

January 2017

January 9th

Over the next few weeks most media organizations will feature year in review related articles and columns. On the same theme I believe it is also important to review the past year in the House of Commons from a legislative perspective. To be candid the last 12 months under the Trudeau Liberal government has resulted in one of the most unproductive Parliaments in recent history with only 14 bills to date receiving Royal Assent. Of these 14 Bills, 6 were Appropriation related granting Government access to spending money meaning there has been just 8 Bills implemented by the Liberals thus far. A closer inspection of these 8 Bills reveals that 2 are directly related to the Budget and one was technically related to trade provisions and was left over from the previous Conservative Government. Thus in essence there have been 5 unique Bills passed by the Liberals as part of their broad agenda of real change.

Normally a Canadian Parliament under a majority Government at this point in the mandate would have passed between 40 to 45 Bills thus illustrating why this particular Liberal Government is being labelled by many in Ottawa as extremely unproductive. Should this be a concern to Canadians? Obviously the answer to this question is a matter of opinion and not fact however if one was expecting significant regulatory changes to date this has largely not occurred. To be fair the Liberal Government has continued to promise that it will introduce more legislation in the upcoming year pending the outcome of a large amount of different consultations currently underway, as one example is the current ongoing consultation on democratic reform that I discussed in last week's report.

I should also add that not all changes made by a sitting Government have to be implemented through legislation. For example when the Trudeau Liberal Government decided to effectively abolish the First Nations Fiscal Transparency Act rather than use a Bill to repeal the legislation the Liberal Government instead announced it would not implement or enforce any penalties against a First Nation Band Council that does not comply with publicly disclosing expenditures. From my perspective what is more concerning is that the Liberals continue to hint that they would like to eliminate Friday sittings in the House of Commons – meaning there would be one fewer day each week that the House sits available to debate legislation through the House. A lack of a Friday sitting would also mean one less day for Question period which is alarming considering that Prime Minister Trudeau has missed more than half of all Question Periods to date. For the record I have spoken out in the House of Commons against shutting the House down on Fridays and will continue to oppose this measure.

Despite the lack of Liberal Legislation in the House of Commons one item that has not changed are the House of Commons operations including the costs of 338 MPs that came in just over \$60 million for the first half of the current fiscal year. Once the full fiscal year has concluded I will once again release my annual fiscal accountability report and provide in detail what my expenses were for the period. Some may welcome the lack of legislation as it supports the status quo and means that laws passed by previous Parliaments remains largely unchanged. As this is a subjective area of concern I welcome your views on this topic – is the significant lack of legislation under the current Government a concern or is this largely a non-issue?

As always I welcome your views on this or any subject before the House of Commons. I can be reached at dan.albas@parl.gc.ca or toll free at 1-800-665-8711. Alternatively, I will be holding town hall meetings and constituents are welcome Saturday, January 14th in West Kelowna at the Lions Community Hall 2466 Main Street; West Kelowna from 3:00pm – 4:30 PM or on Sunday, January 15th in Kelowna at A. S. Matheson Elementary - 2090 Gordon Drive, Kelowna from 3:00pm – 4:30 PM to share their views- I look forward to hearing from you!

January 9th

One of the challenges of being in Government is that sometimes the core message a Government is attempting to promote may become overshadowed or even buried by other unintended events sometimes of the Governments own making. Such was the case back in November when the Liberals announced plans to “speed up” the end of coal power in Canada by the year 2030. Unfortunately for the Liberals breaking news of the Prime Minister and his cabinet’s cash for access fundraising events quickly buried the coal announcement and as a result it received little public scrutiny.

I believe many Canadians support the idea of reducing the use of coal power in Canada and on the surface would embrace the Liberal Government announcement to accelerate the end of coal power in Canada. As much as the Federal Liberal Government would like to be viewed as taking action against coal power, in reality many of Canada’s coal power producing Provinces have already either eliminated the use of coal power, such as Ontario, or are well on the way to doing so as is the case in Alberta. Meanwhile Provinces such as BC, Quebec and Manitoba do not currently generate any significant amounts of coal power. So what Provinces currently are Canada’s largest generators of coal power? The answer is Saskatchewan and Nova Scotia.

Interestingly enough the Liberal Government has quietly made side deals with both Saskatchewan and Nova Scotia that will allow these Provinces to continue to generate and use coal power beyond the 2030 deadline. In other words, the announcement to accelerate the end of coal power by 2030 was really more for show than substance. Fortunately both of these Provinces are taking other measures that will help reduce the GHG emissions from their respective coal power sectors.

