

Crisis and Opportunism: Public Finance Trends from Stimulus to Austerity in Canada

— Christopher Stoney and Tamara Krawchenko¹

With crisis comes uncertainty and with it, opportunity. This has certainly characterized responses to the 2007 economic crisis and its aftermath. In the early days of the crisis, economists and the neoclassical model alike were battered with contempt from internal and external criticism (Nadeau, 2008). Even the staunchly neoliberal magazine, *The Economist*, briefly declared the death of neoclassical economics—only to rectify and defend it in its subsequent issue. Leading up to the 2007 economic crisis, there had been a movement within economics to question market fundamentalist logic and the increasingly divorced-from-reality mathematical models that had come to define the profession (Williams & McNeill, 2005, p.3).

Neoclassical economics and its bedfellow, neoliberalism, has dominated public policy for so long that its widespread critique since the most recent economic crisis has led to speculation that we are witnessing a paradigm shift.

Our review of Canadian federal public policy and expenditures finds that there has been no such significant or sustained shift and the economic crisis and resulting federal stimulus expenditures have done little to reorient the dominance of neoliberal policy in Canada. Indeed by 2012 talk of a paradigm shift or significant realignment in the neoliberal consensus had largely evaporated.

1 Christopher Stoney is Associate Professor in the School of Public Policy and Administration, Director of the Centre for Urban Research and Education at Carleton University, and co-editor of *How Ottawa Spends*. His research interests include infrastructure funding, municipal government and urban sustainability. Tamara Krawchenko is Assistant Professor in Political Science at Dalhousie University. Her current research focuses on rural community and economic development in the Atlantic provinces.

Using powerful imagery, Harvie and Milburn (2011) epitomize the sense of despair felt by many towards neoliberalism's seemingly inexorable march:

"Neoliberalism no longer "makes sense", but its logic keeps stumbling on, without conscious direction, like a zombie: ugly, persistent and dangerous. Such is the "unlife" of a zombie, a body stripped of its goals, unable to adjust itself to the future, unable to make plans. It can only act habitually as it pursues a monomaniacal hunger" (Harvie and Milburn, 2011).

In order to illuminate aspects of the return to 'business as usual,' the paper focuses on telling the story of stimulus and austerity in Canada by examining federal government expenditures from 2006 onwards using public accounts data (fiscal years 2005-2011). We highlight how the crisis (and the way it was presented) provided opportunities for the Harper government to deliver strategic shifts in priorities and spending. In particular, we focus in on the two biggest ministerial portfolio 'winners' over this period –the Ministries of Transport (namely, the Department of Infrastructure Canada) and Natural Resources. Rather than initiating a change in thinking amongst the policy elites we see a continuation, if not a heightening of existing 'growth-first' priorities. For Canada, this has included a focus on supporting a natural resource driven export economy in support of a political commitment to economic expansion, wealth creation and employment.

Canada's stimulus response to the economic crisis can be seen to have been consistent with the Harper government's overall approach of "open federalism," the two major tenets of which are: smaller government ("keeping the federal government's spending power within bounds") and adherence to the constitutional divisions of powers ("respecting areas of provincial jurisdiction" (PM of Canada, 2006). Significantly, compared to many other countries, the size of Canada's stimulus measures were relatively small (CCPA, 2009, p.2) and much of it focused on tax cuts and some infrastructure spending in which funding contributions from other levels of government were required.

Harmes argues that 'open federalism' is consistent with a "broader neoliberal approach to federalism which, among other aims, seeks to use institutional reforms to lock in more market-oriented public policies" (2007, p.418). Of interest in the areas of natural resources and trade is how public policy has promoted an energy-based export agenda—a continuation and yet, new manifestation of Harold Innis' staples theory

of Canadian development (Innis, 1956). Here, open federalism's tenets are somewhat relaxed, as the federal government takes a strong interest in resource extraction and the development of infrastructure to support Canada's export markets – areas of major government expenditure and intervention in provincial affairs. In this area the Prime Minister has been eager to exploit opportunities to sell Canada's oil, gas and other natural resources abroad with particular attention focused on the giant US and emerging Chinese markets. Consequently, despite a commitment to smaller government and respect for provincial jurisdiction, the federal government finds itself involved in major interventions that favor some regions over others and appears to contradict the basic principles of open federalism. Given the political and calculated nature of these interventions we contend that 'strategic federalism' provides a better description of the government's approach than 'open federalism'.

Because our focus is on federal spending in Canada, we engage mainly with the literature seeking to dissect how neoliberal policies are adopted across time and place. This includes the literature on 'varieties of neoliberalism' (Cerny, 2004) and that which seeks to understand the distinctive ways in which it is practiced at different scales (e.g., Varro, 2010; MacKinnon & Shaw, 2010). However we are also influenced by ongoing debates concerning broader manifestations of neoliberalism and the impact of particular types of state intervention. In this wider context the paper's conception of neoliberalization draws on the so-called neoliberal commandments (Harvey, 2003) predicated on the Washington Consensus (Williamson, 1990). In particular we emphasize the focus these approaches place on fiscal and monetary austerity, the lowering of inflation rates, trade and financial liberalization, deregulation, and reorientation of public expenditure, the freeing of interest rates, and emergence of independent central banks. We also share Harvey's view that neo-liberalism must be understood as a comprehensive theory of political as well as economic practices as this firmly acknowledges that the state has a key and selective role to play in advancing the neo-liberal project including the creation of "free markets" and "free trade". (Harvey, 2003)

State interventions into the economy during the neoliberal era have shifted drastically from protecting individuals from the perils of the market and limiting corporate power during the Keynesian era to subsidizing corporations, promoting competitiveness of national economies, and undermining the power of labor (Ruckert, 2006). Significant in this shift has been the growing power of increasingly global capital, in contrast to largely immobile labour (Ruckert, 2009). This has been facilitated

and reflected by the 'internationalization of the state' whereby nation states increasingly prioritize the interests of transnational (financial) capital over domestic (industrial) capital and social groupings (Ruckert, 2010; Baker, 1999). This has helped fashion the deregulation of financial markets and the opening up of national economies to international competition. Importantly Ruckert (2010) connects this process to institutional changes, in particular the growing influence of the state agencies that are linked to (and often directly represent) the interests of transnational capital, such as ministries of finance and central banks.

The ascendancy of financial institutions and the deregulation that has accompanied it has been highly significant in the emergence of neoliberalism and the resulting crisis. As Harvie and Milburn (2011) argue, while the postwar Keynesian settlement contained an explicit deal linking rising real wages to rising productivity, neoliberalism contained an implicit deal based on access to cheap credit. While real wages have stagnated since the late 1970s, the mechanisms of debt have maintained most people's living standards. The financial crisis shattered the central component of this deal by restricting access to cheap credit and undermining confidence in financial markets and continued growth.

Faced with a severe financial crisis, governments initially intervened to stimulate spending, subsidize corporations and shore up markets leading to suggestions of a return to Keynesian style government and the demise of neoliberal hegemony. However, the hasty return to austerity measures combined with attacks on public services and the public servants that provide them have reaffirmed that any shift in policy will be short-lived and should not be conflated with paradigmatic or fundamental reforms. Our analysis of spending trends combined with the government's stated priorities suggests that Canadians face an intensification of neoliberal policies rather than a shift or decline. As such we are likely to see continued and growing inequality within Canadian society on a scale greater than before the crisis.

