes, fat, sugar and meat taxes.

Recommendation: Use part of the annual surpluses to cut taxes.

Recommendation: Remove the requirement to report the sale of your home with the Canada Revenue Agency.

Recommendation: End the escalator tax on alcohol.

Members of Parliament:

Recommendation: Reverse the pandemic pay raises for politicians and reduce the size of cabinet to 2015 levels under Trudeau, saving taxpayers \$3.3 million annually.

Governor General:

Recommendation: Reverse the pandemic pay raise and reduce the salary of the governor general to the pre-pandemic salary of cabinet ministers, which is \$264,400.

Recommendation: Rein in governor general perks by turning the annual lifetime pensions to an RRSP-style pension payment for years served, and scrap the expense account once a governor general retires.

Senators:

Recommendation: Return the Senate's spending to the inflation-adjusted 2015-16 level, saving taxpayers \$35.2 million annually.

Bureaucracy:

Recommendation: Reverse all pay raises since the beginning of the pandemic.

Recommendation: Implement a sunshine list to disclose the salary of all federal employees who receive an annual salary that's more than \$100,000.

Recommendation: Bring inflation-adjusted labour costs back to the levels in 2018-19, which is the last full year before the pandemic.

Corporate welfare:

Recommendation: Scrap all corporate welfare, including direct cash subsidies, niche tax credits, loans and loan guarantees.

Recommendation: End the federal subsidies to businesses through Crown corporations and regional development agencies and return any remaining federal funds within those corporations to taxpayers.

Recommendation: Include minimum transparency requirements around corporate welfare such as the amounts disbursed or guaranteed, repayment schedule, amounts paid back, interest rates on loans, and frequent reporting on repayment. Parliament must also be required to vote on the subsidies before a business can receive any taxpayer funds.

Get out of the business of business:

Recommendation: Immediately reduce the aggregate government funding to federal crown corporations by 25 per cent.

Recommendation: Set a plan to remove government funding to CBC, Via Rail, Marine Atlantic, the NCC and Telefilm Canada.

Recommendation: Reverse the pay raises and bonuses that Crown corporations gave their employees during the pandemic.

Defund the CBC and end media subsidies:

Recommendation: Set out a plan to end all taxpayer funding to CBC, saving taxpayers nearly \$1.4 billion annually.

Recommendation: End the media bailout announced in budget 2019 and commit to no future subsidies, saving taxpayers \$147 million annually.

Equalization:

Recommendation: Reduce the size of equalization with the goal of eventually ending the program through the CTF's 20-year equalization phase out proposal.

Recommendation: Respect Alberta voters and consult with the provinces on equalization. In addition, the federal government should pass a bill that requires the federal government to publish all documents from provincial negotiations on the Department of Finance's website. This would help guard against what happened in 2018, when the federal government extended the existing equalization program until 2024 without consulting with the province.

Health and social transfers:

Recommendation: Freeze the CHT and CST in 2022 at the current \$61.1 billion, then set a maximum transfer cap to the annual rate of inflation for future years.

Gun ban and buyback:

Recommendation: End the gun ban and buyback program.

Government daycare:

Recommendation: End the government's national daycare program introduced in Budget 2021.

Politician welfare:

Recommendation: Require all political parties to pay back the federal wage subsidy, returning \$3.7 million back to taxpayers.

Recommendation: Scrap the political contributions tax credit saving taxpayers \$30 million annually.

Recommendation: End the campaign reimbursements for political parties and candidates, which includes not reimbursing campaigns for the 2021 election. This would save taxpayers about \$67 million.

Mission Cultural Fund:

Recommendation: Scrap the Mission Cultural Fund, saving taxpayers an estimated \$3.8 million annually.

Spending review:

Recommendation: Implement a comprehensive spending review similar to the Chrétien government's review in the 1990s.

Section 1: Overview

Decisions made during COVID-19 have significantly impacted the federal government's finances. By the end of this year, the federal government is on track to have increased its pre-pandemic debt by about 70 per cent.¹

While it appears that COVID-19 is driving the government's deteriorating financial position, the pandemic should not obscure the reality that other major factors are driving spending.

First, since the beginning of the pandemic, about \$200 billion of the new spending announced isn't related to COVID-19, according to the Parliamentary Budget Officer.²

"The bulk of the federal deficit was nevertheless the result of factors other than the increase in emergency health spending or the revenue decline from the disruption of the pandemic," according to a recent Fraser Institute report. In fact, 40 per cent of the pandemic deficits were not related to the pandemic.³ But even this downplays the amount of spending not related to COVID-19 as deficit spending only makes up a fraction of the government's entire spending.

In 2020, the federal government spent \$17,121 per person, by far the highest level of inflation-adjusted per person spending in Canadian history. Of that total spending, \$11,165 or 65 per cent was unrelated to COVID-19.⁴ The table below illustrates the breakdown of COVID-19 and non-COVID-19 related federal program spending in 2020.

Table: Federal per-person spending 2020

Total program spending	\$17,121
COVID-19 spending	\$5,956
Non-COVID-19 spending	\$11,165
Percentage of budget not spent on COVID-19	65%

The federal government plans to spend significantly more money for years to come. This year, the government is spending \$90 billion more than pre-pandemic. In 2027, the federal

¹ 2022 debt is from most recent budget: <https://budget.gc.ca/2022/pdf/budget-2022-en.pdf> ; Calculation uses 2019 debt figure from 2021 budget: <https://www.budget.gc.ca/2021/pdf/budget-2021-en.pdf>

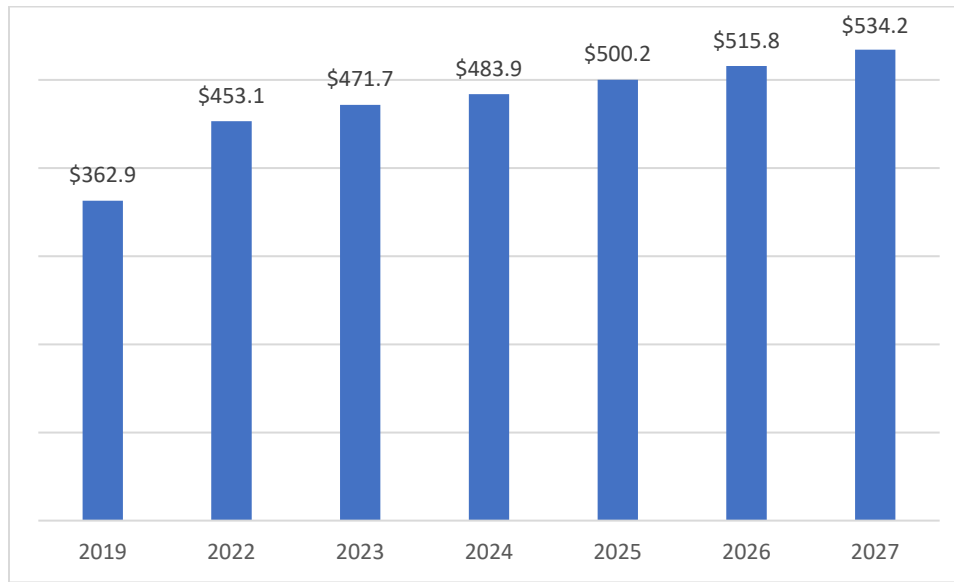
² Parliamentary Budget Officer, Budget 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/2affe02238780197b2f57fd99bf0090bab48daaf6c30a157176c3ba0b227b791>

³ Livio Di Matteo, "Storm Without End: The Economic and Fiscal Impact of COVID in Canada," Fraser Institute 2022, <https://www.fraserinstitute.org/studies/storm-without-end-the-economic-and-fiscal-impact-of-covid-in-canada>

⁴ Fraser Institute, Prime Ministers and Government Spending Updated 2021 edition, <https://www.fraserinstitute.org/sites/default/files/prime-ministers-and-government-spending-updated-2021-edition.pdf>

government is expected to spend \$171 billion more than it did before COVID-19.⁵ The figure below compares pre-pandemic spending with projected spending in future years, according to the PBO.

Figure: pre-pandemic spending vs. projected spending

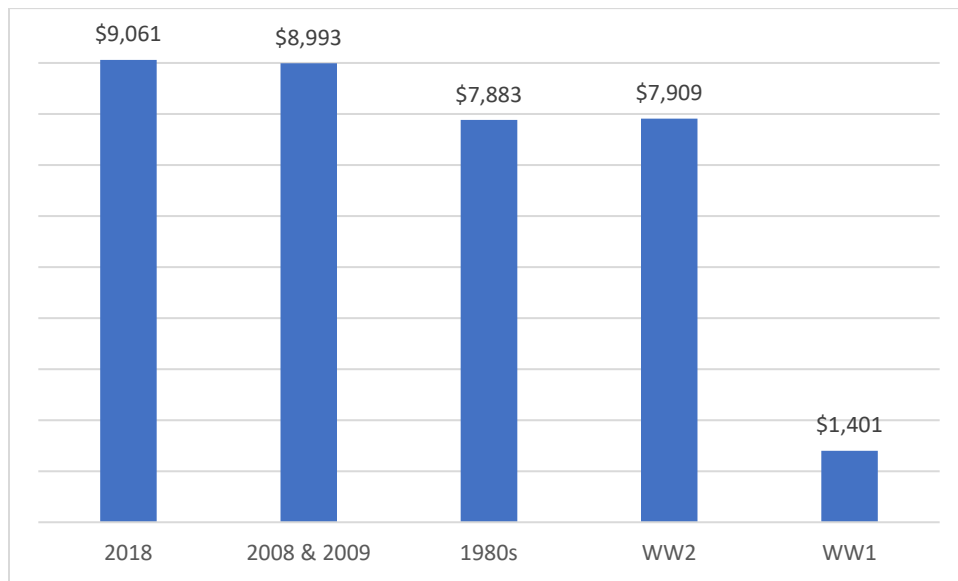


The higher level of spending for years to come is particularly concerning given that the federal government was already spending all-time highs before the pandemic, even when accounting for inflation and population differences. By 2018, the federal government's inflation-adjusted per-person spending reached \$9,061. That's higher than spending in any one year during the recessions of the 1980s, 1990s, the 2008-09 recession and both world wars.⁶ The figure below compares the federal government's 2018 (pre-pandemic) spending with previous spending during wars and recessions.

Figure: Per-person spending (2021\$)

⁵ Parliamentary Budget Officer, Economic and Fiscal Outlook – October 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>

⁶ Fraser Institute, Prime Ministers and Government Spending: 2021 Edition, <https://www.fraserinstitute.org/blogs/prime-ministers-and-government-spending-2021-edition> ; Fraser Institute, Prime Ministers and Government Spending Updated 2021 edition, <https://www.fraserinstitute.org/sites/default/files/prime-ministers-and-government-spending-updated-2021-edition.pdf>



More borrowing means more money that must be paid to cover debt interest charges. The PBO projects interest charges to cost taxpayers \$257 billion by the end of 2027. That's a cost of \$6,400 per Canadian. In fact, interest charges "are projected to more than double from their 2020-2021 level" and approach \$50 billion per year.⁷

Without course correction, Canadian taxpayers are set to lose out on hundreds of billions of dollars in interest charges over the next few decades.

Using the supplementary data published with the PBO's Fiscal Sustainability Report 2022,⁸ the Canadian Taxpayers Federation's analysis shows the federal government won't balance its budget until 2041. However, the government won't balance its budget by 2041 if low interest rates tick up, the economy doesn't grow every year or politicians announce new spending. The federal government needs the following conditions to materialize to balance the budget by 2041:

- Uninterrupted nominal GDP growth of four per cent per year and steady real GDP growth of two per cent per year;
- Average annual interest rate of 2.5 per cent, which is lower than interest rates were any year between 1991 and 2015. The current effective interest rate charged on the government's debt is 1.7 per cent. Canada's benchmark borrowing rate is now 3.25 per cent; and,

⁷ Parliamentary Budget Officer, Economic and Fiscal Outlook – October 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>

⁸ Parliamentary Budget Officer, "Fiscal Sustainability Report 2022," <https://www.pbo-dpb.ca/en/publications/RP-2223-012-S--fiscal-sustainability-report-2022--rapport-viabilite-financiere-2022>

- No new spending announcements beyond what is included in Budget 2022. However, Finance Minister Freeland has already acknowledged that Budget 2022 doesn't include everything the Liberals promised in last year's election. "We will do more things over the next three budgets," said Freeland.⁹

The Table below shows the government's projected budgetary balance until 2041.

Table: Projected budgetary balance 2022-2041

Year	Total revenue (\$ millions)	Total spending (\$ millions)	Budgetary balance (\$ millions)	Interest charges (\$ millions)
2022	\$402,270	\$443,399	-\$41,129	\$25,055
2023	\$423,725	\$453,966	-\$30,241	\$27,662
2024	\$445,346	\$465,872	-\$20,526	\$31,166
2025	\$466,475	\$485,090	-\$18,615	\$34,080
2026	\$487,291	\$504,027	-\$16,736	\$36,510
2027	\$506,705	\$525,221	-\$18,516	\$38,533
2028	\$526,767	\$546,721	-\$19,954	\$40,305
2029	\$547,481	\$568,550	-\$21,069	\$41,876
2030	\$568,844	\$590,604	-\$21,760	\$43,287
2031	\$591,089	\$612,872	-\$21,783	\$44,563
2032	\$614,548	\$635,584	-\$21,037	\$45,715
2033	\$639,045	\$658,896	-\$19,851	\$46,746
2034	\$664,304	\$682,780	-\$18,476	\$47,662
2035	\$690,472	\$707,360	-\$16,888	\$48,473
2036	\$717,810	\$732,733	-\$14,923	\$49,185
2037	\$746,229	\$758,653	-\$12,424	\$49,797
2038	\$775,653	\$785,169	-\$9,516	\$50,303
2039	\$805,941	\$812,217	-\$6,275	\$50,697
2040	\$837,080	\$839,959	-\$2,879	\$50,976
2041	\$869,393	\$868,463	\$931	\$51,139

The table below shows the economic assumptions needed to balance the budget in two decades under the current trajectory. As the table highlights, the feds need uninterrupted

⁹ Globe and Mail, "Federal budget earmarks \$56-billion in new spending, higher taxes as critics fear it will fuel inflation," <https://www.theglobeandmail.com/canada/article-canada-federal-budget-2022-summary-spending-taxes-deficit/>

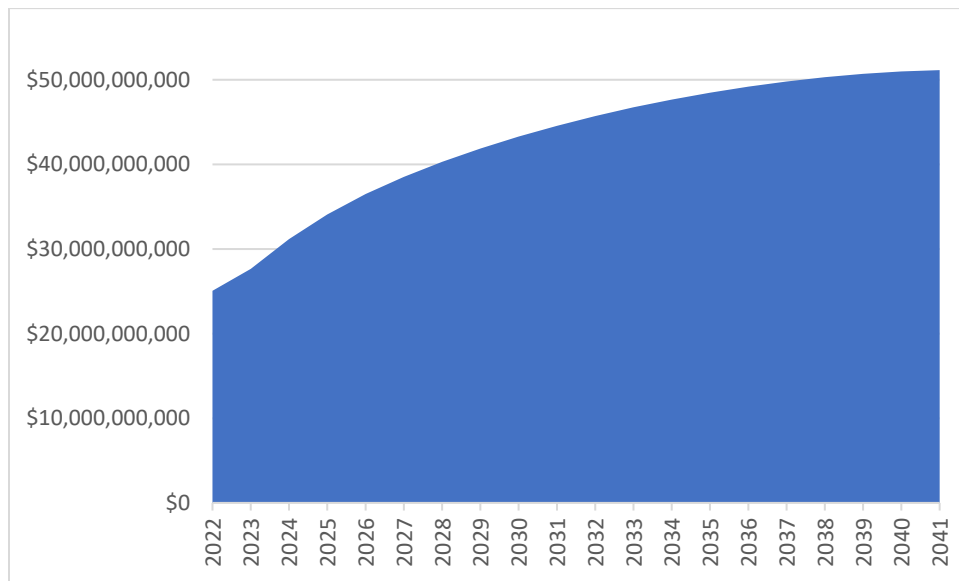
decades of growth and relatively low interest rates to balance the budget with its current spending.

Table: Economic assumptions required to balance the budget

Year	Interest Rate	Nominal GDP Growth
2022	1.7%	8%
2023	1.8%	5%
2024	2.0%	4%
2025	2.2%	4%
2026	2.3%	4%
2027	2.4%	4%
2028	2.5%	4%
2029	2.6%	4%
2030	2.6%	4%
2031	2.7%	4%
2032	2.7%	4%
2033	2.7%	4%
2034	2.8%	4%
2035	2.8%	4%
2036	2.8%	4%
2037	2.8%	4%
2038	2.8%	4%
2039	2.8%	4%
2040	2.8%	4%
2041	2.8%	4%

Even if the feds do finally balance the budget in 2041 thanks to relatively low interest rates and steady economic growth, interest charges on the government credit card will have cost taxpayers \$802 billion over those two decades. That's \$18,000 for every Canadian. One of the main problems with never-ending deficits is precisely that the more the government borrows, the more interest taxpayers are forced to pay instead of that money being used to improve government services and lower taxes. The figure below shows the accumulation of interest charges between now and 2041.

Figure: Interest debt charges (2022 – 2041)



It will take the government another two decades to pay down the debt. By the time the government pays down the debt in 2061, interest charges will have cost taxpayers \$1.6 trillion.

Section 2: Balancing the budget by returning to pre-pandemic spending

The CTF recommends the federal government balance the budget by returning program spending to pre-pandemic and all-time high levels, adjusted upward for inflation and population growth. The table below shows the government's current forecasted fiscal summary for 2022-23 through 2027-28, according to the PBO's recent economic and fiscal outlook.¹⁰

Table: Current projected fiscal summary

	2023	2024	2025	2026	2027
Program spending	\$429.7	\$439.1	\$455.2	\$469.5	\$486.6
Interest charges	\$42.0	\$44.8	\$45.0	\$46.3	\$47.6
Actuarial losses	\$2.1	\$0.1	\$0.1	-\$1.5	\$0.2
Total spending	\$473.8	\$484.0	\$500.3	\$514.3	\$534.4
Revenue	\$448.3	\$469.4	\$489.6	\$510.9	\$531.3
Deficit	-\$25.6	-\$14.6	-\$10.7	-\$3.4	-\$3.1

The government has no plan to balance the budget. The PBO's data presented in Section 1 of this submission shows that under the trajectory of Budget 2022, the government won't balance its budget until 2041. But even that won't happen if interest rates don't stay relatively low, if Canada doesn't experience two decades of uninterrupted growth and if politicians don't say no to new spending.

In the last full year before the pandemic, 2018-19,¹¹ the federal government's inflation-adjusted per-person program spending (total spending less debt interest charges) reached all-time highs.¹² The table below compares the federal government's inflation-adjusted per person spending in 2018-19 with spending highs during previous recessions and world wars.

Table: Per-person federal government spending (\$2021)

2018-19	\$9,061
2008 & 2009 recession	\$8,993
1980s	\$7,883
World War II	\$7,909

¹⁰ Parliamentary Budget Officer, Economic and Fiscal Outlook October 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>

¹¹ The government's 2019-20 ends on March 31, meaning the 2019-20 year overlapped with the beginning of the pandemic in 2020. Therefore, this budget report uses 2018-19 as the last fiscal year before the pandemic.

¹² Jake Fuss and Nathaniel Li, "Prime Ministers and Government Spending: 2021 Edition," Fraser Institute, <https://www.fraserinstitute.org/blogs/prime-ministers-and-government-spending-2021-edition>

World War I	\$1,401
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The CTF recommends balancing the budget in 2023-24 by bringing program spending back to the pre-pandemic and all-time high levels of 2018-19.

The table below highlights the fiscal summary, using 2018-19 levels of program spending adjusted upward for inflation and population growth of future years.¹³ As illustrated, the budget would be balanced next year. While forecasted program spending estimates may vary with *actual* population and inflation figures, the deficit figures illustrated below are conservative as they use the current projected debt interest charges under the current higher levels of spending and borrowing. Furthermore, if actual population and inflation figures are higher, then more government revenue should be expected. If actual population and inflation figures are lower, then the program spending should be reduced to maintain the inflation and population-adjusted 2018-19 level of spending.