Another somewhat overlooked Government announcement was a new national agreement on carbon. What is interesting about this particular national agreement is that it is not truly national. Both Manitoba and Saskatchewan have refused to join this agreement and British Columbia has secured what could be interpreted as a future veto. Also of interest is the fact that the agreement is not a centralized national strategy and instead allows Provinces to independently follow their own strategies. As an example in British Columbia a revenue neutral carbon tax is used while Ontario prefers a cap and trade system.

Why is this fact of interest? As an example in Ontario under their Cap and Trade system already it has been quietly announced that some of Ontario’s largest polluters such as steel and smelter plants are being exempted from the regulations. Likewise here in British Columbia greenhouse growers have also been largely exempted from carbon tax while industries such as cement production also receive taxpayer provided relief to offset carbon tax expenses. Ironically one of Saskatchewan’s arguments against a carbon tax is that it is pointless to tax industries only to return that same money in the form

of subsidies or other relief related exemptions.

The point of my report today is not to debate the merits of a carbon tax or coal power production in Canada but rather to illustrate the Government efforts to tackle these GHG emissions related industries may be more for appearance of taking action than actual substance. Considering that the United States is currently moving in a different direction under the incoming new administration it will be critically important to keep a close eye on both Canada's competitiveness and the effectiveness of the Liberal Government policy in this area. I welcome your comments, questions and concerns on this or any topic before the House of Commons and can be reached at Dan.Albas@parl.gc.ca or toll free at 1-800-665-8711.

January 12th

The two major stories out of Ottawa this week revolve around Prime Minister Trudeau's newly revealed vacation details followed by news of a small cabinet shuffle. I believe most Canadians support and understand that the Prime Minister would enjoy an exotic vacation to a warmer climate not unlike many Canadians often do so why is this current vacation a controversy? The answer is a tad more complex than one might expect.

In Canadian public office we have very strict rules that limit and restrict financial benefits that a Minister of the Crown can accept and directly benefit from. These restrictions also include gifts that cannot be legally accepted from any registered lobbyist. Obviously gifts have a momentary value and must be disclosed and this includes the value of accepting a stay at an exotic Bahamas private island as has been now revealed was the vacation destination of Prime Minister Trudeau.

On a related theme the private island where the Trudeau family vacationed happens to be owned by the Aga Khan who in turn is the head of an organization that is registered to lobby the Trudeau Liberal Government. This same organization headed by the Aga Khan also received \$55 million in Canadian public funding from the most recent Liberal Government budget and as a result the Conflict commissioner is investigating this matter further. I am not for a moment suggesting any wrongdoing on the part of the Prime Minister but rather clarifying why this subject continues to be actively raised in Ottawa and more so as the Prime Minister's office initially refused to provide details of the vacation in question.

Following the vacation controversy the Prime Minister also announced a cabinet shuffle that will see the departure of the following Ministers: John McCallum (Citizenship and Immigration) Stéphane Dion (Foreign Affairs) and MaryAnn Mihychuk (Employment, Workforce Development and Labour) The departure of these Ministers provided an opportunity for three new Minister to join the Federal cabinet: François-Philippe Champagne (International Trade) Karina Gould, (Democratic institutions) and Ahmed Hussen, (Immigration). The following existing Ministers were also shuffled into new portfolios: Chrystia Freeland (Foreign Affairs), Patty Hajdu (Employment, Workforce Development and Labour) and Maryam Monsef (Status of Women).

My take on this shuffle is mixed. Government experience is critically important in a cabinet and the loss of veteran Ministers such as McCallum and Dion will no doubt be felt. At the same time adding fresh blood is not necessarily a bad thing and given the failure to date for the Liberal fiscal plan to

reap the promised benefits some new ideas at the cabinet table may be welcome. A Cabinet shuffle is never an easy task for any leader and time will tell if these changes will help reverse the current direction. It is important to remember that citizens run for public office in order to help build stronger communities and federally a stronger Canada. I know that MPs from all parties are concerned at the current economic direction Canada is heading in and I believe we will continue to work diligently in 2107 towards constructive solutions. I would also like to take a moment and public thank Stéphane Dion and John McCallum who have spent many years in public office and have both recently announced they will be resigning as MPs to serve in other areas.

