TRUDEAU POCKETS TWO PENSIONS P.16

TARIFFS ARE JUST ANOTHER WORD FOR TAXES P.26

Q&A WITH SCOTT MOE P.32

the taxpayer

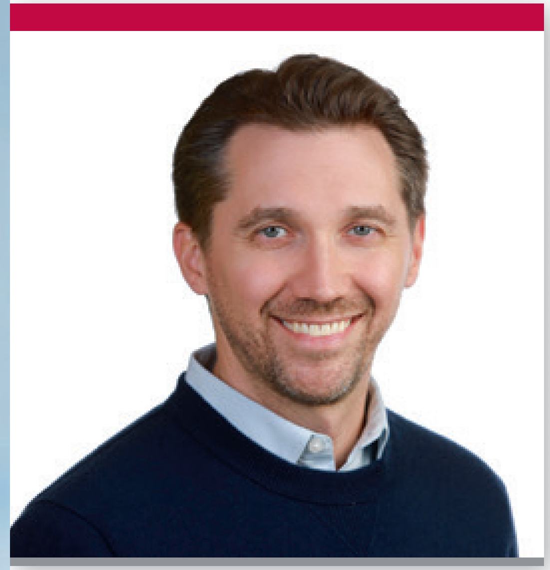
Winter-Spring 2025
taxpayer.com

WHAT TO DO WITH CANADA POST?

P.40

FROM THE PRESIDENT

Rejecting American-style post-ethics



Scott Hennig,
President, Canadian Taxpayers Federation

Canadian media, music and politics often adopt traits from our American cousins.

It's not just about movies, music and TV shows. Lists of the most-listened-to political podcasts in Canada are littered with American content. Candace Owen's American political podcast gets more Canadian listeners than Canadian political podcasts like the Curse of Politics and the Paul Wells Show.

Consequently, Canadians increasingly interpret domestic politics through an American lens. We saw this during the last election when opponents labeled Conservative Party of Canada Leader Pierre Poilievre as "Maple MAGA." Similarly, following United States President Donald Trump's 2016 victory, "Make Canada Great Again" hats appeared among some Canadian conservatives.

U.S. influences keep seeping into Canada from across the political spectrum, from anti-immigrant sentiments all the way to diversity, equity and inclusion (DEI) initiatives.

Yet, in some ways, this is fine. The American political system has many admirable qualities: the division of power, the willingness of representatives to break party ranks in favour of constituent interests and the use of ballot initiatives to foster direct democracy (more on this in the next issue of *The Taxpayer*).

However, America has entered a troubling "post-ethics" era, something Canadians must stop at the border.

Assigning blame to one party misses the point – both American parties are guilty.

Democrats ignored blatant voting irregularities during Biden's 2020 victory, defended media cover-ups of Hunter Biden's laptop and applauded Joe Biden pardoning his own family from crimes (if he even signed the pardons instead of using an autopen).

Republicans have been no better. Trump accepting a luxury jet from Qatar, hosting an infomercial for his largest donor on the driveway of the White House and selling access to those who buy his crypto currency, are just a few ethical landmines that Republicans have happily jumped on.

The ethical scandals coming out of the White House in the last decade make the Watergate affair look like a couple of kids kicking over mailboxes.

Too many American partisans are happy to point out that the other team did it first, instead of holding their own to account. This "post-ethics" world of American politics is dangerous. It's creating carte blanche for being even more unethical than your predecessor.

We cannot allow this to happen in Canada. Currently, our politicians look like boy scouts compared to their American counterparts. And, right now, they probably are. But that doesn't mean we should accept ethical lapses from our politicians just because we like most of their other policies or because they haven't sunk as deep into the muck as the Americans.

We must demand higher standards, not lower. Zero-tolerance is the only option. Anything less starts the trip down the slippery slope. And, as we've seen in Washington, D.C., that slippery slope slides you right into a swamp. Sadly, the swamp has not been drained – it's overflowing at the banks.

The Canadian Taxpayer Federation is a federally incorporated not-for-profit and non-partisan organization dedicated to lower taxes, less waste and accountable government. Founded in 1990, the Federation is independent of all partisan or institutional affiliations and is entirely funded by free-will, non-tax receiptable contributions.

Printed in Canada.

WINTER-SPRING 2025

PUBLICATIONS MAIL AGREEMENT NO. 40063310

RETURN UNDELIVERABLE CANADIAN ADDRESSES TO:
CANADIAN TAXPAYERS FEDERATION
501, 2201 11th AVE
REGINA, SK S4P 0J8

the taxpayer

Publisher/Editor-in-Chief
Scott Hennig, President & CEO

Editor
John Challinor II

Art Direction
Artwords

Distribution
Shannon Morrison, Vice President, Operations

Regular Contributors
Todd MacKay, Vice President, Communications
Kris Sims, Alberta Director
Franco Terrazzano, Federal Director
Jay Goldberg, Ontario Director
Nicolas Gagnon, Québec Director
Gage Haubrich, Prairie Director
Carson Binda, BC Director
Devin Drover, Atlantic Director
Ryan Thorpe, Investigative Journalist

This Issue's Contributors
Sabine El-Chidiac
Colin Craig, SecondStreet.org
Peter Shawn Taylor

Advertising
Contact Scott Hennig:
shennig@taxpayer.com

Offices
Administration & Prairie (SK & MB):
#501, 2201 11th Ave., Regina, SK S4P 0J8
PH: (800) 667-7933

Federal: #712-170 Laurier Ave W,
Ottawa, ON K1P 5V5 PH: (800) 265-0442

British Columbia: P.O. Box 20539, Howe Street RPO,
Vancouver, BC V6Z 2N8

Alberta: P.O. Box 14063, Richmond Road PO,
Calgary, AB T3E 7Y7

Ontario: P.O. Box 74507, 270 The Kingsway,
Etobicoke, ON M9A 5E2

Québec: P.O. Box 3, Saint-Sauveur BP, QC J0R 1R0

E-mail: admin@taxpayer.com

The Taxpayer is published three times a year and distributed to CTF donors as well as journalists, opinion-leaders and municipal, provincial and federal lawmakers.

Taxpayer.com

WHAT TO DO WITH CANADA POST?

THE CANADIAN PRESS/CHRISTINNE MUSCHI

Canada Post mail trucks parked in their distribution centre in Montreal, on Nov. 27, 2024.

LETTERS TO THE EDITOR

Thank-you for the insightful articles in your magazine. I enjoy most of them, but your article on bureaucrats (*The Taxpayer, Fall 2024, From the President*) had me puzzled!

Who are these bureaucrats that you criticize? Are you referring to the government ministers, the deputy ministers, the department heads, etc., those who make the decisions. Or are you referring to all public servants? If you are referring to all public servants then you are not being fair to the thousands of ordinary government employees who, for the most part, work hard to provide the services Canadians want and need.

I agree that [former prime minister Justin] Trudeau and his Liberal government increased the number of government employees beyond what is required and that there should be cutbacks. You should specify which bureaucrats are the fat cats and not tar all public servants with the same brush!

Fred Erler
Clearwater, B.C.

I commend the recent article, An Anti-Capitalist Dictionary (*The Taxpayer, Fall 2024*), for its insightful critique of language manipulation by anti-capitalist ideologues. Ayn Rand identified such distortions as "anti-concepts," terms designed to obliterate legitimate concepts. She argued that anti-concepts are unnecessary and rationally unusable terms designed to replace and erase valid concepts, making clear thinking impossible.

Today, we observe the proliferation of anti-concepts like "extremism," "white privilege" and "climate justice," which, as Rand would argue, obliterate clear thinking and shut down thoughtful discussion. These terms are often used to conflate fundamentally different ideas, leading to package deal fallacies that obscure essential distinctions. By distorting language, such tactics create an intellectual fog, where moral principles and political ideas are judged not by their actual meaning and consequences, but by the emotions they invoke.

At stake is not just linguistic precision, but the moral necessity of independent thought. Rand held that human survival depends on reason – the ability to think, identify facts and integrate knowledge according to objective reality. To accept ideas without challenge or to surrender the meaning of words to ideological manipulation is to abdicate one's rational faculty. If we are to defend capitalism and individual rights, we must resist such distortions and insist that all ideas be tested against reality, not merely accepted on ideological grounds.

Whenever you come across such an anti-concept/package deal, try pushing back in the direction of reality.

David McGruer
Ottawa, On

I have just begun to receive your magazine and am enjoying its approach to all things Canadian. I want to respond to the article "Survivor of socialism – Spotlight: Yali's story" in the Fall issue of your magazine.

What the article describes is the totalitarianism that has characterized communism, not the more democratic expressions of socialism that the world has also seen. Such democratic socialist governments get elected and then lose elections. The socialists in our midst shouldn't be characterized as totalitarians. There are right-wing totalitarian systems that are equally evil as those on the left.

The basic flaw in socialism is its view of human nature. Socialism might work if human beings were completely unselfish, but that doesn't mean it's the preferred system of government.

As we currently exist, we need the kinds of checks and balances that generally keep us from cheating each other. A capitalist system that includes those checks and balances works best, in my view.

Sam Berg
Regina, SK

The recent presidential election south of the border was just another predictable disaster and an ugly reminder that, unless we adopt another electoral system to get rid of this dysfunctional and confrontational colonial political system that is destroying democracy north and south of the border, future elections will continue to be one disaster after another, thus promoting unrest, instability and violence.

Proportional representation (PR) is a truly democratic political system used in Denmark and other countries for decades, and adopted by New Zealand almost 30 years ago. It breaks that incredible lock on power that our current colonial system awards aspiring and incumbent party and government leaders.

One of the more important and defining features of a proportional ballot is that it separates the party vote from the candidate vote. It's like having two ballots. Separating the votes is a process political leaders hate with a passion because it transfers all political powers and loyalties away from the politicians and gives it to the people, where it belongs.

Use one side of the proportional ballot to vote for the party you want to form the government. Use the other side to vote for the candidate you want to represent you in that government. The popular vote decides the number of seats each party is awarded and you can vote for any of the candidates on the ballot, regardless of party association. Every vote is for a party or a candidate, not both.

It's more inclusive and opens the door for a lot more people to participate in the political process because voters know it will make a difference. There will be more parties embracing all cultures, political identities, goals and ambitions.

The door is now wide open for public input. It promotes multi-party debates that produce consensus-based, common sense decisions. The people now make all the decisions that are implemented by the politicians who, in reality, are trustees, not dictators.

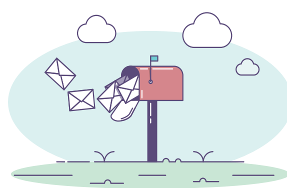
Born and raised in Denmark, I am conversant with the dynamics of PR. It is simple, logical and easy to use. Stable minority governments are the rule, not the exception. The current government is a single-party minority formed by the Social Democrats, supported by three other parties.

No single party has formed an absolute majority government since the beginning of the 20th century, and governments are so stable they eliminated the senate a long time ago. Our senators are not elected and have no democratic mandate to write laws.

Without a proportional ballot we will continue to self-destruct.

Andy Thomsen
Kelowna, BC

LETTERS TO THE EDITOR



Letters may be edited for length, content and clarity.

Send your letters to:
c/o #501, 2201 11th Ave.,
Regina, SK S4P 0J8

E-mail: letters@taxpayer.com

Written and compiled by **Ryan Thorpe**, *Investigative Journalist*

CTF EXCLUSIVE

CBC panel stacked with ex-staff costs taxpayers $200,000

The federal government's CBC modernization panel, which it stacked with ex-CBC employees, cost taxpayers at least $200,000, according to records obtained by the CTF.

Costs include $70,000 paid out to panel members, $83,000 for a private firm to do research and prepare briefing papers, up to $28,000 for "facilitation services" and $13,000 for translation services.

Former Liberal heritage minister Pascale St-Onge launched the seven-person panel to get advice on the future of the CBC, including the amount of taxpayer money it takes.

Three of the panel members previously worked at the CBC, while a fourth is a former CBC contributor. Another panel member is the editor-in-chief of a news outlet that receives subsidies from the federal government.

In February 2025, St-Onge announced the results of the panel, which proposed the federal government nearly double CBC's annual funding levels (surprise, surprise).

A CBC camera follows then-Minister of Canadian Heritage Pascale St-Onge after speaking with media in the Foyer of the House of Commons about CBC funding on Dec. 4, 2023.

CTF EXCLUSIVE: CMHC rubberstamps $30 million in bonuses

The Canada Mortgage and Housing Corporation dished out $30.8 million in bonuses in 2024, according to access-to-information records obtained by the Canadian Taxpayers Federation.

This brings total bonuses at CMHC up to $132 million since 2020.

A total of 2,398 CMHC staff (91% of its employees) received a bonus last year, for an average of $12,865 each. The records also show that 12 CMHC executives took home a combined $1 million in bonuses, for an average of $84,859 each.

The CMHC also approved 2,190 pay raises for staff in 2024, costing taxpayers $9.3 million. No employees took a pay cut, according to the records.

The CMHC has repeatedly claimed it is "driven by one goal: housing affordability for all." But, in 2024, Royal Bank of Canada said it was the "toughest time ever to afford a home."

CTF EXCLUSIVE: Trudeau billed taxpayers for $81,000 in groceries

Former prime minister Justin Trudeau billed taxpayers for $157,642 in household groceries over a two-year period, according to access-to-information records obtained by the CTF.

Trudeau billed taxpayers $81,428 in household food expenses in 2022-23 and $76,214 in 2021-22, which are the most recent years for which records are available.

That means Trudeau spent more on groceries in each of those years than what the average Canadian worker makes (about $70,000). Trudeau's grocery bills were also significantly higher than what the average Canadian family spends on food.

The average Canadian family spent a combined $29,989 on groceries during the 2022 and 2023 calendar years, according to Canada's Food Price Report. That works out to an average grocery bill of $288 per week.

Meanwhile, Trudeau billed taxpayers for an average of $1,515 in household food expenses per week – five times more than what the average family spends.

CTF EXCLUSIVE: Global Affairs goes on March Madness spending spree

Global Affairs Canada bought $527,000 worth of artwork during year-end spending sprees in 2023 and 2024 – a practice commonly referred to as "March Madness."

One bureaucrat spent $9,900 on "Lego blocks," according to access-to-information records obtained by the CTF.

March Madness is a term used to describe federal departments quickly spending their remaining annual budgets in the closing month of the fiscal year. The federal government's fiscal calendar runs from April 1 to March 31.

On March 31, 2023, GAC bureaucrats expensed 32 pieces of artwork, costing taxpayers $160,000.

The following year, on Feb. 9, 2024, GAC bureaucrats bought 71 pieces of artwork on the same day, billing taxpayers for $291,000. Purchases included 31 paintings costing a combined $153,000.

Then, on March 26, 2024, GAC bureaucrats expensed 12 more pieces of artwork to taxpayers, costing more than $50,000.

CTF EXCLUSIVE: Governor General pockets another pay raise

Governor-General Mary Simon pocketed a $15,200 pay raise this year, bumping her annual salary for 2025 up to $378,000.

This marks Simon's fourth pay raise since she was appointed governor general in 2021, meaning she now makes $49,300 more than when she took on the role.

The CTF confirmed Simon's current salary and the details of her latest pay raise with the Privy Council Office.

The federal government hiked the Governor General's annual salary by $75,200 (or 25%) since 2019. Meanwhile, the average annual salary among all full-time workers in Canada was roughly $70,000 in 2024, according to Statistics Canada data.

On top of the $378,000 annual salary, the Governor General receives a range of lucrative perks, including a taxpayer-funded mansion, a platinum pension, a clothing budget, paid dry cleaning services and lavish travel expenses.

CTF EXCLUSIVE: Feds waste millions producing podcasts nobody listens to

Dozens of federal departments and agencies have launched podcasts in recent years, with the cost to taxpayers rising to millions of dollars, once salary expenses are factored in.

That's according to government documents as well as access-to-information records obtained by the CTF.

Take *The Eh Sayers Podcast* from Statistics Canada, which has aired 21 episodes since January 2021. Episode topics have ranged from gender identity to climate change and misinformation to systemic racism. The podcast has racked up 229 "estimated" subscribers.

To date, the podcast has cost $971,417, meaning taxpayers are on the hook for $4,241 for every subscriber. The podcast averages 1,414 downloads per episode and has 39 reviews on Apple. There have been anywhere from three to five full-time Statistics Canada employees assigned to the podcast, according to the records.

Or take *CCI and CHIN: In Our Words*, from Canadian Heritage, that seeks to "preserve" the history of the department "through interviews with current and former staff members."

Between September 2019 and September 2021, when it was discontinued, the podcast released seven episodes. It has 17 reviews on Apple. That podcast cost taxpayers $155,736, which works out to a cost of more than $22,000 per episode.

Written and compiled by **Ryan Thorpe**, *Investigative Journalist*

New York Consul's Bar Bill

THE CANADIAN PRESS/SEAN KILPATRICK

Tom Clark, Consul General of Canada in New York

Former CTV anchor and current Canadian Consul General in New York, Tom Clark, handed taxpayers the bill for a late dinner at a Washington D.C. restaurant with two former media colleagues. The $284 USD bill included $166 USD for wine.

Clark selected The Yardbird Southern Table & Bar for the 2023 meeting with reporters from CTV and CBC. The Yardbird was named one of "America's Best Bourbon Bars" by the Bourbon Review, though it appears Clark and company skipped the bourbon that evening in favour of Spanish, Oregon and Washington wines.

Clark also expensed a $362 catered lunch with wine at his Park Avenue penthouse with two people from the Canadian Journalism Foundation in 2023.

He also expensed lunch with another CBC journalist in 2024 at New York's Harvard Club. That bill appeared to include liquor but it was censored by the Department of Foreign Affairs.

Source: *Blacklock's Reporter*

CTF EXCLUSIVE: Number of federal executives increased 42% under Trudeau

Both the number and cost of federal executives exploded under the watch of former prime minister Justin Trudeau, according to government data and access-to-information records obtained by the CTF.

As of 2024, there are 9,155 federal bureaucrats classified as executives by the federal government, an increase of 42% since 2016, when the total sat at 6,414.

Growth has been seen among every class of executives within the federal government, with salaries ranging from $134,827 to $255,607.

In 2022, the last year for which records are available, federal executives raked in $1.95 billion in total compensation. That represented a 42% increase over 2015. By comparison, Canada's population is estimated to have grown just slightly more than 9% over that same time period (2016 – 2024).

CTF EXCLUSIVE: Salary costs in PMO increased under Trudeau

Like all areas of Ottawa's ballooning bureaucracy, the cost and size of the Prime Minister's Office increased under the Trudeau government.

The inflation-adjusted cost of staffing the PMO rose by 16% under the watch of former prime minister Justin Trudeau, according to access-to-information records obtained by the CTF.

Salary costs for the 103 staffers in the PMO came to $10.5 million in 2022-23, the last year for which records are available. That figure does not represent overall compensation for PMO staff (including benefits), but rather just base salary.

For example, taxpayers were on the hook for an additional $3.2 million in annual PMO salary costs over 2014-15, the last full year former prime minister Stephen Harper was in office.

CTF EXCLUSIVE: Bureaucrat booze bill costs taxpayers $51,000 a month

"Working" in government may be a thirsty profession, but a booze tab of $51,000 a month is definitely a problem. And the problem gets worse when the bill is sent to taxpayers.

Global Affairs Canada bureaucrats spent more than $3.3 million on alcohol between January 2019 and May 2024, according to access-to-information records obtained by the CTF. That means the department spent an average of $51,000 on beer, wine and spirits per month.

The largest single order from GAC came on Feb. 20, 2019, when bureaucrats in Washington, D.C., spent $56,684 on "wine purchases from special store." Other large orders include $9,815 worth of wine expensed by bureaucrats in Beijing, China, in March 2021, and $8,912 worth of wine expensed by bureaucrats in New Delhi, India, in May 2022.

Orders flown off to bureaucrats in far flung locales like Norway, Japan, Russia and England, routinely run into the thousands of dollars per shipment.

CTF EXCLUSIVE: Trudeau billed taxpayers for $71,000 on food during four-day trip

THE CANADIAN PRESS/SEAN KILPATRICK

Prime Minister Justin Trudeau waves as he departs Grottaglie, Italy on June 15, 2024, on route to Switzerland.

The food bill for former prime minister Justin Trudeau's four-day trip to Italy and Switzerland in June 2024 cost more than $71,000, according to access-to-information records obtained by the CTF.

Trudeau travelled to Italy and Switzerland, between June 13 and 16, 2024, to attend a G7 Summit and a Summit on Peace in Ukraine. All told, the trip cost Canadian taxpayers at least $918,000, according to the records.

Prior to take-off, government bureaucrats purchased $812 worth of junk food from a grocery store, including Red Bull, pop (Pepsi, Coke, Sprite), chocolate bars (Kit Kats, Twix's, Reece's Pieces) and candy (Swedish Berries, Fuzzy Peaches).

Government bureaucrats also swung by a record store and purchased $102 worth of DVDs for the flight. The purchases included the first season of Wednesday, a supernatural coming-of-age TV show based on the Addams Family; Madame Web, a superhero film; the sci-fi thriller Chronicle; and Witness, a 1995 crime movie starring Harrison Ford.