Warning of the dangers of growing inequality, Stiglitz (2012) identifies this trend in the US, with America's current level of income inequality at historic levels not seen before the Great Depression. In the boom years before the financial crisis in 2008, the top 1 percent seized more than 65 percent of the gain in national income. In 2010, as the US struggled to emerge from a deep recession, the 1 percent gained 93 percent of the additional income created in the so-called recovery (Stiglitz, 2012). With respect to neoliberalism, Stiglitz points out that inequality does not arise in a vacuum but from the interplay of market forces and political

machinations. Over time, he argues, politics has shaped the market in ways that advantage those at the top at the expense of the rest of society. With an economic system that seems to fail most citizens and a political system that appears captive to moneyed interests, he warns of the price of growing inequality in terms of slower growth, lower GDP, greater instability and a variety of social and democratic threats. It is in this context that we examine the policy response of the Harper government following the financial crisis and consider the implications for Canada.

The paper is organized into four parts. First, we examine the ‘big picture’ of federal revenue and expenses in Canada over the last decade with a focus on stimulus and austerity measures. Second, we turn to the Ministries of Trade and Natural Resources—two of the biggest ‘winners’ in revenue terms over recent years. We examine just how these Ministries have expanded and consider the meaning of this within the broader context of fiscal federalism and the economy. From this high level analysis of public accounts we consider the federal government’s policy priorities and policy focus. Third, we reflect on the most recent budget (2012) and what this means for the direction of change. The final section offers conclusions.

FROM STIMULUS TO AUSTERITY

The onset of the global economic crisis led to a common refrain amongst commentators that “we are all Keynesians now”. Interestingly, governments that were ideologically opposed to such spending would now need to adopt stimulus policies in order to strengthen investment, consumer and business confidence (and capital liquidity). Canada’s response was launched through its *2007 Economic Statement*. The stimulus budget proposed \$60 billion in broad-based tax relief over five years. This was followed by a two-year commitment to financial stimulus measures focused on taxation, Employment Insurance benefits, and infrastructure investments, as outlined in the 2009-10 Budget, entitled *Canada’s Economic Action Plan*. Similar to other countries, the stimulus measures adopted through Canada’s 2009-2010 Budget focused on encouraging economic growth.

That Budget stated stimulus measures were guided by three principles—that they be “timely, targeted and temporary” (Government of Canada 2009, p.4). The Budget further stated that measures would begin within 120 days of the budget being passed; that the measures would focus on targeting businesses and families in the greatest need in order to trigger increases in jobs and output and; finally, that the plan would be phased out

“when the economy recovers [in order] to avoid long-term structural deficits” (ibid). While some aspects of the plan would be phased out (i.e., infrastructure spending) the stimulus measures clearly stated that one objective would be to “reduce taxes permanently” (Department of Finance, 2010).

We can see in Chart 1 below the recession reflected in the government’s public accounts. Program expenses increased as a percent of GDP while revenues decreased. It is important to note that part of this revenue decline comes from the decision to reduce taxation in a number of areas. For example the decision to drop two percentage points off of the Goods and Services Tax(GST) and to reduce the corporate tax rate. This figure is further compounded by a contraction of economic growth over these years. While federal Government revenues as a percentage of GDP have steadily decreased over the past decade (from 18.1 per cent in 2000-01 to 14.6 per cent in 2010-11), program expenses as a percentage of GDP saw increases in the 2009-10 and 2010-11 periods (at 16.0 and 14.7 per cent respectively). This is a slight increase from the previous three years where program expenditures as a percentage of GDP were steady at 13 per cent. In the past two years there has been an operating deficit (2009-10 and 2010-11) and over the past three year period there has been a budgetary deficit (between 2008-09 and 2010-11). The increasing size of the deficit (both budgetary and operational) has been instrumental in the *narrative of austerity*.

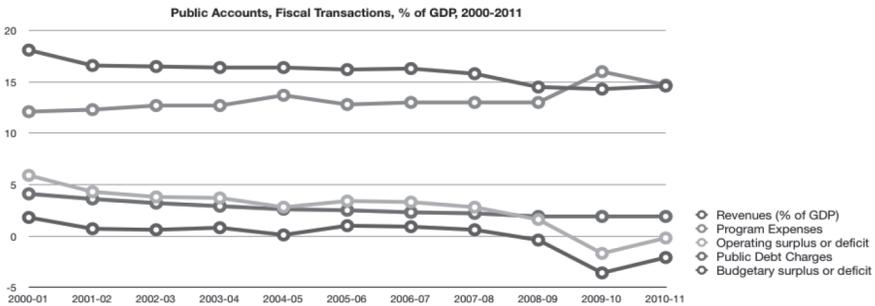


Chart 1. Public Accounts, Fiscal Transactions, per cent of GDP, 2000-2011

The Government posted a budgetary deficit of \$55.6 billion for the fiscal year ending March 31, 2010 (Department of Finance, 2010). Finance Minister Flaherty blamed the 2010 fiscal year record deficit on the \$5.6 billion payout to British Columbia and Ontario to assist with the transition to the harmonized sales tax, and the decision to limit increases in Employ-

ment Insurance premiums (*ibid.*). While these obviously contributed to the overall size of the deficit, they are only part of the fiscal equation with the government also responsible for cuts in direct and indirect taxation over this period in addition to its spending on stimulus measures. Clearly the policy preference for tax cuts has helped to diminish government revenues and in doing so has also contributed to the narrative of ‘belt tightening’ for the public sector. Having helped manufacture a sizeable deficit, Minister Flaherty has made it the deficit into as a major public issue and used it to justify austerity measures, warning Canadians to brace themselves against significant cutbacks in budget 2012 (*ibid.*).

The chart below illustrates these trends. Personal income tax, expressed as a percentage of GDP, has consistently declined over that past decade, with the exception of the 2010-11 period, when there was a slight increase (from 6.8 percent to 7.0 per cent of GDP). Total tax revenue as a percentage of GDP has declined and flattened, hitting an all time low over the past three years. Corporate income tax as a percentage of GDP has been lower in the past three years than in the previous five. Overall, revenues as a percentage of GDP show a declining trend over the past decade. Economically, this shift is consistent with the political shift to ‘open federalism’s’ commitment to smaller government.

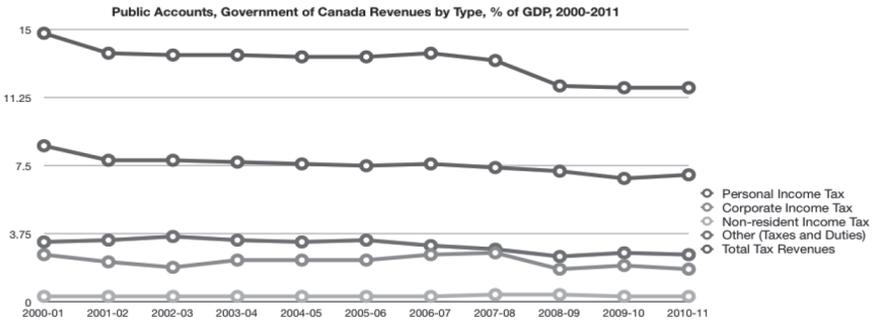


Chart 2. Public Accounts, Government of Canada Revenue by Type, percent of GDP, 2000-2011

A high level analysis of public accounts from the past decade shows evidence of ‘roll-back neoliberalism’ (Peck and Tickell, 2002). Government revenues have slowly declined and the public sector is urged to do less with less. The Conservative Government has expressed a commitment to leave as much as possible to the private sector. The economic crisis has brought with it opportunism – it has led to a wide swath of

tax cuts (some of them, permanent) and has reoriented spending in a number of areas. The size of the deficit is however part of a fiscal *choice* to reduce taxation.