I would also like to extend an invitation to come and meet with me. I will be holding town hall meetings and constituents are welcome Saturday, January 14th in West Kelowna at the Lions Community Hall 2466 Main Street; West Kelowna from 3:00pm–4:30 PM or on Sunday, January 15th in Kelowna at A. S. Matheson Elementary at 2090 Gordon Drive, Kelowna from 3:00–4:30 PM to share their views. I look forward to hearing from you! Contact me at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

January 18th

If you follow my weekly reports often you will know at times I find it frustrating when much of the Ottawa bubble is consumed on somewhat isolated issues that often overshadow other important concerns. Currently the topic of the Prime Minister's winter vacation to a private Bahamas Island and more specifically the possibly illegal use of a private helicopter remains the focus in Ottawa of many media reports. In my report from last week I explained why the vacation issue was a concern however as the Deputy Critic for Finance I have a duty to point out there is other, very serious financial information Canadians deserve to be made aware of.

If you followed the last Federal election closely you will know that the Prime Minister promised to run modest deficits of \$10 billion annually and would return to a balanced budget in the year 2019. Shortly before Christmas the Finance Department released updated fiscal forecast reports that indicate in fact that without deliberate and direct action by Liberal Government, Finance Canada projects that we will not return to a balanced budget until at least the year 2050. If the current Liberal trend of running deficits that are much larger than the promised \$10 Billion a year also occurs Canadians total debt will be at an alarming level of \$1.55 trillion by that point in time.

What is more concerning is as much as the Liberals have promised all of this spending is going to building Infrastructure the Parliamentary Budget Officer also released a report on January 10th that states, and I quote directly "Government's planned investments in infrastructure spending have not materialized in the first half of the year. Infrastructure transfers administered by Transport and Infrastructure Canada fell in comparison to the previous year". In other words infrastructure spending is actually in decline. In reality it is Government operational spending that has increased. Where has this money gone? Statistics Canada shows that the Trudeau Liberal Government hired 14,000 more government bureaucrats to work in the National Capital Region alone in 2016 and a recent 5.5% pay raise plus a signing bonus for many federal government employees has also added many billions of new debt that in turn has resulted in increased operational spending.

As I have also past pointed out increased debt means increased payments on the interest of that debt

that in turn results in less money available to fund other government programs, services and projects. Inevitably it will likely also lead to higher taxation that reduces net take home pay. As you may have heard the Liberal Government has also recently admitted they are giving serious consideration to tax changes that may impact many Canadians. As one example if you currently receive any healthcare benefits provided by your employer the Liberal Government has indicated these may become taxable benefits in the near future. This would be particularly punitive here in BC as we are Canada's only Province that charges MSP premiums for healthcare.

I appreciate my report this week will not sit well with some citizens however I should also point out these are actual events that will at some point affect future Canadian taxpayers. Some in Ottawa have gone so far as to suggest given this recent fiscal news the Liberal Government prefers talking about private helicopter trips compared to increased taxes, higher debt and deficits as a result of increased operational spending with little infrastructure to show for it. As the Deputy Finance Critic and as your Member of Parliament I will continue to hold the Liberal Government to account on these concerns and welcome your comments and questions. I can be reached at Dan.Albas@parl.gc.ca or toll free 1-800-665-8711.

January 26th

It was back in my Nov. 10th MP report that I last raised the subject of then President Elect Donald Trump where I speculated among other things that the Keystone XL pipeline approval was a strong possibility while the likelihood of seeing a national carbon tax in the United States was not.

Given the recent inauguration of now President Trump there is certainly a new level of concern for what this will mean to Canada, in particular to the many small business owners who depend upon either directly or indirectly free trade with the United States.

At this point there is only speculation to answer this question however there is in my view a pattern emerging to what direction the Trump administration is heading in trade renegotiations. What is that pattern? Thus far it appears that those countries that most enjoy a trade surplus at the expense of the United States are potentially being targeted. Mexico, as one example, currently enjoys a \$60 Billion dollar trade surplus and already manufacturers such as Ford have announced they will abandon planned investment in Mexico and instead bring some of those dollars back into the United States. While many around the world see this as protectionism across the border it is viewed as nationalism in an effort to increase well-paying US manufacturing jobs in the auto sector. We should not overlook that here in Canada our Federal Liberal Government also just secured a major investment with Honda for upgrades to an automobile plant in Ontario. The primary difference in approach is in Canada over \$80 Million was offered to Honda in joint Federal and Provincial corporate subsidies whereas in the United States the Trump administration threatened an import tax to achieve a similar outcome.