Table: CTF recommended fiscal summary (billions \$)

	2023	2024	2025	2026	2027
Program spending	\$399.4	\$413.7	\$427.1	\$440.8	\$454.8
Interest charges ¹⁴	\$42.0	\$44.8	\$45.0	\$46.3	\$47.6
Net actuarial losses	\$2.1	\$0.1	\$0.1	-\$1.5	\$0.2
Total spending	\$443.5	\$458.6	\$472.2	\$485.6	\$502.6
Total revenue ¹⁵	\$444.5	\$465.1	\$484.1	\$504.9	\$525.2

¹³ Population estimates until 2021 use: Statistics Canada, Quarterly Population Estimates, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1710000901&cubeTimeFrame.startMonth=01&cubeTimeFrame.startYear=2019&cubeTimeFrame.endMonth=10&cubeTimeFrame.endYear=2021&referencePeriods=20190101%2C20211001> ; Population forecasts from 2022 to future years uses: Parliamentary Budget Officer, Fiscal Sustainability Report 2022: <https://www.pbo-dpb.ca/en/publications/RP-2223-012-S--fiscal-sustainability-report-2022--rapport-viabilite-financiere-2022> ; Inflation estimates until 2022 uses: Statistics Canada, Consumer Price Index, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000501&pickMembers%5B0%5D=1.2&cubeTimeFrame.startYear=2013&cubeTimeFrame.endYear=2020&referencePeriods=20130101%2C20200101> ; Inflation estimates from 2022 to future years uses: Parliamentary Budget Officer, Fiscal and Economic Outlook October 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9> ; 2018-19 baseline nominal program spending (to be adjusted for inflation and population growth) uses: Government of Canada, 2019 Fall Economic and Fiscal Update, <https://www.budget.gc.ca/efu-meb/2019/docs/statement-enonce/efu-meb-2019-eng.pdf>

¹⁴ Uses the same debt charges as forecasted in PBO's recent economic and fiscal update: <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>

¹⁵ Uses same revenue as forecasted in PBO's recent economic and fiscal update minus CTF tax proposals: <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>

Budgetary balance	\$1.0	\$6.5	\$11.9	\$19.3	\$22.6
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Given that the federal government was spending all-time highs in 2018-19, returning to pre-pandemic levels of spending, adjusted upwards for inflation and population growth, is achievable.

Under the CTF proposal, the federal government would significantly reduce its debt accumulation. Rather than adding another \$57 billion to the debt for future taxpayers to pay back, the CTF's proposal would reduce the debt by more than \$61 billion by 2028. The table below shows the difference between the government's current trajectory and the CTF's proposal.

Table: Federal government trajectory vs. CTF proposal (billions \$)

	2023	2024	2025	2026	2027	Total
CTF budgetary balance	\$1.0	\$6.5	\$11.9	\$19.3	\$22.6	\$61.3
Government projected budgetary balance	-\$25.6	-\$14.6	-\$10.7	-\$3.4	-\$3.1	-\$57.4
Difference	\$26.6	\$21.1	\$22.6	\$22.7	\$25.7	\$118.7

The CTF's fiscal summary is conservative as it uses the government's forecasted debt servicing costs, which would be higher than under the CTF's proposed spending that significantly reduces government borrowing. However, using the PBO's projected average effective interest rate over the time period,¹⁶ the CTF's proposal would in reality save taxpayers \$2.6 billion by 2028 through lower federal debt interest charges. Those savings could build three new hospitals based on the cost of constructing the Grande Prairie Regional Hospital.¹⁷

The goal of each federal ministry should be to bring its spending in line with its 2018-19 adjusted levels of spending. If the government wishes to keep some ministry spending higher, then it should reduce other areas to bring the total ministry spending back to adjusted 2018-19 levels of spending.

In addition to across-the-board spending reductions, Section 4 will outline specific spending reductions that should be achieved. The specific spending reductions in Section 4 can help achieve the across-the-board savings or can be used to offset a smaller reduction in the ministry budgets.

¹⁶ Parliamentary Budget Officer, Fiscal Sustainability Report 2022,

¹⁷ CTV News, "First patients served at new Grande Prairie Regional Hospital," <https://edmonton.ctvnews.ca/first-patients-served-at-new-grande-prairie-regional-hospital-1.5694022>

Recommendation: Balance the budget in 2023-24 by reducing program spending to match pre-pandemic and all-time high levels of spending in 2018-19, adjusted upward for inflation and population growth.

Section 3: Cutting taxes and reversing pandemic tax hikes

Canadians need tax relief. A recent Ipsos poll shows that 72 per cent of Canadians say they pay too much tax.¹⁸ But instead of relief, the federal government increased gas taxes, payroll taxes and alcohol taxes during the pandemic and as inflation increased.

The Trudeau government claims that “families are going to be better off” with its carbon tax and rebate scheme.¹⁹ However, a PBO report shows this is incorrect. The carbon tax will cost the average household between \$299 and \$671 this year even with the rebates, according to the PBO. As the carbon tax increases to nearly 40 cents per litre by 2030, so will the cost to Canadian families. From now through 2030, the carbon tax will cost the average household between \$6,439 and 13,041 even with the rebates, depending on the province. The tables below show the costs of the federal government’s carbon tax even with the rebates.²⁰

Table: Carbon tax costs Alberta

Year	Total Cost	Rebate	True Cost (Total cost – rebates)
2022	\$2,004	\$1,333	\$671
2023	\$2,512	\$1,665	\$847
2024	\$2,967	\$1,948	\$1,018
2025	\$3,408	\$2,215	\$1,194
2026	\$3,867	\$2,441	\$1,425
2027	\$4,312	\$2,662	\$1,650
2028	\$4,724	\$2,849	\$1,874
2029	\$5,113	\$3,033	\$2,080
2030	\$5,469	\$3,187	\$2,282
Cost 2022-2030			\$13,041

Table: Carbon tax costs Saskatchewan

Year	Total Cost	Rebate	True Cost
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¹⁸ Montreal Economic Institute, Fiscal Issues in Canada – Ipsos poll commissioned by the MEI, <https://www.iedm.org/fiscal-issues-in-canada-ipsos-poll-commissioned-by-the-mei/>

¹⁹ Toronto Star, Federal government rebates to Ontarians will outweigh costs from carbon tax, official says, <https://www.thestar.com/politics/federal/2018/10/23/federal-government-rebates-to-ontarians-will-outweigh-costs-from-carbon-tax-official-says.html>

²⁰ Parliamentary Budget Officer, A distributional analysis of federal carbon pricing, <https://distribution-a617274656661637473.pbo-dpb.ca/6399abff7887b53208a1e97cfb397801ea9f4e729c15dfb85998d1eb359ea5c7>

			(Total costs – rebates)
2022	\$1,561	\$1,172	\$390
2023	\$1,972	\$1,472	\$500
2024	\$2,350	\$1,743	\$607
2025	\$2,700	\$1,979	\$721
2026	\$3,056	\$2,193	\$863
2027	\$3,362	\$2,357	\$1,004
2028	\$3,565	\$2,376	\$1,189
2029	\$3,831	\$2,477	\$1,353
2030	\$4,085	\$2,620	\$1,464
Cost 2022-2030			\$8,091

Table: Carbon tax costs Manitoba

Year	Total Cost	Rebate	True Cost (Total costs – rebates)
2022	\$997	\$698	\$299
2023	\$1,298	\$896	\$402
2024	\$1,574	\$1,081	\$493
2025	\$1,840	\$1,250	\$590
2026	\$2,112	\$1,412	\$701
2027	\$2,375	\$1,562	\$813
2028	\$2,624	\$1,690	\$934
2029	\$2,855	\$1,793	\$1,062
2030	\$3,085	\$1,939	\$1,145
Cost 2022-2030			\$6,439

Table: carbon tax costs Ontario

Year	Total Cost	Rebate	True Cost (Total costs – rebates)
2022	\$1,039	\$679	\$360
2023	\$1,356	\$866	\$490
2024	\$1,653	\$1,037	\$616
2025	\$1,942	\$1,200	\$743

2026	\$2,234	\$1,351	\$882
2027	\$2,512	\$1,490	\$1,023
2028	\$2,782	\$1,614	\$1,168
2029	\$3,027	\$1,711	\$1,316
2030	\$3,275	\$1,814	\$1,461
Cost 2022-2030			\$8,059

The federal government is also imposing a second carbon tax through fuel regulations. The second carbon tax is set to take effect in July 2023. It is projected to add up to 13 cents per litre to the price of gasoline by 2030 and cost a family \$220 annually by 2030, according to the government's own numbers. There are no rebates with this second carbon tax.

The government's analysis shows that the second carbon tax will "disproportionately impact lower and middle-income households, as well as households currently experiencing energy poverty." That will especially harm "single mothers" and "seniors living on fixed incomes," according to the government.²¹

The government is also taking more money from workers' paycheques with its payroll tax hikes.

If you make \$65,000 this year, then the federal government is taking nearly \$4,500 directly from your pay through CPP²² and EI taxes.²³ Every employer must also cough up an extra \$4,800. That's more than \$9,200 that a working mom could've used to buy formula, ground beef or pay for dental bills, but instead her and her employer have to fork it over to the feds.

This year, the annual payroll tax bill, including employer and employee payments, increased by \$818 for each middle-class worker. Over the past decade, it increased by \$2,435.

Alcohol taxes have also increased three times during the pandemic. Taxes in Canada now make up about half of the price of beer, 65 per cent of the price of wine and more than three quarters of the price of spirits.

In addition to these tax increases, the government's pandemic budgets include a luxury tax, higher taxes on banks and insurers, an anti-flipping tax and a tax on non-residents.

²¹ Government of Canada, Clean Fuel Regulation Impact Analysis, https://www.canada.ca/content/dam/eccc/documents/pdf/climate-change/clean-fuel/regulations/CFR_CG_II_RIAS_Unofficial_Version_EN_2022-06.pdf

²² Government of Canada, CPP Contribution Rates, <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/canada-pension-plan-cpp/cpp-contribution-rates-maximums-exemptions.html>

²³ Government of Canada, EI Premium Rates, <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/employment-insurance-ei/ei-premium-rates-maximums.html>

There have also been calls for new taxes on homes,²⁴ along with a wealth tax, so-called excess profits tax, along with higher business and capital gains taxes.²⁵

A home equity tax would be particularly painful for many Canadians who rely on the sale of their home to fund their retirement years and for younger Canadians looking to upgrade their starter home to a family home. The CTF estimates that a home equity tax would cost a family that bought their home in 1980 for \$250,000 and are looking to sell it today for \$1.2 million between \$51,750 and \$190,000, depending on the home equity tax proposal.²⁶ While both the Conservatives and Liberals told Canadians they would not be imposing a home equity tax during the last election, taxpayers expect concrete action, not just words. If politicians truly want to reassure taxpayers that there is no home equity tax coming, they'll remove the requirement for Canadians to report the sale of their home with the Canada Revenue Agency.²⁷

The CTF is calling on the federal government to reverse its pandemic tax increases and reject future tax hikes.

While Ottawa has been increasing taxes, the CTF identified 51 other national governments that provided tax relief during the pandemic or to ease the burdens of inflation. National governments that provided tax relief include more than half of the G7 and G20 countries and two-thirds of the countries in the Organisation for Economic Co-operation and Development.²⁸

A total of 25 countries cut gas taxes, 15 countries cut energy taxes, 18 countries cut consumption taxes, eight countries cut income taxes and 11 countries cut business taxes. A number of countries reduced multiple taxes.

In addition to the 51 national governments that cut taxes, provincial governments such as Alberta, Ontario and Newfoundland and Labrador cut fuel taxes.

²⁴ Generation Squeeze, "Wealth and the Problem of Housing Inequity across Generations," https://d3n8a8pro7vhmx.cloudfront.net/gensqueeze/pages/6403/attachments/original/1639772589/GenSqueeze_Nov26.dat?1639772589

²⁵ NDP, "Ready for Better: New Democrats' Commitments to You," http://xfer.ndp.ca/2021/Commitments/Ready%20for%20Better%20-%20NDP%202021%20commitments.pdf?_gl=1*1af21ny*_ga*OTczNjM4NjY3LjE2Mjg3Nzc5Mjk.*_ga_97QLYMLC56*MTYyODc3NzkyOC4xLjEuMTYyODc3ODIyOS4w

²⁶ Canadian Taxpayers Federation, "Taxpayers Federation calculates cost of home equity tax," <https://www.taxpayer.com/newsroom/taxpayers-federation-calculates-cost-of-home-equity-tax>

²⁷ Government of Canada, "Reporting the sale of your principal residence for individuals (other than trusts)," <https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/federal-government-budgets/budget-2016-growing-middle-class/reporting-sale-your-principal-residence-individuals.html?fbclid=IwAR3UpEbnoafX448QO6zFPYcsWytMI2ejQnT4tjzpkzFzKZexaCI5-LuXU8g>

²⁸ Canadian Taxpayers Federation, 51 other national governments cut taxes, <https://www.taxpayer.com/media/Global-Tax-Relief-Report.pdf>

Canada is also falling behind our peers on tax competitiveness, according to the Tax Foundation's *2021 International Tax Competitiveness Index* that compares tax systems for 37 countries that belong to the Organisation for Economic Co-operation and Development.²⁹ The international comparison shows that Canada is ranked 20th (out of 37 OECD countries) on tax competitiveness, which is two spots below Canada's 2020 rank and means Canada is in the bottom half of the pack on tax competitiveness. Key findings from the report include:

- Canada ranked 20th (out of 37) on tax competitiveness, which is two spots worse than our 2020 rank;
- Canada ranked 23rd on business tax competitiveness;
- Canada ranked 27th on individual tax competitiveness;
- Canada ranked 24th on property tax competitiveness; and,
- Canada ranked 8th on consumption tax competitiveness.

The report notes "some strengths of the Canadian tax system" include the fact that "Canada does not levy wealth, estate, or inheritance taxes."

By returning program spending to the all-time high levels of pre-pandemic, adjusted upward for inflation and population growth, the government can balance the budget in 2023-24. The average annual surplus over the next five years, following the CTF's plan, would be \$12.3 billion. That means the government can balance the budget, provide meaningful tax relief and allocate some money toward debt reduction. Options for further tax relief include:

- Cut the GST by one percentage point and reduce the debt by about \$3 billion annually
- Cut the lowest income tax rate by two percentage points and reduce the debt by about \$3 billion annually

The following section identifies \$4.4 billion in annual savings by ending niche business tax credits and regional development agencies. That money could be used to lower the small business tax rate by seven percentage points, from the current nine per cent to two per cent.³⁰

Recommendation: Reverse all pandemic tax hikes, including the alcohol tax, payroll taxes, and scrap the carbon tax.

Recommendation: Do not impose a second carbon tax through fuel regulations.

Recommendation: Reject future tax hikes, such as (but not limited to) a home equity tax, an annual surtax on homes, wealth tax, excess profits tax, luxury taxes, fat, sugar and meat taxes.

²⁹ Daniel Bunn and Elke Asen, "International Tax Competitiveness Index 2021," Tax Foundation, <https://files.taxfoundation.org/20211014170634/International-Tax-Competitiveness-Index-2021.pdf>

³⁰ Tax savings found using: Parliamentary Budget Officer, Ready Reckoner tool, <https://www.pbo-dpb.ca/en/research--recherches/tools--outils/ready-reckoner--simulateur-budgetaire/index>

Recommendation: Use part of the annual surpluses to cut taxes.

Recommendation: Remove the requirement to report the sale of your home with the Canada Revenue Agency.

Recommendation: End the escalator tax on alcohol.

Section 4: Specific spending cuts

The CTF identified \$40 billion in annual savings. The CTF also identified up to \$41 billion in potential one-time savings. The savings are illustrated in the table below and elaborated on throughout the remainder of this submission. In addition to these specific reductions, the CTF is calling on the government to find additional savings through a comprehensive spending review similar to the Chrétien government's review in the 1990s.

Table: Potential federal government savings

Saving	Annual	One-time
Members of Parliament	\$3,255,400	
Senate	\$35,168,177	
Bureaucracy	\$9,272,950,000	
Corporate welfare		\$38,343,000,000
Business tax credits	\$3,092,000,000	
Regional Development Agencies	\$1,339,129,000	
Crown corporations 25% cut	\$2,099,314,250	
Defunding certain Crown corporations	\$543,654,000	
Reverse Crown corporation pay hikes	\$157,585,000	
Defund the CBC	\$1,394,346,000	
End media bailout	\$147,000,000	
Gun ban and buyback		\$2,647,000,000
End national daycare program	\$7,276,666,667	
Mission Cultural Fund	\$3,779,080	
Political Contributions Tax Credit	\$30,000,000	
Wage subsidy to political parties		\$3,700,000
Election reimbursements		\$66,700,000
Equalization	\$10,317,115,800	
Health and social transfers	\$4,700,000,000	
Total	\$40,411,963,374	\$41,060,400,000

The CTF recognizes that total saving through areas such as corporate welfare may be smaller as some of the funds may have already been spent. The table above should be considered a best estimate based on publicly available data. The CTF also recommends the government establish

an across-the-board spending review to find additional savings, similar to what was successfully achieved in the 1990s.

1. Leadership at the top – members of Parliament

For MPs to effectively sell savings to government departments, they will need to earn moral authority by tightening their own belts.

MP salaries have increased even during the pandemic. MPs have given themselves three pay raises while millions of Canadians struggled through the pandemic. The MP pay raises range between \$10,600 for backbench MPs to \$21,200 for the prime minister. The salaries of MPs and their pandemic pay hikes are highlighted in the table below.

Table: Politician pay raises during COVID-19

Position	Pre-COVID Salary	Current Salary	Pay raise during COVID
Senator	\$153,900	\$164,500	\$10,600
MP	\$178,900	\$189,500	\$10,600
Minister	\$264,400	\$279,900	\$15,500
Prime Minister	\$357,800	\$379,000	\$21,200

MPs get pay raises each year on April 1, based on the average annual base-rate increase in private-sector union contracts with corporations that have 500 or more employees.³¹ The federal government stopped the automatic pay raises between 2010 and 2013 in response to the 2008-09 recession.³²

While Canada's MPs pocketed three pay raises during the pandemic, politicians in other countries showed solidarity with their taxpayers and took a pay cut.

"We acknowledge New Zealanders who are reliant on wage subsidies, taking pay cuts, and losing their jobs as a result of the COVID-19 global pandemic," said New Zealand Prime Minister Jacinda Ardern. "I can confirm that myself and government ministers and public service chief executives will take a 20 per cent pay cut for the next six months."³³

³¹ Government of Canada, "Parliament of Canada Act," <https://laws-lois.justice.gc.ca/eng/acts/p-1/index.html>

³² Marieke Walsh, "Liberals mum, as Tories, NDP say they would support MP pay freeze," The Globe and Mail, <https://www.theglobeandmail.com/politics/article-liberals-mum-as-tories-ndp-say-they-would-support-mp-pay-freeze/>

³³ Isaac Yee, Eric Cheung and Emma Reynolds, "Jacinda Ardern and New Zealand cabinet take pay cut because of coronavirus," CNN, https://www.cnn.com/2020/04/15/world/jacinda-ardern-pay-cut-coronavirus-intl/index.html?fbclid=IwAR2V6Abi_0Y4cD0aDRZvcfwwOlqASv3aKsVltARy7vbF_u0ITvGnQsTUOpM

The CTF identified 30 jurisdictions where politicians took pay cuts at some point during COVID-19.³⁴

In addition to bigger salaries, Prime Minister Justin Trudeau also increased the number of cabinet ministers. In fact, the salary cost of this cabinet, at the current salary rate, is \$11 million per year, which is almost \$3.3 million more than the cabinet Trudeau appointed in 2015. The annual salary cost of Trudeau's cabinets is illustrated in the table below.³⁵

Table: Annual salary cost of Trudeau's cabinets

Year	Number of ministers (not including prime minister)	Minister's salary	Prime minister's salary	Salary cost of cabinet
2015	30	\$247,500	\$334,800	\$7,759,800
2019	36	\$264,400	\$357,800	\$9,876,200
2022	38	\$279,900	\$379,000	\$11,015,200

Given the struggles of the pandemic, the job losses and pay cuts in the private sector, and the business closures, the CTF is recommending the reversal of the pandemic politician pay hikes and a reduction of Trudeau's cabinet size back to 2015. This would save taxpayers \$3.3 million every year.

Recommendation: Reverse the pandemic pay raises for politicians and reduce the size of cabinet to 2015 levels under Trudeau, saving taxpayers \$3.3 million annually.

³⁴ To see the list of jurisdictions where politicians took pay cuts during the pandemic see:

<http://www.taxpayer.com/media/Labour-Day-Reality-Check-2021.pdf>

³⁵ Canadian Taxpayers Federation, "Salary costs for cabinet increase by \$3 million since 2015,"

<https://www.taxpayer.com/newsroom/salary-costs-for-cabinet-increase-by-3-million-since-2015>

2. Leadership at the top – Governor General

Salary and perks for governors general should have been reined in long ago.

Similar to MPs, the governor general also received a salary increase. During the pandemic in 2020, former governor general Julie Payette saw her pay increase from \$302,114 to \$308,972.³⁶ Not only did this pay raise come at a time when many Canadians were taking pay cuts, losing their jobs or business, but it's important to remember that Payette resigned early after reports of overseeing a toxic workplace. In fact, the governor general's pay has increased every single year since 2013 (when new pay structure was introduced which taxed their salary) and has increased by \$38,370 between 2013 and 2020. This taxpayer-funded salary puts the governor general comfortably in the top one per cent of all Canadian income earners.³⁷

In addition to the high salary, governors general also receive post-retirement benefits that are unheard of for average Canadians. Former governors general are eligible for the full pension regardless of how long they serve in the role. Even though Julie Payette only served for a little more than three years, she will still receive an estimated \$4.8 million if she continues to collect the governor general pension to age 90. The table below shows how much money each living former governor general will receive through their taxpayer funded pension if they continue to collect payments until age 90.