During the flights, the passengers were served meals that would be at home on the menu of a fine dining restaurant, alongside four types of wine – a 2021 Chardonnay, a 2015 Riesling, a 2018 Baco Noir and a 2021 Merlot.

Meals included veal piccata Milanese with potato, buttered green peas and broccoli and lamb ribs with whole grain mustard sauce, rice pilaf and sauteed spinach. For dessert, passengers chose between raspberry cheesecake coulis, chocolate and pistachio cake and Swiss chocolate cake.

THE CANADIAN PRESS/MARIO BEAUREGARD

A Tesla dealership in Quebec.

Suspicious Spike in Tesla Sales

Transport Canada records show a significant spike in Tesla sales in the three days after the government announced the funding for EV rebates were ending.

Under the subsidy program started in 2019, rebates of up to $5,000 per electric vehicle were provided to dealerships and passed along to consumers. In early January, the Trudeau government announced that the funding for the rebate program was running out. This was followed by Crystia Freeland declaring that if the program were to be renewed, Tesla's would not be eligible due to Tesla CEO Elon Musk's close attachment to U.S. President Donald Trump.

Immediately following the announcement, four Tesla dealerships, two in Toronto, one in Vancouver and one in Quebec City claimed sales of 8,600 electric vehicles over one weekend – resulting in a $43 million rebate from Canadian taxpayers.

The Quebec City Tesla dealer went from selling a couple of dozen EVs per weekend to more than 4,000 in a single weekend.

This has led many to question how it was possible for relatively small dealerships to sell vehicles at a rate of one per minute (assuming it stayed open 24 hours per day during that weekend).

Immediately following the weekend of suspicious sales, Transport Canada announced the rebate program was shut down.

In late March, newly appointed Transport Minister Chrystia Freeland announced that she had frozen the $43 million in rebate payments to Tesla pending an investigation.

Source: *Toronto Star & CBC*

TAXPAYERS TORPEDO ILLEGAL, UNDEMOCRATIC TAX GRAB

Ryan Thorpe, CTF
Investigative Journalist

Taxpayers scored a big win in the fight against the Liberal government's illegal and undemocratic capital gains tax hike.

In Budget 2024, the government announced an increase to the capital gains inclusion rate from 50% to 66%. This would have cost taxpayers $6.9 billion in 2025, and would have been a financial sucker punch to Canadian workers, entrepreneurs, doctors and people saving for their retirements.

A report from the C.D. House Institute estimated the capital gains tax hike would result in 414,000 fewer jobs and shrink Canada's Gross Domestic Product by nearly $90 billion.

But before the government introduced, debated, passed or proclaimed the necessary legislation into law, Governor General Mary Simon, at the request of former prime minister Justin Trudeau, prorogued Parliament on Jan. 6, 2025.

Nevertheless, the Canada Revenue Agency announced it would move forward with enforcing the capital gains tax increase, despite the fact it had not been approved by Parliament.

In response to this illegal and undemocratic tax grab, the Canadian Taxpayers Federation filed a lawsuit against the CRA and the federal government on Jan. 24, 2025. On Jan. 27, the CTF held a press conference on Parliament Hill to announce the lawsuit.

"The goal of this legal challenge is to set a precedent to protect all Canadians who will be directly burdened by the CRA and this bureaucratic overreach," CTF General Counsel Devin Drover said. "Let me be clear: this tax hike is illegal, this tax hike violates Canada's constitution… The CRA has no legal authority to unilaterally implement this tax hike."

CTF general counsel Devin Drover (middle) speaking to the media about the CTF's lawsuit against the CRA to stop the capital gains tax hike on Jan. 27, 2025 in Ottawa. The CTF's federal director Franco Terrazzano (left) and the CTF's Quebec director Nicolas Gagnon (right) were also in attendance.

The lead plaintiff on the CTF's lawsuit is Debbie Vorsteveld, a resident of Mapleton, Ont. In 2024, Debbie and her husband, Willem, sold a property that included a secondary home. They had rented the secondary home to their adult children, but had to sell the property when their kids were ready to move on. The CRA was attempting to force the Vorstevelds to pay the increased capital gains tax inclusion rate or face financial penalties.

One week after the CTF filed its lawsuit, the federal government announced it would delay implementation of the tax increase until 2026. But then, on March 21, the federal government announced it would cancel the tax hike altogether.

This represents a major win for Canadian taxpayers and helps reinforce a basic principle of our democracy: No taxation without representation! The government tried to squeeze Canadians for as much money as it could get away with and Canadians fought back and forced the government to back down.

But the fight isn't over. Despite the fact the federal government has pumped the breaks on the illegal and undemocratic capital gains tax hike, the CTF is continuing to pursue its lawsuit in an effort to establish illegal precedent against bureaucratic overreach.

TAXPAYERS WIN THE CARBON TAX BATTLE – BUT THE WAR RAGES ON

The day has finally come: the consumer carbon tax is dead – sort of.

On April 1, Prime Minister Mark Carney officially lowered the consumer carbon tax rate to zero. That means Canadians are now saving money every time they fuel up their vehicle with gasoline or diesel, or heat their homes with natural gas.

In fact, the average Canadian family will save hundreds of dollars over the next year as a result of this tax relief.

The people who deserve all the credit for this major tax relief are CTF supporters who fought like hell against the Liberal government's disastrous carbon tax since it was first imposed on Canadians in 2019.

Carney spent a decade promoting carbon taxes, and his book, Value(s), is an environmental and carbon tax manifesto. The prime minister and the Liberal government did not want to lower Canada's consumer carbon tax rate. They were shamed into doing it.

But here's the catch: the carbon tax law remains on the books. So, the fight isn't over – far from it.

To make matters worse, Carney wants to continue the Liberal government's policy of hammering Canadian businesses with a hidden industrial carbon tax. In other words, Carney doesn't want to scrap the carbon tax, he just wants to "change" it.

"So in changing the carbon tax… We are making the large companies pay for everybody," Carney said in February 2025.

Carney claims big businesses will pay the cost of the hidden industrial carbon tax. But Carney has one major problem on his hands: Canadians aren't stupid.

Just 12% of Canadians believe Carney when he claims businesses will most of the cost of his hidden industrial carbon tax, according to a Leger poll commissioned by the CTF. Meanwhile, 70% of respondents said businesses would pass most or some of those costs on to consumers.

Here's the thing: carbon taxes on fuel refineries make gasoline and diesel more expensive; carbon taxes on utilities make home heating and power bills more expensive; and carbon taxes on fertilizer plants increase costs for farmers and that makes food more expensive.

There's also another cause for concern when it comes to Carney's hidden industrial carbon taxes. It will make it easier for the government to drain wealth from Canadians. Whenever a tax is less transparent, it becomes easier for the government to jack it up.

None of this changes the fact that the consumer carbon tax rate being lowered to zero is a big win for Canadian taxpayers. This was a major battle in the fight against carbon taxes in Canada and the good guys won. But the war isn't over – far from it.

The CTF will keep fighting alongside taxpayers until all carbon taxes are officially scrapped – for good.

BELIEVE BUSINESSES PAY LITTLE OF THE COST AND PASS MOST OF THE INDUSTRIAL CARBON TAX ON TO CONSUMER. — **44%**

BELIEVE BUSINESSES PAY SOME OF THE COSTS AND PASS SOME OF THE COSTS OF THE INDUSTRIAL TAX ON TO CONSUMERS — **26%**

BELIEVE BUSINESSES PAY MOST OF THE THE INDUSTRIAL CARBON TAX COST THEMSELVES AND PASS LITTLE OF THE COST ON TO CONSUMERS — **9%**

DON'T KNOW — **21%**

Second Street.org
Real People. Real Stories.

PatientOptions.ca – A new site to help patients

Colin Craig
President, SecondStreet.org

Many Canadians cannot afford to wait years for surgery while governments get around to improving the system with health care reform. They need care now.

That's why SecondStreet.org created PatientOptions.ca, a new site that helps provide patients with two things:

1) Helpful tips on accessing health care in Canada's public system; and
2) Helpful information on how to access private health care in Canada and abroad.

Here's a brief synopsis of information that can help:

Accessing the Public System

Every day in Canada there are patients who have positive experiences in the health system. That's great. But, far too many patients are falling between the cracks.

Since SecondStreet.org launched in 2019, we've heard many tips and information from patients, former health care workers and more. Some of that information we've posted on the "public" side of PatientOptions.ca includes:

You need an advocate: Either you or someone close to you needs to stand up on your behalf. Don't assume the system is moving your case along. The health system has had computer crashes, lost records (that fell off fax machines or never arrived) and many other problems over the years. Someone needs to keep in touch with health officials and be an advocate for your care. One patient described to SecondStreet.org how her hip pain grew to become so painful that she eventually visited her specialist's office and pleaded for treatment. After reviewing her records, they realized they had classified her case incorrectly and soon bumped up her surgery date.

Ask to be put on a cancellation list: If you have a flexible schedule, you may want to inquire about being put on a cancellation list. In some cases, this can help patients shave months off their wait times.

Ask if there are alternate providers: If you're facing a long wait time at a local health provider, ask if there are other providers in the province that can provide treatment sooner. In some cases, travelling to another city can reduce your wait. (Don't assume the system will offer these options).

Speak with media: It's common in Canada for the news media to report on a patient's long and painful wait for treatment, only to update the public a few days later that the patient's surgery has suddenly been moved up. It's a sad reality that the squeaky wheel often gets the grease in Canada's government-run system.

The public side of the PatientOptions.ca site also has info on how to find a family doctor, wait times at local walk-in clinics, links to emergency room wait times and more.

Information about Private Surgery

Many patients have already given up on the public system and are now looking to private options. This can be a challenging situation for Canadians, as they've been promised a "universal" health care system that's the "best in the world," creating an expectation that they would never have to look into private care.

With that in mind, patients often have many questions: Where can you go for private surgery within Canada? Which health expenses can you write off on your taxes? Can anyone help you find a reputable clinic? Can you buy insurance for health care outside of Canada so that you are never solely dependent on the public system?

In the private section of PatientOptions.ca you can find a directory of private providers in Canada, answers to the questions above and a lot more.

ANOTHER POLL SHOWS CANADIANS ARE READY FOR HEALTH REFORM

Politicians love polls. They also like to commit to policies that are popular with the public. With that in mind, why aren't we seeing politicians move forward with health reform?

Another poll procured by SecondStreet.org shows Canadians are overwhelmingly in favour of reform, yet reform continues at a glacial pace. Conducted in late 2024 by Leger (a reputable pollster), our poll found:

- Seventy-three percent of Canadians continue to support the idea of their provincial government copying a policy in the European Union (EU) that gives patients the right to be reimbursed for their surgical costs in other EU countries. In the EU, reimbursements cover up to the same amount the patient's home government would pay to provide the treatment locally. If Canada allowed patients to be reimbursed (based on current costs) for treatment in Europe, the United States and other developed nations, it could suddenly open up thousands of options for patients. (Or, of course, one could still wait in Canada for the public system to provide treatment.)

- Sixty-one percent of Canadians support keeping our government run system, but allowing patients to pay at private health care facilities (or use extended health insurance). This would set Canada apart from Cuba and North Korea – the only other countries that do not permit their people to pay for health care locally, and would be a step in the right direction. (The bans in Canada are a bit complex but, generally speaking (outside of Quebec), the government imposes barriers to prevent patients from paying for surgery locally.)

It's not just that Canadians are ready for reform, the poll found a sizeable number no longer rely on the health system. About 47% of Canadians indicated they actually avoid seeking the care they need because they don't want to face overwhelming wait times. Needless to say, this is troubling. If patients don't feel they will receive timely care, then minor health concerns can become major health problems.

Finally, 11% of Canadians have traveled to other provinces or outside the country to pay for treatment to avoid long and sometimes life-threatening wait times or unsatisfactory care from local government run health facilities. Patients from all income brackets traveled for treatment (<$60k = 9%, $60-100k = 12%, $100k+ = 11%).

SecondStreet.org's award-winning documentary, Health Reform Now, examines five policy solutions from Europe that could improve our public health care system and increase the choices available to patients in Canada. You can watch the video for free at www. HealthReformNow.ca – and feel free to send feedback: colin@secondstreet.org.

BROWN ENVELOPES

TRUDEAU POCKETS TWO PENSIONS ON HIS WAY OUT THE DOOR

Ryan Thorpe, CTF
Investigative Journalist

Former prime minister Justin Trudeau left the highest political office in the land with not one, but two taxpayer-funded pensions. Combined, those gold-plated pensions will total $8.4 million, according to Canadian Taxpayers Federation estimates.

While Canadians try to figure out how to make ends meet amid the high cost of living and scrape together enough money for retirement, Trudeau jumped ship with a golden parachute and a backup parachute to boot – both paid for by taxpayers, of course. Talk about a commitment to public service.

First, there's Trudeau's member of Parliament pension. The payouts for Trudeau's MP pension will begin at $141,000 a year when he turns 55 years old (he was 53 when he left office). Those annual pension payouts are more than double the average salary among all Canadian workers. Trudeau's MP pension will total an estimated $6.5 million should he live to the age of 90.

Then there's the prime minister's pension.

"A prime minister who holds the Office of the Prime Minister for at least four years is entitled to receive a special retirement allowance in addition to their members of Parliament pension benefit," according to the government of Canada.

The payouts for Trudeau's prime minister pension will begin at $73,000 per year when he turns 67 years old. It will total an estimated $1.9 million should he live to the age of 90.

Add the $6.5-million MP pension to the $1.9-million prime minister pension and Trudeau will collect a total of about $8.4 million. That means long after Trudeau has left public office, Canadians taxpayers will still be bankrolling his life of luxury.

Not to mention, when Trudeau resigned as prime minister in 2025, his annual salary was $406,200. It's safe to say he wasn't exactly hurting.

For the sake of comparison, roughly 6.9 million Canadians were active members of a registered pension plan in 2023, according to Statistics Canada data. That year, Canada's population was 40.1 million people. That means just 17% of the Canadian population – the people who pay all the bills around here and fund the salaries of our federal politicians – are covered by a registered pension plan.

On top of the two taxpayer-funded pensions Trudeau is leaving office with, he'll also be eligible to tap into a $15,000 "transitional allowance," which is available for to any federal politician not seeking re-election or who fails to get re-elected. Should he choose to claim his transitional allowance, Trudeau will be able to use those funds to pay for education, training, travel, or career coaching. The CTF has previously called for the abolition of the transitional allowance for MPs.

Lastly, because Trudeau never resigned as MP when he stepped down as prime minister, he will also collect a $104,900 severance payment.

Trudeau's pension payouts would be even higher if not for reforms implemented by the Harper government in 2012, which increased the retirement age, cut benefits and saw MPs forced to triple their own contribution amounts. Prior to the reforms, MPs contributed just $1 for every $24 of taxpayer and federal monies invested in their pensions.

Former prime minister Stephen Harper forfeited an estimated $1 million to $2 million in additional pension payouts by implementing the reforms. Nevertheless, the CTF estimates Harper's lifetime pensions will total about $7 million.

The CTF has called on all party leaders to commit to ending the second pension for prime ministers. The prime minister already receives a hefty annual salary and takes millions from taxpayers through their first pension. That means there's no good reason for them to billing taxpayers even more for their second pension.

On top of the gold-plated pensions federal politicians receive, MPs have given themselves six pay raises since 2020. After the latest pay raise, a backbench MP's salary is $209,300, three times more than the average Canadian worker makes. Ministers now take a $309,000 annual salary, which is more than four times what the average Canadian worker makes. The prime minister makes $420,000, which is six times more than the average Canadian worker makes.

Taxpayers are tapped out and can't afford to bankroll the high pay and the laundry list of perks politicians in Ottawa take advantage of. And taxpayers expect leadership from the top, which means it's time to send the prime minister pension to the dustbin where it belongs.

"Add the $6.5-million MP pension to the $1.9-million prime minister pension and Trudeau will collect a total of about $8.4 million. That means long after Trudeau has left public office, Canadians taxpayers will still be bankrolling his life of luxury."

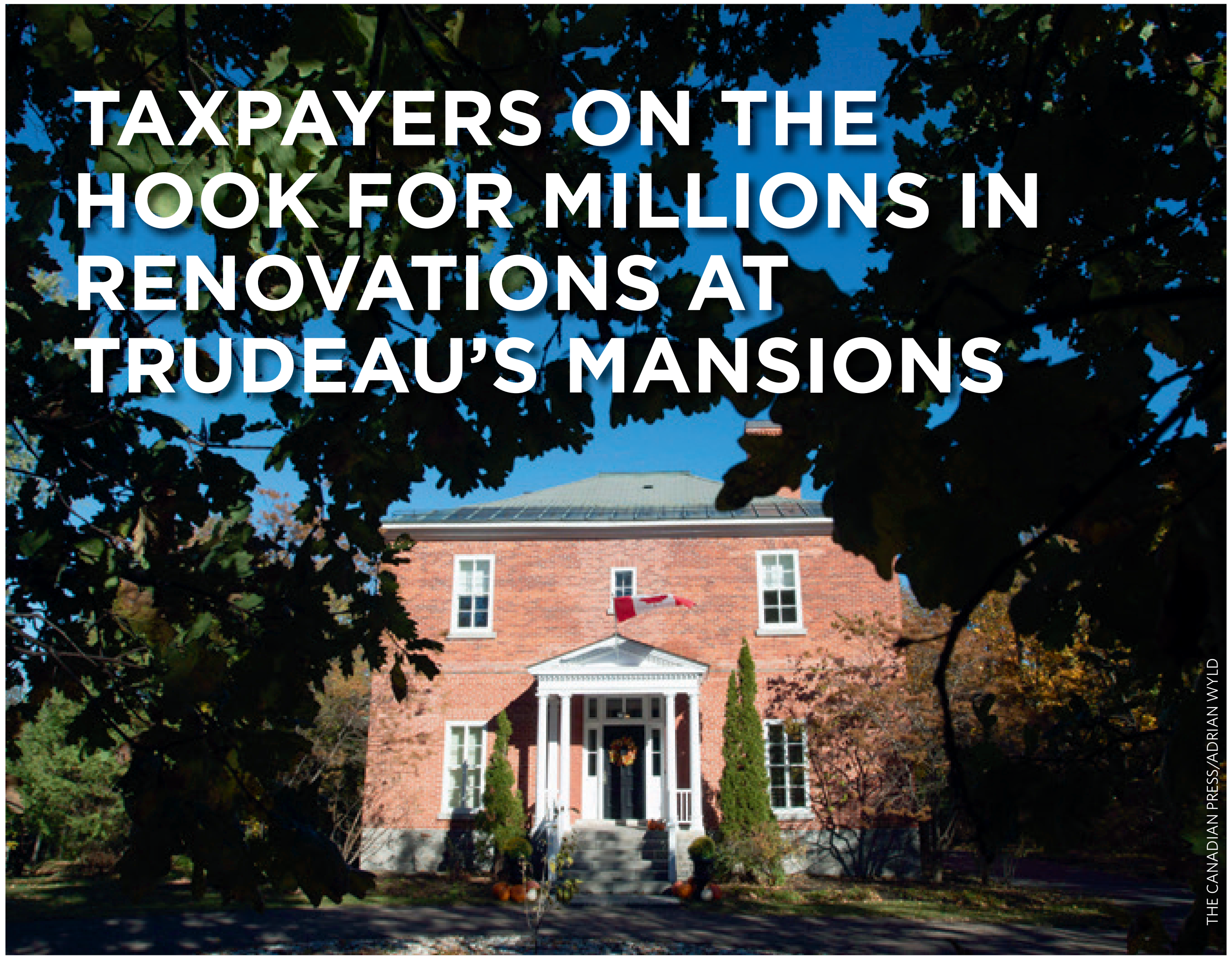
REUTERS/CARLOS OSORIO TPX

Former Prime Minister Justin Trudeau carries his chair from the House of Commons on March 10, 2025.

BROWN ENVELOPES

Ryan Thorpe, *Investigative Journalist*

TAXPAYERS ON THE HOOK FOR MILLIONS IN RENOVATIONS AT TRUDEAU'S MANSIONS



THE CANADIAN PRESS/ADRIAN WYLD

Rideau Cottage on the grounds of Rideau Hall in Ottawa.

Canadian taxpayers have been hit with a multimillion-dollar price tag to renovate former prime minister Justin Trudeau's mansion on the grounds of Rideau Hall in recent years.

Renovations at Rideau Cottage, the 22-room mansion where Trudeau lived while serving as prime minister, cost taxpayers more than $5 million between 2016-17 and 2023-24, according to access-to-information records obtained by the Canadian Taxpayers Federation.

Meanwhile, while millions were being dumped into Trudeau's taxpayer-funded mansion, housing prices nearly doubled for most ordinary working Canadians.

In 2024 alone, renovations at Rideau Cottage cost taxpayers $1.3 million. For the sake of comparison, that's enough money to cover the annual grocery bills for 81 Canadian families, according to Canada's Food Price Report.

Renovations included improvements to the tennis court and "powder room," thousands spent on painting, various RCMP security upgrades, new appliances, wall and roof repairs, paving and landscaping services and tree stump removal.