While the Conservative Government expresses preference for smaller government and limited spending, there are inconsistencies in the expression of these preferences across portfolios—some Ministries and Departments have grown considerably, while others have diminished in revenue and policy importance. While we have seen evidence of ‘roll-back neo-liberalism’ there is also evidence of ‘roll-out neoliberalism’ as certain Ministries become the focus of government policies and spending.

The chart below provides an analysis of the changes in public accounts since 2006. It shows the percentage change of total net expenditures by Ministry between the years 2006 and 2011 (in constant 2002 dollars). The red line denotes the average percentage change for all – a 14.30 percentage increase. Those Ministries above the red line gained more than the average in revenue terms over those years, and those below it lost more than the average. Hence, this gives some indications of relative spending priorities. By this analysis, the Ministries of Transport and Natural Resources have seen the greatest percentage increases.

This percentage change figure should be read with caution in the case of some Ministries – the Privy Council, the Governor General, Parliament, Finance and Justice can see major fluctuations in funding for a variety of reasons. For example, Parliament and the Governor General may have large capital expenditure due to renovations. The Privy Council (PCO) may have special Royal Commission expenditures (or see fluctuations because it includes the Office of the Chief Electoral Officer), and Finance can have highly fluctuating transfer payments. From this overall analysis, two federal priorities clearly emerge – infrastructure and natural resources.

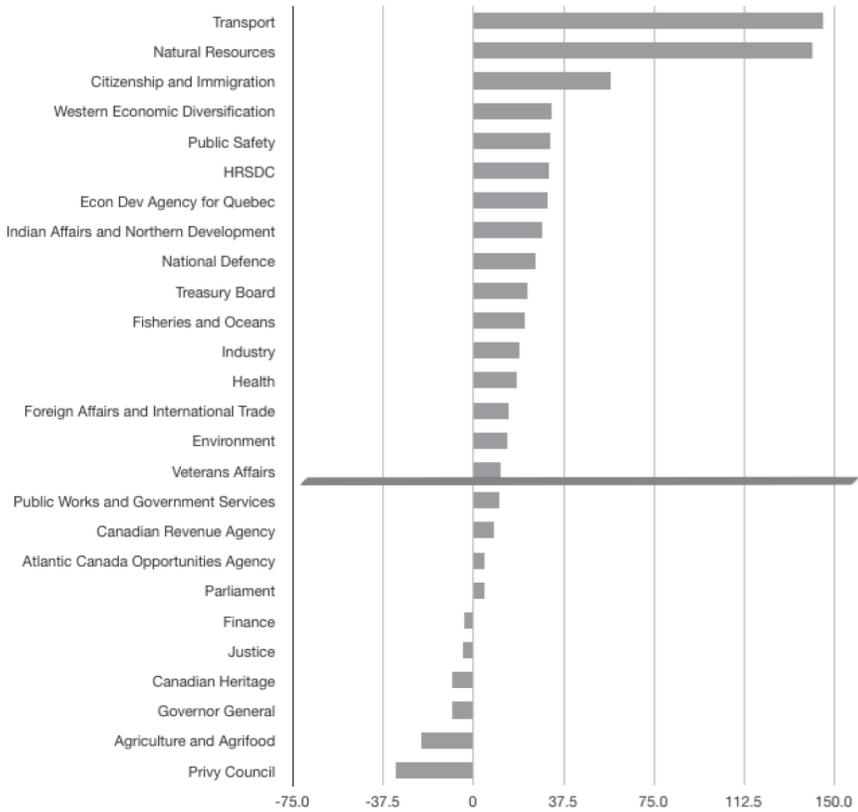


Chart 3. Public Accounts, Percentage change total net ministerial expenditure, 2006-2011, constant dollars

FEDERAL PRIORITIES: INFRASTRUCTURE AND NATURAL RESOURCES TRANSPORT AND INFRASTRUCTURE

The Ministry of Transport has grown in importance over the years, with numerous agencies and authorities being added to it.² The chart below shows the total budget by authority within the Transport Ministry for the fiscal years 2006-2011 (in millions, 2002 constant dollars). It is clear from this analysis why the revenues of the Ministry have increased

2 In 2004, the Ministry was composed of Transport Canada, the Canadian Transportation Agency (a regulatory agency) and the Transportation Appeal Tribunal of Canada. In 2005, this portfolio was expanded to include the Office of Infrastructure of Canada, the National Capital Commission, the Canada Post Corporation and the Royal Canadian Mint two years later, it would include the Canadian Air Transport Security Authority, the Federal Bridge Corporation Limited, the Jacques Cartier and Champlain Bridges Incorporated, VIA Rail Canada Inc., Marine Atlantic Inc. and Old Port of Montreal Corporation Inc. The Old Port of Montreal Corporation existed under this portfolio from 2006-2009.

so considerably in the past several years – Infrastructure Canada has seen massive budgetary increases over this period. The remainder of this section will focus on the gains of this Department.

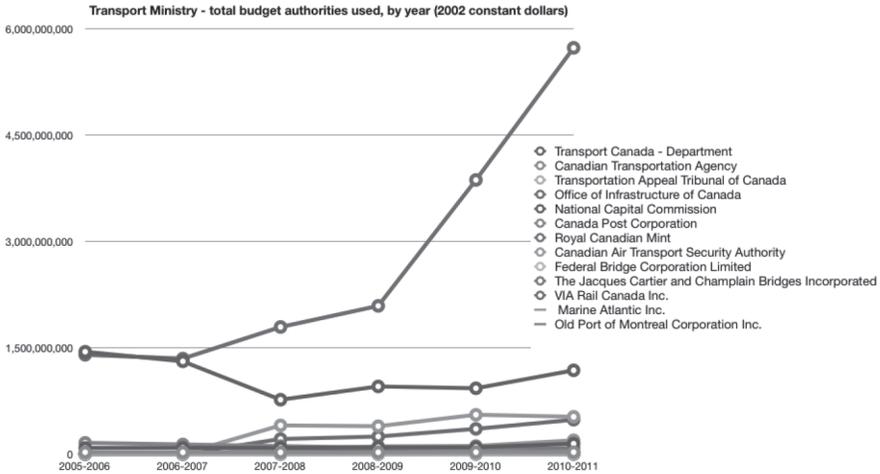


Chart 4. Transport Ministry—total budget of authorities used by fiscal year, millions of dollars, 2002 constant dollars

Stimulus responses in the wake of the late 2007 financial crisis focused on short-term growth (raising aggregate demand) as well as long-term growth by aiming to create favorable conditions for investment and innovation. These measures entailed both revenue side policies (cuts to direct and indirect taxes and social insurance contributions) and spending side policies of which there are many possibilities. One of the most popular choices made by governments on the spending side has been the ramping up of public investment in infrastructure. The infrastructure components of the stimulus measures in Canada were approximately \$40 billion (CAD) over two years.³ The largest portions of the infrastructure measures were tax credits for households – e.g., home renovation and energy efficiency tax credits administered through the Canada Revenue Agency.⁴ These tax incentives to households accounted for approximately 28 per cent of all

3 This figure is the sum of total reported stimulus measures for 2009 and 2010. This figure does not include funds leveraged by other orders of government - e.g., through the creation of stimulus programs requiring matching grants, which, in the Canadian case are a significant amount (Department of Finance Canada, 2009).