Table: Pension payments to former governors general³⁸

Governor General	Pension to age 90
Edward Schreyer (2000 to age 90)	\$3.4 million
Adrienne Clarkson	\$3.2 million
Michaëlle Jean	\$5.4 million
David Johnston	\$1.9 million
Julie Payette	\$4.8 million
Total	\$18.7 million

³⁶ Library of Parliament, "Indemnities, Salaries and Allowances,"

https://lop.parl.ca/sites/ParlInfo/default/en_CA/People/Salaries

³⁷ Statistics Canada, "High income tax filers in Canada,"

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110005501&pickMembers%5B0%5D=1.1&pickMembers%5B1%5D=3.3&cubeTimeFrame.startYear=2015&cubeTimeFrame.endYear=2019&referencePeriods=20150101%2C20190101>

³⁸ Canadian Taxpayers Federation, "Pensions for former governors general cost more than \$18 million,"

<https://www.taxpayer.com/newsroom/pensions-for-former-governors-general-cost-taxpayers-more-than-18-million>

On top of the annual pension, former governors general can expense taxpayers for \$206,040 per year for the rest of their lives and up to six months after their death. With the five former governors general, the expense account could cost taxpayers up to \$1.03 million every year.³⁹

Recommendation: Reverse the pandemic pay raise and reduce the salary of the governor general to the pre-pandemic salary of cabinet ministers, which is \$264,400.

Recommendation: Rein in governor general perks by turning the annual lifetime pensions to an RRSP-style pension payment for years served, and scrap the expense account once a governor general retires.

³⁹ Canadian Taxpayers Federation, "Former governor generals allowed to bill Canadians beyond the grave," <https://www.taxpayer.com/newsroom/former-governor-generals-allowed-to-bill-canadians-beyond-the-grave>

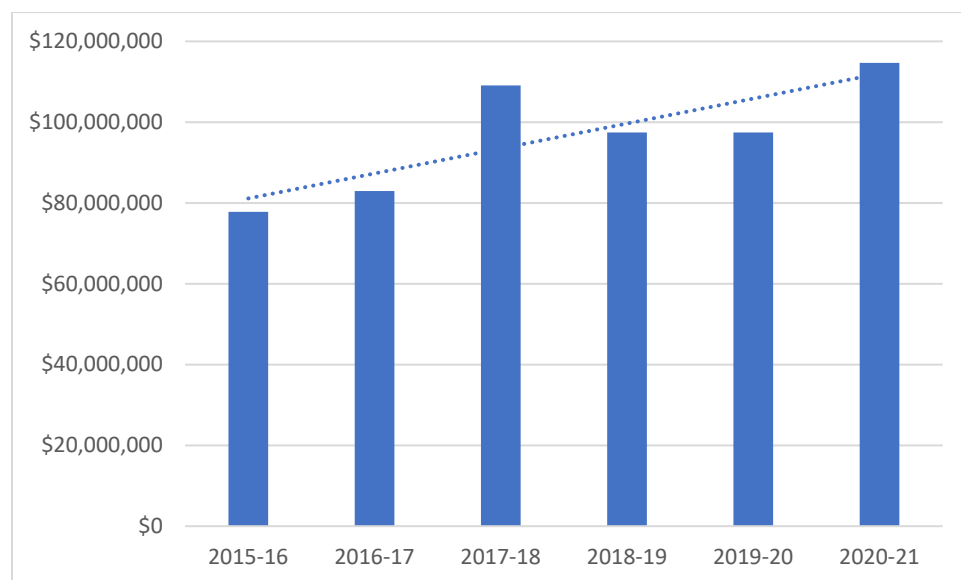
3. Leadership at the top – senators

In addition to politician pay raises, senators also received three pay raises during the pandemic. Prior to the pandemic, senators received a salary of \$153,900. Senators currently receive \$164,500 annually, which means the pandemic pay raises for senators total \$10,600. All senators are set to receive another pay raise on April 1, 2023.

The Senate's spending is projected to increase by \$6.3 million, or 5.4 per cent this year.⁴⁰

This increase underscores the years of previous budget increases. Between 2015 and 2020, the Senate's annual inflation-adjusted spending has increased by about \$37 million, or 47 per cent. The figure below highlights the Senate's annual spending.⁴¹

Figure: Inflation-adjusted Senate spending, 2015-16 to 2020-21



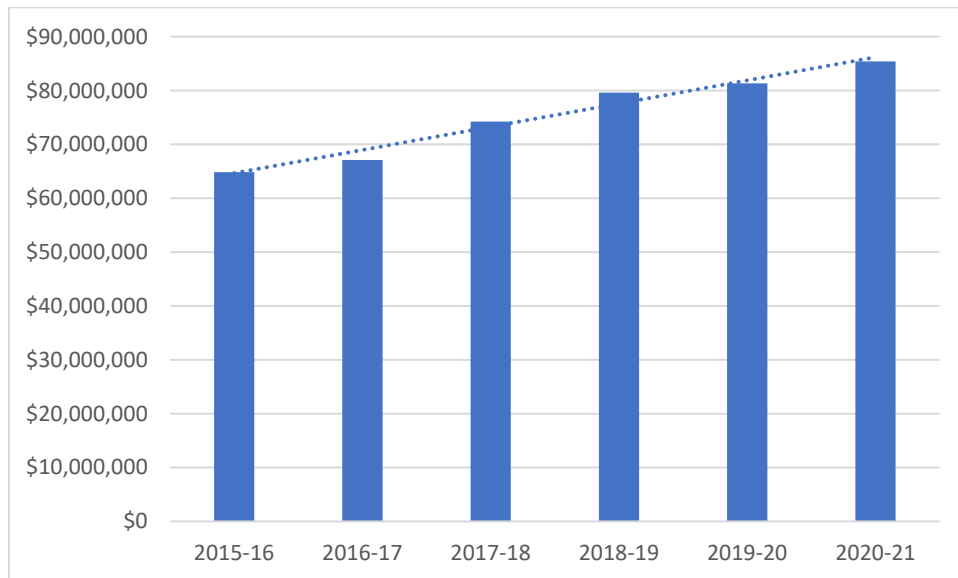
Labour costs are a significant driver of the Senate's spending, making up nearly 77 per cent of the Senate's spending this year.⁴² Labour costs have also been increasing significantly since 2015, rising by more than \$20 million, or almost 32 per cent. The rise in inflation-adjusted Senate labour costs is illustrated in the figure below.

⁴⁰ Senate of Canada, "Financial Reports," <https://sencanada.ca/en/ProActive/>

⁴¹ Senate of Canada, Financial statements 2015-16 to 2020-21, <https://sencanada.ca/en/ProActive/> ; inflation-adjusted to 2020 dollars (majority of 2020-21 year occurred during 2020 calendar year) using the Bank of Canada's inflation calculator: <https://www.bankofcanada.ca/rates/related/inflation-calculator/>

⁴² Senate of Canada, Planned spending 2022-23, https://sencanada.ca/ProactiveDisclosure/ps/finproc_rpt_main%20estimates_2022-2023_proactive%20disclosure_e_2021-12-22.pdf

Figure: Inflation-adjusted senate labour costs, 2015-16 to 2020-21



Recommendation: Return the Senate's spending to the inflation-adjusted 2015-16 level, saving taxpayers \$35.2 million annually.

4. Reining in the federal bureaucracy

Canadians have endured a tale of two downturns during the pandemic. There's the very real downturn full of private-sector pain. Then there's the experience of government employees who have largely been financially shielded from the downturn and have even benefited.

Through access to information requests, the CTF obtained government documents showing that 312,825 federal government employees received a pay raise during the pandemic.⁴³ The federal government has no records of any employee receiving a pay cut during the pandemic. In fact, the federal government has no records of its employees ever receiving a pay cut.⁴⁴

The federal government negotiated pay raises in the middle of the pandemic and as its debt ballooned toward the \$1-trillion mark.

On July 22, 2020, Postmedia reported that "the Treasury Board has signed a tentative agreement with the Public Service Alliance of Canada to boost the wages of [10,000] unionized workers by 6.64 per cent over three years." Postmedia also noted that this agreement followed "an earlier agreement, announced July 10, that hiked wages for 84,000 'administrative services' bureaucrats, who also saw a 6.64 per cent increase over three years."⁴⁵

The PSAC is now pushing for compensation increases of up to 14 per cent per year.

"PSAC has asked for average increases, including pay and other provisions, of up to 14 per cent annually over three years across their bargaining groups," according to the Treasury Board of Canada Secretariat.⁴⁶

Those demands mean higher taxes. The federal government spends about \$60 billion on labour annually, according to public accounts.⁴⁷ Giving the bureaucracy another 14 per cent would

⁴³ Access to information request, <http://www.taxpayer.com/media/Federal-Government-Pay-Raises-Number-Employees.pdf>

⁴⁴ Colin Craig and Gage Haubrich, POLICY BRIEF: The last government pay cut (2021 edition), Secondstreet.org, <https://secondstreet.org/wp-content/uploads/2021/09/Policy-Brief-The-Last-Pay-Cut-Final.pdf>

⁴⁵ Jesse Snyder, "Liberals to hike pay for 10,000 bureaucrats even as federal deficit continues to swell," National Post, <https://nationalpost.com/news/liberals-to-hike-pay-for-10000-bureaucrats-even-as-federal-deficit-continues-to-swell>

⁴⁶ CTV Ottawa, "Public servants ready to strike if no contract reached with federal government," https://ottawa.ctvnews.ca/public-servants-ready-to-strike-if-no-contract-reached-with-federal-government-1.6060783?cid=sm%3Atrueanthem%3Actvottawa%3Atwitterpost&taid=631a894a0e77c600016672f5&utm_campaign=trueAnthem%3A+Trending+Content&utm_medium=trueAnthem&utm_source=twitter

⁴⁷ Public Accounts of Canada 2020-2021, <https://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/2021/pdf/2021-vol1-eng.pdf#page=73>

cost taxpayers \$8 billion a year. How would the federal government pay for that? It could hike the GST by nearly a full percentage point. Or hike its lowest income tax rate by 1.75 points.⁴⁸

In addition to bigger bureaucrat salaries, taxpayers are also paying for more government employees across the country.

Government jobs account for 87 per cent of the new jobs created since the beginning of the pandemic. “There has been almost no net job creation in the private sector,” according to a Fraser Institute report.⁴⁹

But even this downplays the difference in fortunes during the depths of the pandemic.

Last December, Finance Minister Chrystia Freeland said Canada “recovered 106 per cent of the jobs lost at the peak of the pandemic.”⁵⁰ But even by the end of last December, only the government felt the recovery. There were still 80,100 fewer jobs in the private sector,⁵¹ while the number of jobs in government rose by 312,700. Of those new government jobs, 114,500 were “public administration” bureaucrats.⁵²

The federal government also dished out \$360 million in bonuses in 2020 and 2021. Almost 90 per cent of government executives received a bonus last year. All while departments failed to meet half of their own objectives.⁵³

The increase in the number of government employees has been occurring at the federal level for years. In fact, the federal bureaucracy has increased by 56,905 employees over the last five

⁴⁸ Parliamentary Budget Officer, Ready Reckoner, <https://www.pbo-dpb.ca/en/research--recherches/tools--outils/ready-reckoner--simulateur-budgetaire/index>

⁴⁹ Fraser Institute, “Comparing Government and Private Sector Job Growth in the COVID-19 Era,” <https://www.fraserinstitute.org/studies/comparing-government-and-private-sector-job-growth-in-the-covid-19-era>

⁵⁰ Government of Canada, “Address by the Deputy Prime Minister and Minister of Finance on the Economic and Fiscal Update 2021,” <https://www.canada.ca/en/department-finance/news/2021/12/remarks-by-the-deputy-prime-minister-and-minister-of-finance-economic-and-fiscal-update-2021.html>

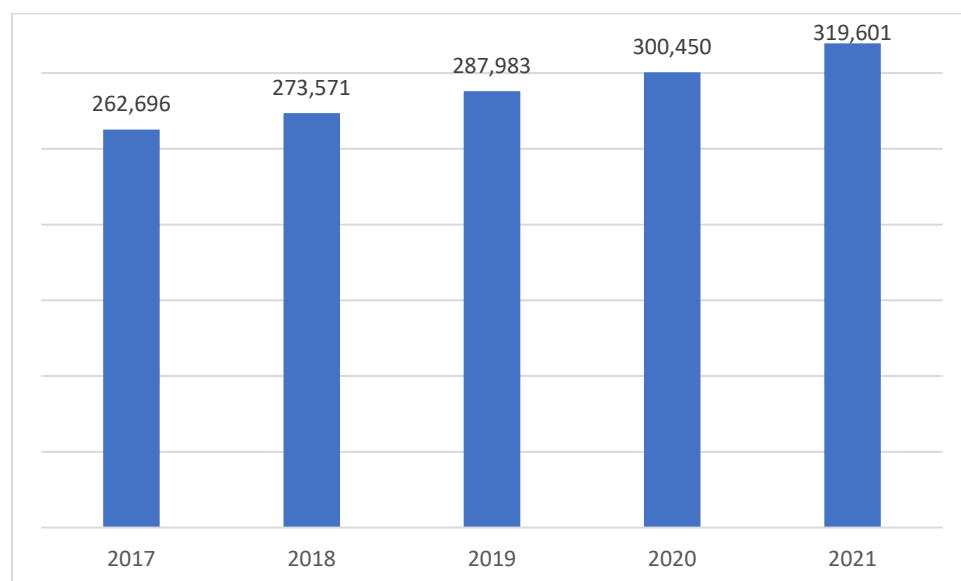
⁵¹ Statistics Canada, Employment by class of worker, monthly, seasonally adjusted (x 1,000), <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410028802&pickMembers%5B0%5D=1.1&pickMembers%5B1%5D=3.1&cubeTimeFrame.startMonth=02&cubeTimeFrame.startYear=2020&referencePeriods=20200201%2C20200201>

⁵² Statistics Canada, Employment by industry, monthly, seasonally adjusted (x 1,000), <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410035502&pickMembers%5B0%5D=1.1&cubeTimeFrame.startMonth=02&cubeTimeFrame.startYear=2020&referencePeriods=20200201%2C20200201>

⁵³ Christopher Nardi, “‘Completely unjustifiable’: Feds paid out \$190 million in bonuses to public servants,” <https://nationalpost.com/news/politics/completely-unjustifiable-feds-paid-out-191-million-in-bonuses-to-public-servants>

years, which means the federal government has added more than 14,000 employees per year since 2017 (see figure below).⁵⁴

Figure: Number of federal government employees, March of each year



Total labour costs for the federal government have also increased over the decade. Between 2011 and 2020, the federal government’s inflation-adjusted labour costs increased by nearly \$10 billion or more than 19 per cent, according to the public accounts of Canada.⁵⁵

In addition to higher labour costs and more bureaucrats, there’s also a greater number of higher paid federal government employees. Unlike the vast majority of provinces, the federal government does not have a sunshine list to disclose the salaries of its highest paid employees. Through access to information requests, the CTF received data on the number of federal employees that would be included on a federal sunshine list if it disclosed the salaries of employees receiving more than \$100,000 per year, which is presented in the table below. There are now 45,000 more federal bureaucrats receiving a six-figure salary than there were before the pandemic.

Table: Number of federal employees receiving more than \$100,000-salary

Increase	Number of employees
<u>2021</u>	114,433

⁵⁴ Government of Canada, Population of the federal public service, <https://www.canada.ca/en/treasury-board-secretariat/services/innovation/human-resources-statistics/population-federal-public-service.html>

⁵⁵ Government of Canada, “Public Accounts of Canada,” <https://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>

2020	74,925
2019	69,007
2018	71,534
2017	61,165
2016	42,518
2015	43,424

Government labour costs were unfair for taxpayers before the pandemic. After controlling for numerous factors such as age, education, occupation, province and city, the Fraser Institute found that government employees at all levels receive a 9.4 per cent wage premium compared to their counterparts working outside of government in 2018. In addition, the Fraser Institute found that government employees are more likely to receive a workplace pension, a defined benefit pension, retire earlier, have more job security and take more personal days than workers outside of government.⁵⁶ The government of Quebec found that federal government employees in Quebec enjoy a 20.9 per cent compensation premium compared to similar workers who are employed by large businesses in Quebec.⁵⁷ The table below highlights the Fraser Institute's key findings on the compensation gap between government employees and their counterparts outside of government.

Table: Government vs. private sector on pay and benefits

Category	Business	Government
Salary differential		+9.4%
Workers with workplace pension	22.5%	87.7%
Workers with defined benefit pension	9.2%	79.6%
Lost work for personal reasons	8.6 days	14.6 days
Retirement		2.4 years earlier

Recommendation: Reverse all pay raises since the beginning of the pandemic.

⁵⁶ Milagros Palacios and Nathaniel Li, "Comparing Government and Private Sector Compensation in Canada," <https://www.fraserinstitute.org/sites/default/files/comparing-govt-and-private-sector-compensation-in-canada-2020.pdf>

⁵⁷ Government of Quebec, "Rémunération des salariés," <https://statistique.quebec.ca/fr/fichier/remuneration-des-salaries-etat-et-evolution-compare-2021-faits-saillants.pdf>

Recommendation: Implement a sunshine list to disclose the salary of all federal employees who receive an annual salary that's more than \$100,000.

Recommendation: Bring inflation-adjusted labour costs back to the levels in 2018-19, which is the last full year before the pandemic, saving taxpayers \$9.3 billion annually.

5. Scrapping corporate welfare

While failing to offer broad-based tax relief, the federal government's recent economic strategy has been centred around corporate welfare. The table below highlights corporate welfare announcements identified by the CTF during since 2017.

Table: Corporate welfare announcements since 2017

Company/Industry	Year	Cost
Quebec aerospace companies	2017	\$2,200,000
Honda	2017	\$41,800,000
Bombardier	2017	\$372,500,000
Strategic Innovation Fund	2017	\$5,600,000,000
Alberta energy sector subsidies	2018	\$1,600,000,000
Toyota	2018	\$110,000,000
Electric vehicles	2019	\$300,000,000
Loblaws	2019	\$12,000,000
Ford Motor Company	2020	\$295,000,000
Air Canada	2021	\$5,879,000,000
Air Transat	2021	\$700,000,000
Porter Airlines	2021	\$270,500,000
Quebec aerospace companies	2021	\$440,000,000
Telesat	2021	\$1,440,000,000
LM Wind Power	2021	\$25,000,000
Algoma Steel	2021	\$420,000,000
Canadian Photonics Fabrication Centre	2021	\$90,000,000
Development and supply of semiconductors	2022	\$150,000,000
Canada Growth Fund	2022	\$15,000,000,000
Critical Minerals Strategy	2022	\$3,800,000,000
Canadian Innovation and Investment Agency	2022	\$1,000,000,000
Semiconductor industry	2022	\$45,000,000
Global Innovations Clusters	2022	\$750,000,000
Total		\$38,343,000,000

The CTF calls on the federal government to cancel these corporate welfare subsidies and return as much money as possible to taxpayers.

Even this list of one-time corporate welfare spending is likely understating the true cost to taxpayers. A 2018 report from the University of Calgary estimated the federal government's business subsidies totaled \$14 billion in 2014 alone.⁵⁸ The report also estimates that special taxpayer treatment for businesses at the federal level increased by six per cent between the 2015 and 2018 fiscal years.

Businesses can also receive special taxpayer treatment through the tax system because of the convoluted privileges and boutique tax credits. The government's 2022 *Report on Federal Tax Expenditures* identifies "over 200 different income tax and GST measures."⁵⁹ Using this report, the CTF identified taxpayer costs totalling more than \$3 billion for 2023 from 12 tax credits that privilege certain businesses or industries. The table below highlights the business tax credits and their projected costs.

Table: Federal tax credits for businesses in 2023

Tax expenditures	Cost 2023
Corporate Mineral Exploration and Development Tax Credit	\$40,000,000
Mineral Exploration Tax Credit	\$90,000,000
Scientific Research and Experimental Development Investment Tax Credit	\$1,635,000,000
Exemption from branch tax for transportation, communications, and iron ore mining corporations	\$25,000,000
Atlantic Investment Tax Credit	\$125,000,000
Apprenticeship Job Creation Tax Credit	\$96,000,000
Rate reduction for zero-emission technology manufacturers	\$10,000,000
Logging Tax Credit	\$56,000,000
Labour-Sponsored Venture Capital Corporations Credit	\$185,000,000
Canada Training Credit	\$150,000,000
Canadian Film or Video Production Tax Credit	\$305,000,000
Film or Video Production Services Tax Credit	\$375,000,000
Total	\$3,092,000,000

⁵⁸ John Lester, "Business subsidies in Canada: Comprehensive estimates for the government of Canada and the four largest provinces," University of Calgary, <https://www.policyschool.ca/wp-content/uploads/2018/01/Business-Subsidies-in-Canada-Lester.pdf>

⁵⁹ Government of Canada, Report on Federal Tax Expenditures 2022, https://publications.gc.ca/collections/collection_2022/fin/F1-47-2022-eng.pdf

Federal Crown corporations and government regional development agencies also provide subsidies to businesses, such as:

The Business Development Bank of Canada: BDC is a crown corporation whose sole shareholder is the government of Canada. The BDC assists Canadian businesses through financing and advisory services. “To finance its objectives, BDC borrows funds from Her Majesty the Queen in Right of Canada acting through the Minister of Finance,” according to its 2021 annual report.⁶⁰ According to the 2018 University of Calgary report noted above, the BDC provided an implicit subsidy to businesses of \$1.1 billion in 2014-15.⁶¹

Export Development Canada: EDC is a crown corporation that provides equity, insurance and advisory services for Canadian exporters. In 2020, the EDC received “two capital injections” from the government of Canada totalling nearly \$11 billion.⁶² According to EDC’s 2020 annual report, “all obligations under debt instruments we issue are obligations of Canada.”