In addition to the $5 million in renovations at Rideau Cottage, taxpayers were also on the hook for millions in renovations at Harrington Lake, the prime minister's lakeside retreat in Quebec.

Included in the Harrington Lake costs was the construction of a backup cottage on the property for $2.5 million, and a kitchen renovation that cost more than $700,000. For the sake of comparison, as of February 2025, the average home price in Canada was around $670,000.

The federal government spent an additional $6 million on renovations at Harrington Lake between 2016-17 and 2019-20, according a 2021 report from the National Capital Commission (NCC).

During that same time period, taxpayers were also on the hook for $1 million in renovations at 24 Sussex – the traditional home of Canada's prime minister – despite the fact the property has been sitting vacant since 2015.

The NCC is the federal agency responsible for managing and maintaining Canada's six official residences. The millions in renovations listed above are just the tip of the iceberg when it comes to NCC spending on these properties.

Media commentators have long claimed Canada's official residences have been subject to "chronic underfunding." The *Toronto Star* reports prime ministers are shamed if "even a red cent" is spent on upkeep and a guest column in the *Globe and Mail* claims Canada is "too complacent (and cheap) to have nice things."

But those who believe Canada's official residences are crumbling due to a lack of funding have missed something important: the numbers.

A CTF investigation found the NCC spent $135 million renovating and maintaining the six official residences between 2006 and 2022. That works out roughly $8.5 million per year.

To put that in perspective, every year the government could have bought a "palatial mansion" on the banks of the Rideau Canal, described as "Ottawa's most opulent home," and still have about a million bucks left over.

In 2018, the NCC claimed the federal government would need to spend an additional $83 million over the next decade just to get Canada's official residences into half-decent shape. By 2021, the NCC said that figure had grown to $89 million.

But between 2017 and 2021 – roughly the time between those two NCC estimates – the agency invested another $26 million in renovations at the official residences. Nevertheless, the NCC claimed "deferred maintenance" costs grew by $6 million during that time period.

“In 2024 alone, renovations at Rideau Cottage cost taxpayers $1.3 million. For the sake of comparison, that's enough money to cover the annual grocery bills for 81 Canadian families, according to Canada's Food Price Report.”

It isn't just big-ticket items that have ballooned costs in recent years, smaller purchases have too. At Rideau Hall, home to Canada's Governor General, $9,900 was spent renting a tent with a chandelier, $4,800 went towards a set of mahogany doors and more than $30,000 was dropped on multiple renovations of the "Rose Garden fountain."

The NCC also spent $140,000 studying and designing a private staircase at Rideau Hall that never got built. It spent another $117,000 for the installation of a series of doors and a gate near the Governor General's office to enhance privacy.

The NCC now claims it needs $175 million for major renovations at Canada's official residences over a 10-year period, as well as $26 million annually for ongoing maintenance. Roughly $36 million of budget would be earmarked for 24 Sussex.

The Historic Ottawa Development Inc. is a non-profit group of architects, conservationists and project managers. Its president is Marc Denhez, who used to serve on the NCC's official residences advisory committee.

Denhez told the CBC in 2023 that when it comes to 24 Sussex, he believes "reports of the home's state of decay have been exaggerated and the [NCC's] suggested price tag to fix it is out of step with industry norms."

"It can be done for a lot less money if you know how to kick the tires," Denhez said.

One of Trudeau's final acts as prime minister was to write a letter to the Minister of Public Service and Procurement asking him to develop a proposed plan for a new official residence for the prime minister by 2026. This would include an independent advisory committee, which would advise the NCC on the location and cost of the new official residence.

This will undoubtedly be another boondoggle for taxpayers. If giving the NCC $135 million between 2006 and 2020 to maintain and renovate six properties wasn't enough money, what good will it do to give those same bureaucrats another $175 million?

The problem isn't that the NCC doesn't have enough taxpayer money to spend. The problem is the NCC is too good at wasting taxpayer money.

The data shows the oft-repeated story of Canada being too cheap to properly fund its official residences is a myth. But here's the thing: you don't even have to crunch the numbers to realize that. All you have to do is ask yourself a simple question.

When's the last time you heard of a politician in Ottawa refusing to spend taxpayers' money on themselves?

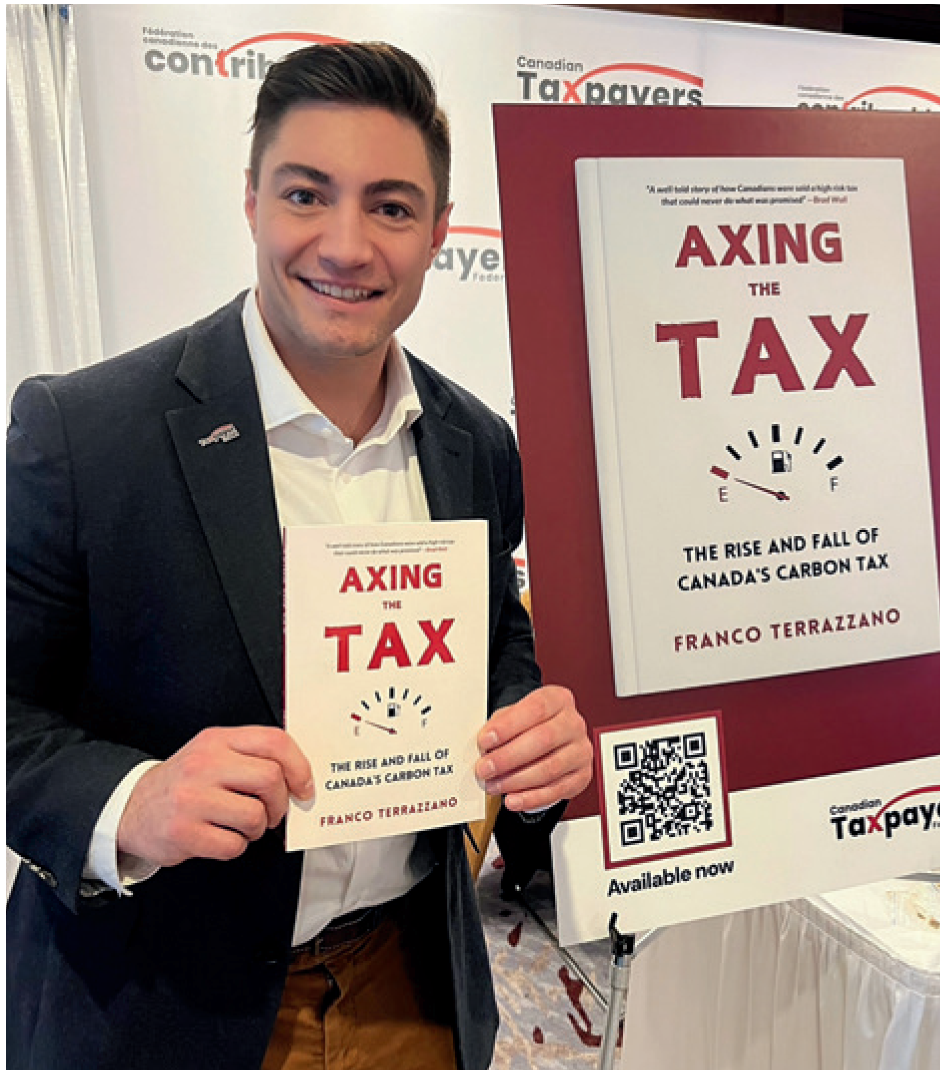
AXING THE TAX:

THE RISE AND FALL OF CANADA'S CARBON TAX

Franco Terrazzano
Federal Director

The following is an excerpt from the newly-published book, Axing the Tax: the Rise and Fall of Canada's Carbon Tax, written by CTF Federal Director Franco Terrazzano and published by Sutherland House Books.

The book tells the inside story of the fight to kill the carbon tax.



Franco showing off his book on the day of its release at the Canada Strong & Free Network Conference in Ottawa.

There were signs support for the carbon tax would crumble.

A poll commissioned by the CBC found Canadians' top concern was cost of living, outstripping climate change by 13 percentage points. And that was in 2019 when the federal government first imposed the carbon tax, well before inflation hit a four-decade high in 2022.

"Canadians are deeply concerned about climate change and are willing to make adjustments in their lives to fight it – but for many people, paying as much as even a monthly Netflix subscription in extra taxes is not one of them," read the report from CBC, based on a poll commissioned from Public Square Research and Maru/Blue. "The numbers suggest that while Canadians care about climate change, their financial concerns are more important."

About 32% of Canadians said they would not be willing to pay any tax to prevent climate change. Another 17% said they would only be willing to pay less than $100 in additional taxes per year. To put those results another way: half of Canadians said they would not support a carbon tax that cost them more than $100 annually.

These poll results should have been a wake-up call for the Trudeau government and its plan to impose higher carbon taxes on Canadians year after year. People were struggling, but politicians missed the warning sign.

Worse, politicians skipped the step of seeking consent for a stinging carbon tax.

The Liberals swept into office with promises of modest, temporary deficits, expanded immigration and legalized marijuana. But voters had to squint to see a hint of the carbon tax policy that would become a pillar of now former prime minister Justin Trudeau's legacy.

Buried 39 pages deep into the 88-page, 2015 Liberal platform was the promise to "put a price on carbon, and reduce carbon pollution." A few paragraphs later, the Liberals said they would "reduce greenhouse gas emissions" and "end the cycle of federal parties – of all stripes – setting arbitrary targets without a real federal/provincial/territorial plan in place." The only other mention of a carbon tax came on page 40, with a promise to "establish national emissions reduction targets and ensure that the provinces and territories have targeted federal funding and the flexibility to design their own policies to meet these commitments, including their own carbon pricing policies."

Canadians could be forgiven for failing to understand just how expensive this commitment would be. In the 88-page platform, Trudeau's signature carbon tax policy was mentioned just three times and was unrecognizably vague.

What could Canadians be expected to take away from this? Not that the government would impose a carbon tax that would make the necessities of life more expensive, such as driving to work, heating your home or putting food on your family's table. Not that the carbon tax would override provincial jurisdiction over natural resources and the environment, which would trigger constitutional court fights. Not that the vast majority of countries, including most of the world's largest emitters, such as the United States, would refuse to impose carbon taxes. Not that Canada's carbon tax would have, at best, a negligible impact on global emissions. Not that the Liberals would hike the carbon tax every single year until 2030, and that it would be layered on top of a myriad of other energy taxes and regulations.

"A poll commissioned by the CBC found Canadians' top concern was cost of living, outstripping climate change by 13 percentage points. And that was in 2019 when the federal government first imposed the carbon tax, well before inflation hit a four-decade high in 2022."

All Canadians could meaningfully be expected to take away from the Liberal Party and Trudeau's promises back in 2015 was that the government would be committed to reducing pollution. After all, to any ordinary Canadian, "a price on carbon" and a commitment to "reduce carbon pollution" means little more than a promise to be a respectful steward of the environment. And, in 2015, when the economy was good and inflation was low, that hardly merited a second look.

The point of a carbon tax is to reduce emissions by making it more expensive to use carbon-intensive fuels. It is designed to make driving vehicles fuelled by gasoline or diesel, or heating homes with natural gas or propane, more expensive. By making these fuels more expensive, carbon tax proponents hope that people will use less of them or switch to wind or solar energy. That is to say, higher prices are a feature of the carbon tax, not a bug.

The fatal flaw, baked into the carbon tax from the very beginning, was that the Liberal Party and the young Trudeau government was not honest with Canadians about the cost of the carbon tax. And, by refusing to be honest with Canadians about what it was proposing – a tax that would increasingly make the necessities of life more expensive – it was also refusing to be honest with itself about support for the carbon tax among the Canadian people.

Eventually, some saw the signs.

"Some in Trudeau's government were convinced they didn't need to listen," wrote Toronto Star columnist Justin Ling at the end of 2024. "They were so buoyed by polls showing widespread support for climate action that they were ignoring the more sobering data underneath: Canadians wanted climate action, sure, but they were loath to pay more in taxes to make it happen."

It's tough enough for families to make ends meet. The carbon tax makes it even tougher. The Trudeau Liberals didn't warn Canadians about the pain the carbon tax would cause. And they definitely didn't manage to manufacture consent.

Q&A with Franco Terrazzano, author of *AXING THE TAX: THE RISE AND FALL OF CANADA'S CARBON TAX.*

Q: Why did you write this book?

FT: I wrote this book for one main reason. For years, you had elites in government, politicians and bureaucrats, many in the media, taxpayer-funded academics and even big business, telling Canadians they had to sit down, be quiet and pay their carbon tax bills. Telling Canadians that carbon taxes were good for us. Telling Canadians that carbon taxes were inevitable. Essentially saying: do what we say, or pay.

But, against all odds, Canadians never backed down. Against all odds, Canadians kept fighting against these elites for years. And, now, support for carbon taxes all across Canada is crumbling. That's because CTF supporters never stopped fighting against the carbon tax. That's why the carbon tax now appears to be on death's doorstep. And they deserve all the credit. In this book, I give them the credit they deserve.

Q: Where do you see the carbon tax fight going?

FT: The carbon tax fight is not over. You can already see the carbon tax activists trying to spin this as [former prime minister Justin] Trudeau bungling the policy or failing to communicate it well to Canadians. You can already see the carbon taxers trying to revive, repackage and relabel the carbon tax and force it back on Canadians in a different form. Specifically, carbon taxers are pushing a hidden carbon tax on business. And they're trying to sell Canadians with the same spin they did last time. Oh don't worry, it won't make your life more expensive.

But a carbon tax is a carbon tax is a carbon tax. This book shows why the carbon tax always has been and will always be bad news for the Canadians who are forced to pay the bill. And this book also shows what Canadians have to look out for in the fight ahead against carbon taxes.

Q: What do you think is the most important takeaway from this book?

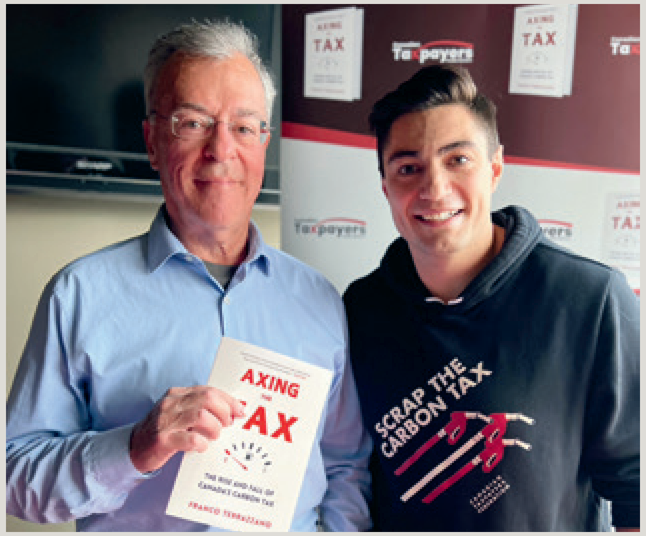
FT: I hope people appreciate how much they fought. They deserve a book on this topic that gives them the credit they deserve. They made the difference here. But, also, I want people to understand the fatal flaws that made the carbon tax a bad idea from the get-go and that make all carbon taxes a bad idea.

The two fatal flaws of carbon taxes are (1) that they make life more expensive, and (2) that they don't work. Higher prices are a feature, not a bug, of carbon taxes. It makes the necessities of life more expensive. And it also hurts our economy, especially when most other nations, including the United States, don't have carbon taxes. But also, a carbon tax in Canada doesn't reduce emissions in places like China, Russia, India or the United States. So a carbon tax in Canada just punishes Canadians and doesn't help the environment.

Q: How does it feel to be a published author?

FT: It feels pretty good. But all the kudos go out to the people who made this possible and that's CTF supporters. At the end of the day, we wouldn't be winning the fight against carbon taxes and we wouldn't be able to write this book without the generosity of CTF supporters and everyone reading this magazine.

TAKING THE BOOK ON THE ROAD



Franco with a CTF supporter in Cochrane, AB.

Alberta director Kris Sims with a CTF supporter in Red Deer, AB.

Franco with a CTF supporter in Regina.


Franco signing books for a CTF supporter in Saskatoon.


Franco signing books at Murray Chevrolet in Brandon, MB.


Franco signing books in Red Deer, AB.

Canadian Broadcasting Corporation (CBC) building in Halifax.
This building was demolished in 2020 to make way for hospital expansion.

DISAPPEARING ACT (FLICKR)

LITIGATING FOR TAXPAYERS

Devin Drover
Atlantic Director & General Counsel

Over our 35-year history, the Canadian Taxpayers Federation has gone to court dozens of times to defend the interests of taxpayers. While we've had recovering lawyers on staff previously, Devin Drover is our first on-staff general counsel. He currently has more than 10 legal cases on the go.

Fighting the equalization cash grab lawsuit

The CTF is joining the court battle against Newfoundland and Labradors' legal bid to increase federal equalization payments.

The Newfoundland and Labrador government is suing the federal government for more equalization money. Outgoing Premier Andrew Furey is arguing a province should receive more tax dollars when it can't afford to pay for new programs that other provinces implement.

This is despite the fact the Newfoundland and Labrador government is already expected to receive $218 million from taxpayers in B.C., Alberta and Saskatchewan through the equalization program in 2024-25.

The equalization program was committed to "in principle" by the federal and provincial governments in the Constitution Act, 1982. Section 36(2) reads, "Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation."

Our elected politicians in the House of Commons have since set up a formula for determining annually which provinces receive equalization money.

But, the Furey government thinks this formula is not beneficial to Newfoundland and Labrador. It wants unelected judges to intervene and find the existing formula unconstitutional.

In doing so, the Furey government is ignoring that equalization was meant to cover essential services, rather than whatever local politicians want to splurge on. And, it's up to our elected politicians to set the formula, not the courts.

And, even if Newfoundland and Labrador could legally sue for more, the province already brings in plenty of revenue, including millions from equalization. Thus, it defies logic to think that more equalization will somehow fix the province's budgetary woes.

Instead, the provincial government tends to waste money on politicians' pet projects.

Like spending more than $170,000 to put the provincial logo on the jerseys of a Tier four English soccer team.

Such waste has resulted in the Newfoundland and Labrador government running deficits in eight out of the last 10 years. The province now has a debt burden that is the highest in Canada, on a per-person basis.

Because of this, the Furey government spent roughly $1.1 billion on debt interest charges last year.

The federal government is supposed to be fighting this lawsuit.

But, thousands of our supporters told us they didn't trust the federal government to stand up for them.

That's why, thanks to support from donors, the CTF filed an application to intervene in this case with the Newfoundland and Labrador Supreme Court.

The CTF will argue that the Canadian Constitution does not give provinces the right to sue Ottawa for bigger equalization payments. The federal government's agreement "in principle" to fund equalization does not grant provincial governments the authority to forcibly extract more tax dollars from taxpayers in other provinces through court action.

Lawyers for the CTF will be back in court in fall 2025 to ensure the voices of taxpayers are heard in the courtroom – and not just the voice of greedy politicians.

Taking the CBC to court

If you played hide and seek with the CBC, you'd need a Bat Signal to find them.

Canada's government-funded broadcaster is burning through billions in taxpayer money while refusing to tell Canadians where it's going.

The Canadian Taxpayers Federation has filed access to information requests again and again, trying to pry open the CBC's books.

We've asked basic questions: How much are executives getting in bonuses? What's the CBC spending on real estate, including foreign properties? How much goes into public polling and so-called research?

The response? Hundreds of pages covered in black ink. Sometimes whole documents redacted, revealing virtually nothing.

This isn't just frustrating. It's unacceptable.

The CBC gets $1.4 billion a year from taxpayers. Every dollar comes from hardworking Canadians.

But those same Canadians aren't allowed to see how their money is being spent.

We've filed complaint after complaint with the Information and Privacy Commissioner. And now, we've taken the next step.

In February 2025, we filed a lawsuit in Federal Court because the CBC refuses to tell taxpayers how much it spends on advertising each year.

That's it. That's the question. How much are you spending to promote your own stations and shows?

It's a simple request. But instead of answering, the CBC is digging in its heels.

That's not the behaviour of a transparent, responsible, taxpayer-funded organization. That's the behaviour of a bloated bureaucracy convinced that it's above such scrutiny.

And deep down, the CBC knows the walls are closing in.

The audience numbers tell the story.

CBC News Network's flagship prime-time English newscast pulls in a mere 1.7% of the TV audience, according to its latest quarterly report.

That means more than 98% of Canadians are watching something else.

Still, taxpayers are forced to fund a broadcaster they don't watch, while the broadcaster fights to keep its spending in the shadows.

It's not just the CBC. This is part of a larger problem. Too many government-funded organizations operate behind closed doors. And, if the CBC can get away with this level of secrecy, what message does that send to the rest of the federal bureaucracy?

That transparency doesn't matter. That accountability is optional.

That's why we're going to court.

We're not asking for trade secrets or information that could give CBC's competitors an edge up. We're simply asking where your money is going.

It's a basic question: How much is being used to promote shows no one's watching?

Taxpayers deserve the basic answer.

And if the CBC won't come clean willingly, we'll drag the truth out in court, one redacted page at a time.

ELVERT BARNES (FLICKR)

Canadian government bus shelter ad in Connecticut Ave in Washington, D.C.