China is suggested to also be a potential target of the Trump administration considering it currently enjoys a trade surplus of close to \$370 Billion with the United States. The primary concern expressed from the Trump administration is manufacturers taking advantage of lower labour costs to move jobs outside of the United States into countries such as China. Although seldom reported this is not a new concern for the United States. Under the former Obama administration the United States filed some 16 World Trade Organization complaints against China alleging unfair trade practices. The Trump

administration has suggested further increasing tariffs potentially as high as 45% to encourage manufacturing investment to remain in the United States. The Trudeau Liberal Government by contrast has expressed interest in going in a very different direction by potentially establishing a free trade relationship with China, who currently enjoys a trade surplus over Canada of roughly \$46 Billion annually.

So where does this leave Canada with the United States? From a trade perspective Canada and USA have a far more balanced relationship. In 2015 Canada enjoyed a trade goods surplus of \$15 Billion however an offsetting trade deficit on services at \$27 Billion meant that overall the United States had a total trade surplus of \$12 Billion. When one considers the total value of trade in goods and services between Canada and United States is over \$660 Billion it is clear this relationship is overall working well for both countries. Likewise in Canada there is typically no significant labour savings in manufacturing when compared to the United States. Generally lower corporate and small business taxes along with the preferable exchange rate have been Canada's leading assets for attracting investment. The Trump administration is not unaware of these factors and has committed to lowering US corporate taxes to levels similar to here in Canada. What is of concern is that Canada is increasing payroll costs through expanded CPP and implementing a national carbon tax- both increase costs that a competitor in the United States would not have to swallow. At this point I am more concerned that Canada will make itself less competitive for investment and that can harm jobs that will benefit other countries. It should also not be overlooked that many countries who do enjoy a large trade surplus are not implementing carbon taxes or other cost increases onto employers. Here in Canada investment continues to decline while net new jobs are not increasing. Let us all hope this trend will start to be reversed in 2017.

As always I welcome your comments, questions and concerns and can be reached at Dan.Albas@parl.gc.ca or toll free at 1-800-665-8711.

February 2017

February 1st

It was my intent this week to cover the topic of employer provided health benefits potentially being taxed by the Liberal Government. This is by far the largest single issue that I have heard from constituents since the beginning of this Parliament; however that is not surprising given recent media reports that the Conference Board of Canada estimated a family earning \$45,000 annually could end up paying an extra \$1,167 a year in Federal taxes. This study was based on a family from Ontario, however it is understandable why many Canadians are deeply concerned about the potential for such a substantial federally imposed taxation increase. This is a subject I will cover in greater detail in a future report.

The subject that needs to be addressed this week is the senseless and brutal violence that took the lives of six Canadians at a Quebec City mosque. The intent of my report is more than to simply condemn this brutal and unacceptable violence that has no place in Canadian society. I would also like to pass on some troubling observations. If you followed the reporting of this incident closely you will know that many credible news organizations reported unverified information that included details

such as multiple suspects and in some cases names were even published– all prior to official information being released by the police. The trouble I have with this is that when a name is publicized by media that suggests it could be a more common name from a Muslim populated country there is immediate speculation that the event in question may be some form of Jihadi inspired terrorism.

Had this tragedy been committed by a recently arrived refugee indeed very serious concerns would be raised about the integrity of our refugee vetting process and inevitably would also raise suspicions and weaken public trust at the thought other potential terrorists may have also slipped into Canada through the cracks. This can compromise, undermine and overlook that refugees come to Canada to escape these very things and is counterproductive to building the strong and diversified Canada that we all collectively celebrate on July 1st of every year.

We now know, thanks to verified information from the police, that the only suspect involved in this disturbing incident is a University student born and raised in Quebec. While I will credit news organizations like CBC for quickly correcting the record, I would also like to point out considering our societal sensitivity to these tragedies it is critically important that we not rush to get out details that may be misleading or worse as we saw were completely incorrect. In other words it's important to take the time to wait for official police information and refrain from reporting unverified information that can lead to dangerous speculation.

I would also like to take a moment to extend sincere condolences to the family and friends who have lost loved ones in this senseless tragedy. I know in all parts of Canada, there is collective grieving with many vigils to show unity against this brutal act of disturbing violence, terrorism and hate related crime. Our diversity in Canada is part of what makes us stronger as a nation. May we always live in a country where we stand united to defend those values. I can be reached at Dan.Albas@parl.gc.ca or call 1-800-665-8711.

February 8th

“We are committed to ensuring that the 2015 election will be the last federal election using first past the post” – Justin Trudeau, during the June 2015 election writ period.