Atlantic Canada Opportunities Agency: ACOA is a regional development agency that funds business ventures in Atlantic Canada through loans, equity financing, training, expert advice,⁶³ interest-free loans,⁶⁴ along with spending on “community projects” that “do not have to be repaid.”⁶⁵ The table below shows government funding to the ACOA between 2018 and 2020. Given the anomaly of 2020, the CTF assumes that ending the ACOA would save taxpayers \$354.5 million annually.

Table: Annual government funding to ACOA⁶⁶

	2018	2019	2020
Government funding	\$368,944,000	\$354,519,000	\$590,655,220

Canada Economic Development for Quebec regions: The regional economic development agency gives tax dollars to projects that target “entrepreneurial growth, innovation,

⁶⁰ BDC, “2021 Annual Report,” <https://www.bdc.ca/globalassets/digizuite/33122-bdc-annual-report-2021.pdf>

⁶¹ John Lester, “Business subsidies in Canada: Comprehensive estimates for the government of Canada and the four largest provinces,” University of Calgary, <https://www.policyschool.ca/wp-content/uploads/2018/01/Business-Subsidies-in-Canada-Lester.pdf>

⁶² Export Development Canada, 2020 Annual Report, <https://www.edc.ca/content/dam/edc/en/corporate/corporate-reports/annual-reports/2020-annual-report.pdf>

⁶³ Government of Canada, Atlantic Canadian Opportunities Agency, Community Futures, <https://www.canada.ca/en/atlantic-canada-opportunities/services/community-futures.html>

⁶⁴ Government of Canada, Atlantic Canadian Opportunities Agency, Business Development Program, <https://www.canada.ca/en/atlantic-canada-opportunities/services/business-development-program.html>

⁶⁵ Government of Canada, Atlantic Canadian Opportunities Agency, Innovative Communities Fund, <https://www.canada.ca/en/atlantic-canada-opportunities/services/innovative-communities-fund.html>

⁶⁶ Government of Canada, Public accounts: 2018-19 – 2020-21.

diversification and local economic development.”⁶⁷ Funding is available for Quebec’s aerospace industry, fish and seafood processors, regional air transportation, tourism among others. Funding can include interest free loans,⁶⁸ and non-repayable financial assistance.⁶⁹ The table below shows government funding to the CED Quebec between 2018 and 2020. Given the anomaly of 2020, the CTF assumes that ending the CED would save taxpayers \$331.7 million annually.

Table: Annual government funding for CED Quebec⁷⁰

	2018	2019	2020
Government funding	\$296,679,000	\$331,745,000	\$614,324,414

Canadian Northern Economic Development Agency: CanNor is the federal government’s regional development agency in the territories and supports the mining industry,⁷¹ tourism, fishing, energy⁷² and advisory services.⁷³ The table below shows the government funding to CanNor. Given the anomaly of 2020, the CTF assumes that ending CanNor would save taxpayers \$68.5 million annually.

Table: Annual government funding for CanNor⁷⁴

	2018	2019	2020
Government funding	\$50,815,000	\$68,522,000	\$123,051,655

Federal Economic Development Agency for Southern Ontario: FedDev Ontario provides subsidies to Ontario businesses through interest-free loans,⁷⁵ funding for aerospace

⁶⁷ Government of Canada, Canada Economic Development for Quebec Regions, Funding, https://dec.canada.ca/en/funding/?postal_code=&organizations=&page=1&limit=0

⁶⁸ Government of Canada, Canada Economic Development for Quebec Regions, Canada Seafood Stabilization Fund – Quebec, <https://dec.canada.ca/en/funding/canada-seafood-stabilization-fund-quebec/>

⁶⁹ Government of Canada, Canada Economic Development for Quebec Regions, Ecosystem of regional innovation, <https://dec.canada.ca/en/funding/ecosystem-of-regional-innovations/>

⁷⁰ Government of Canada, Public accounts: 2018-19 – 2020-21.

⁷¹ Government of Canada, Canadian Northern Economic Development Agency, Resource Development, <https://www.cannor.gc.ca/eng/1368816364402/1368816377148>

⁷² Government of Canada, Canadian Northern Economic Development Agency, Community Development, <https://www.cannor.gc.ca/eng/1368816240563/1368816262134>

⁷³ Government of Canada, Canadian Northern Economic Development Agency, Business Development, <https://www.cannor.gc.ca/eng/1368815784186/1368815799374>

⁷⁴ Government of Canada, Public accounts: 2018-19 – 2020-21.

⁷⁵ Government of Canada, FedDev Ontario, Business scale-up and productivity, <http://www.feddevontario.gc.ca/eic/site/723.nsf/eng/02466.html?OpenDocument>

companies⁷⁶ and “major Canadian events and festivals,”⁷⁷ among other subsidies. The table below shows the government funding to FedDev Ontario. Given the anomaly of 2020, the CTF assumes that ending FedDev Ontario would save taxpayers \$267.8 million annually.

Table: Annual government funding for FedDev Ontario⁷⁸

	2018	2019	2020
Government funding	\$242,602,000	\$267,828,000	\$692,746,495

Federal Economic Development Agency for Northern Ontario: FedNor provides consulting services,⁷⁹ internship support,⁸⁰ and export support for businesses.⁸¹ With FedNor being a newly created regional development agency, its financials are not reported in the most recent public accounts.

Western Economic Diversification: Prairies Economic Development Canada and Pacific Economic Development Canada are two federal regional development agencies proposed in Budget 2021. Previously, the department of Western Economic Diversification carried out similar functions as described in the other RDAs. The table below shows the government funding to Western Economic Diversification. Given the anomaly of 2020, the CTF assumes that ending the two new western RDAs would save taxpayers \$316.5 million, based on funding for Western Economic Diversification.

Table: Annual government funding for Western Economic Diversification⁸²

	2018	2019	2020
Government funding	\$243,600,000	\$316,515,000	\$1,057,311,813

Based on data provided in the 2019 public accounts,⁸³ the CTF estimates that ending Canada’s seven RDAs would save taxpayers more than \$1.3 billion annually.

⁷⁶ Government of Canada, FedDev Ontario, Aerospace Regional Recovery Initiative in southern Ontario, http://www.feddevontario.gc.ca/eic/site/723.nsf/eng/h_02656.html?OpenDocument

⁷⁷ Government of Canada, FedDev Ontario, Major Festivals and Events Support Initiative in southern Ontario, http://www.feddevontario.gc.ca/eic/site/723.nsf/eng/h_02661.html?OpenDocument

⁷⁸ Government of Canada, Public accounts: 2018-19 – 2020-21.

⁷⁹ Government of Canada, FedNor, Business Services, http://fednor.gc.ca/eic/site/fednor-fednor.nsf/eng/h_fn03880.html

⁸⁰ Government of Canada, FedNor, Business Financing, http://fednor.gc.ca/eic/site/fednor-fednor.nsf/eng/h_fn03886.html

⁸¹ Government of Canada, FedNor, Business Services, http://fednor.gc.ca/eic/site/fednor-fednor.nsf/eng/h_fn03980.html

⁸² Government of Canada, Public accounts: 2018-19 – 2020-21.

⁸³ Government of Canada, Public accounts 2019-20, https://epe.lac-bac.gc.ca/100/201/301/public_accounts_can/html/2020/recgen/cpc-pac/2020/pdf/2020-vol2-eng.pdf#page=45

Recommendation: Scrap all corporate welfare, including direct cash subsidies, niche tax credits, loans and loan guarantees.

Recommendation: End the federal subsidies to businesses through Crown corporations and regional development agencies and return any remaining federal funds within those corporations to taxpayers.

Recommendation: Include minimum transparency requirements around corporate welfare such as the amounts disbursed or guaranteed, repayment schedule, amounts paid back, interest rates on loans, and frequent reporting on repayment. Parliament must also be required to vote on the subsidies before a business can receive any taxpayer funds.

6. Get out of the business of business

In addition to ending corporate welfare, the government should not be in the business of business. First, the CTF recommends cutting the aggregate appropriations, or government funding, to each Crown corporation by 25 per cent. As the table below highlights, this would save taxpayers about \$2.1 billion annually. While there may be arguments against reducing each Crown corporation's budget by the same amount, the CTF is advocating for this overall level of savings to be found in annual aggregate appropriations to the government's Crown corporations.

Table: Appropriations for Crown corporation and potential savings⁸⁴

Crown corporation	Annual government funding	Savings from CTF proposal
Atomic Energy of Canada Limited	\$829,233,000	\$207,308,250
Bank of Canada	\$1,968,308,000	\$492,077,000
Canada Council for the Arts	\$294,091,000	\$73,522,750
Canada Deposit Insurance Corporation	\$49,831,000	\$12,457,750
Canada Development Investment Corporation	\$1,528,000	\$382,000
Canada Mortgage and Housing Corporation	\$2,158,156,000	\$539,539,000
Canada Post Corporation	\$247,514,000	\$61,878,500
Canadian Air Transport Security Authority	\$813,926,000	\$203,481,500
Canadian Commercial Corporation	\$2,169,000	\$542,250
Canadian Dairy Commission	\$3,973,000	\$993,250
Canadian Museum for Human Rights	\$30,282,000	\$7,570,500
Canadian Museum of History	\$81,029,000	\$20,257,250
Canadian Museum of Immigration at Pier 21	\$10,108,000	\$2,527,000
Canadian Museum of Nature	\$34,839,000	\$8,709,750
Canadian Race Relations Foundation	\$203,000	\$50,750
Destination Canada	\$100,199,000	\$25,049,750
Defence Construction (1951) Limited	\$114,220,000	\$28,555,000

⁸⁴ Government of Canada, "Consolidated Financial Information for Crown Corporations (Annual Report 2018-2019; in thousands of dollars)," <https://www.canada.ca/en/treasury-board-secretariat/services/reporting-government-spending/inventory-government-organizations/crown-corporations-financial-data/consolidated-financial-information-crown-corporations-annual-report-2018-2019.html#table1-fn6>

The Federal Bridge Corporation Limited	\$3,395,000	\$848,750
International Development Research Centre	\$159,258,000	\$39,814,500
Jacques-Cartier and Champlain Bridges Inc.	\$161,330,000	\$40,332,500
Marine Atlantic Inc.	\$125,668,000	\$31,417,000
National Arts Centre Corporation	\$51,902,000	\$12,975,500
National Capital Commission	\$119,930,000	\$29,982,500
National Gallery of Canada	\$52,113,000	\$13,028,250
Canada Science & Technology Museums Corp.	\$38,633,000	\$9,658,250
Royal Canadian Mint	96,342,000	\$24,085,500
Standards Council of Canada	\$18,803,000	\$4,700,750
Telefilm Canada	\$102,410,000	\$25,602,500
VIA Rail Canada Inc.	\$376,864,000	\$94,216,000
Windsor-Detroit Bridge Authority	\$351,000,000	\$87,750,000
Total	\$8,397,257,000	\$2,099,314,250

After immediately reducing the overall funding to Crown corporations by 25 per cent, the second step is for the government to outline a concrete plan to liquidate, defund or sell the following crown corporations that can and should be done by businesses:

CBC: Despite an extra \$150 million in annual funding since 2016, the CBC’s viewership continues to fall, with one internal ratings report showing that in April 2020, the CBC’s share of Canada’s TV audience was as low as 3.8 per cent⁸⁵ while local CBC TV newscast viewership dropped 27 per cent between 2017 and 2019.⁸⁶ Removing funding to the CBC would save taxpayers \$1.4 billion per year. Defunding the CBC will be discussed in detail in the next section.

Via Rail: VIA Rail set a ridership record in 2019 and still lost more than \$400 million before taxpayer subsidies.⁸⁷ This Crown corporation already acts as a business by requiring customers to purchase tickets. The government should pull its funding to Via Rail and require all customers to pay the full price of the fare rather than push some of the cost on to taxpayers that do not use this service. Removing funding to Via Rail would save taxpayers \$377 million annually.

⁸⁵ John Doyle, “COVID-era CBC TV is a shambles,” The Globe and Mail,

<https://www.theglobeandmail.com/arts/television/article-covid-era-cbc-tv-is-a-shambles/>

⁸⁶ Blacklock’s Reporter, “CBC Audience Down 27%,” <https://www.blacklocks.ca/cbc-audience-down-27/>

⁸⁷ Via Rail, Annual Report 2019,

https://media.viarail.ca/sites/default/files/publications/2019%20VIA%20RAIL%20AR_ENGLISH.pdf

Marine Atlantic: Marine Atlantic continues to lose money while subsidizing freight rates to undercut private sector competition.⁸⁸ Marine Atlantic should charge its passenger and cargo ferry customers the full fare for its services rather than rely on subsidies from taxpayers in the rest of Canada who have likely never heard of the corporation. Removing funding to Marine Atlantic would save taxpayers \$126 million annually.⁸⁹

National Capital Commission: The duties performed by the NCC duplicate work that could be performed by Canadian Heritage and provincial and municipal bodies. Abolishing the National Capital Commission would save taxpayers \$120 million annually.

Telefilm Canada: Private sector investment in Canada's TV and film production are at record levels.⁹⁰ There is no need to spend \$100 million of taxpayer money on cultural content Canadians are not willing to pay for directly when they are spending far more voluntarily through subscription streaming services. Abolishing Telefilm Canada would save taxpayers \$102 million annually.

After reducing budgets by 25 per cent, setting out a plan to defund Via Rail, Marine Atlantic, the NCC and Telefilm Canada would save taxpayers up to \$544 million annually.

The federal government must also reverse the bonuses and pay raises that Crown corporations gave their employees during the pandemic.

The Bank of Canada failed to keep inflation low and still handed out \$45 million in bonuses and pay raises.⁹¹

The Canada Mortgage and Housing Corporation has "one goal: housing affordability for all." Canadians couldn't afford homes in 2020 and 2021. But the CMHC still gave its employees nearly \$60 million in bonuses and pay raises.⁹²

⁸⁸ Aaron Wudrick, "It's Unfair That Taxpayers Are Keeping This Ferry Afloat," Huffington Post, https://www.huffpost.com/archive/ca/entry/its-unfair-that-taxpayers-are-keeping-this-ferry-afloat_a_23277282

⁸⁹ There may be constitutional issues that arise from removing all funding to Marine Atlantic (see previous source). As such the CTF recognizes that entire funds saved in this proposal may be ambitious. That said, the CTF recommends the federal government to set out a plan to remove as much funding as possible to the Marine Atlantic with the goal of ending all funding to the Crown corporation.

⁹⁰ Susan Krashinsky Robertson, "Netflix says it has exceeded spending on TV and film production in Canada in just two years," The Globe and Mail, <https://www.theglobeandmail.com/business/article-netflix-says-its-surpassed-its-500-million-deal-with-department-of/>

⁹¹ Canadian Taxpayers Federation, "Bank of Canada hands out millions in pay raises and bonuses while inflation soars," <https://www.taxpayer.com/newsroom/bank-of-canada-hands-out-millions-in-pay-raises-and-bonuses-while-inflation-soars>

⁹² Canadian Taxpayers Federation, "CMHC hands out \$11 million in pay raises, no pay cuts, during pandemic and housing crisis," <https://www.taxpayer.com/newsroom/cmhc-hands-out-11-million-in-pay-raises-no-pay-cuts-during-pandemic-and-housing-crisis>

Destination Canada is a Crown corporation dedicated to promoting Canadian tourism. It gave employees bonuses and raises even though tourists weren't allowed to come to Canada.⁹³

While the Dairy Commission was receiving more tax dollars to fund its higher pay, it also hiked the price of milk in 2020 and 2021. This year, it's raising the price of milk twice, including the largest annual price increase ever back in February.⁹⁴

The CBC handed out \$51 million in bonuses and pay raises in 2020 and 2021.

In addition to the above savings, reversing the pandemic pay raises and bonuses to the five Crown corporations would save taxpayers about \$158 million annually.

Recommendation: Immediately reduce the aggregate government funding to federal Crown corporations by 25 per cent.

Recommendation: Set a plan to remove all government funding to the CBC, Via Rail, Marine Atlantic, the NCC and Telefilm Canada.

Recommendation: Reverse the pandemic pay raises and bonuses that Crown corporations gave their employees.

⁹³ Canadian Taxpayers Federation, "Federal tourism agency handed out bonuses and pay raises while industry locked down," <https://www.taxpayer.com/newsroom/federal-tourism-agency-handed-out-bonuses-and-pay-raises-while-industry-locked-down>

⁹⁴ Canadian Taxpayers Federation, "Dairy Commission hands out raises and bonuses while hiking milk prices," <https://www.taxpayer.com/newsroom/dairy-commission-hands-out-raises-and-bonuses-while-hiking-milk-prices>

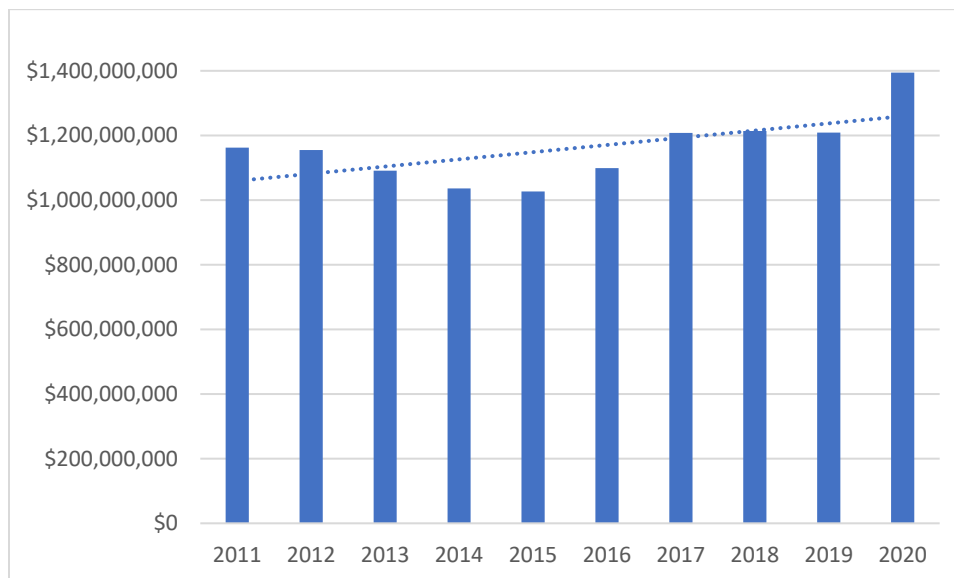
7. Defund the CBC and end the media bailouts

An independent and free press is a crucial pillar of democracy. To be independent – in practice and perception – the government must end all media subsidies and defund the CBC.

All media organizations should be funded voluntarily, whether through fee for service from their viewers, advertisers, voluntary contributions or a combination of each. Media organizations also shouldn't be forced to compete with a government-funded organization such as the CBC.

In 2020, the CBC received nearly \$1.4 billion from government funding, according to its most recent annual report.⁹⁵ Using CBC annual reports from previous years, the figure below shows the CBC's taxpayer funding over the last 10 years. Over the decade, the CBC has received \$11.6 billion from taxpayers. Annual funding has increased by \$232 million or 20 per cent.

Figure: Taxpayer funding to the CBC, 2011-12 to 2020-21



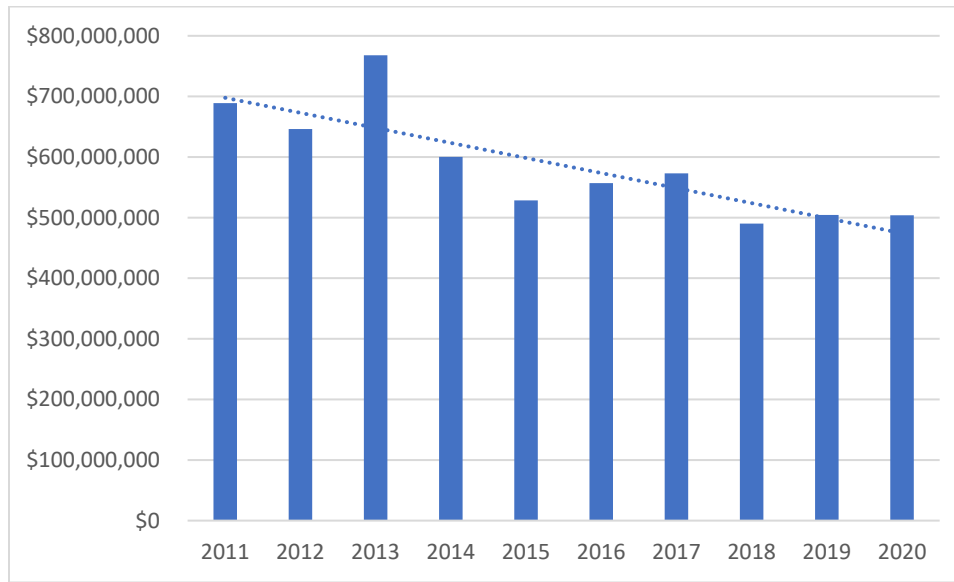
While taxpayer funding has increased, the CBC's annual non-government revenue has declined by \$185 million, or 27 per cent over the last 10 years. Despite more money from taxpayers, the CBC's viewership continues to fall, with one internal ratings report showing that in April 2020, the CBC's share of Canada's TV audience was as low as 3.8 per cent⁹⁶ while local CBC TV

⁹⁵ CBC, 2020-21 Annual Report, <https://site-cbc.radio-canada.ca/documents/impact-and-accountability/finances/2020-2021-annual-report.pdf>

⁹⁶ John Doyle, "COVID-era CBC TV is a shambles," The Globe and Mail, <https://www.theglobeandmail.com/arts/television/article-covid-era-cbc-tv-is-a-shambles/>

newscast viewership dropped 27 per cent between 2017 and 2019.⁹⁷ This begs the question: why should taxpayers be forced to subsidize a media organization people aren't watching? The figure below shows this decline in the CBC's non-government revenue.