TARIFFS ARE JUST ANOTHER WORD FOR TAXES


Sabine El-Chidiac

As Canada and the United States engage in a trade battle, many North Americans are pondering what tariffs are and how will they be impacted.

Let's start with the Cole's Notes version: Tariffs are taxes.

The reality is that the boomerang effect of tariffs ends up devastating the citizens of the imposing country and those in certain industries in the receiving country. This is especially true in the current context, given the affordability crisis both Canada and the U.S. are enduring.

The claim that it helps domestic consumers is false. It simply makes them poorer, overall.

President Trump has claimed that tariffs hurt at first but, eventually, will help the U.S. economy. This is also false. Economists have long stated that tariffs have a tendency to hurt the poorest in society the most and, further, the effects of tariffs are widespread and long-lasting.

One example is the U.S. putting an import tariff on Canadian softwood lumber. It might sound like an "attack on Canada," but, in reality, U.S. consumers will have to absorb the additional cost of that lumber when they want to build or buy a house. That lumber is used to build the house they want to buy and, when it's more expensive to buy lumber, fewer houses are going to be built — and the houses that are built are going to cost even more. This will not only make Americans poorer, but will also further exacerbate the housing crisis.

Meanwhile, in Canada, lumber producers take a financial hit as U.S. builders look to replace artificially expensive lumber with cheaper foreign lumber. This will have a ripple effect across the economy and can lead to a loss of jobs. Tack on Canadian retaliatory tariffs and Canadians will suffer more, in the same way their American counterparts will.

One Canadian economist predicts that Canadian households will be looking at a cost of more than $1,900 per person as a conservative estimate of how tariffs and their retaliations will affect taxpayers in Canada. The same economist predicts that approximately 2.4 million Canadian jobs could be subject to U.S. tariffs. There are simply no upsides to tariffs or to tariff retaliation.

History shows us that tariffs never work. The 1930 Smoot-Hawley tariff made world trade fall by 66% and prolonged the Great Depression. Canada's retaliation to these tariffs caused Canadian export markets to crash and created an economic depression. The 2018 steel and aluminum tariffs as well as the ongoing softwood lumber tariffs feud have both played out in a similar way. The bottom line is nobody wins when tariffs are imposed, most of all the taxpayers of both countries.

There may still be hope for diplomatic solutions between countries but, with the uncertainty of President Trump's actions as well as Canada's changes in leadership, this solution seems more unlikely as every day passes.

Tariffs and tariff retaliations are an easy way to cause Canada's next economic depression. While Canada cannot control what the U.S. is doing, however destructive it may be, it can control how it responds to this trade war. The response should be unequivocal: tariffs never work.

INTERPROVINCIAL TRADE

One policy that is making headlines in response to the trade war is interprovincial trade. Section 121 of the Canadian Constitution states that "all Articles of the Growth, Produce, or Manufacture of any one of the Provinces shall, from and after the Union, be admitted free into each of the other Provinces." And yet, trade barriers between provinces continue to exist.

Interprovincial trade barriers may seem somewhat removed from everyday life, but it actually hurts taxpayers in very direct ways. One of the main reasons Canada has so many interprovincial trade barriers is that provinces are often acting in silos when they are coming up with their regulations and standards. This, in turn, harms the pocketbooks of Canadian taxpayers everywhere.

As a result of unilateral regulations and a lack of free trade between provinces, consumers end up paying more for things like alcohol, where a bottle of wine will be sold cheaper abroad than in another province because of many regulations that must be followed. Trade barriers also lead to higher housing prices, since different building codes and procurement policies in each province lead to developers and builders having to buy lumber within their province, even if it's cheaper in another province. Another aspect of free trade that hurts Canadians deeply is trucking and freight costs. Different provinces have different regulations about how much a trucker can carry as well as different fuel regulations and safety rules, so having to comply with different provincial schemes means everything is more expensive.

If regulations are good enough in Manitoba, they should also be good enough in Nova Scotia. Canada is one country and yet trade is not conducted as if it was. If taxpayers are angry about the tariffs imposed on Canadians by the U.S., then they should be livid about interprovincial trade barriers. The IMF shows that Canadians are essentially paying a 21% tariff for goods and services as a result of these barriers. In fact, removing internal trade barriers in goods could increase Canada's GDP per capita by approximately 4%.

A TARIFF TIMELINE

Feb. 1, 2025: U.S. President Donald Trump signs an executive order imposing a 25% tariff on Canadian goods and a 10% tariff on Canadian energy, originally set to take place on Feb. 4, 2025. Canada subsequently announces 25% reciprocal tariffs on $155 billion of U.S. goods.

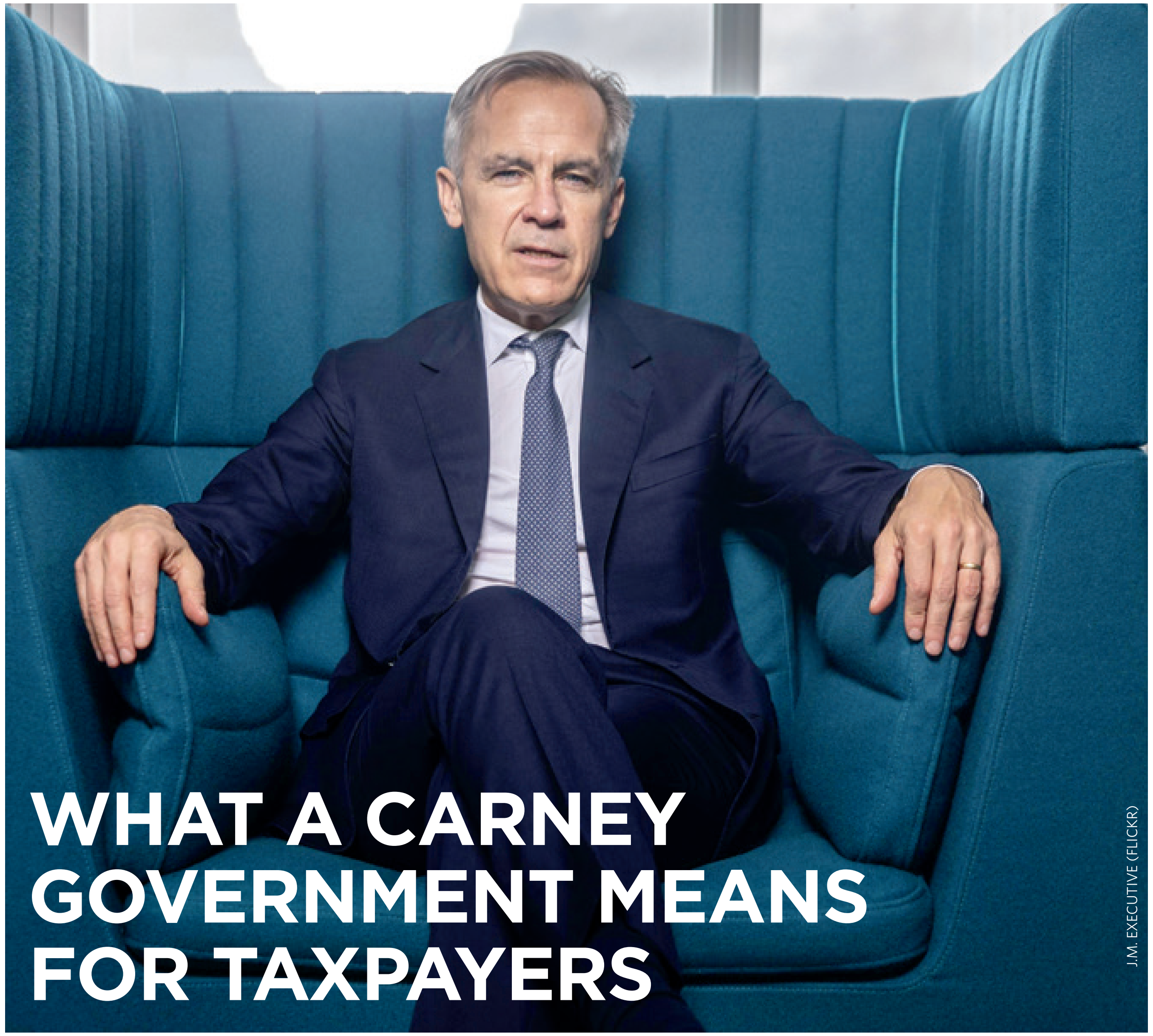
Feb. 25, 2025: Nova Scotia Premier Tim Houston tables legislation to reduce interprovincial trade barriers, leading other provinces like Ontario, New Brunswick and PEI to table similar legislation.

March 4, 2025: The U.S. tariffs on Canada are actually implemented and an additional 25% tariff is imposed on Canadian steel and aluminum a few days later, while Canada reciprocates with an additional 25% tariff on U.S. steel and aluminum

April 3, 2025: President Trump extends tariffs to include 25% tariffs on Canadian automobiles and auto parts, and Canada reciprocates with 25% tariffs on U.S. automobiles and auto parts

April 22, 2025: The IMF downgrades global and U.S. economic forecasts due to the impact of tariffs and companies share their loss projections, like Kimberly-Clark, which cut its annual profit forecast as it estimates it would incur about $300 million in costs due to the tariffs imposed by the U.S.

Sabine El-Chidiac is the Canadian Policy Associate at the Consumer Choice Center.



J.M. EXECUTIVE (FLICKR)

WHAT A CARNEY GOVERNMENT MEANS FOR TAXPAYERS

Franco Terrazzano
Federal Director

With the federal election now over, it's worth looking at what Prime Minister Mark Carney ran on and what it means for your wallet and Canada's economy.

MORE DEBT, MORE MONEY WASTED ON INTEREST CHARGES

Carney has no plan to balance the budget. Here are Carney's deficits for his four-year mandate, according to his election platform:

- 2025: $62 billion
- 2026: $60 billion
- 2027: $55 billion
- 2028: $48 billion

When it comes to budget plans, Carney is not only different than former prime minister Justin Trudeau, he's much worse.

Carney plans to add $225 billion to the federal debt over the next four years, according to his election platform. Trudeau planned on adding $131 billion to the debt over the same time, according to the most recent Fall Economic Statement.

The banker was supposed to be better with money than the drama teacher. But, Carney plans to rack up nearly $100 billion more debt than Trudeau did.

More debt means more money wasted on interest charges.

Interest charges on the government credit card already cost Canadians $1 billion every week. That means Canadians are losing out on the financial equivalent of a brand-new hospital every single week. In fact, every dollar you pay in federal sales taxes goes to pay interest on the federal debt.

Carney's borrowing binge means the government will waste about $1 billion more every year on debt interest charges.

Carney's $225 billion of new debt is in addition to all the debt racked up in previous years.

In fact, the Trudeau government doubled the debt in less than a decade. When Trudeau first became prime minister, the debt was $616 billion. This year, the debt will hit $1.3 trillion.

In addition to the debt, Carney intends to embark on some accounting trickery by breaking out the government's spending into operating and capital budgets. While this may appear to be much like what most Canadian municipalities do with their spending, where they differ from the feds is that municipalities have a combination of capital reserves and the ability to issue debentures on their capital debt to work with – all regulated by long-term debt ceilings. Most critically, they are required by provincial law to balance their operating budgets each and every year. The Carney government could also require this of itself, but has chosen not to do so.

"A Mark Carney-led government will balance the operating budget in three years," Carney's leadership platform read. "At the same time, we will run a small deficit on capital spending."

There are two important takeaways for taxpayers. First, there is no legitimate economic reason the government should split its budget in two. This will reduce transparency and make it harder for Canadians to determine the true state of Canada's national finances.

"Carney and his cohorts will attempt to classify expense spending (which would increase the government deficit) as capital items so as to remove such spending from the operational deficit calculation," said Kim Moody, a tax policy expert. "The result? A rosy deficit picture that hides borrowing reality … History shows that when politicians use this approach, it often leads to debt spiralling out of control."

Second, there is no balanced budget because Carney is increasing the debt by tens of billions of dollars every year. The best Carney is willing to do is run a $48 billion deficit in 2028, which is larger than this year's Trudeau government deficit.

The good news is Canadians are already skeptical of Carney's budgeting.

About 6-in-10 Canadians are skeptical of Carney's promise to balance the operating budget, according to a Leger poll commissioned by the CTF.

And Carney's platform proves Canadians are right to be skeptical.

CARBON TAXES

Carney isn't ending carbon taxes. He wants to change carbon taxes.

"The issue wasn't, to coin a phrase, whether to 'axe the tax,' the issue was how to change it," Carney said during a Liberal leadership campaign rally.

Carney set the consumer carbon tax rate – the one you pay directly at the gas station and on your heating bill – to $0 on April 1. However, the legislation is still on the books. In his platform, Carney promised to amend the carbon tax law to ensure the "repeal of the consumer carbon tax." The CTF will work tirelessly to hold Carney accountable and make sure his government follows through on that promise.

Canadians must watch out for Carney's hidden carbon tax on Canadian businesses. While Carney has been vague, he said he would "improve and tighten" Trudeau's industrial carbon tax and "extend the [tax's] framework to 2035."

"So, in changing the carbon tax … We are making the large companies pay for everybody," Carney said.

Under Trudeau, the industrial carbon tax was set to increase every year until it reached $170/tonne in 2030. The industrial carbon tax hammers oil and gas companies, steel manufacturers and fertilizer plants, among other businesses. By extending the current framework to 2035, Carney would be increasing the industrial carbon tax to $245/tonne – more than 150% higher than the current tax.

A carbon tax on business is a carbon tax on consumers. Carbon taxes on refineries make gas and diesel more expensive, carbon taxes on utilities make home heating more expensive and carbon taxes on fertilizer plants increase costs for farmers and that makes groceries more expensive.

Unfortunately for Carney, Canadians understand this simple reality.

Just 9% of people believe Carney when he claims businesses will pay most of the cost of his industrial carbon tax, according to a Leger poll commissioned by the CTF. Meanwhile, 70% said businesses would pass most or some of those costs on to consumers. The rest were unsure.

Here's the other problem with Carney's carbon tax on Canadian business: more than 70% of countries, including the United States, do not impose national carbon taxes. That means Carney's carbon tax will push Canadian entrepreneurs to cut production in Canada and set up shop south of the border.

Carney's carbon tax on Canadian businesses is the worst of all worlds — higher prices and fewer Canadian jobs.

Carney also wants to impose carbon tariffs, which is a carbon tax on goods Canadians buy from other countries – likes shoes, clothes, cars and appliances – that do not have carbon taxes or lower carbon taxes. In effect, it's just another carbon tax on Canadians and is expected to cost taxpayers about $500 million.

TAX RELIEF

The bright spot for taxpayers is Carney's promised income tax cut. Carney promised to cut the lowest income tax rate from 15% to 14%, which will save a two-income family about $800 a year. Conservative Party of Canada Leader Pierre Poilievre also promised income tax relief during the election that would've saved a two-income family about $1,800 a year.

Carney also promised to remove the goods and services tax (GST) for first time homebuyers on homes valued up to $1 million. This followed a similar promise from Poilievre, who promised to take the GST off all new homes sold up to $1.3 million.

Absent from Carney's platform was any mention of a home equity tax. Through a home equity tax, the federal government would take a chunk of the proceeds from the sale of your home. While there is currently no home equity tax in Canada, the Liberal government has been flirting with this idea for years.

In 2016, the Trudeau government made it mandatory for Canadians to report the sale of their primary residence even though it's tax-exempt. If you sell your home, Canada Revenue Agency (CRA) wants to know how much money you received from that sale. But, if the taxman isn't taxing it, then why is the taxman asking that question? Is the CRA just curious?

The Trudeau government also spent $450,000 (of your tax dollars) researching and promoting a study that recommended a home equity tax. And documents dug up by the CTF show staff in the prime minister's office met at least twice with the leading agitator for home equity taxes.

If Carney wants to prove he won't send the tax hounds after your home, he should commit to removing the reporting requirement with the CRA, like Poilievre did.

While Carney is providing tax relief, he's not going far enough.

Take about half your paycheque and rip it in half because that's the taxman's.

The average Canadian family pays 43% of its budget in taxes to all levels of government. That's more than what average families spend on food, shelter and clothing combined.

Trudeau originally ran on a promise to "lower taxes for the middle class and those working hard to join it." Yet, nearly nine out of every 10 middle-class Canadian families pay higher federal income taxes today, thanks to his tax hikes.

Canada ranks 31st out of 38 Organization for Economic Co-operation and Development countries on individual tax competitiveness, according to the Tax Foundation. That means 30 of our industrialized peers have more competitive income taxes than us. Canada ranked 26th on business tax competitiveness.

SPENDING

Carney acknowledged "the federal government has been spending too much."

"Total spending has increased by around 9% per year, on average, over the past decade, and the federal workforce has grown over 40% in total since 2015," Carney said. "Moreover, the federal government has consistently missed its spending targets and breached its fiscal guardrails."

However, Carney does not have a plan to balance the budget and his platform is vague on where he will find savings. Carney's platform claims the government will save $28 billion during his mandate from "increased government productivity," but does not provide detail on where those savings will come from.

This is reminiscent of the Trudeau government's 2023 budget where it promised to find "savings of $15.4 billion over the next five years." How did that work out? Well, the government increased spending by $25 billion in 2024 and planned to increase spending by $100 billion over the next five years.

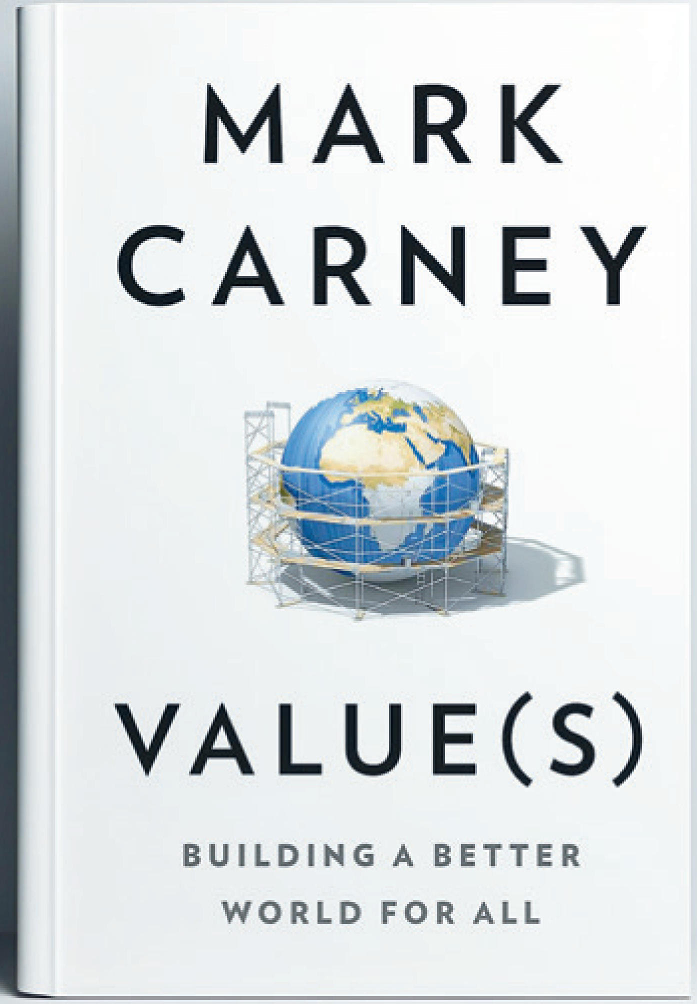
Here are three big areas the government should cut spending:

First, take the air out of Ottawa's ballooning bureaucracy. The government added 99,000 extra bureaucrats since 2016 and ballooned the cost of the bureaucracy 73%. If the size of the bureaucracy stayed in line with population growth over the last decade, the government would spend $7 billion less on salaries every year.

Second, eliminate corporate welfare. The government spends $11.2 billion on corporate welfare annually. If the government ended corporate welfare, it could eliminate the small business tax and still have billions left over to cut the deficit. Or, it could cut the general business tax by nearly 20%.

Third, scale back the amount of money the government wastes overseas.

The government spent $15.5 billion on foreign aid in 2022. For context, that's about the same amount of money as the federal government sends to the provinces through the Canada Social Transfer, which is money for Canadian colleges, universities and social services. In fact, the government spends almost three times more on foreign aid than it does on the entire department of Veteran's Affairs.



Carney published his book *Value(s)* in 2021. Carney's book details his worldview and what he thinks is the path forward to save the planet. Here's some of Carney's quotes from his book that all Canadian taxpayers need to know:

"Meaningful carbon prices are a cornerstone of any effective policy framework ... carbon prices should increase in a gradual and predictable manner" (pg. 294).

"The externality [carbon emissions] can be priced through a user fee or tax ... To combat climate change, that would mean putting a price on carbon, so that the polluter (or ultimately the consumer of the polluter) pays" (pg. 254).

"Recall that to meet the 1.5 degrees Celsius target, around 80 per cent of remaining fossil fuels would need to remain in the ground" (pg. 260).

"Going forward we will need almost all new machines, like cars, to be zero carbon, and to scrap any new ones that are not before the end of their useful lives" (pg. 239, 240).