“What Mr. Trudeau proved himself today to be is a liar of the most cynical variety of politicians saying whatever it takes to get elected” NDP MP Nathan Cullen, February 1st, 2017

Ottawa has been in an uproar this past week over news from Prime Minister Trudeau that his promise on democratic reform will join the growing list of broken Liberal promises.

What is most alarming and disappointing about the announcement to abandon democratic reform is that the reason offered by the Liberals was that there was no clear consensus on how to move forward. While not everyone supported the idea of electoral reform of those who did there was overwhelming support expressed for proportional representation and claims to the contrary are patently untrue.

Likewise there was also strong support for a democratic referendum on this very question of electoral reform. Curiously the Liberal Government spent millions on an online democratic reform

survey but deliberately left out asking questions of this very nature leaving many to speculate “the fix” so to speak, was set some time ago.

It is unclear where the Liberal Government will go from this point as there has been a very significant outcry from many Canadians who did strongly support changes being made to our electoral process. I mention this because recently we did see an example where the Liberal Government did in fact hear the concerns of Canadians and responded accordingly.

As you may recall in last week’s report I briefly referenced the potential for the Liberal Government to make taxation changes that would see employer provided health and dental benefits become a taxable benefit. Such a tax change could cost Canadians families over \$1,000 a year or more and as a result many were strongly opposing this potential new tax grab. Fortunately the Liberal Government listened and the Prime Minister confirmed that health and dental benefits plans will not be treated as a taxable benefit. I will applaud the Government for listening to the concerns of Canadians on the important topic of not raising taxes.

Another concern I have been raising in Ottawa is related to recent changes to mortgage regulations. Last week at the Finance Committee we heard from many expert witnesses on how newly proposed mortgage changes may adversely impact Canadians.

While many are aware of mortgage changes that raise the threshold to qualify for a mortgage, many were very surprised to learn that under the proposed changes those who want to re-finance an existing mortgage will find it more difficult to obtain financing due to less financing options and more than likely an increase to the mortgage rate.

The reason for this is under the new set of rules; Mortgage Insurers such as CMHC, Genworth, and Canada Guarantee will no longer be able to provide mortgage insurance for refinances. This affects many of Canadian lenders who need to obtain the backing of mortgage insurance for all mortgages, regardless of the nature of the mortgage.

As the public servants involved in this area could not provide a coherent reason for this punitive policy a motion I put forward to have the Finance Minister appear directly before the Finance Committee was adopted thanks in part to some Liberal MPs voting in support. I will provide a further update on this subject as it becomes available.

I welcome your comments and concerns and can be reached at Dan.Albas@parl.gc.ca or toll free at 1-800-665-8711.

February 15th

Earlier in the week all eyes were focused on the White House for the historic first meeting of President Trump and Prime Minister Trudeau. While no official agreements were reached at this meeting by most accounts it was a positive first encounter of the two world leaders. While many were disappointed and critical that Prime Minister Trudeau did not publicly denounce some of President Trump’s policies in my view I believe our Prime Minister set the right tone and was wise to not engage in United States political debate. Canada and the United States share the world’s most successful trading relationship and while the Prime Minister may have earned political favour here in

Canada for engaging in United States political advocacy the decision to refrain and focus on a more cordial tone was from my perspective a wise choice. Hopefully in the near future this new relationship will result in agreements on softwood lumber and other trade related measures in a mutually beneficial manner.

With so much attention on this meeting overlooked was recent changes coming to Canada's mortgage regulations and one in particular that I would like to share more information on. As a Member of the Finance Committee one of the duties we perform is to hear from expert witnesses and industry stakeholders on how newly announced or changed finance regulations can impact Canadians. As an example of this with respect to the mortgage changes we learned that for those who might re-finance an existing mortgage there are some potentially significant changes that may result in Canadians paying much higher interest rates on a re-financed mortgage.

Currently Canadians who re-finance a mortgage have the security of having that mortgage insured by the Canadian Mortgage and Housing Corporation (CMHC) this guarantee means the mortgage is of low risk to lenders and as a result many lenders, including several private lenders, compete to offer very competitive interest rates. This is often why homeowners will take advantage of re-financing a mortgage as the low interest funds might be used to invest in a small business, to finance home renovations or even help deal with a lifestyle change such as divorce or a pro-longed strike or lockout. Debt consolidation is another potential factor. Whatever the reason one may choose to refinance a mortgage, the CMHC Insurance is a protection available to Canadian homeowners. With the proposed mortgage changes this CMHC Insurance on a re-financed mortgage will be taken away.