Figure: CBC's non-taxpayer revenue, 2011-12 to 2020-21



Many of the CBC's operations are in direct competition with its competitors. Former Conservative Party leader Erin O'Toole explained this issue in his party leadership platform.⁹⁸

"Taxpayer dollars should not pay for things like a Canadian version of Family Feud. Nor should they fund CBC News Network, a channel no different from its private sector competitors. CBC digital may be the worst offender. It competes with, and threatens the future of, local newspapers. Why are taxpayers paying for a CBC online comment section? CBC uses that section to drive clicks to get more ad revenue, which they are funnelling away from local newspapers on your dime."

It's important to note that removing government funding to the CBC does not mean abolishing the CBC. Over the last decade, the CBC has raised an average of \$586 million per year from non-government sources. Despite falling revenue, the CBC still raised nearly \$504 million in 2020 through advertising, subscriber fees and "financing, investment and other income."⁹⁹

⁹⁷ Blacklock's Reporter, "CBC Audience Down 27%," <https://www.blacklocks.ca/cbc-audience-down-27/>

⁹⁸ Erin O'Toole, "Our country: A call to take back Canada," <https://www.macleans.ca/wp-content/uploads/2020/06/Erin-OToole-OurCountry-EN.pdf?fbclid=IwAR0tP0f4KVMzbBJR4FyRhYx-q-i9nUOiEFDJjCuUigKFbRCc3-H7w4AhQ>

⁹⁹ CBC, 2020-21 Annual Report, <https://site-cbc.radio-canada.ca/documents/impact-and-accountability/finances/2020-2021-annual-report.pdf#page=121>

In addition to setting out a plan to defund the CBC, the CTF is calling on the federal government to end its subsidies to media organizations.

After the government announced its media subsidies in its 2019 budget, columnist Andrew Coyne outlined the many issues with giving taxpayers' money to news organizations:

“Taking money from the people we cover will place us in a permanent and inescapable conflict of interest; that it will produce newspapers concerned less with appealing to readers than to grantsmen; that it will not only leave us dependent on government, but without standing to oppose such dependence in others; that it will solve none of our problems, but only encourage us to put off dealing with them; that it is all so bloody unnecessary.

“But the most potent objection is that, as the government cannot possibly bail out everybody — for in the internet age what was formerly a tidy little constellation of newspapers and other outlets has exploded into a vast universe of what could plausibly be called news organizations — it must inevitably get into choosing who should receive its blessing and who should not.”¹⁰⁰

The media subsidies announced in the 2019 budget provide \$595 million to news organizations between 2019-20 and 2023-24.¹⁰¹ These subsidies included a subsidy for news organizations' labour costs, a tax credit for digital news subscribers and charitable tax status for news organizations that register as non-profits. Scrapping the media subsidies would save taxpayers \$147 million in 2023. Furthermore, the CTF recommends no future media subsidies. By following this recommendation, the government would save taxpayers \$147 million annually compared to the current baseline.

Table: Cost of media subsidies 2023-24 (millions \$)

Media Subsidy	2023
Qualified Donee Status	\$11
Refundable Labour Tax Credit	\$95
Tax Credit for Digital Subscriptions	\$41
Total	\$147

¹⁰⁰ Andrew Coyne, “It's when you read details of media bailout that the chill sets in,” National Post, <https://nationalpost.com/opinion/andrew-coyne-its-when-you-read-details-of-media-bailout-that-the-chill-sets-in>

¹⁰¹ Government of Canada, Budget 2019, Tax Measures: Supplementary Information, <https://www.budget.gc.ca/2019/docs/plan/budget-2019-en.pdf>

Recommendation: Set out a plan to end all taxpayer funding to CBC, saving taxpayers nearly \$1.4 billion annually.

Recommendation: End the media bailout announced in Budget 2019 and commit to no future subsidies, saving taxpayers \$147 million annually.

8. Phase out equalization

There's a number of reasons why a fundamental re-think of the equalization status quo is needed. It's unfair for taxpayers who pay into equalization, but don't receive any funds back. It encourages poor governance in the recipient provinces. It places more stress on the ailing federal finances. And it's fundamentally unfit to reach its stated policy objective.

1. Unfair for taxpayers in the "have" provinces

About 62 per cent of Alberta voters voted to end the equalization status quo. Much of the animosity stems from the amount of money Albertans have contributed to the federal government – and by extension the rest of Canada – while still receiving economic hostility from MPs and politicians in other provinces.

In 2021, the equalization program cost each Albertan \$650 on average, or \$2,600 for an Albertan family of four. Equalization has cost Alberta taxpayers \$67 billion since its inception in 1957.¹⁰²

Equalization isn't the only federal program that redistributes money away from Alberta taxpayers. Since the 1960s, Albertans have paid more than \$600 billion more to Ottawa than received back in federal transfers or spending.¹⁰³

Despite this oversized contribution, governments in other provinces continue to throw up roadblocks to Alberta's economic development.

Through its No More Pipelines Law, discriminatory West Coast tanker ban, rejection of the Northern Gateway pipeline and moving the regulatory goal posts on the Energy East pipeline, the federal government has dealt blow after blow to Alberta's energy industry and workers. Despite Albertans continuing to reject carbon taxes, the carbon tax will cost a family \$30 every time a family fuels up their minivan in 2030. The federal government's \$170 per tonne carbon tax is expected to result in 30,000 fewer jobs in Alberta.¹⁰⁴ Ottawa also announced a second carbon tax through fuel regulations that could cost more than 6,800 Alberta jobs.¹⁰⁵

¹⁰² Canadian Taxpayers Federation, "Equalization costs each Albertan \$650 in 2021," <https://www.taxpayer.com/newsroom/equalization-costs-each-albertan-650-in-2021>

¹⁰³ Jack Mintz, "Why Albertans are pondering the nuclear option of separation," Financial Post, <https://financialpost.com/opinion/jack-mintz-why-albertans-are-pondering-the-nuclear-option-of-separation>

¹⁰⁴ Fraser Institute, "Carbon Tax Impacts," <https://carbontaximpacts.ca>

¹⁰⁵ Canadians for Affordable Energy, "Clean Fuel Standard Case Study: Alberta," https://d3n8a8pro7vhmx.cloudfront.net/affordableenergy/pages/1573/attachments/original/1601038891/20200924_AlbertaCaseStudy.pdf?1601038891

Politicians in other provinces have also kicked Alberta while its down. In British Columbia, politicians pledged to “employ every tool available” to block Alberta pipelines.¹⁰⁶ In Quebec, Premier François Legault called Alberta’s oil “dirty energy” and said there’s “no social acceptability” for another oil pipeline.¹⁰⁷ In 2021-22, Legault cashed in on about \$13 billion from equalization, which is about \$1,500 per Quebecer that he gets to spend however he fancies.

Alberta isn’t the only province that suffers from the unfair equalization scheme. As Dr. Bill Bewick, the executive-director of Fairness Alberta explains, “regardless of the level of social services in British Columbia, Alberta, Saskatchewan, Ontario, and Newfoundland, the average family of four in those provinces are sending \$2,400 to Ottawa to benefit only 30 per cent of the country.”¹⁰⁸

Newfoundland and Labrador hasn’t received a penny from equalization since 2008.¹⁰⁹ According to this program, Newfoundland and Labrador is a “have” province. Yet in 2021, the federal government announced a \$5.2-billion bailout to the province.¹¹⁰ In March 2020, the premier of Newfoundland and Labrador told the prime minister that “our recent attempts to finalize our borrowing program ... have been unsuccessful ... our Province has run out of time.”¹¹¹ A senior provincial government employee also warned that “there is a point coming soon when this province will not be able to pay its public service.”¹¹² In 2019, the federal government also announced it would be giving the province \$2.5 billion.¹¹³ Think of how absurd a program is where taxpayers in Newfoundland and Labrador continue to lose money through equalization because they live in a so-called have province under one federal scheme, yet their own provincial government is worried about staying afloat and the federal government announced \$7.4 billion in payments back to the province since 2019. In what world does it

¹⁰⁶ 2017 Confidence and Supply Agreement between the BC Green Caucus and the BC New Democrat Caucus, https://bcndpcaucus.ca/wp-content/uploads/sites/5/2017/05/BC-Green-BC-NDP-Agreement_vf-May-29th-2017.pdf

¹⁰⁷ Montreal Gazette, “Legault dismisses Alberta backlash over 'dirty energy' comment,” <https://montrealgazette.com/news/quebec/legault-dismisses-alberta-backlash-over-dirty-energy-comment>

¹⁰⁸ Bill Bewick, “B.C. being treated unfairly by Canada's equalization program,” The Province, <https://theprovince.com/opinion/bill-bewick-b-c-losing-just-as-much-as-alberta-on-equalization>

¹⁰⁹ Government of Canada, “Historical Transfer Tables: 1980 to present,” <https://open.canada.ca/data/en/dataset/4eee1558-45b7-4484-9336-e692897d393f>

¹¹⁰ Prime Minister of Canada Justin Trudeau, “Securing a strong future for Newfoundland and Labrador,” <https://pm.gc.ca/en/news/news-releases/2021/07/28/securing-strong-future-newfoundland-and-labrador>

¹¹¹ Government of Newfoundland and Labrador, Office of the Premier, <https://www.documentcloud.org/documents/6823548-Letter-to-Prime-Minister.html>

¹¹² David Cochrane and Rob Antle, “Out of time: How a Pandemic and oil crash almost sank Newfoundland and Labrador,” CBC News, <https://www.cbc.ca/news/politics/newfoundland-labrador-oil-pandemic-covid-coronavirus-dwight-ball-1.5516620>

¹¹³ CBC News, “N.L. to receive \$2.5B from Ottawa over 38 years in renewed Atlantic Accord,” <https://www.cbc.ca/news/canada/newfoundland-labrador/atlantic-accord-deal-1.5079501>

make sense for a province to be considered a have province when its own government is worried about going belly up and the feds continue to send bailouts?

II. Equalization encourages poor governance in recipient provinces

Not only does equalization harm taxpayers who pay into the program without receiving any money back, it also harms taxpayers in the provinces that receive equalization dollars. That's because it allows their politicians to rely more on tax dollars coming from other provinces and less on good policies that would grow their economies.

Equalization changes the political calculation around resource development and can even punish politicians for allowing the development of their province's resources.

"Equalization itself creates strong disincentives for natural resource development in have-not provinces," explains Ben Eisen of the Fraser Institute. "If a have-not province sees an increase in natural resource revenues, the extra money is largely offset by a reduction in equalization payments.

"In other words, if the government of Quebec encourages natural resource development it bears the full burden of any resulting costs — including, in some instances, environmental or political risks — but receives less than one-third of the fiscal benefits."¹¹⁴

In 2018, the Quebec government announced a series of new measures that would ban fracking for shale gas province-wide and tighten oil and gas drilling.¹¹⁵ These limits were imposed despite the existence of up to 36 trillion cubic feet of recoverable natural gas in the St. Lawrence that is estimated to be worth between \$68 billion and \$186 billion.¹¹⁶ Nova Scotia also placed a ban that limits development of most of the province's onshore natural gas resources pegged to be worth between \$20 billion and \$60 billion.¹¹⁷

Without the negative incentive to oppose resource development that occurs through equalization, politicians in other provinces would be more likely to develop their own natural resources and stop opposing projects crucial to the development of paying provinces.

¹¹⁴ Ben Eisen, "Hampering resource development makes it harder for Quebec to end reliance on equalization," Fraser Institute, <https://www.fraserinstitute.org/blogs/hampering-resource-development-makes-it-harder-for-quebec-to-end-reliance-on-equalization>

¹¹⁵ Jillian Kestler-D'Amours, "Quebec to ban shale gas fracking, tighten rules for oil and gas drilling," CBC News, <https://www.cbc.ca/news/canada/montreal/quebec-fracking-ban-1.4694327>

¹¹⁶ Ben Eisen, Steve Lafleur and Jake Fuss, "The real problems with equalization," Fraser Institute, <https://www.fraserinstitute.org/blogs/the-real-problems-with-equalization>

¹¹⁷ Paul Withers, "N.S. urged to revisit fracking ban as report pegs onshore natural gas at \$20B or more," CBC News, <https://www.cbc.ca/news/canada/nova-scotia/nova-scotia-onshore-natural-gas-estimates-released-1.4479368>

The negative impacts of equalization go beyond discouraging resource development. As former Alberta finance and energy minister Ted Morton explains:

“For these self-inflicted economic wounds, Quebec was rewarded with increased equalization payments, which soared from \$240 million/year in 1970 to over \$3 billion by the early 1980s ... The election of high tax/high benefits/high regulation governments seems to coincide with poorer economic outcomes, which in turn qualifies the province for equalization payments.”¹¹⁸

Equalization also creates a greater incentive for higher taxes, which punishes the workers and businesses trying to grow the economy. That’s because higher taxes can reduce the tax base and therefore increase equalization payments.¹¹⁹

Taking on equalization may never be easy in Canada, but there are some provinces on the receiving end that are now receptive to change. Both New Brunswick Premier Blaine Higgs¹²⁰ and Quebec Premier François Legault¹²¹ have acknowledged the issues with relying on equalization and that the right path forward for “have-not” provinces is to focus less on equalization and more on growing the economy.

III. Added stress on federal finances

The federal government is now more than \$1 trillion in debt and equalization continues to pour more red ink on the country’s finances. Equalization is projected to cost nearly \$24 billion in 2023,¹²² which represents a \$7.3 billion or 44 per cent increase over 10 years.¹²³ Equalization is expected to increase by another \$5 billion (20 per cent) over the next five years.¹²⁴ The table below shows the projected size of equalization until 2028.

Figure: Equalization 2023-24 to 2027-28 (billions \$)

¹¹⁸ Ted Morton, “Referendum Time?” C2C Journal, <https://c2cjournal.ca/2018/04/screwing-the-west-to-pay-the-rest/>

¹¹⁹ Ben Eisen, Steve Lafleur and Jake Fuss, “The real problems with equalization, Fraser Institute, <https://www.fraserinstitute.org/blogs/the-real-problems-with-equalization>

¹²⁰ CBC News, ““Ottawa should cut equalization to force provinces to develop resources, Higgs says,” 2018, <https://www.cbc.ca/news/canada/new-brunswick/nb-higgs-equalization-pipeline-1.4953187>

¹²¹ Calgary Herald, “Equalization, hockey are two of Legault’s favourite things about Canada,” 2019, <https://calgaryherald.com/pmn/news-pmn/canada-news-pmn/legault-cites-equalization-hockey-as-reasons-to-be-proud-canadian/wcm/de2f0b53-9abf-417e-8a22-f9f73bf38e8f>

¹²² Parliamentary Budget Officer, Economic and Fiscal Outlook October 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>

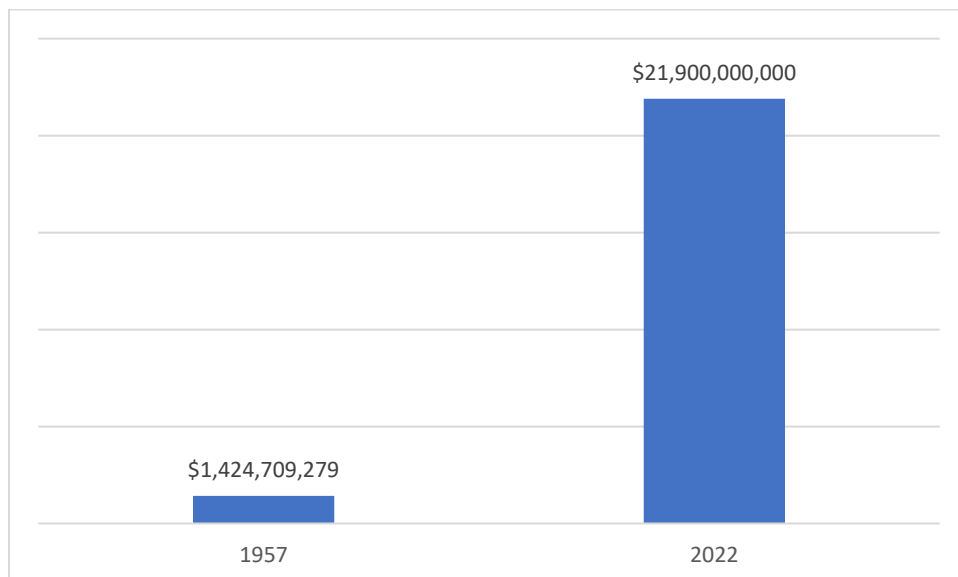
¹²³ Government of Canada, “Major Federal Transfers,” <https://www.canada.ca/en/department-finance/programs/federal-transfers/major-federal-transfers.html>

¹²⁴ Government of Canada, 2021 Fall Economic and Fiscal Update, <https://www.budget.gc.ca/efu-meb/2021/report-rapport/EFU-MEB-2021-EN.pdf>



Equalization costs have increased significantly since its inception. When it was first established in 1957, the program dished out \$1.3 billion (\$2021).¹²⁵ Today, the annual cost of equalization is almost \$22 billion. That's an inflation-adjusted increase of more than 1,400 per cent. The Figure below shows its massive increase in cost.

Figure: Growth of equalization since its inception (\$ 2022)



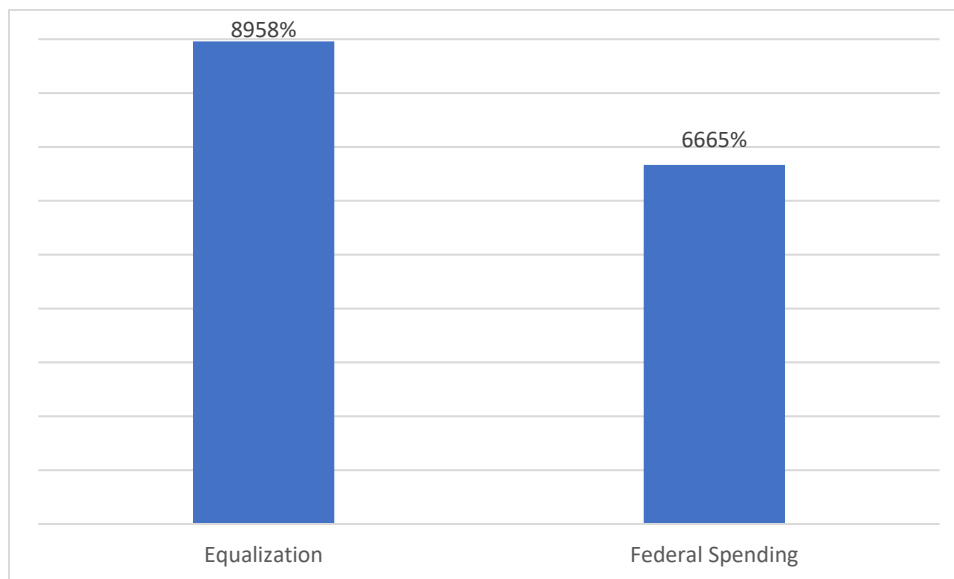
¹²⁵ Government of Canada, "Historical Transfer Tables," <https://open.canada.ca/data/en/dataset/4eee1558-45b7-4484-9336-e692897d393f>

As the figure below shows, the increase in equalization has outpaced the increased in total federal spending between 1959 and 2019.

The earliest federal spending data we could find was from 1959,¹²⁶ which is from the oldest budget in the government's online archives. Spending in 2019 is used because 2020, 2021 and 2022 spending should be considered outlier years due to pandemic spending.

Between 1959 and 2019, equalization has grown more than 2,000 percentage points more than total federal government spending.

Figure: Growth in equalization vs. growth in total federal spending since 1959



IV. Unable to meet policy objective

Not only does equalization harm taxpayers in recipient and receiving provinces, along with federal finances, but it's not even clear if the \$20-billion-per-year equalization scheme can achieve its stated policy objective, which is the equalization of provincial services across Canada.

The federal government will always struggle to equalize provincial programs because these programs inherently fall outside the scope and jurisdiction of the federal government. This point is made abundantly clear by Morton:

¹²⁶ Government of Canada, "Archived Budget Documents," <https://www.budget.gc.ca/pdfarch/index-eng.html>

“There is the problem of policy jurisdiction. Virtually all of these social services fall under the exclusive jurisdiction of the provinces and cannot be dictated or ‘equalized’ by Ottawa. That’s why the Equalization program currently gives each ‘have-not’ province a blank cheque with the intent (i.e. the hope) that the funds will be used for topping up ‘under-funded’ benefit programs. But there is no guarantee, because there cannot be. These are all provincial matters.”¹²⁷

Second, equalization is an attempt to equalize services across provinces, but that can’t be done by throwing more tax dollars at a problem. As the Alberta government has demonstrated, spending more tax dollars doesn’t result in better outcomes.