"To what extent will we have to change our lifestyles? The core will be to electrify everything and simultaneously develop green electricity. Achieving net zero will require moving away from fossil fuels to renewables, decarbonising transport and reducing emissions from industrial processes" (pg. 265).

"To limit temperature increases to 1.5 degrees Celsius, the 'average' global citizen born today will have a personal carbon emissions budget over their lifetime equivalent to one-eighth of that of their grandparents" (pg. 223).

"Some estimate that by 2035 it will be possible to meet almost 90 per cent of power demand with a mix of wind and solar" (pg. 266).

Q&A WITH SCOTT MOE

The Honourable Scott Moe is Premier of Saskatchewan. Prior to seeking elected office, Moe was a businessman, farmer and salesman. He was first elected a Saskatchewan Party member of the legislative assembly in the 2011 election and served in Premier Brad Wall's cabinet as minister of environment and minister of advanced education. In 2018, Scott won the leadership of the Saskatchewan Party and became the 15th premier of Saskatchewan. As premier, his party won the 2020 and 2024 elections, both with majority governments.

Canadian Taxpayers Federation President, Scott Hennig, caught up with Moe in the middle of the federal election to get his take on the state of provincial, federal and international politics.

Scott Hennig: You're the oldest of five, growing up on a farm near Shellbrook, Sask., what was it like growing up in Shellbrook?

Scott Moe: It was fabulous. It's a typical small town. If you've ever heard the term, that it takes a village to raise a child, that's how small-town Saskatchewan is. Everyone chips in to help guide one another's kids to opportunity. And, in Saskatchewan's case, that opportunity is finally arriving.

SH: Were your parents politically active? Is that where you got the interest in politics?

SM: They were quieter about it. However, my grandfather was a campaign volunteer for John Diefenbaker. He passed away before I was here, but he definitely passed it on. My uncle has been very involved and I've had many great political conversations with him about my late grandfather back in the days campaigning for Diefenbaker.

SH: Like many people from Saskatchewan, you spent a bit of time working in Alberta.

SM: Too many people.

SH: In your experience, what are the differences between folks from Saskatchewan and those in Alberta?

SM: Not a lot, really. I often say, we're always going to be natural allies, politically, with Alberta because of how we generate wealth. Both of us have a great rural-urban synergy, where we have these natural resources, whether it be oil, ag land, potash, uranium or mining products. They're all in rural areas of our province, whether it be Saskatchewan or Alberta, or even into Manitoba and the interior of British Columbia. But, it is people who live in our towns, villages and cities that really help develop and add value to those products and bring them to the global market. And so, people talk about rural-urban divides in places like Saskatchewan and Alberta, and I think it's actually a synergy, and it has always been our strength.

SH: What years were you in Alberta?

CTF President Scott Hennig (left) interviewing Saskatchewan Premier Scott Moe (right)

To watch the full interview, visit the CTF's YouTube page: youtube.com/taxpayerDOTcom

SM: 2000 to 2003. That's actually where I became politically interested, you might say.

SH: That was middle to the end of the Ralph Klein government. Is that what got you interested?

SM: Ralph Klein was a very popular premier, at that point. That's where I really became interested in politics and really started to understand that the policy decisions that politicians make really do matter. I started to contrast the decisions Premier Klein was making with what was happening in Saskatchewan. They were very different.

SH: In 2003, you headed back to Saskatchewan and immediately joined the Sask Party. You could have picked the NDP, you could have picked a different party. Why the Sask Party?

SM: I actually couldn't have.

SH: Ok, fair. How would you describe your own political philosophy? Are you a traditional conservative, social conservative, fiscal conservative, libertarian, pragmatist, populist?

SM: Maybe a little bit of all of those. We're trying to find our way to a balanced budget each year. And we were able to do so this year. Probably, it is the only balanced budget in the nation this year. Being a fiscal conservative is important, but not at any cost, either. I think there are times where you have to veer off that rigid goal from time to time, because you're also there to provide services for folks.

When it comes to social conservatism, I have a great belief that the most important role models in a child's life are always their parents. We need to refocus on that.

One area that I focus on more than other leaders is what I call economic conservatism. I believe that one of the most fundamental things that a government can do is to build an environment that attracts investment, creates jobs and creates opportunity. This may be a bit of our history in Saskatchewan, but a large portion my graduating class don't live in Saskatchewan anymore. They live in Alberta and they're part of that contingent that goes to Calgary Stampeders football games and cheers for their hometown Saskatchewan Roughriders.

That isn't necessary anymore because of the environment that we're building in Saskatchewan. I think it's so crucial to provide that opportunity for a career for our children and for that next generation so that, if they leave for Alberta or somewhere else, that's a choice. But, they can stay here and have a great career and raise their family. We haven't always had that chance. For 70 years, we were in what I call the lost years under a socialist reign, with stagnant population and economic growth. That's no longer the case in Saskatchewan.

SH: I chatted with John Gormley a few months ago. He said when he's giving a speech, he asks the crowd to raise their hands if they know what the standard graduation present was for people your age.

SM: Luggage.

SH: Exactly right. He said the people under 30 have no idea what the answer is and that's because things have changed.

SM: Yeah, no idea. And the ones under 30 that do leave, it's a choice, and they all have a thought that they might come back. What's interesting is that it isn't me or even the government, it's the people's thinking that has shifted. It is really monumental and it's exciting.

SH: I know we talked about your uncle, but was there a book, a teacher, a politician or someone in your life that fuelled your political convictions from an early age?

SM: I always loved Bob Probert and his book *Tough Guy*. You have to read it. It's a great book. But, when I used to read various political books, I'd always try to read one from both sides of the spectrum. And so, if you remember back in the day when Jean Chrétien was prime minister and Paul Martin was the heir apparent, Chrétien made Martin wait. There are a couple of interesting books, one written from each side of that situation. I always found it interesting to read a book from one perspective and read a second book from the other perspective, as well.

I read George W. Bush's book, and that's very interesting. Bill Clinton has one as well, which is equally as interesting. I haven't done quite as much reading about the current president. I don't know if that book would make sense. I think it helps you because your policy development needs to be the right policy, as opposed to simply ideological policy. It'll stand the test of time if it is the right policy.

Still to this day, the book that I like about Alberta and the Conservative Party under Premier Ralph Klein, is *King Ralph* by Don Martin.

SH: Great book. You first ran for a nomination in the 2011 election against a sitting Sask Party MLA. That's fairly unusual. What prompted that decision?

SM: Now that I'm a Sask Party MLA, we don't encourage that, but we don't stop it, either. The people need to be able to speak, whether that be at the party level and, if that isn't allowed, they certainly will at the ballot box.

I started to get involved just prior to '03. As things progressed, I started to realise that our communities were going to succeed together or fail together. We had some of these old hockey battles that we'll win, and you'll lose, which is what we see in North American negotiations today. That isn't the right approach. We need to win together and succeed together as communities in a region, within a province, in each of our provinces and then, collectively, as a nation.

How I found myself running against an incumbent is I got quite far along in my own decision-making process as to whether I wanted to run for this position. I found out that I did long before anyone else had made decisions about retirement. And so, I was in before I realized it and, then, I couldn't back the bus up and away we went.

SH: After the nomination, you're elected for the first time in the 2011 general election. What was the biggest learning curve or something that surprised you as MLA?

SM: I was fairly well-prepared. I had known a number of folks who were MLAs. I didn't have any aspirations or intentions. Everybody would like to be in cabinet, but I just wanted to be there to make things better in my region and, ultimately, contribute to a stronger province.

Things have changed in the role that I've played over time. But, for those considering running for public office, please do consider it.

But there are some sacrifices. I remember one and it doesn't seem like much, but it meant a lot to me at the time. One thing I overlooked is that I always coached my daughter's softball team, and it's in the spring, and we sit in the spring, so I wasn't able to coach when I was elected in 2011. Outside of that, we played hockey on Sunday and Thursday nights, but I was travelling Sunday and Thursday nights. And so, I was quite likely going to be a defenceman alongside Darnell Nurse with the Oilers. It wasn't the pandemic that ended my hockey career, it was elected life.

CTF VP Communications, Todd MacKay delivering anti-carbon tax petitions to then-Environment Minister Scott Moe in 2017.

SH: Later in that first term, Premier Wall taps you to join his cabinet as minister of environment. I've heard you walked out of a meeting with Trudeau's environment minister, Catherine McKenna. Tell me that story.

SM: They had called all the environmental ministers to Montreal. We were somewhat of a lone hold out when it came to this un-consulted carbon taxation policy that is finally meeting its demise some years later.

Mid-morning, Catherine McKenna stands up and says, "So, the prime minister's going to rise in the House of Commons, and he's going to say that each province has to implement a carbon tax policy, or we will." And I said, "So, what are we doing here? Why did you bring us to Montreal?" So, that kicked off a lively discussion that has gone on for years now and should end before too long, as we're going to see the end of that policy. The only thing left is the monument for the gravesite.

Since then, we've seen that same tact taken, whether it be the changes to the environmental impact assessment, whether it be the tanker ban on the West Coast, whether it be the oil and gas production cap, or whether it be the requirements on electric vehicle purchases. All un-consulted policy. And, it's poor environmental policy.

That is what we've seen from this federal government over the last 10 years — all environmental focus and no focus on actually building the economy.

SH: So, you walked out of that meeting?

SM: We left that meeting along with a few other provinces. It was a different environment then, with all the Liberal and New Democrat provinces there. But, even they were ready to walk out because of just how little consultation there was on the policy.

There were a great many provinces that had an issue with that. Maybe they even agreed with the policy, but they had a significant issue with how it came to be.

It warms my heart to see that policy's demise, and not just because of the economic impact on industry and families. It's a terrible environmental policy. It's a great policy if you're producing oil in Venezuela. It's a great policy if you're producing potash in Russia or Belarus. It's a terrible policy for the most efficient, sustainable oil and gas and potash industries in the world, which happened to be in Saskatchewan and Alberta.

SH: I'm not sure Premier Wall and you as his environment minister get enough credit for taking a stand against the carbon tax a decade ago. Right now, every politician of all political stripes is opposing carbon taxes. But, if we rewind to 2015 to 2017, the Liberals in B.C., Ontario and Quebec, the NDP in Alberta and the Liberals in Ottawa were all pushing carbon taxes. Even Conservatives were flirting with them in Manitoba. Wildrose in Alberta was wishy-washy at times. But, not in Saskatchewan. From day one, Premier Wall and you took a strong no-carbon tax position. Was there any push back in caucus or consideration to take a less aggressive position at the time?

SM: Not in caucus and hardly any in the province. We were very solid in caucus, very solid in our communities and in the people that I saw each day within the province. And I would say even extending into Alberta and other areas of the prairies. Credit goes to Premier Wall for being a very courageous voice in that time.

I was the skunk at a garden party at many of those FPT [federal, provincial and territorial ministers] meetings, to say the least. But Premier Wall was the backbone and the courageous voice. And he'd often said, "In politics, every now and again, you run across something that is just a damn right idea." And that was it from the get-go. And credit to Brad Wall, he identified that the very first day.

I remember the calls we had on that particular day in Montreal when he said, "Well, what are you still doing in that room?" And I was more than happy to leave.

SH: Congratulations on doing that and on being right. Staying on the carbon tax topic, your government made the decision to challenge the federal law and ordered your Crown corporations to stop collecting and remitting carbon tax revenue on home heating. What led you to make that decision?

SM: The whole goal is for the carbon tax to go away. It's problematic and terrible. Those are nothing short of really weasel words when you say, "Oh, we're going to get rid of the consumer carbon tax." Well, there's still this heavy emitter carbon tax, it also needs to go.

It's impacting our industries and their competitiveness. We're going to continue to push. We're about 40% done. Now we need to remove the rest and we're going to lead the way on that in every way that we can.

If we have to take up residence in the Supreme Court of Canada to do it, we've been willing to do that before and we'll certainly do it again.

SH: Well, let us know. We'll have our lawyers ready, as well.

SM: As you have been.

SH: Your government was also the first to ditch the industrial carbon tax. Next door in Alberta, Premier Smith's been a bit more hesitant to get rid of the industrial carbon tax. What advice would you give her on the industrial carbon tax?

SM: Sit down with the industries one by one and then as groups. One by one so that you understand precisely what the impacts are, positive and negative. Then, as groups so that they understand one another's positive and negative impacts. What you'll often find is a willingness to start making investment back and forth.

Here's an example. We have a coal-fired power plant. We put a carbon-capture and storage facility on that – a large-scale pilot program – and it's capturing 600,000 to 800,000 tonnes of carbon each year. We're not just putting it in the ground, we're selling it to an oil company. They're using it in enhanced oil recovery. That's an advantage for all of us.

Today, pick any product we produce in Canada, and you'll find somebody who will tell you it is probably the most sustainable and ethical product on earth. Let's get those industries together, make them more sustainable and ethical in the future, which we're doing by including everyone in production in Saskatchewan. You don't need to tax them into submission for that to happen. You have to provide opportunities for success, and that comes through getting people in the room.

That's my advice: be very, very close with your industries, raise the challenges and find your way through them together.

SH: That's good. We'll make sure she sees a copy of this interview. Let me back up a bit. In 2017 Premier Wall decided to step down. You tossed your hat in the ring to replace him. Were you expecting that announcement and had you been thinking about running?

SM: No and no. I didn't expect it and I didn't intend to run. After Premier Wall made that decision, some of us in caucus started talking. I spoke with my wife and we decided I shouldn't run but should support someone else. Over the next week that changed and my wife revisited the decision. Credit to her, we only serve with our family's support and I certainly have that from mine.

SH: Even the premier has a boss.

Former Saskatchewan Premier Brad Wall lifts the arm of Scott Moe who won the party leadership and became the new Saskatchewan Premier during the Saskatchewan Party Leadership Convention in Saskatoon, on January 27, 2018.

SM: You bet. I vote last in our family, right behind the dog.

In that short time, we even decided not to do this. But, as things evolved, I realized I wanted to be there — in any role — to support Saskatchewan's success. I'd seen the province when it wasn't growing and then on the cusp of growth, and I wanted to help.

I wasn't fussy about how. I'd serve any way required. I truly believe our party's success comes from working alongside Saskatchewan people. We're not perfect. We make oodles of mistakes, personally and as a government, and try to fix them.

I fundamentally believe I want to be part of supporting the Saskatchewan Party's success today and over the next three, five, even 10 years.

SH: What was the most surprising thing you learned after becoming premier?

SM: We deal with tough things and there aren't always easy answers. Sometimes, there's not good answers. However, I have faith in my cabinet, in my caucus and in the people working in ministers' offices, my office and executive council. Whatever the problem is, and we've had some zingers over the last six or seven years, I have faith in the people around us, i.e., we're going to take the information we have and we're going to come to the best solution we can. Then we're going to focus on delivering that solution and achieving that solution, and it might change, and we'll have to veer off.

SH: You mentioned a bunch of zingers – you've had COVID, inflation and now tariffs. What has been the biggest challenge thrown at you as premier?

SM: We've had a few other local tragedies as well, but the tragic Humboldt Broncos bus crash in our first year stands out. Never a day goes by that people in Saskatchewan don't think of and pray for those families. Some challenges are very tragic and very local.

Then, we all navigated a global pandemic. Every morning you woke up knowing a challenge is waiting on your desk. You don't have all the information – only what you have that day – and you'll have to change it when new information becomes available. Navigating those times was difficult. Everyone in public life was challenged.

Since then, we've faced supply-chain issues and inflation, largely a function of geopolitical changes, plus what's happened in recent months. The only certainty is that tomorrow will be different, and you'll have to deal with it.

In politics, surround yourself with people you trust – capable, competent people you have faith in – and you'll trust the decisions as you work through them. Some are tougher than others, and any political leader in the last number of years has faced plenty. Maybe that's the new normal, I don't know.

SH: I hope not.

SM: There've been some good things too.

Investment in our province is pouring in at record amounts. We have some short-term tough discussions in Canada, North America and the world, but I'm extremely bullish on our medium- to long-term outlook – for our province and, I would hope, for our nation.

SH: Let's talk about tariffs. Some people say Canada should hit the U.S. with counter-tariffs. What's your take? Should we add our own?

SM: We've been apprehensive about counter-tariffs in any way, shape or form. We have been supportive of a few very selective ones, but now we should pull back and take a breath. Canada is an exporting nation and Saskatchewan exports to more than 160 countries. Canadians support fair, tariff-free trade with the U.S., the European Union, China, India – everyone.

The recent discussion has been chaotic, so we may have to lead by backing out of counter-tariffs. When I'm in Washington, I tell people a U.S. tariff hurts American businesses and families. If we accept that as truth, and I do, a Canadian counter-tariff hurts Canadian businesses and families.

SH: On potash, I'm amazed the Trump administration would tariff its main supplier of a very important element in creating fertilizer. They can't mine potash in Iowa or Florida. Where else can they get it?

SM: Russia. And that means actually buying from and dealing with Russia. You'd have to figure out shipping it through the Black Sea, then into the Midwest. The same is true for other goods. If you want to pay $10,000 more for a vehicle, put a tariff on vehicles. If you want to pay more for your fuel, put a tariff on oil coming in from Canada. Even within Canada, if you want to pay more at the pumps, put a carbon tax on it.

SH: It does work – carbon taxes raise prices.

SM: That is the sole impact of a carbon tax. No environmental benefit, just higher fuel costs.

SH: Next door in Alberta, former premier Peter Lougheed set up the Heritage Fund to ensure resource revenues are paying dividends for years to come. Premier Smith has committed to significantly growing the fund. Has the idea of a Saskatchewan Heritage Fund been contemplated by your government?

SM: Yes. A number of years ago, Peter MacKinnon studied a "Future Fund" for Saskatchewan – how to structure it and invest a percentage of resource revenue into it.

It's not something that is lost on me. We haven't officially set it up, but the structure is in place should we find our way to that.

We've had a pandemic, inflation and other challenges. But, I think one of the fundamentals of the future success of Saskatchewan, is realizing that we do have natural resource wealth, whether it be in ag and value-added ag, potash, uranium, lithium, helium, rare earths and oil and gas. Let's develop them, first of all and, then, let's take that royalty wealth and invest it. But, let's be careful about what percentage of that resource wealth we spend on activities like health care and education. But, when you have a high year in oil prices and a high year in potash royalties, let's set a line where those overages would flow into another fund.

Brad Wall always said, "You have to be careful with deficits because they're like potato chips. You can't stop at just one." The same goes for setting up these structures for government to operate under because, when there's a few extra million dollars, it's very tempting to give it to whatever the latest flavoured lollipop is. This year we have some moderate resource growth. Is this an inflection point for us to start to set up a little more regimented structure on how those resource dollars might flow into that Futures Fund?

SH: Coming out of COVID, Saskatchewan's debt has grown a bit from where it was a decade ago. What kind of plan do you have to get it going back down again?

SM: First, you have to balance the budget. Then you face three choices when we have a good year with revenues. You can put the extra into a Future Fund, you can spend it or you can pay down debt. I like debt repayment, though the Future Fund is fine, too.

Most of Saskatchewan's debt is infrastructure debt, not operational. That matters. A third portion sits on the Crown side where they're investing in infrastructure and it's paid for by power rates and similar revenues. Operational debt and infrastructure debt are very different, but we still have to watch infrastructure debt. We are building quite aggressively, so we must keep an eye on it.

Today we have a balanced budget.

THE CANADIAN PRESS/LIAM RICHARDS

Saskatchewan Premier Scott Moe speaks to media following the presentation of the 2022 Saskatchewan budget.

We just received the highest credit rating in Canada. We have the second-lowest debt-to-GDP ratio. The debt is still there. We need a five-year plan. First, stop it from growing. If you hold the line, the economy will grow and the ratios will improve. Ultimately, the goal needs to be to reduce and eliminate the debt.

SH: If you could go back to your first year as premier, what's something you'd love a do-over on?

SM: This wasn't just our government and there was some requirement for it but, as we found our way through the pandemic, a lot of public money started to flow from both federal and provincial governments. But we should be very careful before we get into that type of a situation, because it isn't just money, it's taxpayers' money, it's Canadians' money and that's where some of the debt has arrived from.

SH: If you're driving in the car, what's playing on the radio?

SM: Anything from AC/DC to KISS to Johnny Cash and then some of my daughter's dance music from way back.

SH: Any book recommendations?

SM: There's a book, very much personal to our province, to our party and it was written by the wife of one of the founding members, Ken Krawetz's wife, Gail. It's called *Risk & Reward* and it really is a history of the Saskatchewan Party through the mid-90s, up to and into 2007 when it formed government. That's a book I read each year.

SH: What's your all-time favourite movie?

SM: Young Guns. Maybe, Youngblood.

SH: Who did you see in your very first concert?

SM: John Cougar Mellencamp.

SH: Oh, wow. That's a good one.

SM: Yeah, it was good.

SH: Thank you so much for doing this. This has been a real pleasure.

SM: And thank you, Scott. I appreciate the time.

WHAT TO DO ABOUT A PROBLEM LIKE

Canada Post employees and supporters rally at Canada Post headquarters in Ottawa on Nov. 28, 2024.