The lack of CMHC Insurance of a re-financed mortgage does not mean one cannot still re-finance however without the CMHC Insurance the interest rates will be considerably higher and there will be fewer competitors as we heard from many expert witnesses at the Finance Committee.

From my perspective these changes are puzzling. CMHC is not a program subsidized by Canadians. Those who use the services of CMHC pay fees that not only fully cover the costs of CMHC they in fact turn a profit with net income in excess of \$2 billion annually. If anything these changes will not only cost Canadians who re-finance more money in higher interest rates, they will likely also see a reduction in the profit created by CMHC derived from the user fees. So why is the Liberal Government making these changes? As yet we don't know. Several bureaucrats interviewed at the Finance Committee have yet to offer up a coherent answer. As a result I tabled a motion for the Finance Minister to attend in person to explain this policy decision. Fortunately my motion was supported by enough Liberal MPs on the Finance Committee to pass and I will have a further update on this subject.

My question today is a simple one. Do you believe Canadians should continue to receive CMHC Insurance on a re-financed mortgage? I welcome your comments and concerns on this or any topic before the House of Commons and can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711

February 23rd

As much as there has been considerable attention on how the new American administration may impact Canada from an economic perspective, overlooked thus far has been the impact to Canada on illegal refugee entry. As you may be aware in parts of Manitoba and Quebec there has been a significant increase of refugees illegally crossing into Canada creating considerable concern on the overall integrity of Canada's immigration and refugee system. The concern is that if refugees can enter Canada illegally in an effort to obtain status it may encourage others to follow a similar course of illegal action as opposed to making a legal application through the existing process.

To be fair to the refugees, there are concerns they may be deported from the United States as a result of a crackdown on illegal immigration by the new administration. At the same time, Prime Minister Trudeau has stated that Canadians will welcome those who are turned away or refused entry in the USA. Although I do not believe the Prime Minister intended to encourage illegal entry into Canada his comments have certainly encouraged some to do precisely that.

To further complicate this situation Canada and the United States in 2002 signed the "Safe Third Country Agreement". This agreement essentially means that any person seeking refugee status must make a claim in the first country they arrive in, either Canada or the United States. Meaning that the recent refugees crossing the border illegally from the United States into Canada cannot, in effect, apply for refugee status here in Canada. As a result some, including the NDP, have called on the Liberal Government to suspend the Safe Third Country Agreement. An action that to date the Liberals have stated they will not consider.

This is a difficult situation as many of those illegally entering Canada, if they are deported back to the United States, may well again be deported back to their home countries where very real threats and dangers may exist. At the same time if Canada does allow the "Safe Third Party" agreement to be suspended it will set a precedent that could result in potentially significant amounts of refugees illegally entering Canada and at the same time undermining the integrity of our refugee and immigration system. For that reason I believe the Liberals will need to proceed cautiously in how this situation is resolved.

Currently there is no legislative measures being contemplated in the House of Commons with respect to this matter. On the same theme I would be interested in hearing your views on the subject of refugees illegally entering Canada from the United States. Do you support the Safe Third Country agreement being lifted or should our current laws remain in effect and be enforced? I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

March 2017

March 1st

One of the frustrations I experienced in the last Parliament as a member on the Government side of the House was how certain Government bills and related legislation were at times intentionally misrepresented by interest groups and others solely to incite opposition. As an example of this it was

often implied that Bill C-51 “The Anti-Terrorism Act, 2015” would allow for peaceful law-abiding protesters to be arrested without cause at a protest or demonstration. These claims were erroneously made despite the fact the Bill contained language that clearly stated Bill C-51 specifically excluded “lawful advocacy or protest” from its application in defining legal and illegal protests with respect to “interference with critical infrastructure”.

When I became a member of the Official Opposition one of the commitments I made was to not use similar tactics that in my view only serve to mislead Canadians. I offer these comments as recently I have noted that a Bill introduced by the Liberal Government, specifically Bill C-23 “The Preclearance Act” is being targeted with many similar misleading and inaccurate claims much as was targeted at Bill C-51.

If you are unfamiliar with Bill C-23, in the words of the Liberal Government, it will expand the limited number of current US Customs staffed pre-clearance locations in Canada (as an example in airports such as Vancouver and Calgary for USA bound passengers) to a greater number of locations in Canada (that because of Bill C-23) will expand to include passage by land, water and train.

