



Policy

Canadian Politics and Public Policy

Welcome to “Balancing Act,” the Policy package on the 2014 federal budget, a balanced one in all but name. We start with a Q & A with the Harper government’s economic messenger, Finance Minister Jim Flaherty, on everything from talking down the dollar to what keeps him up at night. We’ve happily performed a balancing act of our own by including budget critiques from the NDP’s Peggy Nash and the Liberals’ Chrystia Freeland, a respected economics writer and commentator before and since her election in Toronto Centre. That and all the usual timely and thoughtful analysis and argument from your friends at Policy.

In this Issue:

- Jim Flaherty would far rather talk about deficit reduction than about his health. In our [Q & A](#), he talked about both and a whole lot of other subjects in between. “I think there will be some difficult decisions next year because different people have different ideas about what should be done with the excess money,” Flaherty said.
- [Kevin Lynch and Karen Miske](#) of BMO Financial Group examine the budget “through a telescope, not a microscope”. In other words, they took a longer view; that budgets matter, even boring budgets, in how they address macro-economic and global financial issues. [Douglas Porter](#), chief economist of BMO Capital Markets, provides a fiscal framework readout on the budget, and a look ahead to budgetary balance and surplus next year.
- NDP Finance Critic [Peggy Nash](#) writes that the Harper government is balancing the books on the backs of Canadians. “Jobs, prosperity and long-term growth were all put on hold,” she writes “for the sake of one artificial goal—budgetary balance.”
- Liberal trade critic and senior Trudeau adviser [Chrystia Freeland](#) counsels: “There’s one important takeaway from the 2014 budget—the Conservative government has no big ideas for the Canadian economy, and doesn’t believe we need them.”
- Looking at the Canada Job Grant, the centrepiece of the Harper government’s labour market strategy, [Jack Hughes](#) sees it as an object lesson in the PM’s belief about the division of powers between Ottawa and the provinces. Hughes sees the Job Grant as “the Harper Rosetta Stone”.
- [Robin Sears](#) looks at the breakthrough between Stephen Harper and Assembly of First Nations Chief Shawn Atleo that produced the First Nations education agreement, a deal that came together while Atleo was with Harper at Nelson Mandela’s funeral in South Africa.
- [Margaret Clarke](#) and her University of Calgary colleagues (Herb Emery, David Nicholas and Carolyn Dudley) consider the budget initiative for vocational training for youth on the Austistic Spectrum Disorder (ASD) That’s one Canadian in 88, and their families.
- In a *Policy Dossier* we look at the contentious issue of Senate reform. [Geoff Norquay](#) looks at Justin Trudeau’s gambit of expelling Liberal senators from caucus. Norquay finds Trudeau’s move bold but high-handed. And the University of Ottawa’s [Adam Dodek](#), a leading constitutional lawyer, examines Stephen Harper’s reference of the Senate reform issue to the Supreme Court of Canada.
- In our *Features* section we offer two articles. In the first one, [Tom Axworthy](#) offers a touching and true tribute to Jim Coutts, his close colleague and predecessor as principal secretary to Prime Minister Pierre Trudeau from 1975-81. On any list of outstanding heads of PMO, Coutts is very near the top. A true Grit, in every sense of the term. And [Mike Coates](#) offers a retrospective look at the trends which have emerged in foreign investment by state-owned enterprises since the government’s decision to approve the CNOOC—Nexen transaction.