4 Knowledge infrastructure has been excluded (Department of Finance Canada, 2009).

infrastructure related stimulus spending.⁵ The second largest proportion was allocated to social housing, First Nations Housing and Northern housing at approximately 15.4 per cent of total infrastructure related funding and administered through the Canada Mortgage and Housing Corporation (CMHC) and Indian and Northern Affairs (INAC) in some cases.⁶ The third largest component of funding was allocated to a mixture of provincial, municipal and First Nations, Territorial and some federal infrastructure—amounting to approximately nine per cent of total infrastructure related investments.⁷ Many of the infrastructure investments that were chosen were often less complicated projects such as road expansion as opposed to more transformative projects such as transit for which the employment effects of stimulus spending are greater (CCPA, 2009, p.2). In many OECD countries, the infrastructure components of stimulus programs included transformative long-term projects (OECD, 2011).

The chart below details spending by major program area for Infrastructure Canada between the years 2008-2011 (in 2002 constant dollars).⁸ Funding programs have significantly expanded in Infrastructure from but two major program areas in the 2008-09 fiscal year to 14 in the 2010-11 fiscal year. Some of this is one time funding, such as support for the G20 and G8 Summits. However, much of it represents a major program of investment into large infrastructure projects, particularly in areas that support trade such as the Asia Pacific Gateways and Corridors Initiative; the Ontario-Quebec Continental Gateway and Trade Corridor and; the Atlantic Gateway and Trade Corridor. These initiatives involve major partnerships between the federal and provincial and municipal governments to connect Canada to eastern, western and southern markets with significant funding attached to the development of border crossings, ports, airports, railway lines and major highways across the region.

5 Calculation includes funding for the programs Home Renovation Tax Credit; Enhancing the Energy Efficiency of Our Homes; increasing withdrawal limits under the Home Buyers' Plan and; First-time Home Buyers' Tax Credit as a proportion of all infrastructure-related funding measures. This figure excludes Knowledge Infrastructure.

6 Ibid.

7 Ibid.

8 Fields noted 'not applicable' (n/a) indicate funding has been discontinued.

44 | Great Recession-Proof?:
Shattering the Myth of Canadian Exceptionalism

Office of infrastructure Canada	2008-2009	2009-10	2010-11
Infrastructure Stimulus Fund	n/a	n/a	2,271,425,616
Gas Tax Fund	n/a	1,716,386,457	1,605,461,467
Building Canada Fund – Major Infrastructure component	n/a	n/a	371,188,766
Provincial-Territorial Infrastructure	n/a	634,798,773	400,845,468
Canada Strategic Infrastructure Fund	n/a	1,470,607,922	307,676,621
Green Infrastructure Fund	n/a	n/a	31,313,027
Building Canada Fund – Communities component top-up	n/a	n/a	278,242,103
Building Canada Fund – Communities component	n/a	n/a	205,571,316
Municipal Rural Infrastructure Fund	n/a	n/a	134,073,573
Border Infrastructure Fund	n/a	n/a	62,129,383
Internal services	n/a	36,435,601	57,157,305
Economic analysis and research	n/a	8,004,135	963,660
Support for the G8 Summit 2010	n/a	n/a	4,189,538
National trails coalition	n/a	n/a	92,803
Infrastructure Investments	2,079,301,981	n/a	n/a
Policy, Knowledge and partnership development	10,382,264	n/a	n/a
Total	2,089,684,245	3,866,232,888	5,730,330,645

Chart 5. Office of Infrastructure Canada – Expenditure components by program type, millions of dollars, 2002 constant dollars.

The role of the federal government in municipal affairs has gone through waves of engagement and disengagement over the past decades. The Harper Government is publicly committed to the principles of ‘open federalism’ and seeks to adhere to the constitutional division of powers wherein municipalities are ‘creatures’ of the provinces. However, their strong role in infrastructure development and a particular orientation to trade is a major area of federal involvement—one that sets a strong direction for urban policy in Canada’s biggest city regions. In this role, the federal government is a leader, committing vast sums of money to build partnerships that will reorient our urban regions around a trade agenda.

NATURAL RESOURCES

Unlike the Ministry of Transport, the Ministry of Natural Resources has been a relatively stable Portfolio.⁹ The chart below shows the total budget by authority within the Natural Resources Ministry for the fiscal years 2006-2011 (in millions, 2002 constant dollars). As was seen in the case of Infrastructure Canada, the Department of Natural Resources leads in gains.

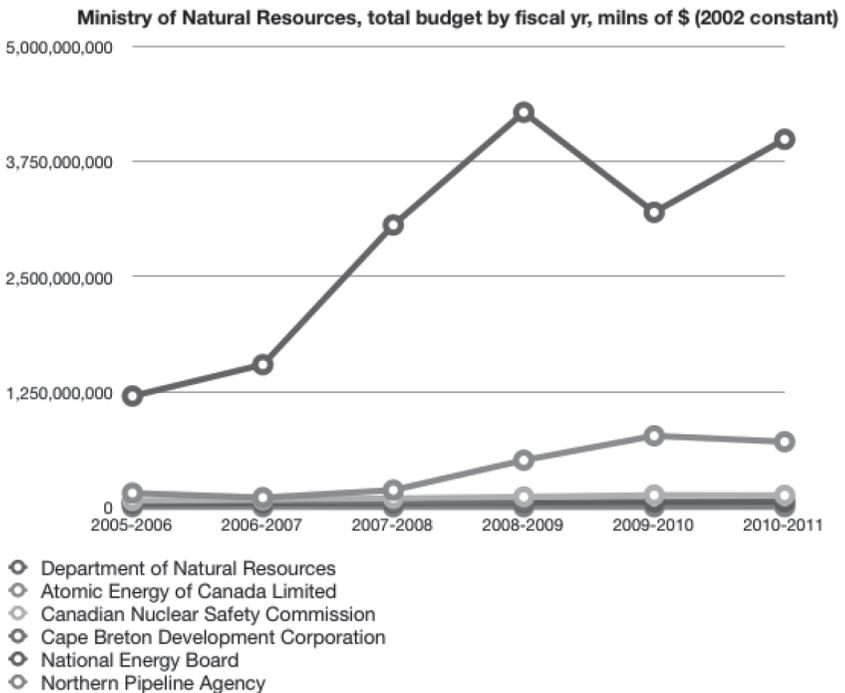


Chart 6. Ministry of Natural Resources, total budget of authorities used by fiscal year, millions of dollars, 2002 constant dollars.