Some are claiming that Bill C-23 allows US Customs Agents to engage in activities that are against Canadian law while on Canadian soil. While these allegations have been successful in stirring up concern and opposition to the Preclearance Bill, the actual legislative summary is clear on this point and I quote accordingly “establishes that the exercise of any power and performance of any duty or function by a United States preclearance officer is subject to Canadian law, including the Canadian Charter of Rights and Freedoms, the Canadian Bill of Rights and the Canadian Human Rights Act”.

From another perspective, it has been suggested that entering the United States may be more difficult for some Canadian citizens as a result of the new administration. While I have not yet personally heard from any constituents to verify these claims I will observe that if a Canadian citizen is going to be refused entry into the United States for whatever reason it is far more convenient for that refusal to occur in Canada at a pre-clearance location rather than in the United States where a deportation and related unplanned air travel costs can present a far more serious inconvenience. For that reason alone I believe the Liberal Government is taking a prudent course of action in expanding the pre-clearance program that by most accounts has proven to be a simpler, more accessible way to travel across the border for those citizens who decide to visit to the United States.

I welcome your views on this subject: are you supportive of expanding USA pre-clearance as described above in Canada? I can be reached at Dan.Albas@parl.gc.ca or toll free 1-800-665-8711.

March 8th

Back in late December the Liberal Government quietly released a rather ominous report from the Department of Finance that related to future debt projections based on the Liberal Governments current fiscal policy direction. The report indicated that unless there is a change in course Canada will continue to see annual deficit budgets until at least the year 2050. By that time Canada’s debt will have reached a rather staggering level of \$ 1.55 trillion dollars. This of course stands in stark contrast to the return to a balanced budget in 2019 promise made by the Liberals prior to the last election. It is no wonder that the Liberals, it has since been reported, delayed releasing this report until Friday December 23rd instead of early October when it was first shown to the Finance Minister.

With so much newly created Liberal debt the question to be asked is where is this money all going? The Liberals will continually reference one of the areas of increased spending is infrastructure. In the past the former Conservative Government also significantly increased spending on infrastructure and in reality all levels of Government engage in infrastructure spending. With that in mind for this week's report I would like to share more information regarding the Federal Government infrastructure spending as it will be current and increasingly future generations of Canadians who will be paying for it.

Currently the Government has announced \$ 186.7 Billion in planned infrastructure spending. However on closer inspection that \$ 186.7 Billion is being spent over the next twelve years. Roughly \$ 100 Billion was already allocated for as regular infrastructure spending while the Liberals have called for a further \$82 Billion increase of "new money" to raise that amount to reach the \$186.7 Billion figure. What is more interesting is that only \$13.6 Billion of that \$ 186.7 billion will be spent over the next two years Canada wide. This is an important figure because for the first eight months of 2016 the Liberals ran a budget deficit of \$ 12.7 billion and are estimated to hit a deficit over \$ 25 Billion this year alone. In other words infrastructure spending is in large part not to be blamed for the Liberal Government massively increasing deficits and growing debt.

From another perspective when looking at the \$ 12.7 Billion that is forecast to be spent on Infrastructure between 2016 and through to 2018 currently the Parliamentary Budget officer could only identify \$ 4.6 Billion in actual projects meaning that as much as debt continues to increase many of the announced infrastructure dollars have yet to make it out to communities where they can provide economic and societal benefit.

From a political perspective the timing is very interesting. While the Liberals have announced a significant \$ 186.7 Billion of spending on infrastructure and continue to cite increased infrastructure spending when queried on significantly increasing debt, in reality very little of the announced infrastructure spending will have occurred by 2018, in theory just \$ 12.7 Billion. More troubling is that of that \$ 12.7 Billion, much of that has yet to be allocated. This means that by 2019, which just so happens to be an election year, The Liberals will need to significantly accelerate their infrastructure spending which has not, to date, kept pace with how fast the same Liberal Government has been accelerating deficit budgets and increased debt.

As the Deputy Finance Critic the fact that the current rise in debt and deficits is clearly un-related to increased spending on infrastructure is a serious concern. Basically this situation means that current program spending is unsustainable and is potentially creating a structural deficit that will present serious challenges for future generations of Canadians. My question for this week is how concerned are you at the lack of progress on getting infrastructure projects going contrasted against the growth in deficit budgets and debt? I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711

March 15th

This week the House of Commons is adjourned and will resume next week with the much anticipated budget to be delivered on Wednesday, March 22, 2017. As is often the case there are considerable

rumors circulating on the content of the budget. At this point the only details we know with certainty is the budget will again run a considerable deficit while the Liberal Government refuses to disclose when the budget will again return to balance, given that the promised date of 2019 will not be met.