THE CANADIAN PRESS/SEAN KILPATRICK

Peter Shawn Taylor

Mention Canada Post these days and what sort of reaction do you get? It might be a shrug because who sends letters anymore? Or maybe an eye-roll after the postal workers went on strike yet again last year and are threatening a repeat in 2025. Soon, however, those shrugs and eye-rolls may be replaced with some far more problematic reactions, like sharp grimaces and a searing pain in your wallet.

Delivering stamped mail was once akin to printing money. Back when every bill arrived in an envelope with a little window, personal correspondence was an intimate form of communication, and Christmas cards were as ubiquitous as icicles in wintertime, and letter mail was the lifeblood of an economy. Any disruption to the mail threatened economic catastrophe. While this economic leverage meant postal unions went on strike with alarming frequency, Canada Post's monopoly still left it highly profitable. As recently as 2014, the Crown corporation made an annual profit of $194 million.

Since the advent of email, texts and online billing, however, letter mail has lost its economy-shaking significance. It turned Canada Post's golden goose into a lead ballon. Since 2018, the Crown corporation has reeled off seven straight losses totaling $4.5 billion. There's no reason to believe things will ever get better.

Until now, Canada Post has paid for its deficits by drawing down on its capital reserves and taking out loans. But this can't go on forever. Last year Canada Post executives warned Ottawa they were in danger of running out of cash sometime in 2025.

Making good on that prediction, this past January the federal government granted Canada Post a $1 billion loan "to maintain its solvency and ensure it can continue operations." This should be seen as the first step in what will almost certainly become a multi-billion-dollar, taxpayer-funded bailout. With every Canadian now on the hook for a service few of them use any more, it's time to start looking for solutions to everyone's Canada Post problem.

"The first thing you have to understand about Canada's postal service is that the volume of letter mail has declined by 65% since 2006. This trend is not going to change," says Ian Lee, a business professor at the Sprott School of Business at Carleton University. Back in 2006, Canada Post delivered 5.5 billion pieces of mail and made a profit of $148 million. Last year it delivered 2.3 billion pieces of mail and lost $748 million. Within a decade, Lee predicts "letters will essentially vanish and, with them, Canada Post's core business."

Simultaneous with the disappearance of letter mail has been a great expansion in the parcel delivery business, driven by the huge uptake in online shopping. Given its position in delivering things, one might assume this offers Canada Post a route to profitability. Unfortunately, its reliance on expensive, unionized labour means that's impossible.

Lee estimates Canada Post's full-time workers earn between $50 and $60 per hour. And they only work weekdays. Established courier companies such as UPS and FedEx pay about $40 to $50 per hour and generally have more flexible hours. Private contractors use part-time gig workers (often driving their own vehicles) who work seven days a week and earn between $20 and $30 an hour. "Canada Post is massively, massively uncompetitive" in parcels, observes Lee.

Caught between these two permanent trends – the disappearance of letter mail and a lack of competitiveness in package delivery, Lee concludes Canada Post's only option is to embark on a major downsizing.

Canada Post employs approximately 65,000 full and part-time workers. By dramatically reducing the mail carrier's legal obligations, Lee thinks this headcount could be greatly reduced. Canada Post is required by federal regulations to provide five-day-a-week service to all 17 million Canadian residential and business addresses all while charging a single price for a stamp to anywhere in the country. For political reasons, Ottawa has also forced Canada Post to accept other money-losing obligations, such as keeping unprofitable rural post offices open and maintaining door-to-door service.

To rescue Canada Post, Lee

proposes the complete elimination of door-to-door delivery and an end to five-day-a-week service, along with the closure of all stand-alone post offices, which would be replaced by franchised outlets in grocery stores and pharmacies. Doing so, he says, could allow Canada Post to drop its headcount to about 15,000 workers.

Getting there, however, will be difficult. "It's going to take a legislated solution," he says, noting that the federal government will have to deal with a very angry postal union. Rural residents are also likely to bristle at the loss of their local post offices and take their own political action. "It'll get ugly," Lee admits.

Even with dramatic reductions in Canada Post's obligations and workforce, Lee still isn't convinced it will be profitable, mainly due to the high cost of maintaining rural mail delivery throughout Canada. But he figures the losses will be smaller and more palatable for taxpayers.

If, however, the overarching goal is to permanently remove the burden of Canada Post from taxpayers' shoulders, then simply reforming Canada Post isn't going to be sufficient. The only way to guarantee a future without perpetual postal deficits is to sell it to the private sector.

Vincent Geloso is a professor of economics at George Mason University in Virginia and senior economist at the free-market Montreal Economic Institute. "There's no particular reason why the government should be in charge of mail delivery," Geloso says. "Canada Post has always been a political entity that takes from taxpayers."

Public monopolies such as Canada Post inevitably deliver low quality and expensive service, he observes. Unions keep wages up due to the constant threat of strikes which, in turn, push up the price of stamps. Meanwhile, the entire operation is backstopped by taxpayers, which eliminates any drive for efficiency. "As consumers we end up paying high prices. And when this produces deficits, we are potentially on the hook for a bailout as well," Geloso gripes. "We're screwed either way."

The solution, he says, is a bracing round of "market liberalization and privatization" in the mail business. Geloso advocates ending Canada Post's monopoly over letter mail by allowing private firms to compete in mail delivery on whatever terms they choose. Then, he would quickly sell Canada Post to the private sector, ensuring taxpayers are no longer on the hook for its operations.

"Private competition in the postal business is really easy to achieve," Geloso advises. "You just need to look around the world." For evidence on the benefits of privatization, he points to the European Union, where the letter mail business has been fully competitive since 2013.

The crowning example of postal privatization is Germany's well-respected Deutsche Post. In 2024 it tied for top spot in rankings published by the Universal Postal Union, a UN agency that rates the performance of 174 postal operators on efficiency and performance. (Canada Post came in 15th). Not only does Deutsche Post deliver the mail quickly and cheaply, it makes a lot of money doing so. In its most recent annual report, DHL Group (which includes Deutsche Post and DHL, its parcel carrier partner) booked a net profit of $5.4 billion. That's more money than Canada Post has lost since 2015.

In Geloso's view, the optimal path to privatization lies in getting workers on board. To this end, he suggests offering the first round of shares in a privatized Canada Post exclusively to members of the Canadian Union of Postal Workers. "All of a sudden, there would be an incentive [for the workers] to improve productivity and profitability," he says. "Right now, they have no profit motive."

After a year of partial employee ownership that would presumably lead to a vast improvement in Canada Post's operations, Geloso would then put the rest of the company up for sale. "This should improve the odds of a successful privatization," he says.

Crucial to this rapid privatization process is that it will unleash new competitive forces. "Markets allow us to figure things out," Geloso says. For this reason, he is unwilling to declare letter mail a doomed enterprise. "Perhaps some people like door-to-door delivery so much they're prepared to pay for it. Or maybe a parcel delivery company can figure out a way to deliver letter mail at the same time," he says. Unless the door to innovation and competition is opened, it is impossible to predict what new outcomes will occur.

As for the political obstacles involved with uneconomic rural mail delivery, Geloso recommends finding other ways to assuage these customers. Mail services could be made exempt from the GST, he says, which would offer a modest subsidy to rural customers. Or the federal Northern Resident Tax Deduction could be increased to compensate for the higher costs a private firm might charge for mail delivery in remote areas.

Some critics of postal privatization, including Carleton's Lee, claim that evidence from Europe is not particularly relevant to Canada. European population densities are far higher than in North America and the distances between major centres much smaller – two factors that influence mail delivery profitability. Yet the same trends bedeviling Canada Post are at work in the United States as well. And privatization is now a key topic of conversation south of the border.

Since 2007, the United States Postal Service (USPS) has lost a staggering US$100 billion due to the same factors at play in Canada: falling letter mail volumes and stiff competition from private sector parcel carriers. Last year alone, USPS lost US$9.5 billion – this despite a 2022 bailout from Congress worth $50 billion that covered its employees' health care and pension benefits. The biggest difference between Canada Post and the USPS, however, is that U.S. President Donald Trump is already talking about privatization.

THE CANADIAN PRESS/DAVE BUSTON

Unionized postal workers block cars on June 30, 1981

Victor Glass is a professor at the Rutgers Business School in Newark, New Jersey, and co-editor of the recent book, *The Economics of the Postal and Delivery Sector*, that offers a global look at the mail business. He agrees that privatizing the USPS makes a lot of sense, arguing alongside Geloso that regulated monopolies are notoriously inflexible and lacking in innovation. Also, like Geloso, he's unprepared to declare letters moribund. "If postal services were creative," he says, "they might find ways to actually stimulate new types of mail."

Where Glass differs from Geloso is in how privatization should be implemented. He prefers an incremental approach based on the successful privatization of the telecom industry around the world using "reverse auctions." This technique works well when governments want to sell off money-losing enterprises. It involves setting a base level of subsidization for the service in question (such as rural mail delivery) and then having competing firms bid against each other. This drives down the value of the subsidy since the winning bidder will be the one willing to do the work for the least amount of government cash.

This process would solve several problems, Glass observes. It would allow innovative private firms to take on the biggest challenges in mail delivery while keeping government assistance to a minimum. And, it would allow the USPS to return to profitability by focusing on its most profitable areas, in preparation for it eventually being sold to the private sector. Since "the political obstacles are huge" for privatization in both the U.S. and Canada, Glass figures a gradual approach offers the best chance for success.

Unfortunately, despite several options for solving Canada Post's existential crisis, the federal government has so far ignored the problem. During the fall 2024 strike, for example, Ottawa ordered postal workers back to work without ever reaching a settlement, kicking the labour issue down the road. And Canada Post now seems to think it can save itself by embracing new business lines, such as online banking. It's sheer folly. Meanwhile, bankruptcy looms.

Unless dramatic action is taken quickly, Canada Post will become a permanent and growing burden on taxpayers. It's time to privatize the post office. The cheque is no longer in the mail.

Peter Shawn Taylor is senior features editor at C2C Journal. He lives in Waterloo.

TOURING THE COUNTRY TALKING TO STUDENTS

Leam Dunn
Executive Director, Generation Screwed

During the 2024-25 school year, Generation Screwed hit the road on a couple of national tours to meet students on their campuses.

Generation Screwed's coast-to-coast carbon tax tour:

Over September and October 2024, Generation Screwed embarked on a nationwide tour, visiting more than 30 universities and getting students to sign its petition against the carbon tax. Generation Screwed Executive Director, Leam Dunn-Opper, and Students for Liberty Canada Regional Coordinator and Generation Screwed Coordinator, Garreth Conner, took these two months to turn ideas into action and deliver results.

Generation Screwed and Students for Liberty collaborated with a goal of 1,000 handwritten student signatures for their petition to scrap the carbon tax. The result? An incredible 1,200+ petition signatures gathered from students nationwide, representing a strong and growing movement against excessive taxation and government overreach.

What students are saying:

Across the country we heard many differing opinions, but all leading back to two common themes: the carbon tax did not help the environment and it was actively making life harder for students. Throughout the tour, coordinators engaged with more than 4,000 students, having conversations about carbon taxes and their effect on affordability.

At each stop, students were eager to discuss how government policies impact their cost of living, job prospects and financial independence. Many expressed frustration with rising energy prices, inflation and the added burden of carbon taxes on everything from transportation to grocery costs. The message was clear: young Canadians want economic policies that prioritize affordability and opportunity, rather than adding additional financial strain. Many times, students have told us that it felt like they were being punished for choosing to live in Canada, as the tax did nothing but make it more expensive for them to live here.

Leam, Garreth, Ethan and Chloe Tabling at the University of Toronto

Leam and Garreth with Michael, Summer, Amiel and Bona at the University of Calgary

From Conversations to Action

Engagement alone, however, was not enough. The Carbon Tax Tour aimed to turn these conversations into tangible action.

Beyond signing the petition, many students expressed interest in further involvement, whether by joining their campus's Generation Screwed chapter, attending future events or writing to their elected representatives. The tour not only raised awareness but also laid the groundwork for a stronger, more active network of student advocates pushing for economic freedom.

A strong collaboration

The success of the Carbon Tax Tour was a testament to the power of collaboration. Students for Liberty played a crucial role in supporting Generation Screwed, providing resources and a platform for broader outreach. Together, the organizations leveraged their shared commitment to economic responsibility to amplify their message nationwide.

The effort was also bolstered by the dedication of local campus coordinators, who worked tirelessly to promote the events, engage their peers and facilitate discussions. Their leadership ensured that the message reached thousands of students and helped to establish a lasting presence for Generation Screwed on numerous campuses.

CTF BC Director Carson Binda with UBC Coordinators Edison and Josh at UBC St. Tax-Tricks Pub Night

ST. TAX-TRICKS DAY TOUR

This St. Patrick's Day, we hit the streets — not just the pubs.

Generation Screwed took over campuses across Canada with our St. Tax-Trick's Day tabling campaign, exposing the hidden costs behind your favourite drink. While most were toasting the holiday, we were handing out flyers, engaging students and showing just how much tax is poured into every pint.

From downtown Waterloo to Vancouver's student hubs, our teams set up eye-catching displays, shared shocking alcohol tax breakdowns and sparked one-on-one conversations about where our money really goes. The goal? Make economic policy impossible to ignore, even on the rowdiest day of the year.

By the end of the day, we had dozens of new sign-ups, hundreds of conversations and a stronger presence on campuses that are hungry for honest talk about taxes.

St. Tax-Trick's Day proved that even a party can be a platform — and we're just getting started.

The road ahead is promising and the voices of students across Canada are growing louder. Generation Screwed is committed to ensuring that these voices are heard — loud and clear — in the policy discussions that shape Canada's future.

Coordinator Highlight: Garreth Conner

My name is Garreth Conner. I am taking a major in political science and a minor in Spanish Language and Culture at the University of the Fraser Valley. I took on the carbon tax tour with Leam because we recognized that there was a serious affordability crisis in Canada caused by inflation and exacerbated by taxation and poor government policy. We saw the carbon tax as a policy that, as students, we could change hearts and minds on campus. To do the tour, I took the semester off from school and dedicated the next few months of my life to fighting the carbon tax.

When we started it was difficult and we weren't sure if our message would be accepted on campus but, after we petitioned at a few schools in British Columbia, it became clear that students are fed up with unaffordability and want relief. We not only hit our goal, but surpassed it. I know that I would not have been able to do this project without Generation Screwed. Since then, I remain committed to fighting taxation in Canada and B.C, talking to my peers on campus about taxation and planning events with Generation Screwed.

BRITISH COLUMBIA

LESSONS LEARNED IN B.C.'s ELECTION

B.C. Premier David Eby chatting with Prime Minister Mark Carney at the B.C. Legislature on April 7, 2025.

Carson Binda,
BC Director

Here's some free advice for any politicians out there: no one is going to vote for you unless you promise to make life more affordable by scrapping taxes.

And, you can't just finance that tax relief through debt and deficits. You need to explain how you'll save taxpayers' money.

Those were some of the big takeaways from British Columbia's recent provincial election, which saw the B.C. New Democratic Party secure a tiny majority, with the upstart Conservative Party of B.C. forming the largest opposition in the province's history.

The Conservative Party increased the size of its caucus from four members of the Legislative Assembly to 44, while the NDP dropped from 57 MLAs to 47.

In a victory for taxpayers, both the Conservatives and NDP ran on platforms that included scrapping the provincial carbon tax. The Conservatives were far more direct about it, promising to immediately axe the tax, while NDP Leader and Premier David Eby pledged to do away with the carbon tax once Ottawa gives him permission by removing the federal backstop.

Even in B.C., you can't campaign on a carbon tax and expect to make any headway. That's because Canadians have realized the truth of the carbon tax — it isn't a climate plan, it's a cash grab that punishes you for heating your home or driving to work.

The promised tax relief didn't end at the carbon tax. The Conservatives promised a rent and mortgage rebate, which would have allowed people to exempt up to $3,000 per month worth of housing costs from their provincial income tax bill by 2026.

There were a few glaring issues with the Conservatives' "Rustad Rebate."

Tax cuts are always better than tax rebates. Leaving more money in people's pockets is better than forcing them to wait on rebates. Another issue with the Conservatives' planned rebate was the timing. Taxpayers wouldn't see the full exemption until 2026, which is a long wait for families struggling to put food on the table today.

But the biggest issue that the Conservatives ran into was how to pay for these proposed tax cuts. Their solution: massive deficits and borrowing. The platform put forward by Conservative Leader John Rustad, had B.C. running a crushing and unsustainable $11 billion deficit.

Higher deficits and debt are an irresponsible way to finance tax cuts and voters saw that.

On the other hand, Eby and NDP promised an income tax cut which would save most British Columbians $500 per year. Eby promised that, in 2025, British Columbians would receive $500 cheques before the tax cut came into effect in 2026.

Unfortunately, the truth is often that the first casualty occurs when premiers open their mouths. Only a few months after the election, Eby signalled that those rebate cheques were on the chopping block. That means more waiting for relief for struggling B.C. families.

British Columbians were clear in the last election: we need relief, not empty promises and mounting debt. Politicians need to prioritize affordability by cutting both wasteful spending and taxes.

B.C.'s DEBT IS A RUNAWAY TRAIN CHUGGING TOWARDS DISASTER

Government debt is like a leaky faucet: it starts with a few drips but, unless it's fixed, taxpayers are left with a flood of interest payments that drown taxpayers and services.

In B.C., the constant drip of government borrowing has turned into a flood, which is leaving taxpayers and our public finances deep under water.

By the end of this year B.C.'s public debt will stand at $157 billion, according to the province's most recent budget update. That's $12 billion higher than the government projected in the previous budget. Every British Columbian will owe the equivalent of $27,500 towards the provincial debt alone.

That massive expansion in government debt is being driven by out-of-control deficit spending by Premier David Eby's NDP government. Budget 2024 projected that deficit would hit $7.7 billion in 2025. That was brought up to $11 billion in budget 2025 and is now estimated hit $14.3 billion, according to Moody's.

That means the government is overspending by about $6.6 billion this year alone, without finding savings to cover the shortfall.

Remember, every dollar of debt that the government racks up today is a dollar, plus interest, that taxpayers need to pay back down the line. And, that interest is already taking up a huge chunk of our provincial budget.

The interest alone on our provincial debt is costing $5.2 billion this year. That's more money than the government collects in the property tax and motor fuels tax combined. It's more than double the amount of money that the government is spending redeveloping the Richmond Hospital.

Think about that for a moment, the money that the province is sending to bond-fund managers on Bay Street could eliminate the property and motor fuels tax or build two new hospitals every year.

Because of massive debt, with no plans to balance the budget in the future, credit rating agencies have downgraded B.C.'s credit rating again and again. The most recent downgrade from S&P Global cited "substantial" deficits and "rapid debt accumulation" as reasons it downgraded B.C.'s credit rating to A+, from AA- in April.

Credit rating downgrades make it more expensive for the province to borrow money, leaving taxpayers with bigger interest payments in the future. It also signals to investors that B.C. isn't a safe place to do business.

Other provinces have been down this road before. In the early 1990s, the NDP took over in Saskatchewan after years of debt and deficits from the outgoing Progressive Conservatives. The debt situation had gotten so bad that the Saskatchewan NDP had to close down about half of Saskatchewan's hospitals just to keep the government from going bankrupt.

British Columbians can't afford for our government to make that same mistake. Eby needs to put down the taxpayer credit card, pick up a pair of scissors and bring some fiscal sanity back to B.C.

INSIDE THE ALBERTA BUDGET

Kris Sims
CTF Alberta Director

The Canadian Taxpayers Federation went inside the provincial budget lock-up in Edmonton to find out how your money was being spent.

First, the good news:

Premier Danielle Smith kept her promise to cut the income tax for Albertans.

The province is cutting the lowest income tax rate from 10% down to 8% for the first $60,000 of earnings.

The government estimates this will save the average Alberta worker about $750 per year, or, about $1,500 in savings for a two-person working family.

That kind of money could pay for more than a month's worth of groceries for a family of four.

Albertans are in dire need of some tax relief because many are struggling to afford the basics. About 40% of Albertans are within $200 every month of not being able to make the minimum payments on all their bills.

While Albertans are generally doing better than others in Canada, thanks mostly to lower costs for homes, higher pay and no provincial sales tax, there are still a lot of people on the brink of insolvency.

This tax cut will give people some of their own hard-earned money back.

Now, the bad news.

The Alberta government is plunging deeper into debt, estimating a $5.2-billion deficit for this year and, worse, has no plan return to balance for at least the next two years.

The CTF was in the front row of the Edmonton briefing room when Finance Minister, Nate Horner, rushed into the room on his way to the legislature and stated he has yet to make a plan on how to get back to a balanced budget in Alberta.

If Alberta gets slapped with a tariff on oil and gas headed south to the U.S., that is a big bite into the province's resource revenue.

If that tariff problem happens, that means the Alberta government will have a lot less money coming in.

But the problem is, instead of finding savings, the Alberta government chose to spend more.

The Alberta government needs to take a common sense approach to the provincial budget in the same way Albertans do for their household spending.

When you know some rough waters are ahead, you cut unnecessary expenses and save as much money as you can, you don't max out your credit card.

The Alberta government is spending $4 billion more in this budget than it did last year. That's more than an 8% increase in spending.