The Department of Natural Resources seeks to enhance the use and competitiveness of Canada's natural resources products. The Department conducts scientific research and technology development in the fields of energy, forests, mineral and metals and earth sciences. As a lead Department in the natural resources development they are involved in environmental assessments and their work must comply with the *Cana-*

9 It is composed of the Department of Natural Resources, Atomic Energy of Canada Limited, the Northern Pipeline Agency, the Canadian Nuclear Safety Commission, the National Energy Board and Cape Breton Development Corporation. The Cape Breton Development Corporation was disbanded in 2009.

dian Environmental Assessment Act and the *Cabinet Directive on the Environmental Assessment of Policy Plan and Program Proposals*. Chart 7 (below) shows expenditure components by program type for the Department of Natural Resources (millions of dollars, 2002 constant dollars). One can see that over the past few years, the Department has focused its attentions on adaptation management (including hazard risk management and climate adaptation). Some of these functions had previously been undertaken by Environment Canada and one can make the argument that environmental protection might be better placed there rather than a Department whose mandate is resource development.

Department of Natural Resources	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Information dissemination and consensus building	174,029,995	n/a	n/a	n/a	n/a	n/a
Economic and social benefits	509,129,005	n/a	n/a	n/a	n/a	n/a
Environmental protection and mitigation	422,368,614	n/a	n/a	n/a	n/a	n/a
Safety and security of Canadians	29,216,589	n/a	n/a	n/a	n/a	n/a
Sound departmental management	68,529,345	n/a	n/a	n/a	n/a	n/a
Earth sciences	n/a	219,153,119	227,721,587	n/a	n/a	n/a
Earth sciences – Geomatics Canada	n/a	-484,981	2,873,446	923,434	416,203	-232,277
Energy	n/a	1,095,040,075	2,572,970,775	n/a	n/a	n/a
Sustainable forest	n/a	163,229,963	189,461,133	n/a	n/a	n/a
Minerals and metals	n/a	68,187,077	69,352,522	n/a	n/a	n/a
Economic opportunities for natural resources	n/a	n/a	n/a	3,413,526,095	1,868,236,335	2,155,784,196
Clean energy	n/a	n/a	n/a	491,876,859	735,597,438	1,218,663,252
Ecosystem risk management	n/a	n/a	n/a	150,796,095	143,429,486	181,756,142
Natural resources and landmass knowledge	n/a	n/a	n/a	118,816,451	104,001,675	87,556,435
Adapting to a changing climate and hazard risk management	n/a	n/a	n/a	94,002,226	57,637,155	55,749,031
Natural resource-based communities	n/a	n/a	n/a	17,397,271	10,020,631	11,625,600
Internal services	n/a	n/a	n/a		280,721,390	282,708,039
Total	1,203,273,547	1545125254	3,062,379,462	4287338433	3,200,060,313	3,993,610,420

Chart 7. Department of Natural Resources – Expenditure components by program type, millions of dollars, 2002 constant dollars.

The Prime Minister’s efforts to promote Canadian exports abroad and natural resources in particular, has been a key feature of Canada’s recent trade and foreign policy. Strong lobbying for the Keystone XL pipeline and the recent visits to China, Malaysia and Japan were aimed at increasing trade surpluses with these countries and underline the gov-

ernment's strategy to use economic growth as means of paying down the deficit in time for the next election. In a 2006 speech, Mr. Harper set out his vision of Canada as a "global energy superpower power" and was reportedly furious with president Obama's 2011 announcement to delay the Keystone XL pipeline for at least a year. Soon after, Harper had established energy exports as the government's new top strategic priority, with Asia seen as the key market to target, making Enbridge' Northern Gateway pipeline to the seaport at Kitimat BC an essential project (Wells and McMahon, 2012).

This context helps explain why environmental assessments have recently been streamlined and also the alacrity with which Prime Minister Harper appears to have backtracked in relation to China's record on human rights. As Corcoran observes "His [Mr. Harper's] previous issues with China appear to have been sidelined, replaced in part by some neo-Nixonian strategizing over potential economic advantage over the United States" (Corcoran, 2012). Heading to China, Mr. Harper set out his intentions and his hopes very clearly: "[a]s you know, our country is looking for new markets for our goods and services and China and the entire Asia-Pacific region is an area of tremendous opportunity," and added, "[w]e hope to expand on our strategic partnership with China and, in particular, we hope to deepen the economic and trade ties between our two countries" (Corcoran, 2012). This represents a significant shift in policy by the government and it remains to be seen how the US will react and how deeper trade ties with China and Asia will develop.

OPPORTUNISM AMIDST CRISIS: THE NARRATIVE OF AUSTERITY AND THE 2012 FEDERAL BUDGET

Having examined federal expenditures over the past several years, we turn here to the most recent federal budget to examine some of its implications for policy development in the near term. For several reasons, the 2012 budget can be seen as a watershed moment in a politically realigned Canada and speculation was intense leading up to its release. The Conservatives having secured a much sought after majority were finally in a position to define their political agenda without having to depend on the mercurial support of the opposition parties. Political opponents feared that the way was now clear for the Conservatives to push ahead with the implementation of the so-called *Harper Agenda*, particularly in view of the fact that both the NDP and Liberal parties had spent most of 2011-12 in limbo as they attempted to (re)establish long-term leadership and political direction. That said an uncertain

and fragile fiscal and economic climate, a weak majority and a series of political scandals including the so-called “in and out” scandal, misuse of the G8/G20 border infrastructure fund and the “Robocall” election fraud made this a challenging environment within which to introduce an austerity budget. In particular it required the government to tread carefully as it balanced cuts in public spending with the fragile economic recovery and the political fallout that typically accompanies cuts in core services and benefits such as pensions and old age security spending.

When the Conservatives came to power in 2006 they inherited a budget surplus of \$8-billion. In 2008, the government entered into a deficit due to falling tax revenue and higher spending. In its November 2011 economic update, the government projected Canada’s deficit for 2011-2012 would be \$31-billion, although recent indicators suggest it could be lower. In 2010-2011, Canada’s actual deficit was \$33.4-billion. Whether or not the 2012 budget is seen as draconian response to this size of deficit, the government’s majority allied to its commitment to slay the deficit created an opportunity to prioritize its spending and program commitments in a way that was not conceivable in previous years.

As during the election campaign, Mr. Flaherty and the Prime Minister said repeatedly that jobs and economic growth are their first priority. Not surprisingly therefore, the first Harper majority government Budget on March 29th was titled and pitched as a *Jobs, Growth and Long-Term Prosperity Budget*, with links back to the Economic Action Plan from their Minority government years. Stressing that Canada has done relatively well in the global recession context and in job creation since 2009, Finance Minister Jim Flaherty emphasized instead the structural problems that Canada must now address both for long-term prosperity and “to ensure the sustainability of public finances and social programs for future generations” The structural fundamentalism of the Budget, that is, its greater focus on steps needed to ensure the full potential of the economy is intended to be the main message.¹⁰ The Harper list of policies and initiatives (spending, tax and regulatory in nature) in their order of presentation include:

- Supporting Entrepreneurs, Innovators and World- Class Research
- Responsible Resource Development
- Expanding Trade and Opening New Markets for Canadian Business

10 On structural fundamentalism, see Doern et al, 2013, Chapter 3.

- Investing in Training, Infrastructure and Opportunity
- Expanding Opportunities for Aboriginal Peoples to Fully Participate in the Economy
- Building a Fast and Flexible Economic Immigration System
- Sustainable Social Programs and Secure Retirement
- Responsible Expenditure Management¹¹

The budget cuts of \$5.2 billion, mainly referred to in the final “responsible expenditure management” section are not highlighted although considerable attention is drawn in the Budget to the elimination of 19,200 civil service jobs. Among the agencies mentioned in the Budget to be eliminated outright are Assisted Human Reproduction Canada (beset with constitutional and court challenges) and the National Roundtable on the Environment and the Economy (an advisory body not favoured by the Conservatives, in part because of its climate change policy advocacy). Further budget cuts are planned to reach about \$5 billion a year by 2014-2015 (see further discussion below of cuts and the strategic review process headed by Treasury Board President, Tony Clement).