The Alberta government is a high spending provincial government, but in many important instances, Albertans do not receive the best quality of services from their government.

“Alberta’s spending per capita is the highest in Canada and has consistently been higher than the average of the 10 provinces over the last 25 years,” reads the Blue Ribbon Panel Report on Alberta’s finances. “In some key areas, in spite of the higher levels of funding, the results achieved are no better and, in some cases, worse than in other provinces.”¹²⁸

Take health care for example. Alberta is the youngest province,¹²⁹ it spends more per person on health care than every other province except Newfoundland and Labrador,¹³⁰ and outspends the Ontario government by about \$1,000 every year (per person basis). But Albertans don’t get the best health care results.

“Outcomes are no better and are often worse than comparable provinces ... Albertans wait an average of 26 weeks [from referral by a general practitioner until they receive treatment], more than 10 weeks longer than in Ontario which has the shortest wait times,” noted the Blue Ribbon Panel.

As Alberta clearly demonstrates, the equalization program will always struggle to reach its objective because more tax dollars thrown at a problem doesn’t mean better results.

¹²⁷ Ted Morton, “Referendum Time?” C2C Journal, <https://c2cjournal.ca/2018/04/screwing-the-west-to-pay-the-rest/>

¹²⁸ Blue Ribbon Panel on Alberta’s finances, Report and Recommendations, <https://open.alberta.ca/dataset/081ba74d-95c8-43ab-9097-cef17a9fb59c/resource/257f040a-2645-49e7-b40b-462e4b5c059c/download/blue-ribbon-panel-report.pdf>

¹²⁹ Tavia Grant and Jeremy Agius, “Census 2016: The growing age gap, gender ratios and other key takeaways,” Globe and Mail, <https://www.theglobeandmail.com/news/national/census-2016-statscan/article34882462/>

¹³⁰ Bacchus Barua, Jason Clemens, and Taylor Jackson, “Health Care Reform Options for Alberta,” Fraser Institute, <https://www.fraserinstitute.org/sites/default/files/health-care-reform-options-for-alberta.pdf>

In a similar vein, differences in a government's ability to raise revenue can also be partially explained by different prices in different regions. Economic analyst Ken Boessenkool notes that this is often cited as the reason why the United States has no equivalent of Canada's equalization program despite differences in fiscal capacities across the states.

"The predominant U.S. view is that differences in fiscal capacities across states are reflected (or capitalized) in differences in wages and other prices such as property values, and therefore equalization is unnecessary," explains Boessenkool.¹³¹

Next steps on equalization:

First, the federal government should immediately respect the wishes of 62 per cent of Alberta voters and consult with the provinces on equalization. In addition, the federal government should pass a bill that requires the federal government to publish all documents from provincial negotiations on the Department of Finance's website. This would guard against what happened in 2018, when the federal government extended the existing equalization program until 2024 without consulting with the province.

Second, the federal government should develop a plan to wean the provinces off equalization. There should come a time when provinces can be largely self-sustaining. And after six and half decades of equalization payments, now is as good of a time as ever to push provincial governments to focus more on growing their own economies and rely less on tax dollars from other provinces. The goal of equalization shouldn't be to keep provinces reliant on federal tax dollars forever. As such, equalization funding should be phased out.

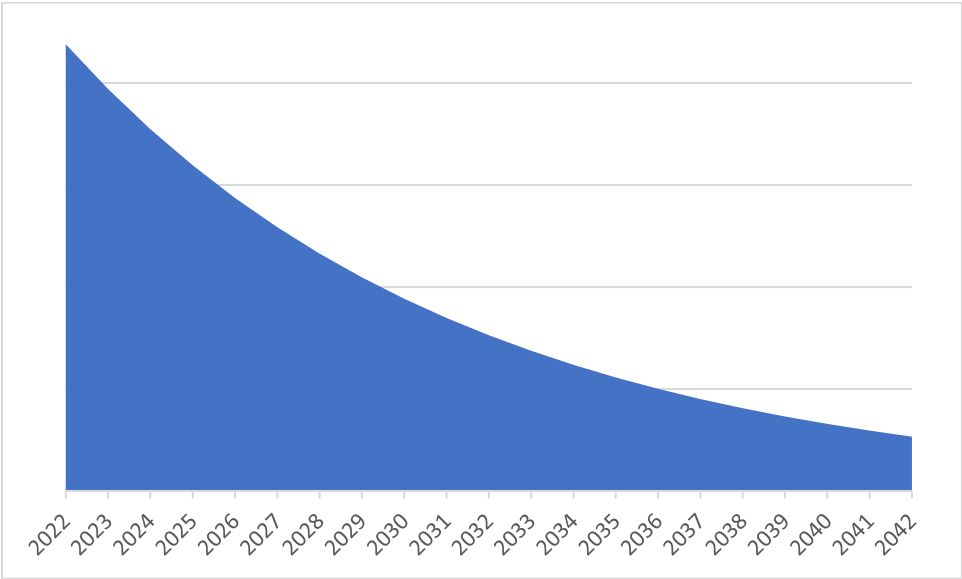
To promote debt reduction, more efficient governments and economic growth, the CTF proposes a reformed funding scheme follow the following five principles:

- I. Fully phase out equalization over a twenty-year period (last year of program being 2042), with the annual size of the funding program declining by 10 per cent per year.
- II. To receive federal tax dollars, the provincial government must show a reduction in its deficit or debt.
- III. To receive federal tax dollars, the provincial government must show it has not increased its inflation-adjusted per-person spending.
- IV. To receive federal tax dollars, the provincial government must agree to not impose any tax rate increase or new tax unless approved in a province-wide referendum.
- V. To receive federal tax dollars, the provincial government must provide the federal government with an annual report of the measures implemented to encourage economic growth, such as the approval of development projects, red tape reduction and tax relief.

¹³¹ Ken Boessenkool, "Ten Reasons to Remove Nonrenewable Resources from Equalization," AIMS, <https://www.iedm.org/files/011025boessenkoolpaper.pdf>

This new transfer funding arrangement would only deal with the current equalization funding and would not alter the Canada Health or Canada Social transfers. This would also mean the provinces would receive a cumulative \$19.7 billion through the new transfer arrangement in 2023 and \$195 billion by the end of the program in 2042 (this does not include funding through the CHT and CST). The figure below shows the funding model over the twenty years of the transfer arrangement.

Figure: Phasing out equalization over 20 years



This new arrangement would mean taxpayers would spend \$2.2 billion less in 2023 than in 2022. The table below shows how much taxpayers would save over the next five years when comparing the projected future increases under the feds’ current arrangement with the CTF’s proposal. Taxpayers would save more than \$51 billion over the next five years with the CTF’s proposal. Taxpayers would save more than \$10 billion on average over the next five years.

Table: Savings to taxpayers on revamped transfer program, 2023-24 to 2027-28

Year	Current equalization scheme	CTF proposal	Yearly taxpayer savings
2023	\$24,000,000,000	\$19,710,000,000	\$4,290,000,000
2024	\$25,500,000,000	\$17,739,000,000	\$7,761,000,000
2025	\$26,500,000,000	\$15,965,100,000	\$10,534,900,000
2026	\$27,600,000,000	\$14,368,590,000	\$13,231,410,000

2027	\$28,700,000,000	\$12,931,731,000	\$15,768,269,000
Total 5-year savings			\$51,585,579,000
Average annual savings			\$10,317,115,800

There is nothing technically stopping the federal government from making changes to its equalization scheme and saving taxpayers money. As Morton explains throughout his C2C Journal article, “Referendum Time?”, the federal government has made changes to the program many times over the decades largely due to political and budget considerations.¹³²

Recommendation: Reduce the size of equalization with the goal of eventually ending the program through the CTF’s 20-year equalization phase out proposal.

Recommendation: Respect Alberta voters and consult with the provinces on equalization. In addition, the federal government should pass a bill that requires it to publish all documents from provincial negotiations on the Department of Finance’s website. This would help guard against what happened in 2018, when the federal government extended the existing equalization program until 2024 without consulting with the province.

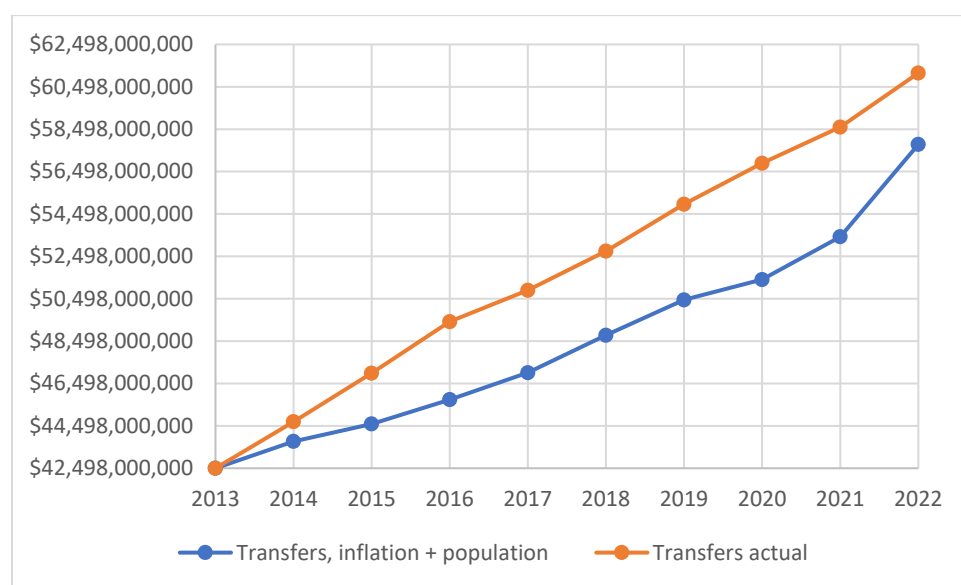
¹³² Ted Morton, “Referendum Time?” C2C Journal, <https://c2cjournal.ca/2018/04/screwing-the-west-to-pay-the-rest/>

9. Cap growth of health and social transfers

While equalization tends to be the most contentious federal transfer scheme, the combined costs of the Canada Health Transfer and Canada Social Transfer are larger than the cost of equalization. For example, the CHT and CST are projected to cost more than \$65 billion in 2023, compared to equalization's \$24-billion price tag.¹³³

The CHT and CST have increased by \$18.6 billion or 44 per cent over the decade. Assuming an inflation rate of 6.6 per cent in 2022 (PBO), the growth in these transfers has outpaced inflation and population growth between 2013 and 2022, which was about 36 per cent. Had the CHT and CST followed inflation plus population growth, spending in 2022 would be under \$58 billion, or \$3.4 billion less. Total savings over these 10 years would have been \$33.4 billion (see figure below).

Figure: Increase in CHT + CST vs inflation and growth, 2013-14 to 2022-23

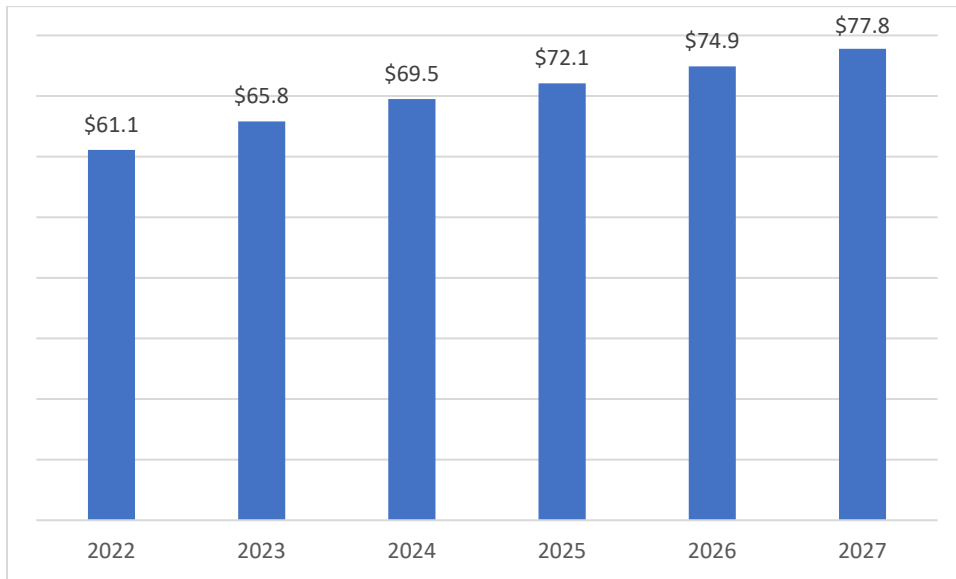


Despite the large increase in the cost of the CHT and CST, the government plans to increase these transfers by another \$16.7 billion between 2022 and 2027, or another 27 per cent over the next five years, as illustrated in the figure below.¹³⁴

Figure: Increase in CHT and CST between 2022-23 and 2027-28 (billions \$)

¹³³ Parliamentary Budget Officer, Economic and Fiscal Outlook 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>

¹³⁴ Parliamentary Budget Officer, Economic and Fiscal Outlook October 2022, <https://distribution-a617274656661637473.pbo-dpb.ca/258865a69ecf369e99f05a9e799d04136ed8c0b04830967d0ad5aecfd59f90f9>



Rather than increases, the CTF proposes the following changes to the CHT and CST projections:

First, freeze the current 2022 level of CHT and CST transfers at \$61.1 billion for 2023. This is still higher than what the 2023 transfers would be had they increased by inflation plus population growth since 2013. In addition, this would save taxpayers \$4.7 billion next year. Second, set a maximum cap on the growth of CHT and CST transfers to the annual rate of inflation.

Recommendation: Freeze the CHT and CST in 2022 at the current \$61.1 billion, then set a maximum transfer cap to the annual rate of inflation for future years. This will save taxpayers \$4.7 billion in 2023.

10. End the gun ban and buyback

The federal government's gun ban and buyback has all the makings of another ineffective gun policy that becomes a taxpayer boondoggle.

The gun registry introduced in the 1990s was supposed to cost \$2 million, but by the time it was abolished in 2012, the tally was over \$2 billion. Despite the heavy price tag, the gun registry was ineffective.

The Liberal Party originally told voters the gun ban and buyback would cost \$200 million.¹³⁵ Then in early 2021, former public safety minister Bill Blair said the costs would land "somewhere between \$300 and \$400 million dollars."¹³⁶

On June 29, 2021, the PBO released analysis showing that the cost to reimburse gunowners could reach up to \$756 million.¹³⁷

But that's not the full costs. The PBO couldn't provide an estimate of the staffing and administration costs because of "the current lack of details regarding program design and administration."

"Focusing on reimbursement costs is misleading because it ignores the biggest expense — staffing costs," wrote Gary Mauser, a Professor Emeritus at Simon Fraser University, in his analysis of the policy.¹³⁸

Mauser estimates that when you consider the other costs to administer the program, the gun buyback would cost taxpayers between \$2.6 billion and \$6.8 billion.¹³⁹ Given that the federal government has already spent more than \$8 million on the program without buying a single gun, taxpayers have every right to be worried about the potential of another taxpayer boondoggle.¹⁴⁰

¹³⁵ Marieke Walsh and Bill Curry, "Liberals pledging more new money to camping than combatting gun crimes," The Globe and Mail, <https://www.theglobeandmail.com/politics/article-liberals-pledging-more-new-money-to-camping-than-combatting-gun-crimes/>

¹³⁶ Catharine Tunney, "Liberals introduce buy-back program for banned firearms but price tag unclear," CBC News, <https://www.cbc.ca/news/politics/buy-back-gun-bill-1.5915166>

¹³⁷ Parliamentary Budget Officer, "Cost Estimate of the firearm buy-back program," <https://distribution-a617274656661637473.pbo-dpb.ca/4196f91c9ca790eba879bf359fc2535b02af838191712fcef827a0643d71b4a7>

¹³⁸ Gary Mauser, "Trudeau government's 'buy back' gun program likely a multi-billion boondoggle," Fraser Institute, <https://www.fraserinstitute.org/blogs/trudeau-governments-buy-back-gun-program-likely-a-multi-billion-boondoggle>

¹³⁹ Gary Mauser, "Trudeau government 'buy back' firearms plan may cost up to \$6.7 billion," Fraser Institute, <https://www.fraserinstitute.org/blogs/trudeau-government-buy-back-firearms-plan-may-cost-up-to-67-billion>

¹⁴⁰ Canadian Taxpayers Federation, "Federal gun ban and buyback spending now up to \$8.8 million," <https://www.taxpayer.com/newsroom/federal-gun-ban-and-buyback-spending-now-up-to-8.8-million>

Here's the kicker: despite a massive bill, the gun buyback will be ineffective.

Criminals are not going to start walking into government offices to hand over their firearms.

This gun policy only targets legally owned firearms. This is a point stressed by the National Police Federation, which is Canada's largest police union. The NPF said Trudeau's gun grab won't address "current and emerging themes or urgent threats to public safety," such as criminal activity, gang violence or the flow of illegal guns across the border.

Not only will the buyback be ineffective, but it could also make things worse.

"It diverts extremely important personnel, resources, and funding away from addressing the more immediate and growing threat of criminal use of illegal firearms," said the NPF.¹⁴¹

Instead of spending \$756 million on reimbursing legal gun owners, the government could do more for public safety by hiring 1,200 new officers for five years.¹⁴²

Recommendation: End the gun ban and buyback program, saving taxpayers an estimated \$2.6 billion using the low point of Mauser's estimate.

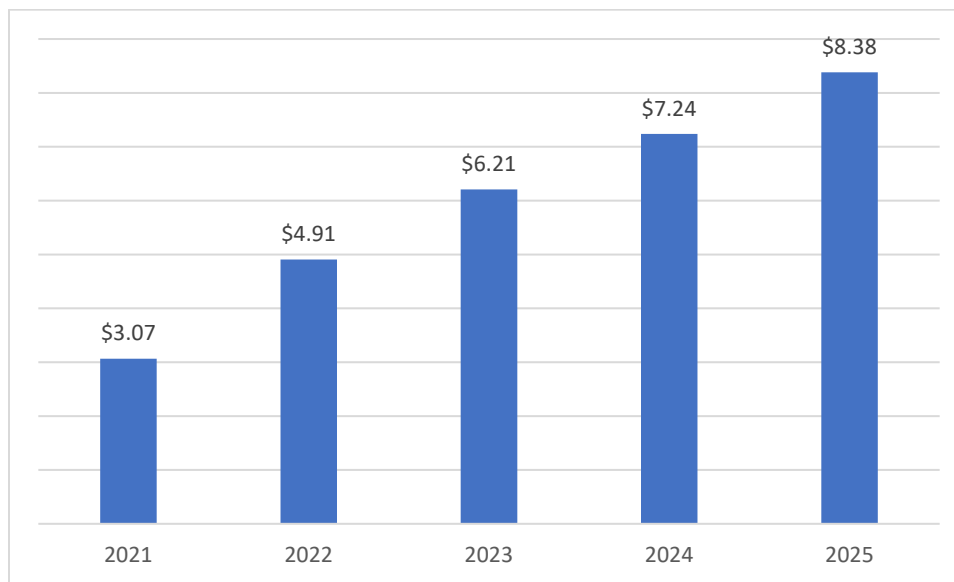
¹⁴¹ National Police Federation, "Gun Violence and Public Safety in Canada," https://npf-fpn.com/app/uploads/2021/05/Gun-Violence-and-Public-Safety-in-Canada_PS_November-2020.pdf

¹⁴² Statistics Canada, "Police resources in Canada, 2019," <https://www150.statcan.gc.ca/n1/pub/85-002-x/2020001/article/00015-eng.htm>

11. End the government's daycare program

The federal 2021 budget allocated \$30 billion over five years for a national daycare program.¹⁴³ This will be added on top of the \$25 billion in direct annual payments parents already receive every year through the Canada Child Benefit. The figure below highlights the federal government's projected annual daycare costs until 2026.

Figure: Annual federal daycare costs, 2021-22 to 2025-26 (\$ billions)



Ending the proposed national daycare scheme would save Canadian taxpayers an average of \$7.3 billion annually between 2023 and 2026. However, taxpayers should expect that the government's projected costs are understated.

The 2021 budget says, "it is time for the rest of Canada to learn from Quebec's example." Taxpayers should indeed learn from Canada's experience with government-run daycare.

The first lesson is that costs tend to balloon quickly. Since Quebec introduced its government child-care scheme, costs have increased from \$300 million in 1997¹⁴⁴ to over \$2.7 billion.¹⁴⁵ Even after accounting for inflation, that's a six-fold increase. Newfoundland and Labrador

¹⁴³ Government of Canada, Budget 2021, <https://www.budget.gc.ca/2021/pdf/budget-2021-en.pdf>

¹⁴⁴ Carl Renaud, "Combien coûtent les CPE?," Journal de Montreal, <https://www.journaldemontreal.com/2014/11/21/combien-coutent-les-cpe>

¹⁴⁵ Government of Quebec, Budget 2021-22, https://www.tresor.gouv.qc.ca/fileadmin/PDF/budget_depenses/21-22/3-Credits_depenses_portefeuilles.pdf

shows a similar picture. Its government child-care costs have gone up three-fold in the five years before it boosted its per-child subsidy.¹⁴⁶

The federal debt is now more than \$1 trillion. If we couldn't afford a federal government daycare program before COVID-19 when the deficit was around \$20 billion, how can we afford a costly, and likely to balloon, program now?