The province is just barely staying within its brand-new spending laws. The rules state that the government cannot increase spending beyond the rate of inflation plus population growth from the year previous.

With that calculation rule in place, the spending increase limit for this budget was 8.7%. The government increased its total spending by 8.4% compared to last year's budget.

Typically, that combined spending limit number floats around 4% or 5%. But since inflation has been higher than Willie Nelson the past few years, the government had a high bar to limbo dance under this budget year.

And it barely made it.

Alberta director Kris Sims scrums with the media following the release of the 2025 budget.

Instead, if the government had frozen spending to last year's levels, it could have had a $1-billion surplus and still given Albertans our income tax cut.

The government must find savings.

In its budget report, the CTF urged the government to stop doling out corporate welfare, to cancel its expensive bullet train to Banff that nobody had voted for and to stop funding frivolous art grants.

It also needs to go through its ranks of thousands of bureaucrats with a microscope.

For example, taxpayers are spending more than $30 billion on healthcare in the budget, nearly half of the province's total spending.

Alberta Health Services (AHS) is the largest health bureaucracy in Canada.

Why is that the case? Are all these government employees hardworking frontline nurses, brilliant physicians and injury rehabilitation specialists?

Why does AHS have 232 "directors" on the provincial sunshine list? They are paid an average salary of $161,781 per year and cost taxpayers more than $137 million.

What do all of those AHS directors do?

The income tax cut is good news for taxpayers, but the government needs to make cuts and find its way back to a balanced budget.

CTF Federal director Franco Terrazzano (right) with CTF lawyer Bruce Hallsor at the Supreme Court of Canada where Bruce represented the CTF in the court challenge of Bill C-69 in March 2023.

ENERGY CAP

After U.S. President Donald Trump vowed to hit Canada with tariffs, many politicians and commentators in the mainstream media started talking about a "Team Canada" approach.

That included talk of using "Canadian Energy" as a bargaining chip against the U.S. along with making Canada more independent by not relying almost exclusively on the American market for our Canadian oil and gas.

The problem is:

Canada does not have a coast-to-coast pipeline system to get oil and gas to our ports and out to the international market.

That is largely because the federal government has passed laws that have strangled Alberta's energy sector for nearly a decade.

Bill C-69, often called the "No More Pipelines" law, puts Ottawa in charge of giving the green light to things like new pipelines, mines and refineries.

Ottawa has also banned tanker traffic off Canada's west coast, further choking exports overseas.

Canada saw nearly $670 billion in natural resources projects suspended or cancelled since 2015 due to laws such as C-69 and the tanker ban.

But Ottawa has recently gone an extra step by trying to impose a cap on Alberta's energy sector, restricting how much oil and gas the province can produce.

The Parliamentary Budget Officer, a nonpartisan federal budget watchdog, recently issued a report showing the costs of Ottawa's cap on Canadian energy.

The PBO report shows the cap will cost the Canadian economy $20.5 billion and slash more than 40,000 Canadian jobs.

"PBO estimates that the required reduction in upstream oil and gas sector production levels will lower real gross domestic product (GDP) in Canada by 0.39 per cent in 2032 and reduce nominal GDP by $20.5 billion. PBO estimates that achieving the legal upper bound will reduce economy-wide employment in Canada by 40,300 jobs and full-time equivalents by 54,400 in 2032."

– Impact Assessment of the Oil and Gas Emissions Cap.

Premier Danielle Smith responded strongly, rejecting the cap on Alberta's energy, stating that Alberta would not tolerate Ottawa interfering with the province's natural resource development.

Smith's government announced it would be updating the province's The Critical Infrastructure Defence Amendment Act, to both strengthen the two-kilometre-deep zone north of the Alberta – U.S. border and to protect the province's critical infrastructure such as energy sites from outside interference.

The Alberta government says this amendment would prevent federal government agents from accessing sites such as Alberta oil wellheads or gas production locations or buildings where energy and emissions data is stored.

"Our government will continue using every tool we can to defend the best interests of Albertans, our economy, and our industry. These amendments would further assert Alberta's exclusive provincial jurisdiction to develop its natural resources and ensure our southern border remains secure.

We will not tolerate the continuous and unconstitutional overreaches made by the federal government. Alberta will continue its pursuit of doubling our oil and gas production to meet the growing global demand for energy and we will not let Ottawa stand in the way of our province's future prosperity."

– Premier Smith said in a statement.

TAXPAYERS FUND GOLDEN PARACHUTES FOR FIRED POLITICIANS

Gage Haubrich,
Prairie Director

Despite them retiring or losing the last election, you are on the hook to pay provincial politicians long after they have left office.

After the last Saskatchewan election in October 2024, 31 members of the legislative assembly (MLAs) retired or lost re-election. Because of this, they are currently eligible for a so-called "transition allowance."

This taxpayer-funded payout that an MLA can receive is based on the number of years he or she was in office. An MLA can receive one month's pay for each year they were in office, up to a maximum of 12 years.

After the last election, those 31 former MLAs were eligible for payouts ranging from $36,525 to $109,576, with an average payout of $44,010.

In total, this handout to former politicians will cost taxpayers $2.68 million.

Politicians know they could lose their jobs at the conclusion of every election they contest. It should not be up to taxpayers to pad their wallets on the way out the door.

Base MLA pay is $109,576 per year. Regular Saskatchewanians who pay for this handout earn $64,276, on average.

Ordinary Saskatchewanians don't get a golden parachute when they leave their jobs and taxpayers shouldn't be forced to fund one for former politicians.

FOUR MORE YEARS OF WHAT?

Insanity is doing the same thing over and over again and expecting a different result. The Saskatchewan government needs to do something else before it's too late.

The most recent election saw the Saskatchewan Party reduced to its lowest number of seats since 2007.

When the Sask Party was first elected in 2007, it balanced its first two budgets and paid down billions in government debt.

But the latest iteration of the Sask Party-led government is far cry from what it was in 2007. Since then, the government has cobbled together 17 budgets and only balanced seven of them. It has only balanced two budgets in the last 10 years.

Because of those deficits, the government has steadily increased the debt over its tenure. The debt was $6.8 billion in 2007 but, by the end of this year, it will be $21 billion. And all that debt comes with $728 million wasted on interest payments every year.

A Saskatchewan family making $75,000 can expect to pay $3,856 in provincial taxes this year. Of that tax bill, $135 is used solely to pay debt interest charges. Instead of filling up your truck with fuel, your money is being used to pay down government debt.

And, as the debt grows larger, that number will only increase.

The government can only add to the debt until it can't. And Saskatchewan has reached "can't" before, and it wasn't pretty.

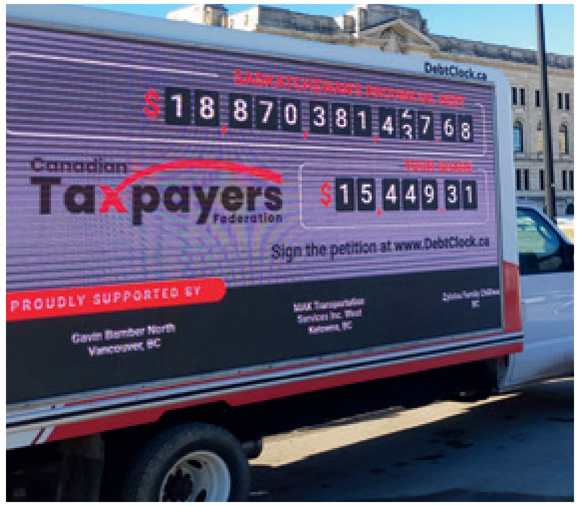
Former premier Roy Romanow was forced to take drastic measures because of years of deficit spending by previous provincial governments, which had piled on long-term debt to untenable levels.

The government had such a high debt load that almost no one was willing to lend it more money. It was essentially just a few steps away from going bankrupt.

To deal with the problem, the government closed hospitals and hiked the gas tax, the provincial sales tax (PST) and business taxes. This meant that taxpayers were forced to pay more because the government couldn't manage its finances.

This can't happen again. Taxpayers can't afford to pay for the government's bad decisions and the government can't afford to spend years rebuilding its credit rating again.

The government of Saskatchewan has four years to do better. It needs to end its debt spiral and balance the budget to save taxpayers from further tax hikes and the increasing cost of unbearably high debt.



CTF Debt Clock shows rising Saskatchewan provincial debt before Budget 2024

TAX RELIEF FOR SOME IS GOOD. TAX RELIEF FOR EVERYONE IS BETTER

The Saskatchewan government is moving on the right direction on tax relief, but in the wrong way.

During the most recent election, Premier Scott Moe promised Saskatchewan taxpayers a slew of different tax relief proposals.

But it's a mixed bag because the actual amount of savings a taxpayer can expect might not be as generous as it appears.

For example, the government is raising the personal income tax exemption, the spousal exemption, the child exemption and the seniors supplement exemption by $500 per year for the next four years.

The government says that this will save a family of four $2,100 over four years. But, that's only if you qualify for each exemption.

Raising the personal income tax exemption is good because that means everyone in the province will be able to earn more money before they start paying taxes. If you don't have a spouse, children or aren't a senior, you won't see any savings from the rest of those changes.

The government also introduced or increased several other tax credits, such as the home renovation tax credit, the first-time home buyers tax credit and the active families benefit. Yet, if you and your family don't qualify, you won't see any savings.

Instead, when thinking about how best to provide tax relief, the government should not be considering what looks good in a press release, but what fiscal policy saves the most taxpayers the most money.

It is doing that in other areas by, for example, holding the small business tax to 1% instead of hiking it and removing the federal carbon tax from home heating fuel. Those changes don't just benefit a small group, but provide savings for every small business and everyone who must heat their home with that fuel.

Moving forward, the government should focus on implementing more broad-based tax relief than specific tax credits. A PST cut is a great place to start.

A one percentage point cut to the PST would save a Saskatchewan family making $75,000 a year about $337 per year.

A sales tax cut is also important because it would help everyone in the province, but especially those with lower incomes. Lower income earners have less money to buy necessities, so sales taxes represent a bigger hit to their wallets than they are to those who earn more money.

And it would reduce the bureaucratic headache for both you and the government by not having to figure out if you qualify for a tax credit.

All tax relief is welcome, but broad tax relief that helps more taxpayers is even better.

BALANCING THE NEXT MANITOBA BUDGET

Gage Haubrich, *Prairie Director*

The government of Manitoba has found itself in another deep, dark, deficit hole. But, with a little fiscal restraint and some elbow grease, the government could reduce spending and achieve a balanced budget in 2025.

The government promised taxpayers a $796-million deficit in its 2024 budget. In the latest fiscal update, Finance Minister Adrien Sala recently announced that the government had increased the deficit to $1.3 billion.

That's the third largest deficit in the history of Manitoba.

Sadly, this is not a new problem for Manitoba. Years of government deficit spending has sent the provincial debt soaring. By the end of 2024-25, the debt will be $34.6 billion and interest payments on that debt will cost taxpayers $2.3 billion. That's a cost of more than $1,500 per Manitoban.

The government is wasting almost $200 million per month just paying interest on its debt. It is spending almost four times as much on debt interest payments than it does on transportation and infrastructure.

If the government didn't have to waste all that money on interest charges every year, it could cut the provincial sales tax (PST) by about six percentage points, reducing the PST to 1% and saving Manitoba families making $75,000 a year about $1,827 annually, without cutting any spending.

It's clear that the government needs to balance the budget. The government can't keep letting billions of dollars wash down the drain in debt interest payments every year.

Since 2019, overall government revenues have increased by 32%, but spending has increased by 37%. This is a fundamental fiscal imbalance that the government needs to address. It will never balance the budget if it continually spends more money than it brings in every year.

In 2019, before the global COVID-19 pandemic, the government was already spending at record levels. To balance the budget, the government simply needs to ratchet spending back to those levels, with increases only permitted for inflation and population growth.

Keeping spending at this level would leave the government with a $788 million surplus this year instead of the projected $1.3 billion deficit.

The government can start to get spending back down to a responsible amount by cutting corporate welfare and making sure that government employees aren't paid more than every one else.

Whichever way the government chooses to reduce spending, this year's massive deficit has demonstrated that it's never been clearer that the budget needs to be balanced.

And it needs to do it as soon as possible so taxpayers' can stop having so much of their money wasted on debt interest payments every year.

CTF Debt Clock shows rising Manitoba provincial debt in Winnipeg

MANITOBANS ARE OVERTAXED AND UNDERSERVICED

If your family makes $75,000 a year in Manitoba, you can expect to hand over $5,687 in taxes to the provincial government. That's about 8% of your entire income.

Put another way, that means that for about the entire month of January this year, you weren't working for yourself. —you were working for the provincial government.

In total, you spend about 44.6% of the year earning money for some level of government and not yourself, according to the Fraser Institute.

And it's even worse in Manitoba. That same family earning $75,000 is paying more in provincial taxes than similar families in British Columbia, Alberta, Saskatchewan and Ontario.

Is it worth it? It certainly doesn't look that way in Manitoba. Especially when you look at health care and education, the two largest expenditures that make up the provincial budget.

In terms of wait times, the average wait time in Manitoba to see a doctor is about 38 weeks. That's similar to both Saskatchewan and Alberta, but eight weeks longer than British Columbia.

Despite that, a Manitoba family is paying more than $3,000 in provincial taxes than a similar family in B.C.

The same is true with education. Students in Alberta and British Columbia regularly perform at or above the Canadian average for reading, math and science, while students in Saskatchewan and Manitoba perform below the national average in each of those subjects.

When politicians spend more of your money in education and health care, for example, please know that it does not mean better results.

Manitobans are paying too much tax. And the data shows they aren't getting their money's worth.

CTF Prairie Director Gage Haubrich in front of the Manitoba legislature highlighting gas tax cut savings for Manitobans

KINEW GAVE MANITOBANS GAS TAXES FOR CHRISTMAS

Manitoba Premier Wab Kinew cut the 14 cent per litre fuel tax on gasoline and diesel at the beginning of 2024. Now he's putting it back on again.

Back then, Kinew said the cut would be in place for at least six months and his NDP election platform said that it would be in place "while inflation remains high."

It's doubtful that Manitobans have found the grocery store any more affordable today than it was a year ago.

In late December, instead of announcing a third extension to the gas tax cut, Kinew approved a gas tax of 12.5 cents per litre on Jan. 1, 2025. That's only 1.5 cents per litre lower than the previous rate.

A Manitoba family filling up a minivan and a pickup truck once every two weeks will have saved about $587 over the course of the yearlong cut.

With Kinew reintroducing the gas tax, that same family will pay $9 in the provincial gas tax every time they fill up a minivan and about $11 when they fill up a pickup truck. In total, a two-car family will be forced to shell out $526 more in taxes next year because of the tax.

This tax goes against the view of a clear majority of Manitobans. Before it was announced, polling showed that 73% of Manitobans wanted the government to extend the gas tax cut again and 70% wanted the government to axe the gas tax permanently.

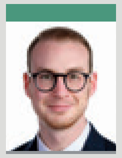
Kinew has publicly stated that fuel tax cuts help make life more affordable.

"We have heard loud and clear from Manitobans that this has been something that has made a difference," Kinew said. "If it was up to me, the holiday would last forever."

Reintroducing the gas tax at a slightly lower rate is a step backwards. Kinew should be making life more affordable. That means more tax relief, not more gas taxes.

ONTARIO

THE SILVER BULLET FOR ONTARIO'S DEBT? ENDING CORPORATE WELFARE



Jay Goldberg,
Ontario Director

Ontarians are worried about government debt and axing corporate welfare is the closest thing to a silver bullet politicians have to solving the problem.

Canada's politicians spent $89 billion handing out taxpayer cash to corporations in 2021, the last year that figures are available, according to the Fraser Institute.

To get a handle on swelling government debt at both the federal and provincial levels, it's time to put corporate welfare on the chopping block.

And, those who think taxpayers don't care about government debt are sorely mistaken.

A recent Leger poll shows 81% of Ontarians are concerned about the debt dive the province has taken over the past decade.

When an individual has a debt problem, the first step is to stop digging. The same is true of governments.

This year, just two of Canada's 10 provinces are running balanced budgets. And Ontario isn't one of them.

But, look at the corporate welfare numbers and a path to solving Ontario's runaway government debt problem begins to emerge.

Let's dig into Ontario's numbers: Ontario's politicians have racked up $145 billion in new debt over the past decade, including more than $80 billion in the past six years under Premier Doug Ford.

Thanks to years of mismanagement, Ontario taxpayers will spend more than $1 billion per month on debt interest payments this year. That's more than the province spends on post-secondary education.

And, this year's deficit is a whopping $6.6 billion.

Ontarians are concerned. And rightly so.

But, take a look at the Fraser Institute's report and a path toward balance becomes clear.

The Ford government spent $22.1 billion in taxpayer handouts to corporations in 2021.

If this year's handouts are even half of what they were in 2021, the Ford government could wipe out its deficit and produce a healthy surplus.

It's unfair to place more and more debt at the feet of our children and grandchildren to give wealthy

KING'S PRINTER FOR ONTARIO

Ontario Premier Doug Ford celebrating Jungbunzlauer's $200 million xanthan gum plant expansion in Port Colborne, Ont in September 2024. The Ford government gave $4.8 million to the project through the Invest Ontario Fund.

companies handouts.

It's also unfair to pick winners and losers. The Ford government is taxing hard-working Ontarians as well as small businesses while handing billions over to wealthy corporations that don't need taxpayer help.

Over the past few years, the Ford government has teamed up with the Trudeau Liberals to give billions to wealthy companies like Honda, Volkswagen, Ford Motor Company, Stellantis and many others.

Each year, Ottawa and Queen's Park ran big deficits while handing out taxpayer cash to wealthy companies. In many cases, taxpayers are paying millions of dollars for every job created.

Corporate welfare is fueling government debt. And, it's time for it to stop.

Not only is corporate welfare insanely costly, but it simply doesn't work.

Between 2011 and 2021, the Ontario government spent $100 billion on corporate welfare. Yet, inflation-adjusted economic growth in Ontario was below 1%, on average, during that decade.

If handing out billions to create jobs and grow the economy worked, we'd have the evidence by now.

Taxpayers are rightly concerned about growing government debt across the country, including here in Ontario. Ending handouts to wealthy companies is an obvious solution to the debt binge.

After all, you cannot borrow and subsidize your way to prosperity.

FORD'S CABINET KEEPS GROWING

Scott Hennig,
CTF President & CEO

Former Ontario Premier Kathleen Wynne left office in 2018. Prior to the election Wynne had a cabinet of 29 ministers, plus 23 parliamentary assistants.

When Premier Doug Ford took office, his first cabinet consisted of 21 elected representatives — himself and 20 cabinet ministers. Sadly, this restraint didn't last long.

A year later, Ford bumped his cabinet to 28 with the addition of two cabinet ministers and five associate ministers. He also followed Wynne's lead and appointed 31 parliamentary assistants from the ranks of the Progressive Conservative Party members of provincial parliament.

Each appointment came with a boost in pay.

The base salary for an MPP is $116,550 annually. This number hasn't changed in over a decade. Parliamentary assistants receive an extra $16,666. Associate ministers receive an additional $22,377 and cabinet ministers pocket a $49,300 top up.

Following the 2022 Ontario election, Ford's cabinet surpassed Wynne's bloated cabinet with 30, which included 26 cabinet ministers and four associate ministers. A record 43 PC MPPs were appointed as parliamentary assistants.

After the 2025 election, Ford somehow managed to grow his cabinet again, hitting 37 with 29 cabinet ministers and eight associate ministers. Ford also appointed 40 PC MPPs as parliamentary assistants and appointed the remaining three PC MPPs as committee chairs. Indeed, all 80 PC MPPs elected in the 2025 election are receiving extra pay for their extra duties.

Four of Ford's cabinet ministers have both one associate minister and three parliamentary assistants underneath them.

Ironically, four months prior to the 2018 election, Wynne made three retiring cabinet ministers parliamentary assistants. At that time, Ontario PC Deputy Leader Steve Clark put out a news release admonishing Wynne.

"With the legislative session nearly complete, this appointment is all about putting the interests of Kathleen Wynne and her insiders ahead of hard-working families and seniors. The people I represent aren't getting massive pay increases these days and neither should well-connected Liberals," said Clark.

The news release went on to point out that "In Kathleen Wynne's Liberal caucus there are very few members that don't have official titles that come with increased salaries."

"Kathleen Wynne's government is bloated," continued Clark.

Clark currently serves as one of two parliamentary assistants to Premier Ford and as government house leader.

Premier Doug Ford's inaugural 21-person cabinet in 2018.

Premier Doug Ford's current 37-person cabinet.

KING'S PRINTER FOR ONTARIO

QUEBEC'S CAPITAL GAINS TAX HIKE WAS A MISTAKE FROM THE START

THE CANADIAN PRESS/KAROLINE BOUCHER

Quebec Minister of Finance Eric Girard presents the 2025 budget to Premier Francois Legault in the National Assembly in Quebec City on March 25, 2025.

Nicolas Gagnon,
Québec Director

Quebec usually has the good sense not to blindly follow Ottawa's fiscal policies. But when Finance Minister Eric Girard rushed to match the Trudeau government's capital gains tax hike, he made a costly and unnecessary mistake.