Under the above structural themes other key particular initiatives were announced in Budget 2012). Among these are:

- Increase funding for research and development by small and medium-sized companies, including through a refocusing of the role of the National Research Council.
- In the resource development sphere, bring forward legislation to achieve the goal of “one project, one review” in a clearly defined period.
- Pursue new and deeper trading relationships, particularly with large, dynamic and fast-growing economies.
- Invest in First Nations education on reserve, including early literacy programming and other supports and services to First Nations schools and students.
- Move to an increasingly fast and flexible immigration system where priority focus is on meeting Canada’s labour market needs.
- Gradually increase the age of eligibility for Old Age Security (OAS) and Guaranteed Income Supplement benefits from 65 to 67.

11 Government of Canada, 2012, p.5-11.

This change will start in April 2023 with full implementation by January 2029, and will not affect anyone who is 54 years of age or older as of March 31st, 2012.¹²

As these priorities and initiatives demonstrate, the government's response to the fiscal crisis has been influenced by the neoliberal framework and "commandments" outlined in the introduction. Just as the financial crisis in Canada was at least in part manufactured by domestic fiscal policy, the urgency with which the deficit is being tackled is just as much a question of politics as it is economics. In a political context it is important that the deficit is reduced quickly and, specifically, in time for the next federal election. Having already committed to return to a surplus position by then the question for the Conservatives appears to be *how* not *whether* to implement cuts. To this end much emphasis has been placed on strategic review. In Canada, "program reviews" that check all government spending have been a feature of public sector managing since the late 1970s. At that time these reviews were infrequent and usually responded to political promises that spending would be kept to a minimum. It was not until the late 1990s that such reviews became a routine feature of Canadian public management, culminating in "strategic reviews" introduced in 2006, and now "operational reviews" (not the same thing) introduced in 2011. These latter reviews are intended to find significant one-time cuts in services, rather than ongoing and permanent cuts as in the case of the former. "Strategic Reviews" were introduced to force departments and agencies to find critical savings and to use these savings to align with key government priorities. Such reviews are conducted every four years with the objective of finding five percent savings from low performing, low priority programs and services.

The goal of the latest strategic and operating review is to find ongoing savings of at least \$4-billion a year by 2014-2015 from departments' total \$80-billion operating budget. This represents only one part of total federal spending and includes the cost of staff and benefits etc. The rest of the spending, including \$150-billion in program spending and transfers, are not part of the spending review. Consequently out of a total spending of almost \$250-billion, including about \$30-billion in interest on the federal debt, the government aims to cut spending by 1.5%. More than 60 departments have submitted plans to Cabinet for either five to 10 per cent cuts to their budgets, by finding operating efficiencies and examining the usefulness of programs.

12 Government of Canada, 2012, p.5-11.

The stated desire to avoid cuts in services is attractive to governments because it reduces the political fall-out with the electorate and provides the opposition and critics with less ammunition. The government's strategy is to present cuts as targeting inefficiency, red tape and redundant "back room" bureaucrats rather than services and benefits. In order to further reduce the political pain some commentators have suggested that Mr. Flaherty is also conducting a "strategy by stealth" approach to realizing cuts and deficit reduction (Reynolds, 2011). This view is predicated on two main patterns of action that have helped Minister Flaherty achieve "real dollar, per-capita austerity" over the each of the last 5 years without the kinds of protests and political fallout seen in other countries in response to austerity measures. First, Reynolds points to program spending increases that are less than the amount needed to keep pace with population-plus inflation adjustments. A budget prepared in this way will show nominal increases in national expenditure every year (averaging 2 per cent a year) even though they are, *de-facto*, cuts. Second, he points to Minister Flaherty's attempts to look for and weed out government programs that are no longer seen to serve a productive purpose.

By making small, incremental spending cuts, "here and there, hither and yon", he contends that Minister. Flaherty has provided the world with a good example of "responsible restraint – without inciting mobs" (Reynolds, 2011). Because these kinds of cuts are difficult to notice, he describes the process as "austerity on the quiet" (Reynolds, 2011). Clearly this approach is politically attractive as it avoids minus signs on the fiscal ledger, and it is harder for the opposition to galvanize resistance around specific or draconian cuts. Reynolds concludes it is an effective strategy that has managed to realize \$10- billion of savings in recent years.

In spite of the political attractiveness of stealth as a means of achieving reductions many fiscal Conservatives would like to see more severe cuts, particularly in areas that have become political and ideological targets or simply to signal government priorities. Not surprisingly in this context, further job cuts are predicted for Environment Canada, in addition to the 776 already announced in 2011-12. Consistent with a neoliberal agenda, environmental assessments have been seen to slow down projects and the exploitation of natural resources across Canada, and in its northern regions in particular, and the government is keen to suspend these for projects pending, labeling them as excessive red tape and impediments to economic growth and jobs. Specific programs and green energy initiatives were also being pinpointed for cuts and/or eradication. The target of these proposed cuts are clearly green and renewable energy programs

which, since the expansion of the Alberta tar sands, have increasingly come to symbolize the deepening ideological divide between Canada's left and right on energy and environmental policy as well as the splits between the provinces.

While Ontario and other provinces have begun to seriously invest in renewable energy programs, Alberta and Saskatchewan look to the federal government for policies that facilitate greater exploitation of oil and gas as well as other natural resources. Given the Harper Conservative's commitment to jobs, growth, increased trade and their western political base, it is no surprise that spending on the environment and in renewable energies continues to be vulnerable. Consequently the government has sought to minimize climate change as an issue, withdrawn from Kyoto and effectively given up the pretence of taking serious action to reduce emissions.

However, it is not just the substance of the 2012 budget that has caused concern; critics also point to the lack of transparency and informed debate that has been a constant feature of the process. Bill C-38, also called the *Jobs, Growth and Long-Term Prosperity Act*, tabled the 2012 budget as part of a so-called *omnibus bill*. Over 420 pages long, it has been described as a "statutory juggernaut" that introduces, amends, or repeals nearly 70 federal laws. It has been presented to the House of Commons in a manner that may be without close precedent in Canadian parliamentary history and has made proper parliamentary scrutiny impossible in the time available (Galvin, 2012). The Parliamentary Budget officer has also been concerned by the lack of reporting to parliament on the impact of the cuts announced in the 2012 budget as well as the previous two and is fighting to have details released by the government. Liberal MP John McCallum said this "slow oozing" of information over months erodes transparency and accountability and silences any debate at committees on what programs and services Canadians may be losing (May, 2012). He also expected this delay and "lack of transparency" since Treasury Board recently ordered departments not to include details about the reductions in their annual planning and priorities reports to Parliament (May 2012).