This costly program shouldn't be mistaken as a free lunch. It may save some parents some money today, but those savings will mean a bigger debt bill for their children and grandchildren to pay.

About 55,000 children were unable to access a child-care spot in 2019, according to Quebec's Auditor General.¹⁴⁷ This is despite every government since the scheme was introduced adding thousands of new spaces every year. As it stands, there are about five kids for every four taxpayer-funded spaces. Because of this scarcity, people have had to get creative to get their children in one of those spots. That's why, every year, roughly 30,000 Quebec children by-pass the government's centralized space-allocation system, according to Quebec's Auditor General.¹⁴⁸ They have been able to do so because their parents know the right people. Meanwhile, thousands more are on waiting lists because of a lack of social capital. At the very least, this problem highlights why taxpayers shouldn't be subsidizing daycare for wealthy families.

The government can play a role in making daycare affordable, but a large, overly bureaucratic program is the wrong way to go about it. Affordability is determined by two things: how much something costs, and how much money people have in their pockets. And it's on the latter where the government should act. After all, income taxes, sales taxes, carbon taxes and all other kinds of taxes cost a family more than the basic needs such as food, housing and clothing combined. In fact, taxes take up about 43 per cent of a family's budget, according to the Fraser Institute.

Recommendation: End the government's national daycare program introduced in Budget 2021.

¹⁴⁶ Canadian Taxpayers Federation, "Getting the rock out of a hard place,"

<http://www.taxpayer.com/media/NL%20Prebudget%202021-22%20-%20Getting%20the%20Rock'%20out%20of%20a%20hard%20place.pdf>

¹⁴⁷ Quebec Auditor General, "Accessibilité aux services de garde éducatifs à l'enfance: Audit de performance et observations du commissaire au développement durable," https://www.vgq.qc.ca/Fichiers/Publications/rapport-annuel/165/vgq_ch02_cpe_web.pdf

¹⁴⁸ Charles Lecavalier, "CPE et garderies subventionnées: 30 000 places données en dehors de la liste d'attente obligatoire," Journal de Quebec, <https://www.journaldequebec.com/2020/10/08/cpe-et-garderies-subventionnees-30000-places-donnees-en-dehors-de-la-liste-dattente-obligatoire>

12. End politician welfare

The exploitation of the federal wage subsidy by political parties has put a spotlight on the unfair taxpayer-treatment that political parties receive.

The Canada Emergency Wage Subsidy was a federal pandemic subsidy meant to help organizations cover a portion of their employees' wages. The CTF estimates that federal political parties collected \$3.2 million through the wage subsidy, based on 2020 financial statements published by Election Canada. The table below shows how much each federal party received. The Bloc Québécois was the only party in the House of Commons that did not take the wage subsidy.

Table: Federal wage subsidy payments to parties in the House of Commons¹⁴⁹

Party	Amount
Liberal Party of Canada	\$1,253,831
Conservative Party of Canada	\$1,083,246
Green Party of Canada	\$576,001
New Democratic Party of Canada	\$325,000 ¹⁵⁰
Total	\$3,238,078

Provincial political parties also took more than \$500,000 through the CEWS. The federal government should require all political parties to pay back the full amount of the wage subsidy that they took, which would return more than \$3.7 million to taxpayers.

Even before the pandemic, federal political parties benefited from special taxpayer treatment, such as the political contributions tax credit. A \$100 donation to a political party provides a \$75 tax credit, while a \$100 donation to a charity provides a \$15 federal tax credit. The federal government estimates the political contributions tax credit cost taxpayers \$235 million between 2016 and 2022 and will cost another \$30 million in 2023.¹⁵¹

¹⁴⁹ For links to each party's financial statements see: Canadian Taxpayers Federation, "Political parties took more than \$3.7 million through federal wage subsidy," <https://www.taxpayer.com/newsroom/political-parties-took-more-than-3.7-million-through-federal-wage-subsidy>

¹⁵⁰ The NDP's annual financial statement does not include the total amount received through the Canada Emergency Wage Subsidy. This is a CTF estimate based on an NDP spokesperson saying the party received between [\\$60,000 to \\$70,000](#) per claim period and intended to apply for [five claim periods](#) (\$65,000 x 5 = \$325,000).

¹⁵¹ Government of Canada, "Report on Federal Tax Expenditures 2021," <https://www.canada.ca/content/dam/fin/publications/taxexp-depfisc/2021/taxexp-depfisc-21-eng.pdf>

In addition, parties and candidates received more than \$191 million in expense reimbursements for the 2019,¹⁵² 2015 and 2011¹⁵³ federal elections, according to Elections Canada. The federal government should end this practice of reimbursing parties and candidates for their campaign expenses, starting with the 2021 election. Elections Canada estimates that the reimbursements for the 2021 election will cost taxpayers \$66.7 million.¹⁵⁴

Recommendation: Require all political parties to pay back the federal wage subsidy, returning \$3.7 million back to taxpayers.

Recommendation: Scrap the political contributions tax credit saving taxpayers \$30 million annually.

Recommendation: End the campaign reimbursements for political parties and candidates, which includes not reimbursing campaigns for the 2021 election. This would save taxpayers about \$67 million.

¹⁵² Elections Canada, “Estimated Cost of the 43rd General Election,”

<https://www.elections.ca/content.aspx?section=res&dir=rep%2Foff%2Fcou&document=index43&lang=e#compa>

¹⁵³ Elections Canada, “Report on the 42nd General Election of October 19, 2015,”

https://www.elections.ca/content.aspx?section=res&dir=rep%2Foff%2Fsta_2015&document=p2&lang=e#ftnref7t

¹⁵⁴ Elections Canada, Estimated Cost of the 44th General Election,

<https://www.elections.ca/content.aspx?section=res&dir=rep/off/cou&document=index44&lang=e#ftn3>

13. Defund the Mission Cultural Fund

The Mission Cultural Fund was created in 2016, as a \$1.75-million-a-year fund “designed to promote our artists abroad while advancing foreign policy priorities.”¹⁵⁵ However, the fund has been consistently overbudget. The table below shows actual spending versus budgeted spending.

Table: Mission Cultural Fund, actual spending vs budget¹⁵⁶

Year	Budget	Actual	Overbudget
2016	\$1,750,000	\$2,088,577	\$338,577
2017	\$1,750,000	\$5,240,646	\$3,490,646
2018	\$1,750,000	\$4,008,018	\$2,258,018

While the fund was given a budget of \$1.75 million annually, its actual average annual spending has been nearly \$3.8 million.

In addition to cost overruns, the MCF has continued to waste taxpayers’ money on non-essential spending, such as:

- \$8,813.70 on a sex toy art show in Germany¹⁵⁷
- \$51,145.59 on a red-carpet photography exhibition for Canadian rock star Bryan Adams¹⁵⁸
- Nearly \$10,000 on a premier party for the TV show Mary Kills People¹⁵⁹
- \$15,799 to promote famous cartoonist Lynn Johnston’s work in Washington¹⁶⁰

¹⁵⁵ Senate of Canada, The standing senate committee on foreign affairs and international trade evidence,” <https://www.sencanada.ca/en/Content/Sen/Committee/421/AEFA/53703-e>

¹⁵⁶ Canadian Taxpayers Federation, “Global Affairs defensive as cultural fund confirmed to be overbudget, burning through millions,” <https://www.taxpayer.com/newsroom/global-affairs-defensive-as-cultural-fund-confirmed-to-be-overbudget,-burning-through-millions>

¹⁵⁷ Canadian Taxpayers Federation, “Ottawa funds rock star photo exhibit and double masturbator display,” <https://www.taxpayer.com/newsroom/ottawa-funds-rock-star-photo-exhibit-and-double-masturbator-display>

¹⁵⁸ Canadian Taxpayers Federation, “Ottawa funds rock star photo exhibit and double masturbator display,” <https://www.taxpayer.com/newsroom/ottawa-funds-rock-star-photo-exhibit-and-double-masturbator-display>

¹⁵⁹ Canadian Taxpayers Federation, “Hollywood reception cost taxpayers almost \$10,000,” <https://www.taxpayer.com/newsroom/hollywood-reception-cost-taxpayers-almost-10,000>

¹⁶⁰ Canadian Taxpayers Federation, “For Better or For Worse: Canadian cartoonist exhibit cost taxpayers \$15,799,” <https://www.taxpayer.com/newsroom/for-better-or-for-worse-canadian-cartoonist-exhibit-cost-taxpayers-15,799?id=&idCat=>

- Nearly \$10,000 to help author Margaret Atwood promote a new book in Australia¹⁶¹
- \$17,915 for the jazz band Shuffle Demons' international performances¹⁶²

Recommendation: Scrap the Mission Cultural Fund, saving taxpayers an estimated \$3.8 million annually.

¹⁶¹ Canadian Taxpayers Federation, "Margaret Atwood's Australian tour cost taxpayers almost \$10,000," <https://www.taxpayer.com/newsroom/margaret-atwood's-australian-tour-cost-taxpayers-almost-10,000?id=18673&idCat=>

¹⁶² Canadian Taxpayers Federation, "Global Affairs spends nearly \$18,000 on South American jazz tours," <https://www.taxpayer.com/newsroom/global-affairs-spends-nearly-18,000-on-south-american-jazz-tours>

14. Comprehensive spending review similar to the 1990s

In its efforts to balance the budget in the 1990s, former prime minister Jean Chrétien's government set forth the best practices for program reviews.¹⁶³ Cabinet ministers in every department were instructed to put their departmental spending under a microscope. The review was comprehensive and applied six tests to every expense:

1. Does it serve the public interest?
2. Is government involvement necessary?
3. Is this an appropriate role for this level of government?
4. Are public-private partnerships possible or desirable?
5. Are there ways to make it more efficient?
6. Can taxpayers afford this expense?

As analyst Sean Speer noted in his paper for the Macdonald-Laurier Institute:

"The program review led to significant reforms that not only reduced spending and lowered the budgetary deficit, but also modernized and reformed the role of the federal government. The result was smaller and better government and sustainable public finances."

As a result of the review, programs became more efficient, the government cut 60 per cent of its corporate welfare and divested from major Crown corporations, such as airports and the air navigation system. The spending review identified \$9.8 billion in savings, equivalent to 18.9 per cent of federal departmental spending at the time.

All departments participated. The largest reductions were in transportation, where spending was to decline by more than 50 per cent, and in industrial, regional and scientific support programs, which fell by 40 per cent. Transfer payments to the provinces for health and education were also targeted. The overall amount of federal transfer payments fell from \$25.8 billion in 1994 to \$22.2 billion in 1996. The cuts to transfers were larger than the cuts to direct federal spending.

This program review allowed the federal government to balance the budget in 1997-98 and pay down more than \$90 billion in federal debt before the financial crisis hit in 2008. This reduced the proportion of tax dollars going towards debt interest payments from 30 per cent in 1996 down to 13 per cent in 2008.

The savings also allowed for significant tax relief, such as sales tax, business and personal income tax relief, and the establishment of TFSAs to boost household savings.

¹⁶³ Sean Speer, "Getting Out of a Fiscal Hole: Canada's experience with fiscal reform," Macdonald-Laurier Institute, https://macdonaldlaurier.ca/files/pdf/MLI-Anglosphere-CanadaPaper_Web_F.pdf?fbclid=IwAR22yRGHWsRdfCj2yZbklrpeYM9pyPYBLbj1YHSON2OsmMyMLrRP7a1hAk

Since the budget was first balanced in 1997-98, federal government spending has again taken off. Between 1997¹⁶⁴ and 2018¹⁶⁵ (the last full year before COVID-19), the federal government's inflation-adjusted total annual spending has increased by \$117 billion, or 53 per cent. In fact, in 2018, the federal government's inflation-adjusted per-person spending reached all-time highs.¹⁶⁶ That means that even before the pandemic, the federal government was spending more money than it spent during any single year of World War II.

Learning from the success of the review and subsequent spending reductions, Speer provides a final recommendation for future politicians looking to rein in government borrowing:

"Fiscal reform should not just focus on reducing the budgetary deficit. Instead, it should encompass reforms and modernizations of all that government does and how it does it. Across-the-board cuts or arbitrary targets may achieve short-term spending reductions, but they often create future pressures. Eliminating programs, divesting assets, or reforming operations is the surest way to not only cut the deficit in the short term, but limit the size and scope of government in the long-term."

Given the massive level of federal government spending, even before the pandemic, all areas of the federal budget should be put under the microscope. However, the government should begin by identifying clear examples of waste, such as the following spending over the last 10 years.

A decade of federal government waste:

2012

- The National Capital Commission built seven brand new ice chalets for skaters on the Rideau Canal at an average cost of \$750,000 each. That was more than double the average cost of a home in the Ottawa area, \$360,000.
 - Cost: \$5.24 million.¹⁶⁷
- The Royal Canadian Mint produced about \$486-million worth of pennies in a year. It cost \$11 million to manufacture and distribute \$6.9-million worth of pennies. That means each 1-cent penny cost about 1.6 cents to make

¹⁶⁴ Government of Canada, Budget 2000, <https://www.budget.gc.ca/pdfarch/budget00/pdf/bpe.pdf>

¹⁶⁵ Government of Canada, 2019 Fall Economic and Fiscal Update, <https://www.budget.gc.ca/efu-meb/2019/docs/statement-enonce/efu-meb-2019-eng.pdf>

¹⁶⁶ Jake Fuss and Nathaniel Li, "Prime Ministers and Government Spending: 2021 Edition," <https://www.fraserinstitute.org/blogs/prime-ministers-and-government-spending-2021-edition>

¹⁶⁷ CTV News, "New chalets unveiled on Rideau Canal Skateway," <https://ottawa.ctvnews.ca/new-chalets-unveiled-on-rideau-canal-skateway-1.754328>

- Cost: \$11 million.¹⁶⁸

2013

- The federal government gave \$3.2 million in taxpayer dollars to PurGenesis, a company owned by Ottawa Senators owner Eugene Melnyk. Ostensibly it was to create “some 100 jobs,” but the company ended up creating three before quickly going under.
 - Cost: \$3.2 million.¹⁶⁹
- Agriculture and Agri-Food Canada spent taxpayer money subsidizing a food truck in Mexico City.
 - Cost: \$50,000.¹⁷⁰
- The Senate of Canada decided to hire a motivational speakers in the midst of an expense scandal.¹⁷¹
- The Department of Defence had researchers poll Canadians on their thoughts about superheroes, including whether they can leap over skyscrapers.
 - Cost: \$14,000.¹⁷²
- The federal government kept a Poet Laureate on hand for two years for an annual stipend of \$20,000 plus travel expenses, and only had him write one poem that he described as “mediocre.”
 - Cost: \$40,000.¹⁷³

2014

- The Canadian Forces kept highly paid dentists on hand who did very little actual dentistry as most work was contracted out privately. In the data examined by CBC News, some specialists worked on no patients.
 - Cost: \$56 million for government dentists.¹⁷⁴

¹⁶⁸ Anna Mehler Paperny, “Penny’s demise signals an empire in decline,” Globe and Mail, <https://www.theglobeandmail.com/news/national/pennys-demise-signals-an-empire-in-decline/article4097062/>

¹⁶⁹ Martin Patriquin, “Money down the test tube,” Maclean’s, <https://www.macleans.ca/news/canada/money-down-the-test-tube/>

¹⁷⁰ David Agren, “Salad? Poutine? Blueberries? Canadian food truck a hit in Mexico City,” Toronto Star, https://www.thestar.com/news/world/2013/04/26/salad_poutine_blueberries_canadian_food_truck_a_hit_in_mexico_city.html?rf

¹⁷¹ Joan Bryden, “Senate hires motivational speakers in midst of expenses scandal,” Globe and Mail, <https://www.theglobeandmail.com/news/politics/senate-hires-motivational-speakers-in-midst-of-raging-expenses-scandal/article12635610/>

¹⁷² Dean Beeby, “National Defence spent \$14,000 on poll about superheroes’ powers,” https://www.thestar.com/news/canada/2013/12/27/national_defence_spent_14000_on_poll_about_superheroes_powers.html

¹⁷³ Matthew Coutts, “Canada’s poet laureate would love to be asked to write another poem,” Yahoo News, <https://ca.news.yahoo.com/blogs/dailybrew/canada-poet-laureate-love-asked-write-another-poem-205220426.html?guccounter=1>

¹⁷⁴ Bob Murphy, “Canadian Forces dentists’ productivity questioned,” CBC News, <https://www.cbc.ca/news/canada/nova-scotia/canadian-forces-dentists-productivity-questioned-1.2579134>

- Employment and Social Development Canada spent millions of dollars promoting a skills training program that didn't exist.
 - Cost: \$2.5 million.¹⁷⁵
- The federal government spent \$9 million on wireless competition ads that left consumers wondering what the Conservatives intended to do about the issue. A focus group found that the ads made people angry about how much they were paying but were unclear about what the government was going to do about it.
 - Cost: \$9 million.¹⁷⁶
- Parks Canada misrepresented the success of a \$1.6-million promotion. The agency claimed 400,000 Grade Eight students participated in My Park Pass, despite there only being 347,694 kids in grade eight in Canada.
 - Cost: \$1.6 million.¹⁷⁷
- Parks Canada spent \$191,300 on phone interviews with 3,764 Canadians. The results were that Canadians do not know what the agency is or what it does, while 6 per cent nationwide appeared to confuse the agency with an NBC sitcom.
 - Cost: \$191,300.¹⁷⁸
- The Federal Government spent taxpayer money as part of a \$14.8-million Action Plan campaign on a series of ads that 62 per cent of Canadians said they could not remember at all.
 - Cost: \$14.8 million.¹⁷⁹
- The Department of Defence spent over 100 million on a hangar for nine Cyclone helicopters that it did not have.
 - Cost: \$104 million.¹⁸⁰
- The acting Head of the Canadian Human Rights Commission lived in Winnipeg and worked in Ottawa. The federal government spent nearly \$760,000 paying to shuttle him back and forth from 2006 to 2014, amongst other expenses.
 - Cost: \$760,000.¹⁸¹

¹⁷⁵ Sophia Harris, "Canada Job Grant ads cost \$2.5M for non-existent program," CBC News, <https://www.cbc.ca/news/politics/canada-job-grant-ads-cost-2-5m-for-non-existent-program-1.2495196>

¹⁷⁶ Bruce Cheadle, "Feds' telecom ads raise ire but lacked policy," The Canadian Press, <https://www.nationalnewswatch.com/2014/03/18/harper-governments-telecom-ads-raised-ire-but-lacked-policy-focus-groups/#.YfFnuFjMLt3>

¹⁷⁷ Blacklock's Reporter, "Parks Canada Pads Numbers," <https://www.blacklocks.ca/parks-canada-pads-numbers/>

¹⁷⁸ Blacklock's Reporter, "\$191,300 For Parks Polling," <https://www.blacklocks.ca/191300-for-parks-polling/>

¹⁷⁹ Blacklock's Reporter, "Ads Didn't Work, Feds Told," <https://www.blacklocks.ca/ads-didnt-work-feds-told/>

¹⁸⁰ Michael Byers, "Victoria's New Heli-Hangar: A Building to Die for?," The Tyee, <https://thetyee.ca/Opinion/2014/12/04/Victoria-Heli-Hangar/>

¹⁸¹ Kristy Kirkup, "David Langtry's human rights commission expenses questioned," CBC News, <https://www.cbc.ca/news/politics/david-langtry-s-human-rights-commission-expenses-questioned-1.2861014>

- Employment Canada spent tens of thousands on pep talks from a motivational speaker. Employment Canada offered no explanation on why the speaker was hired, or who they were expected to motivate.
 - Cost: \$33,037.¹⁸²

2015

- The Canadian Museum of Human Rights spent nearly \$2 million on their opening ceremonies, which they expected to be covered mainly by sponsors. They ended up finding very little outside support and had to shoulder the cost themselves with taxpayers' money.
 - Cost: \$1.89 million.¹⁸³
- Megan Leslie's flight to Edmonton meeting cost six times more than her fellow MP. Her colleague, Robert Chisholm, flew return from Halifax to Edmonton for one-sixth of the price — \$1,044.84. Later on, she admitted she flew business class.
 - Cost: \$6,366.¹⁸⁴
- FedDev Ontario put up \$8.1 million for Fanshawe College to build a lab that will compete with private labs. There were already 30 test facilities in southern Ontario. The city of London also gave the college the land to build it on.
 - Cost: \$8.1 million.¹⁸⁵
- Canada sent one of the largest delegations to the Paris climate change conference, with more than 300 politicians, government staff and bureaucrats in attendance, all travelling at taxpayers' expense.
 - Cost: \$650,000.¹⁸⁶
- Taxpayers were on the hook for a lavish ceremony to reopen Canada House in England, with luxury food items shipped overseas, and commemorative items made of precious metals.
 - Cost: \$209,000.¹⁸⁷