In the 2024 federal budget, the Trudeau government proposed raising the capital gains inclusion rate. Two days later, Girard announced Quebec would follow suit, adopting the same 66.7% inclusion rate on gains over $250,000 — all in the name of "harmonization."

Rather ironic, given this same minister has repeatedly claimed that "tax increases are not part of his government's philosophy."

The move would have pulled nearly $3 billion more from Quebec taxpayers over five years, including close to $1 billion in the first year alone.

But the federal government blinked first.

In January 2025, Ottawa deferred the change to January 2026. Quebec immediately followed.

Then, in March, Prime Minister Mark Carney scrapped the hike entirely, making it clear his government would not move forward with the measure.

The Quebec government soon confirmed it would follow Ottawa's lead and cancel its own increase after the federal election. So, while technically still on the books, the capital gains tax hike in Quebec is already a dead letter.

Which raises the obvious question: why propose it at all?

Because Quebec's public finances are in rough shape and the symptoms are starting to show.

In April 2025, S&P Global downgraded Quebec's credit rating for the first time in more than three decades.

The agency pointed to persistent deficits and a lack of credible planning to return to balance by 2030. That plan relied in part on new revenue from the now-abandoned capital gains hike — revenue that will never materialize.

Let's be clear: Quebec doesn't have a revenue problem, it has a spending problem.

When François Legault took office in 2018, he promised to reduce the size of government by 5,000 employees. Six years later, his government has instead added the equivalent of 114,000 full-time positions.

That massive expansion of the government employees has driven up compensation costs by nearly $16 billion — a 33% increase since 2018.

If the government is serious about fixing its finances, the cleanup needs to start there.

Rather than chasing new taxes, Girard should also take a hard look at the province's runaway spending. Here's a tip: corporate welfare.

According to the Fraser Institute, Quebec handed out $9.8 billion in business subsidies in 2021 alone — more than all four western provinces combined.

That's not even counting the billions wasted in costly flops since then, like Northvolt, Lion Electric, and Taiga — all part of Legault's risky taxpayer-funded bet on the electric vehicle industry.

Taxing some companies more to subsidize others isn't economic strategy, it's political interference. If Girard were serious about making Quebec more competitive, lowering taxes and letting businesses grow should have been his first choice.

Raising the capital gains tax, especially when Quebec already has the highest overall tax burden in North America, was a strategic blunder. Doing it while no other province followed suit only made things worse.

With a potential trade war looming with the U.S., this is not the time to burden Quebec's entrepreneurs with extra taxes. They need support, not new barriers to growth.

There's no reason left for Quebec to cling to a tax hike that was flawed from the start and officially scrapped by Ottawa.

The government's fiscal credibility has already taken a hit with the S&P downgrade. Doubling down on a federal policy that no longer exists won't fix that.

Maybe next time, Quebec will think twice before blindly copying Ottawa's mistakes.

THE LAST PROVINCE WITH A CARBON TAX

On April 1, every province in Canada scrapped the consumer carbon tax.

Mark Carney's federal government finally scrapped the carbon tax for consumers, delivering immediate and long-awaited relief at the pump across the country.

British Columbia, the birthplace of carbon pricing in Canada, also walked away from its model the very same day. It was a long fight, but now every Canadian can enjoy a break from the carbon tax.

Everyone — except Quebec.

Premier François Legault is leaving Quebecers stranded with a hidden tax that jacks up fuel prices by about 10 cents a litre. That's nearly $8 more per fill-up for a family van — $400 a year, gone.

And, unlike the federal carbon tax, there's no rebate. Just more money funneled into government coffers.

Since 2013, Quebec's cap-and-trade system has quietly taken money out of taxpayers' pockets. It's embedded in the price of gas and diesel with no transparency, no compensation and no line on your receipt.

But Quebecers are starting to connect the dots. The tax may be hidden, but its impact is no longer going unnoticed — and the pressure is building.

A new poll from Léger confirms it: 49% of Quebecers now want the carbon tax gone. Among those with an opinion, 60% are opposed.

That's a major shift and the first time in over a decade that public opinion has swung this clearly against the tax. The public is ready for change. The government, not so much.

Just one week before this poll dropped, every member of Quebec's National Assembly voted to keep the tax — unanimously.

Not one MNA stood up to defend taxpayers. Not one dared to question a policy that punishes drivers, truckers and struggling families.

While other premiers are fighting to lower prices, Legault is hiding behind silence. He won't admit that Quebec's carbon tax is useless, let alone that it's hurting people. His refusal to act is costing you more every time you hit the road.

Businesses are paying the price too. Higher transport costs. Weaker margins. A growing incentive to invest anywhere but Quebec.

When other provinces eliminate their carbon taxes, Quebec becomes less competitive. That's how you lose jobs and drive out investment.

And for what? A policy that's failed to deliver meaningful environmental results.

A tax that no longer has a national standard. A burden that punishes working people while subsidizing government projects and corporate handouts.

The same government that copied Ottawa's capital gains tax hike "for harmonization" won't lift a finger to harmonize with the rest of Canada on carbon pricing. That's hypocrisy and Quebecers are footing the bill.

The Canadian Taxpayers Federation is fighting to make Quebec the next province to scrap its carbon tax. We've taken on waste, exposed hidden taxes and forced governments to back down before. And we're just getting started.

If Legault won't act, we will.

It's time to end Quebec's carbon tax and give taxpayers a break.

DENNIS JARVIS (FLICKR)

ISLANDERS ARE LEFT IN THE DARK

Howard's Cove Lighthouse is one of the shortest lighthouses on Prince Edward Island.

Devin Drover
Atlantic Director & General Counsel

Transparency is the foundation of trust between citizens and their government.

Unfortunately, recent events in Prince Edward Island reveal just how much Islanders are kept in the dark about how their tax dollars are spent.

A glaring example of this lack of transparency is the government's multimillion-dollar sponsorship deal with the National Hockey League.

In February 2024, the NHL announced that P.E.I. would become its first-ever "official travel destination."

As part of the agreement, the government paid for the province's logo to appear during NHL broadcasts. Plus, the deal included perks for provincial cabinet ministers, including extravagant trips to hockey parties with lobster rolls and alcohol.

But, when the deal was announced, Islanders weren't given the full picture. When asked about the cost of the sponsorship, the government refused to disclose the details through a freedom of information request. Instead, taxpayers were handed a heavily redacted version of the contract, offering little insight into how much the sponsorship was costing them.

It wasn't until opposition members of the legislative assembly (MLAs) used a legislative subpoena to force the government to finally release the full details.

The result? Islanders were stunned to learn they would be footing the bill for $7.5 to $8.4 million over the next three years.

To put this into perspective, that's more than the province's entire annual tourism marketing budget.

This lack of transparency is unacceptable. Islanders should not have to rely on political pressure or legal documents to get basic answers about government spending.

And it doesn't stop there.

Instead, the secrecy around the NHL deal is part of a larger pattern with the provincial governments.

P.E.I. remains the only province in Atlantic Canada without sunshine laws. These laws require governments to publicly disclose the names, salaries and benefits of bureaucrats earning over a certain threshold, typically around $100,000. Sunshine laws give taxpayers the ability to see who is benefiting from lucrative government salaries so people can hold their political leaders to account.

Without these laws, P.E.I. taxpayers are left in the dark about how their money is being spent.

For example, the P.E.I. Liquor Control Commission spends millions annually on salaries and benefits. Yet, when the Canadian Taxpayers Federation requested details about employees earning more than $100,000, the government refused to provide that information. We're now forced to appeal, but Islanders shouldn't have to incur legal costs just to understand where their tax dollars are going.

Other provinces show how transparency can lead to positive change.

In Newfoundland and Labrador, sunshine laws revealed significant waste at Nalcor, the province's energy corporation. Lavish spending on gifts and parties was exposed, prompting an independent audit and major reforms. When governments are forced to be transparent, it becomes more accountable.

The P.E.I. government should follow suit. Islanders deserve a government that prioritizes transparency and accountability. That starts with introducing sunshine laws and ensuring all major spending agreements are fully disclosed to the public.

By ending its culture of secrecy, the P.E.I. government can rebuild trust and ensure taxpayers get the accountability they deserve.

A TALE OF TWO BUDGETS

Budget day has come and gone in the Atlantic provinces, but the choices made by Nova Scotia and New Brunswick politicians couldn't be more different.

While Atlantic Canadians continue to wrestle with rising living costs, excess inflation and new threats from American tariffs, the region's two most populous provinces have taken starkly different paths.

It's a tale of two budgets: one trying to help taxpayers and the other putting them further behind.

Nova Scotia's government is offering tax relief that will put real money back in people's pockets. Premier Tim Houston's budget includes a one percentage point cut to the sales tax, a hike in the basic personal amount and inflation indexing for income tax brackets. That means the average Nova Scotian will save more than $1,000 this year alone.

Plus, small businesses are also seeing relief, with the small business tax rate dropping from 2.5% to 1.5%, and the income threshold rising from $500,000 to $700,000. These are real steps to improve affordability and competitiveness in the province where the job market has been stagnant.

New Brunswickers, by contrast, are getting nothing.

Premier Susan Holt's first budget offers no tax relief. Despite high inflation and uncertainty, there are no income tax cuts, no business tax reductions and no harmonized sales tax relief.

And, what's worse is that Holt has tossed aside a key campaign promise: to balance the books and reduce debt.

Just months ago, she ran on continuing the precedent set by former premier Blaine Higgs by keeping government finances in check.

"A Holt government will deliver balanced budgets every year of its mandate and continue to pay down the provincial debt," Holt said in a campaign news release. "New Brunswickers have told us they want a government that makes sound financial decisions for today and into the future – we will."

Yet, as soon as Holt got into office, she turned around and did the opposite.

Holt plans to borrow more than half a billion dollars this year. And, that's just the beginning. Her government plans to rack up new debt every year for the next four years.

Meanwhile, the interest on the existing debt alone will cost taxpayers $673 million this year, or about $785 per person in New Brunswick.

But Nova Scotia isn't off the hook when it comes to debt, either.

Despite its tax cuts, the province is running a projected $897 million deficit. Spending is up by $600 million. And, total debt is expected to hit $22.3 billion by the end of the year, a 10% jump. Interest charges are projected at $908 million.

While the tax relief is a good start, Houston must now rein in government spending if he wants to keep delivering tax relief in future years.

Nova Scotia is moving in the right direction, but needs to be more disciplined. New Brunswick, on the other hand, is headed in the wrong direction entirely.

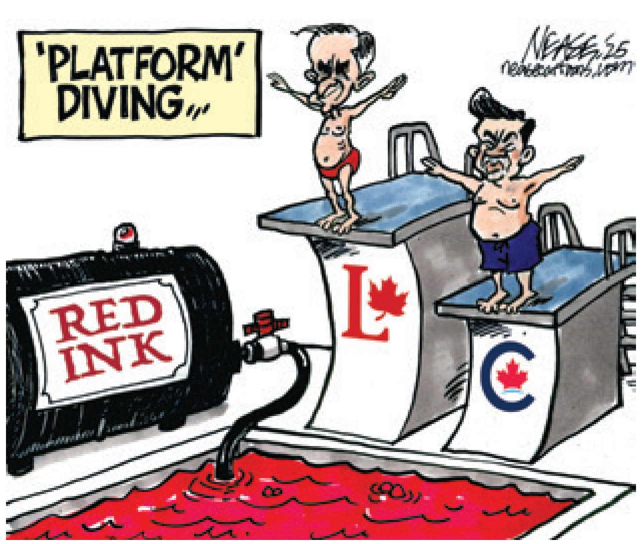
Holt's budget abandons promises and burdens taxpayers with more debt. Houston's budget offers relief, but must be followed by restraint.

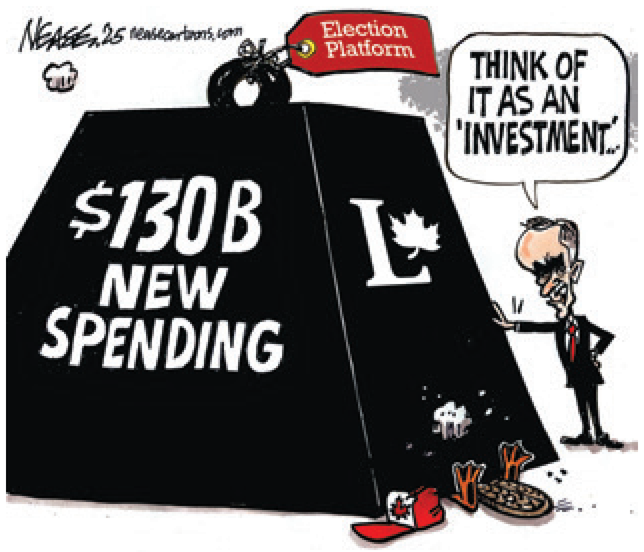
It's a tale of two budgets, and taxpayers know which one they'd rather be living with.

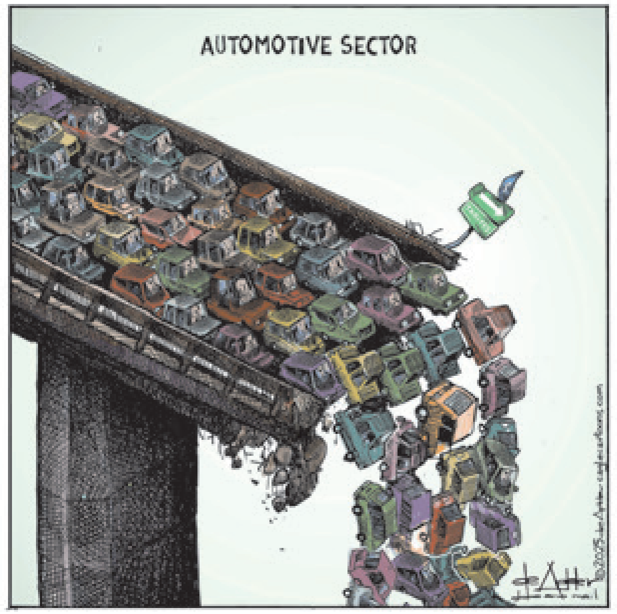
THE CANADIAN PRESS/DARREN CALABRESE

Alberta Premier Danielle Smith and Nova Scotia Premier Tim Houston lead their counterparts toward a photo opportunity during the Council of the Federation meetings in Halifax on July 15, 2024.

POLITINKED



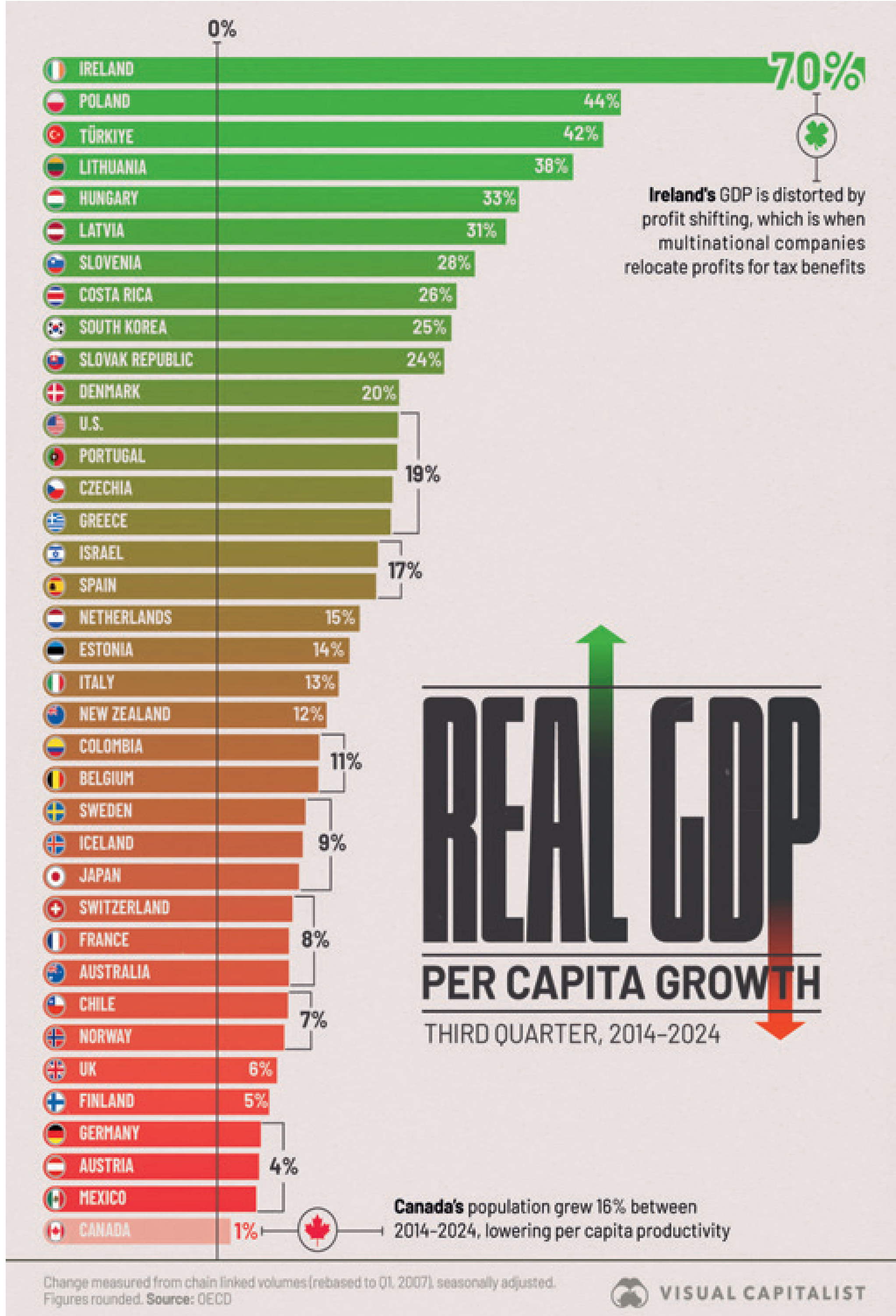




IN THE NEXT EDITION OF THE TAXPAYER...

What Canada can learn from U.S. ballot measures | Ford's failed corporate welfare experiment | Meet the interns

BY THE NUMBERS



Physicians per 1,000 citizens in Canada in 2022 – 2.5

Physicians per 1,000 citizens in the United States in 2021 – 3.6

Physicians per 1,000 citizens in the United Kingdom in 2022 – 3.2

Physicians per 1,000 citizens in Portugal in 2021 – 5.8

Physicians per 1,000 citizens in Costa Rica in 2022 – 2.6

Physicians per 1,000 citizens in Uzbekistan in 2021 – 2.8


Todd MacKay (left) and CTF President Scott Hennig (right) presenting Charmaine Stick with the CTF's TaxFighter Award in 2019.

REMEMBERING CHARMAINE


Todd MacKay, *Vice President, Communications*

My friend Charmaine Stick died this winter.

We met because former prime minister Justin Trudeau was going to repeal the First Nations Financial Transparency Act. That legislation ensures grassroots members of First Nations communities can see how their leaders are spending their money. Ultimately, Trudeau didn't scrap the law, but he stopped enforcing it.

Charmaine always stood up for accountability. When Elders asked questions about her band's finances, she tried to find answers. She even went on a 13-day hunger strike to demand transparency.

We asked Charmaine to partner with us to enforce the First Nations Financial Transparency Act in court.

Think about the magnitude of that request. In her First Nation, the chief and council control most of the jobs and housing. I remember asking why she was standing up for accountability.

She looked at me like the question didn't make sense. It's not that she didn't understand the question — it's that I didn't. Asking her why she was helping was like asking her why she was breathing.

Charmaine joined our campaign and we had a lot of fun. We co-wrote columns in national newspapers. She testified at a parliamentary committee in Ottawa. She did interviews with media scrums.

And, we went to court.

As it goes with all legal fights, there were ups and downs.

Charmaine did a happy dance with her kids when we got a big win that forced her First Nation to release financial documents showing it had lost more than a million dollars on an offshore investment.

Charmaine was stoic when we lost another fight on a technicality that stopped her from getting updated documents.

Charmaine cared about the wins and losses, but that's not what it was about for her.

She used a different cost/benefit analysis.

Charmaine won big court fights and, ultimately, made sure the First Nations Financial Transparency Act stayed on the books. And, best of all, the majority of First Nations are following the law even though the government isn't enforcing it. Charmaine deserves all of the credit.

But she was realistic about the challenges that remain in her community and First Nations across Canada.

For Charmaine, it was all worth it anyway.

First, for her, helping people was like breathing. As long as she could help people she did, win or lose.

Second, she had faith that doing the right thing would make things better over time. She thought in terms of generations. Lots of challenges remain, but she knew doing her small part would help her grandchildren and great grandchildren.

I chatted with Charmaine on the phone near the end. I got to tell her how much she meant to so many of us. So many of you meant so much to her, even though you never met.

Helping people and having faith that good will come from doing the right thing should be like breathing.

Charmaine was surrounded by loved ones at the end. I'll miss her. But I'm grateful she was my friend.

PM#40063310 Return undeliverable Canadian addresses to: Canadian Taxpayers Federation 501, 2201 11th Ave, Regina, SK S4P 0J8