CONCLUSION

The policy practices of the Harper Government over the past few years have transformed much of what the state does and how it does it. The narrative of austerity has been formative in the ability of the Government to push through these transformative changes. In particular, the economic crisis and Canada's growing reliance on oil and

gas for its economic wellbeing has allowed the government to shift policy direction in ways that might have seemed impossible when they came to power.

As this paper has shown, the crisis of austerity is at least in part a manufactured one—based on the decision to reduce taxation in a number of areas. This narrative of ‘crisis’ has been instrumental in reducing government involvement in a range of activities and in plans to decrease the size of the public service significantly. Numerous women’s groups have lost their funding; the Roundtable for the Environment and the Economy has been disbanded; as has the Canadian Council on Learning.¹³ These are but a small sample of groups and policy issues affected. At the same time, regulatory and oversight mechanisms are being eroded in such areas as trade and environmental assessments (Woods, 2012). While the government is divesting its involvement in many areas, it is increasing them in others—as we have shown through the Departments of Infrastructure and Natural Resources. Consequently, we argue that ‘open federalism’ is a serious misnomer and that ‘strategic federalism’ better describes the selective nature of the federal role under the Harper government.

Our analysis of Public Accounts has sought to take a look at overall spending patterns and focus on two examples, but the data holds many stories of interest. Rather than abandoning the neoliberal project, we believe that recent budgets, policies and priorities suggest that a more intense and comprehensive neoliberal agenda is emerging in Canada. Dissecting these changes and what they mean for the longer term will be a major task in the coming years. The well-documented restriction of information and control of communications complicates this task (Office of the Information Commissioner of Canada, 2010; The Professional Institute of the Public Service of Canada, 2011; Maher, 2011). But, such work will be pivotal in understanding how neoliberal policies, in the case of this Government, are being practiced. We hope to have contributed in some small way to this dialogue.

13 As of April 25, 2011, thirty-five women’s organizations in Canada have had federal funding significantly cut or ended all together (Ad Hoc Coalition for Women’s Equality and Human Rights 2011).

REFERENCES

- Ad Hoc Coalition for Women's Equality and Human Rights (2011). <http://www.womensequality.ca/>
- Bagnall, J. (2011, June 10). Afraid of 2012? Remember the Budget of 1995. *The Ottawa Citizen*. <http://www.fcpp.org/publication.php/3797>
- Baker, A. (1999). Nebuleuse and the 'internationalization of the state' in the UK? The case of HM Treasury and the Bank of England. *Review of International Political Economy*, 6(1), 79-100
- Bruno, J. (2012, February 27). The majority governing Conservatives are having a difficult time deciding what to cut, what to keep, and where to reallocate the scarce funds. *The Hill Times*. <http://www.hilltimes.com/news/news/2012/02/27/expect-a-%E2%80%98watershed%E2%80%99-federal-budget-say-experts/29723>
- CCPA (2009). *2009 Budget Analysis*. Ottawa: Canadian Centre for Policy Alternative.
- Cerny, P. G. (2004). *Mapping Varieties of Neoliberalism*. Paper prepared for presentation at the annual convention of the International Studies Association, Montreal, Québec, 17-20 March 2004 and the annual conference of the Political Studies Association of the United Kingdom, 6-8 April 2004. <http://www.psa.ac.uk/cps/2004/cerny.pdf>
- Coen, D. & Roberts, A. (2012). A New Age of Uncertainty. *Governance: An International Journal of Policy, Administration, and Institutions*, 25(1) 5-9.
- Corcoran, T. (2012, February 10). Panda politics: It's trickier than you think. *National Post*. <http://opinion.financialpost.com/2012/02/10/panda-politics-its-trickier-than-you-think/>
- de Souza, M. (2012, April 6). Quebec Tories say Stephen Harper creating 'winning conditions' for referendum. *Postmedia News*. <http://lifestyle.topnewstoday.org/culture/article/1969375/>
- Department of Finance (2010). Annual Financial Report of the Government of Canada Fiscal Year 2009–2010. <http://www.fin.gc.ca/afr-rfa/2010/report-rapport-eng.asp>
- Department of Finance Canada. (2007). *Strong Leadership, a Better Canada: Economic Statement*. Ottawa: Government of Canada, October 30, 2007.
- Department of Finance Canada. (2009). *Budget 2009: Canada's Economic Action Plan Background*. Ottawa: Government of Canada. <http://www.fin.gc.ca/n08/09-011-eng.asp>
- Doern, G.B., A.M. Maslove and M.J. Prince. (2013). *Canadian Public Budgeting in the Age of Crises*. Ottawa and Kingston: McGill-Queens Press.
- Easterbrook, W.T. & Watkins, M.H. (1984) The Staple Approach. In W.T. Easterbrook & M.H. Watkins (Eds.), *Approaches to Canadian Economic History* (pp. 1–98). Ottawa: Carleton University Press.

- Evans, B. & Albo, G. (2011). Permanent Austerity: The Politics of the Canadian Exit Strategy from Fiscal Stimulus. *Alternate Routes: A Journal of Critical Social Research*, 22, 7-28.
- Fanelli, C. & Hurl, C. (2011). Janus-Faced Austerity: Strengthening the 'Competitive' Canadian State. *Alternate Routes: A Journal of Critical Social Research*, 22, 29-50.
- Fekete, F. (2012b, March 16) Future of public service in hands of nine parliamentarians. *Postmedia News*. Retrieved September 30, 2012, from <http://www2.canada.com/future+public+service+hands+nine+parliamentarians/6314885/story.html?id=6314885>
- Fekete, J. (2012a, March 10). Bureaucrats must shift to efficiency and constraint: Clement. *Canada.com*. <http://www2.canada.com/topics/news/story.html?id=6282995>
- Galloway, G. (2012, March 5). Spare veterans from budget axe, opposition says. *Globe and Mail Update*. <http://m.theglobeandmail.com/news/politics/ottawa-notebook/spare-veterans-from-budget-axe-opposition-says/article2358967/?service=mobile>
- Galloway, G. (2011, November 29). After the Tory witch-hunt against the CBC, who'll be next? *Globe and Mail*. <http://www.theglobeandmail.com/arts/television/after-the-tory-witch-hunt-against-the-cbc-wholl-be-next/article4179574/>
- Glavin, T. (2012, May 7). Something's fishy with Bill C-38. *National Post*. <http://www2.canada.com/ottawacitizen/news/archives/story.html?id=cb8b39a4-f566-4e5a-a5c9-f3431c0dd554>
- Government of Canada (2009, January 27). Canada's Economic Action Plan. *Budget 2009*, tabled in the House of Commons by J.M. Flaherty, P.C., M.P. Minister of Finance.
- Government of Canada (2010, March 4). Canada's Economic Action Plan, Year 2: Leading the Way on Jobs and Growth. *Budget 2010*, tabled in the House of Commons by J.M. Flaherty, P.C., M.P. Minister of Finance.
- Government of Canada (2011). Infrastructure Stimulus Fund. *Infrastructure Canada*. <http://www.infrastructure.gc.ca/prog/other-autres-eng.html#isf-fsi>
- Government of Canada (2012, November 11). *Jobs, growth and long term prosperity, Economic Action Plan 2012: the Budget in Brief*. Department of Finance. <http://www.budget.gc.ca/2012/rd-dc/brief-bref-2012-eng.pdf>
- Gray, K. (2011, August 10). A defenseless economy. *The Ottawa Citizen*. <http://blogs.ottawacitizen.com/2011/08/10/a-defenseless-economy/>
- Harmes, A. (2007). The political economy of open federalism. *Canadian Journal of Political Science*, 40(2), 417-437.
- Harvey, D. (2003). *The New Imperialism*. Oxford: Oxford University Press.