¹⁸² Blacklock's Report, "Feds Paid \$33K For Pep Talks," <https://www.blacklocks.ca/feds-paid-33k-for-pep-talks/>

¹⁸³ Mia Robson, "Museum's \$2-M tab for opening 'ridiculous': critic," Winnipeg Free Press, <https://www.winnipegfreepress.com/local/museums-2-m-tab-for-opening-ridiculous-critic-294785201.html>

¹⁸⁴ Jean Laroche, "Megan Leslie's flight to Edmonton meeting cost 6 times more than fellow MP," CBC News, <https://www.cbc.ca/news/canada/nova-scotia/megan-leslie-s-flight-to-edmonton-meeting-cost-6-times-more-than-fellow-mp-1.3115702>

¹⁸⁵ Peter Kuitenbrouwer, "Private test labs fear new government-funded facility at Fanshawe College will put them out of business," Financial Post, <https://financialpost.com/news/economy/private-test-labs-fear-new-government-funded-facility-at-fanshawe-college-will-put-them-out-of-business>

¹⁸⁶ CTV News, "The price of Paris: Canada sends more than 300 delegates to climate talks," <https://www.ctvnews.ca/canada/the-price-of-paris-canada-sends-more-than-300-delegates-to-climate-talks-1.2686239>

¹⁸⁷ Dean Beeby, "Lavish Canada House reopening in London cost taxpayers more than \$200K," CBC News, <https://www.cbc.ca/news/politics/lavish-canada-house-reopening-in-london-cost-taxpayers-more-than-200k-1.3101187>

- Canadian Heritage spent roughly \$15,000 on a survey asking tourists on Parliament Hill if they liked the Christmas lights.
 - Cost: \$15,000.¹⁸⁸
- Global Affairs Canada was caught spending thousands of taxpayer dollars to furnish embassies worldwide with luxury items such as high-end seat cushions, and crystal-stemmed wine glasses that cost more than double what Tiffany's in New York City sells them for.¹⁸⁹

2016

- The Canada Revenue Agency spent millions of dollars trying and failing to stop their employees from improperly spying on the records of people they know.
 - Cost: \$10.5 million.¹⁹⁰
- Infrastructure Minister Amarjeet Sohi spent nearly one million dollars renovating offices and buying paintings.
 - Cost: \$835,000.¹⁹¹
- The federal government subsidized a Maple Leaf Food's Winnipeg facility to increase its bacon production, costing taxpayers hundreds of thousands.¹⁹²

2017

- The federal government spent over \$200,000 on artwork for the 2017 budget cover.
 - Cost: \$212,234.¹⁹³
- An outdoor skating rink was built on Parliament Hill for Canada 150's closing celebrations, costing taxpayers \$5.6 million, but Canadians only had a little over three weeks to skate on it. It was later extended, but the rules about no cell phones and no hockey sticks stayed. You also had to book a time slot online.
 - Cost: \$5.6 million.¹⁹⁴

¹⁸⁸ Althia Raj, "Canadian Heritage Spent \$15K On Survey Asking Tourists About Parliament Hill Christmas Lights," Huffington Post, https://www.huffpost.com/archive/ca/entry/canadian-heritage-christmas-lights-parliament_n_13485524?ncid=engmodushpimg00000004

¹⁸⁹ Aaron Wudrick, "Canada's diplomats shell out big time for cushions, wine glasses and more," Toronto Sun, <https://torontosun.com/opinion/columnists/opinion-canadas-diplomats-shell-out-big-time-for-cushions-wine-glasses-and-more>

¹⁹⁰ Dean Beeby, "CRA spends millions but fails to stop tax workers from snooping on Canadians, documents show," CBC News, <https://www.cbc.ca/news/politics/canada-revenue-agency-privacy-tax-files-commissioner-1.3905608>

¹⁹¹ Global News, "Conservatives blast Liberals for office renovation expenses," <https://globalnews.ca/news/2733155/conservatives-blast-liberals-for-office-renovation-expenses/>

¹⁹² Government of Canada, "Governments Invest In Expansion at Maple Leaf Bacon Production Facility," <https://www.canada.ca/en/agriculture-agri-food/news/2016/07/governments-invest-in-expansion-at-maple-leaf-bacon-production-facility.html>

¹⁹³ Colby Cosh, "\$200,000 on a budget cover? That's exclusively Liberal tomfoolery," National Post, <https://nationalpost.com/opinion/colby-cosh-200000-on-a-budget-cover-thats-exclusively-liberal-tomfoolery>

¹⁹⁴ Katie Dangerfield and Monique Scotti, "Skating rink on Parliament Hill set to cost \$5.6M, passes must be reserved online," Global News, <https://globalnews.ca/news/3828605/parliament-hill-skating-rink/>

- The government used the \$1.75 million-a year MCF to fly chefs via business class tickets to overseas missions from Singapore to Jerusalem. Expenses included \$15,000 to fly an unnamed chef to the Dominican Republic for a 2017 Canada Day banquet to promote “Canada’s global image.” Another unnamed chef was flown to Miami to prepare “signature Canadian dishes” at a July 1, 2017 party at a cost of \$4,643.¹⁹⁵
- The government spent \$51,145.59 through the MCF on a Bryan Adams photography exhibit.
 - Cost: \$51,145.59.¹⁹⁶

2018

- The government spent nearly \$1,900 on life-size cut-outs of Prime Minister Justin Trudeau to put on display at some Canadian missions abroad.
 - Cost: \$1,900.¹⁹⁷
- The Canadian Forces bought kits that let its leaders experience what it’s like to be stoned on marijuana. The “marijuana simulation kits” included “marijuana impairment goggles,” among other items.
 - Cost: \$170,000.¹⁹⁸
- Prime Minister Justin Trudeau took a controversial trip to India, spending taxpayers’ money on everything he could. From flying a celebrity chef all the way around the world, to an airplane food and drinks tab above \$100,000, to a \$835 hockey stick bill for an event, it was a trip that should never be repeated.
 - Cost: \$1.66 million.¹⁹⁹
- Shared Services Canada employees were evacuated from office space for two straight days for fumigation because someone thought they saw a poisonous spider. Experts later said that the spider in question was harmless.

¹⁹⁵ Blacklock’s Reporter, “Gov’t Fly-A-Chef Program,” <https://www.blacklocks.ca/govt-fly-a-chef-program/>

¹⁹⁶ Canadian Taxpayers Federation, “Ottawa funds rock star photo exhibit and double masturbator display,” <https://www.taxpayer.com/newsroom/ottawa-funds-rock-star-photo-exhibit-and-double-masturbator-display?id=18600https://www.taxpayer.com/newsroom/ottawa-funds-rock-star-photo-exhibit-and-double-masturbator-display?id=18600>

¹⁹⁷ Toronto Star, “CANADA

Feds spend nearly \$1,900 on cardboard cut-outs of Trudeau to ‘promote Canada’,” <https://www.thestar.com/news/canada/2017/05/09/feds-spend-nearly-1900-on-cardboard-cut-outs-of-trudeau-to-promote-canada.html>

¹⁹⁸ David Pugliese, “Military to spend \$170,000 so leaders can see what it’s like to be stoned on marijuana,” National Post, <https://nationalpost.com/news/canada/military-to-spend-170000-so-leaders-can-see-what-its-like-to-be-stoned-on-marijuana>

¹⁹⁹ Elizabeth Thompson, “Trudeau’s India trip cost more than the government first disclosed,” CBC News, <https://www.cbc.ca/news/politics/trudeau-india-spending-scheer-1.4829121>

- Cost: \$18,000.²⁰⁰
- Library and Archives Canada paid a fifty percent premium for a Hitler book without verifying it was authentic, according to Access to Information records. The same volume was withdrawn from sale at a U.S. auction in 2011.
 - \$4,522 (USD).²⁰¹
- Statistics Canada decided to hire a public relations firm to rebuild its reputation after it was reported that they had asked banks for financial records.
 - Cost: \$14,012.²⁰²

2019

- Independent Senator Donna Dasko spent \$15,000 on a Nanos Research poll to ask Canadians on their opinions of the Senate. Many respondents said the Senate was a waste of money.
 - Cost: \$15,000.²⁰³
- The government spent \$8,813.70 through the MCF on a sex toy show in Germany.
 - Cost: \$8,813.70.²⁰⁴
- Taxpayers paid nearly \$800,000 in subsidies to a private radio station to serve Edmonton's French-speaking community with a population 27,000. The city already has a French-language CBC Radio service funded by taxpayers.
 - Cost: \$641,483.²⁰⁵
- Elections Canada paid roughly \$325,000 directly to 13 social media "influencers" who were supposed to star in a campaign to boost voter registration. But the agency won't be asking for any of that money back after the video campaign featuring the influencers was abruptly scrapped over concerns that some had previously been involved in activities that could be deemed partisan.
 - Cost: \$325,000.²⁰⁶

²⁰⁰ Ryan Tumilty, "Spider scare sends federal government workers home — twice," CBC News, <https://www.cbc.ca/news/canada/ottawa/shared-services-spider-evacuation-1.4885227>

²⁰¹ Blacklock's Reporter, "Top Dollar For Hitler Book," <https://www.blacklocks.ca/top-dollar-for-hitler-book/>

²⁰² Jacques Marcoux, "StatsCan hired PR firm to prevent 'reputational damage' after outcry over plan to gather banking records," CBC News, <https://www.cbc.ca/news/politics/statistics-canada-hires-pr-firm-1.5298092>

²⁰³ Bill Curry, "Independent senator's \$15,000 poll finds many Canadians view the Senate as a pointless waste of money," Globe and Mail, <https://www.theglobeandmail.com/politics/article-independent-senators-15000-poll-finds-many-canadians-view-the/>

²⁰⁴ Canadian Taxpayers Federation, "Ottawa funds rock star photo exhibit and double masturbator display," <https://www.taxpayer.com/newsroom/ottawa-funds-rock-star-photo-exhibit-and-double-masturbator-display?id=18600https://www.taxpayer.com/newsroom/ottawa-funds-rock-star-photo-exhibit-and-double-masturbator-display?id=18600>

²⁰⁵ Blacklock's Reporter, "\$779,000 For Radio Station,"

²⁰⁶ Amanda Connolly, "Elections Canada paid 'influencers' \$325K — but won't ask for the money back," Global News, <https://globalnews.ca/news/5416713/elections-canada-paid-influencers/>

- Parks Canada tore down a fence that had only been put up 48 hours prior because it blocked a beautiful view on Signal Hill in St. John's and was described as ugly.
 - Cost: \$65,000.²⁰⁷
- Federal executives billed taxpayers more than \$136,000 during the year for airline tickets that were never used.
 - Cost: \$ \$136,496.²⁰⁸
- The Department of Fisheries and Oceans spent millions of dollars a year on new computers while it sold or scrapped near-new equipment at the same time. Auditors at the Department of Fisheries also cited management for pointlessly storing thousands of old hard drives for years, even decades. "The department does not have an effective IT asset management system," staff wrote in an internal Audit Of Information Technology Asset Management: "Inventory errors were found to be significant."
 - Cost: \$5 million per year.²⁰⁹
- A Hollywood-style awards night for federal communications staff left taxpayers with a \$12,450 bill. The cost of the 2019 Communications Awards Of Excellence included \$2,880 for a cocktail party where staff billed for Nova Scotia smoked salmon, Serrano ham, parmesan risotto balls, and Alberta Angus beef meatballs with bourbon barbecue glaze.
 - Cost: \$12,450.²¹⁰
- A new Liberal appointee to the Senate billed taxpayers \$3,250 for a single day's coaching on how to speak to media. Senator Margaret Anderson (Independent-NWT) did not take media questions about the expense.
 - Cost: \$3,250.²¹¹
- The federal government gave the Loblaw's supermarket chain \$12 million to buy new energy efficient freezers and fridges.
 - Cost: \$12 million.²¹²
- Canadian taxpayers paid \$41,545 to study an abandoned, unheated storage barn at the prime minister's cottage in Harrington Lake.
 - Cost: \$41,545.²¹³

²⁰⁷ CBC News, "Dismantled Signal Hill fence cost \$65K before outcry led to removal: Parks Canada," <https://www.cbc.ca/news/canada/newfoundland-labrador/signal-hill-fence-cost-1.5217839>

²⁰⁸ Blacklock's Reporter, "\$136K For Flights Not Taken," <https://www.blacklocks.ca/136k-for-flights-not-taken/>

²⁰⁹ Blacklock's Reporter, "Millions Wasted On IT: Audit," <https://www.blacklocks.ca/millions-wasted-on-it-audit/>

²¹⁰ Blacklock's Reporter, "Red Carpet Night Cost \$12K," <https://www.blacklocks.ca/red-carpet-night-cost-12k/>

²¹¹ Blacklock's Reporter, "Senator Hired Media Coach," <https://www.blacklocks.ca/senator-hired-media-coach/>

²¹² Global News, "Tories slam federal government's decision to give Loblaws \$12M for new refrigerators," <https://globalnews.ca/news/5148121/loblaws-refrigerator-funding-backlash/>

²¹³ Canadian Taxpayers Federation, "Over \$40,000 spent to study abandoned, mouldy Harrington Lake barn," <https://www.taxpayer.com/newsroom/over-40,000-spent-to-study-abandoned-mouldy-harrington-lake-barn>

- A Canadian cartoonist responsible for the For Better or For Worse cartoon, with a career spanning several decades, received more than \$15,000 from the MCF.
 - Cost: \$15,799.²¹⁴

2020

- A federal agency approved a \$100,000 subsidy to open a private marijuana store two hundred metres from an elementary school. Bankrolling of a cannabis outlet in the remote village of Carmacks, Yukon was to “benefit Aboriginal people” on a promise one job would be created.
 - Cost: \$100,000.²¹⁵
- Taxpayers paid \$73,220 to jet Health Minister Patricia Hajdu home for weekends in Thunder Bay even though her department was telling people to stay home in the height of the first wave of the pandemic.
 - Cost: \$73,220.²¹⁶
- Federal and provincial political parties, including the federal Liberals, Conservatives, NDP and Greens, all decided to dip into the wage subsidy programs set up to help sustain businesses during the height of the pandemic downturn.
 - Cost: \$3.7 million.²¹⁷
- The Department of Agriculture tried to ask a group of 725 companies their opinions on their favourite “Canada Brand” symbol. In the end only 62 replies came back, meaning each answer cost roughly \$1,000.
 - Cost: \$61,611.²¹⁸
- More than \$9 million in pandemic relief aid for the disabled was paid to dead people – the money was deposited into the accounts after they passed away.
 - Cost: \$9,208,500.²¹⁹
- Despite repeated denials last summer, Canada Mortgage and Housing Corporation paid \$250,000 for a study that would include an examination of “tax policy that privileges home ownership,” including a home equity tax, according to documents exclusively obtained by the Canadian Taxpayers Federation.

²¹⁴ Canadian Taxpayers Federation, “For Better or For Worse: Canadian cartoonist exhibit cost taxpayers \$15,799,” <https://www.taxpayer.com/newsroom/for-better-or-for-worse-canadian-cartoonist-exhibit-cost-taxpayers-15,799>

²¹⁵ Blacklock’s Reporter, “Gov’t Bankrolled Pot Store,” <https://www.blacklocks.ca/govt-bankrolled-pot-store/>

²¹⁶ Blacklock’s Reporter, “Weekend Flights Cost \$73,220,” <https://www.blacklocks.ca/weekend-flights-cost-73220/>

²¹⁷ Canadian Taxpayers Federation, “Political parties took more than \$3.7 million through federal wage subsidy,” <https://www.taxpayer.com/newsroom/political-parties-took-more-than-3.7-million-through-federal-wage-subsidy>

²¹⁸ Dave Naylor, “Feds spend 61K on an agriculture survey to find data that wasn’t useful,” Western Standard, https://westernstandardonline.com/2021/03/feds-spend-61k-on-an-agriculture-survey-to-find-data-that-wasnt-useful/?fbclid=IwAR09GD7NLxZMZA-U5CuwuJRGh_Zqvv9p7mD4gIQ-iFDIgoZ6Xpj_kpDIwY

²¹⁹ Dave Naylor, “Feds pay \$9 million in COVID cash to dead people,” <https://westernstandardonline.com/2021/06/feds-pay-9-million-in-covid-cash-to-dead-people/?fbclid=IwAR0DBKmkVMISWEmt3M60EI7N9fnVaoOZ54hXdWRao9UNIRNHQJyoQtaRe2s>

- Cost: \$250,000.²²⁰
- Documents show the CMHC spent over \$900,000 on a plan to change its name, even though former CEO Evan Siddall told a parliamentary committee that no tax dollars had been spent on the project.
 - Cost: \$924,614.²²¹
- Canadian taxpayers paid close to \$10,000 to help author Margaret Atwood promote a new book in Australia.²²²
 - Cost: \$10,000
- The Public Health Agency of Canada, the same agency responsible for throwing away millions of dollars of pandemic protective gear, spent almost \$19,000 on an executive washroom for exclusive use by its president.
 - Cost: \$18,902

2021

- Former Governor General Julie Payette had a litany of dubious expenses throughout her troubled tenure in the already wasteful position. The list starts with \$502,395 in Rideau Hall renovations, \$649,000 in swearing-in costs, \$110,000 in legal fees from the inquiry, \$393,367 in Quintet consult costs, and ends with a lifetime pension and more than \$200,000 expense account that can last until 6 months after her death.²²³
- The Senate decided to spend roughly \$150,000 on desks for their employees to work when they were working at home.
 - Cost: \$150,000.²²⁴
- A federal “cost savings” program to electrify transit will see vehicles purchased at double the cost of conventional buses.²²⁵
- Infrastructure Minister Catherine McKenna and nine staffers spent nearly \$42,000 and tens of thousands of litres of aviation fuel on a farewell “climate change” tour of Canada.

²²⁰ Canadian Taxpayers Federation, “CMHC spent \$250,000 on home tax study, despite denials,” <https://www.taxpayer.com/newsroom/cmhc-spent-250,000-on-home-tax-study,-despite-denials>

²²¹ Canadian Taxpayers Federation, “CMHC spent over \$900,000 on stalled name change,” <https://www.taxpayer.com/newsroom/cmhc-spent-over-900,000-on-stalled-name-change>

²²² Canadian Taxpayers Federation, “Margaret Atwood’s Australian tour cost taxpayers almost \$10,000,” <https://www.taxpayer.com/newsroom/margaret-atwood%E2%80%99s-australian-tour-cost-taxpayers-almost-10,000>

²²³ Canadian Taxpayers Federation, “Former governor generals allowed to bill Canadians beyond the grave,” <https://www.taxpayer.com/newsroom/former-governor-generals-allowed-to-bill-canadians-beyond-the-grave?id=18875>

²²⁴ Blacklock’s Reporter, “\$150K For New Senate Desks,” <https://www.blacklocks.ca/150k-for-new-senate-desks/>

²²⁵ Blacklock’s Reporter, “Green ‘Savings’ Cost Double,” <https://www.blacklocks.ca/green-savings-cost-double/>

- Cost: \$41,917.²²⁶
- Cabinet invited taxpayers in 2021 to vote for their favourite design of a multi-million dollar monument to the Department of Foreign Affairs. The monument will commemorate the “daily sacrifices” of diplomats.
 - Cost: \$2.95 million.²²⁷
- The Department of Northern Affairs spent more than \$1.4 million installing solar panels in the most sunless region of Canada.
 - Cost: \$1,436,726.²²⁸
- A deputy minister who called climate change a “massive issue facing humanity” billed nearly \$11,000 in first-class airfare to attend the COP26 climate change conference.
 - Cost: \$10,843.²²⁹
- The federal government spent more than \$10 million on its failed campaign for a seat on the United Nations Security Council.
 - Cost: \$10,371,712.²³⁰
- Canada sent the most delegates to COP26 out of G7 nations. Canada sent 276 delegates to COP26, while host UK sent the second most, 227.²³¹ Finance Minister Chrystia Freeland stayed in the wrong city than billed taxpayers \$3,000 for luxury chauffeur service.

Recommendation: Implement a comprehensive spending review similar to the Chrétien government’s review in the 1990s.

²²⁶ Blacklock’s Reporter, “McKenna Climate Tour Logs 22,600 km By Jet In Ten Days,” <https://www.blacklocks.ca/mckenna-climate-tour-logs-22600-km-by-jet-in-ten-days/>

²²⁷ Blacklock’s Reporter, “Plan \$3M Monument To Self,” <https://www.blacklocks.ca/plan-3m-monument-to-self/>

²²⁸ Blacklock’s Reporter, “\$1.4M For Arctic Solar Panels,” <https://www.blacklocks.ca/1-4m-for-arctic-solar-panels/>

²²⁹ Blacklock’s Reporter, “One Climate Flight At \$10,843,” <https://www.blacklocks.ca/one-climate-flight-at-10843/>

²³⁰ Canadian Taxpayers Federation, “Africa trip drives up failed UN security seat campaign cost to over \$10 million,” <https://www.taxpayer.com/newsroom/africa-trip-drives-up-failed-un-security-seat-campaign-cost-to-over-10-million>

²³¹ Cosmin Dzsurdza, “Canada sent most delegates to COP26 out of G7 nations,” True North, <https://tnc.news/2021/11/03/canada-sent-most-delegates-to-cop26-out-of-g7-nations/>