- Harvie, D. & Milburn, K. (2011, August 4). The zombie of neoliberalism can be beaten – through mass direct action. *The Guardian*. <http://www.guardian.co.uk/commentisfree/2011/aug/04/neoliberalism-zombie-action-phone-hacking>
- Innis, H. (1956). *Essays in Canadian Economic History*. Toronto: University of Toronto Press.
- Kipp, K. (2012, March 15). Most disabled access projects going to Tory ridings: documents. *Postmedia News*. <http://www.calgaryherald.com/business/Most+disabled+access+projects+going+Tory+ridings+documents/6309515/story.html>
- Krugman, P. (2010, July 1). Op Ed Column: Myths of Austerity. *The New York Times*. <http://www.nytimes.com/2010/07/02/opinion/02krugman.html>
- Maher, S. (2011, November 30). Harper's PR obsession fostering paranoia and paralysis in the public service. *Canada.com*. <http://www2.canada.com/news/maher+harper+obsession+fostering+paranoia+paralysis+public+service/5792000/story.html?id=5792000>
- May, K. (2012, March 14). Budget won't reveal details of PS cuts. *The Ottawa Citizen*. from <http://www.ottawacitizen.com/opinion/op-ed/Budget+reveal+details+cuts+Clement+says/6303389/story.html>
- MacKinnon, D. & Shaw, J. (2010). New State Spaces, Agency and Scale: Devolution and the Regionalisation of Transport Governance in Scotland. *Antipode*, 42(5), 1226-1252.
- Nadeau, R. (2008, March 25). The Economist Has No Clothes: Unscientific assumptions in economic theory are undermining efforts to solve environmental problems. *The Scientific American*. <http://www.scientificamerican.com/article.cfm?id=the-economist-has-no-clothes>
- Nguyen, L. (2012, February 24). Jim Flaherty says there 'shouldn't be any tax increases' in next budget. *Postmedia News*. <http://www.theguardian.pe.ca/Business/2012-02-24/article-2906460/Jim-Flaherty-says-there-shouldnt-be-any-tax-increases-in-next-budget/1>
- OECD [Organisation for Economic Development and Cooperation] (2011). Making the most of public investment in a tight fiscal environment: Multilevel governance lessons from the crisis. Paris: OECD.
- Office of the Information Commissioner of Canada (2010). Special report to Parliament: Interference with Access to Information requests. Ottawa, Ontario.
- Peck, J. & Tickell, A. (2002). Neoliberalizing space. *Antipode*, 34(3), 380–404.
- PM of Canada (2006, March 21). Prime minister promotes open federalism. *Office of the Prime Minister of Canada*. Retrieved September 30, 2012, from <http://pm.gc.ca/eng/media.asp?id=1123>.

- Public Works and Government Services Canada [PWGSC] (2010). *Public Accounts of Canada, volume II, Details of Expenses and Revenues*. Government of Canada, prepared by the Receiver General of Canada.
- Public Works and Government Services Canada [PWGSC] (2005). *Public Accounts of Canada, volume II, Details of Expenses and Revenues*. Government of Canada, prepared by the Receiver General of Canada.
- Public Works and Government Services Canada [PWGSC] (2006). *Public Accounts of Canada, volume II, Details of Expenses and Revenues*. Government of Canada, prepared by the Receiver General of Canada.
- Public Works and Government Services Canada [PWGSC] (2007). *Public Accounts of Canada, volume II, Details of Expenses and Revenues*. Government of Canada, prepared by the Receiver General of Canada.
- Public Works and Government Services Canada [PWGSC] (2008). *Public Accounts of Canada, volume II, Details of Expenses and Revenues*. Government of Canada, prepared by the Receiver General of Canada.
- Public Works and Government Services Canada [PWGSC] (2009). *Public Accounts of Canada, volume II, Details of Expenses and Revenues*. Government of Canada, prepared by the Receiver General of Canada.
- Public Works and Government Services Canada [PWGSC] (2011). *Public Accounts of Canada, volume II, Details of Expenses and Revenues*. Government of Canada, prepared by the Receiver General of Canada.
- Pugliese, D. (2012, March 9). Opposition MPs say they'll now think twice about accepting Canadian Forces' invitations. *The Ottawa Citizen*. <http://www.ottawacitizen.com/news/Opposition%20they%20think%20twice%20about%20accepting%20Canadian%20Forces%20invitations/6280032/story.html>
- Ruckert, A. (2006). Towards an Inclusive-Neoliberal Regime of Development: From the Washington to the Post-Washington Consensus. *Labour, Capital and Society*, 39(1), 34-67.
- Ruckert, A. (2009). Periodizing Neoliberal Development Policy: From Destructive 'Roll Back' and Constructive 'Roll Out' to Inclusive Neoliberalism. Paper presented at the Annual Convention of the Canadian Political Science Association
- Reynolds, N. (2011, September 6). Jim Flaherty: The master of stealth austerity. *The Globe and Mail*. <http://www.theglobeandmail.com/report-on-business/rob-commentary/jim-flaherty-the-master-of-stealth-austerity/article627118/>
- Stiglitz, J. E. (2012). *The Price of Inequity: How Today's Divided Society Endangers our Future*, Norton: NY.
- The Professional Institute of the Public Service of Canada (2011, July 28). Privy Council Muzzles Canadian Scientist. <http://www.pipsc.ca/portal/page/portal/website/news/newsreleases/news/072811>

- Varro, K. (2010). Re-Politicising the Analysis of 'New State Spaces' in Hungary and Beyond: Towards an Effective Engagement with 'Actually Existing Neoliberalism.' *Antipode*, 42(5), 1253-1278.
- Veldhuis, N. & Lammam, C. (2012), March 5. The Chopping Block: Cut \$10-billion now. *National Post*. <http://opinion.financialpost.com/2012/03/05/the-chopping-block-cut-10-billion-now/>
- Wells, P. & McMahon, T. (2012, April 2). Oil Power. *Maclean's Magazine*, p.16.
- Corcoran, T. (2012, March 6). The Chopping Block: Opinion. *National Post*. <http://www.nationalpost.com/opinion/Where+Flaherty+begin/6255598/story.html>
- Williams, B. & McNeill, J. M. (2005). The Current Crisis in Neoclassical Economics and the Case for an Economic Analysis based on Sustainable Development. *U21 Global Working Paper*, No. 001/2005.
- Williamson, J. (1990). *Latin American Adjustment: How Much Has Happened?* Washington, D.C.: Institute for International Economics.
- Woods, M. (2012, April 17). Federal budget: Critics blast Ottawa's plan to overhaul environmental review process. *The Star*. <http://www.thestar.com/news/canada/politics/article/1162871—tories-introduce-sweeping-changes-to-environmental-assessments>