For the Liberals, they have created a very serious problem. Increases in program spending along with a cut to income taxes in particular for those in the \$100,000 up to \$199,000 threshold have essentially created a structural deficit where spending now exceeds revenue each year by a sizable margin. To further complicate this situation, as I mentioned in last week's report, in the year 2019 Liberals will also significantly increase infrastructure spending according to their fiscal plan. All of this means that in essence the Government is now out of money and is borrowing creating a situation where increasingly more money is spent paying interest on debt leaving less money available for other programs. In fact Canada now spend more on debt servicing each year than we do on National Defence. As you may also be aware Canada has recently been singled out for not fulfilling our NATO budgetary spending commitments.

For the Liberal Government who inherited a balanced budget, the sudden change in Canada's fiscal situation has created a serious problem. With spending only set to increase, the only alternative for the Government is to increase taxes. This was recently contemplated with the idea to make employer provided health and dental plans to be considered as taxable benefits before the Government backed off on the idea. Currently the Government is now exploring other options where taxes can be increased without causing harm to the Canadian economy. I mention this fact as the new administration in the United States is currently in the process of lowering many taxes in particular for the corporate sector. Although the USA Presidential twitter feed seems to attract most of the media attention these days lower USA corporate taxes are a real concern for Canadian competitiveness. As one example Canadian business investment declined over 2% in the most recent fiscal quarter and has declined every fiscal quarter since the Liberal Government was elected.

The decline in investment is a particular concern as new investment typically leads to more jobs and by extension citizens who are employed and paying taxes instead of being unemployed and drawing benefits. The solution? The Liberal Government has hinted they will undertake a taxation review that many have speculated will be an exercise to eliminate various tax credits in an effort to increase revenue. It has also been suggested the Government may increase the capital gains tax. In theory most support an increased capital gains tax however the downside of such a move is a term called "asset lock" where assets are not sold in order to avoid paying taxes on the capital gains. Having assets on hold does little to stimulate the economy and likewise does not produce the revenue expectations of government thus creating a no win situation.

In my opinion the Government will need to concede that it has developed a spending problem and as generation we are currently leaving bills behind for our kids and our grand kids to resolve, a situation most I believe would agree is not responsible.

My question today relates to the budget. Do you believe the Government should place a greater priority on having a plan to return to balance? I can be reached at dan.albas@parl.gc.ca or you call toll free at 1-800-665-8711.

March 23rd

This week the major talk in Ottawa revolves around the Liberal Government announcing the 2017 Budget document. This is typically the time where Government promotes what it believes are the benefits of said budget and opposition generally looks to point out those items they view as missing or otherwise lacking. For this week's report I will pass on some of my own observations and thoughts from my perspective of the official opposition deputy finance critic.

My first observation was how inaccurate many of the advance rumours on this budget turned out to be. As an example while many expected the Liberals to honour a promise to phase out taxation benefits with stock options and capital gains none were targeted in this budget. Likewise another rumour that many airports located on federally owned lands would be sold is also off the table, at least for the moment.

The most frequently asked question on budget day is typically what taxes are being increased or decreased. In this case the changes in this budget are mostly tax increases in specific areas.

Some of those areas include a tax increase on alcohol and tobacco products, ride sharing services such as Uber are now taxable, and curiously the elimination of the transit tax credit for those who frequently use public transportation. Income taxes remain unchanged after being altered in the 2016 budget.

Although the Liberals promised to balance the budget in 2019 the fiscal update contained in Budget 2017 reveals that in reality the Liberals plan to run a deficit over \$23 billion in 2019 with no plan to return to a balanced budget in the foreseeable future.

By the numbers Budget 2017 proposes a total budget deficit of \$28.5 billion with a \$ 3 billion risk buffer. If the risk buffer is removed the actual deficit would be around \$25 billion. For added context the 2016 budget deficit is estimated at \$23 billion so in that respect spending has increased by roughly \$2 Billion.

Where is the increased spending going? The Liberals are using a different strategy in Budget 2017. Rather than spend relatively large amounts of funds in specific areas, such as infrastructure as an example, the Liberals are giving relatively small amounts of funding spread out over a much wider range of areas, far too many to include in this report. Some critics have already suggested this will result in these funds having little impact being spread too thin. From my standpoint while it would be easy to suggest this budget is trying to do too many things I believe taking a wait and see approach is prudent.

Overall my largest concern with this budget is the failure to indicate when the Liberals will return to a balanced budget. By the time the next election occurs the Liberals will have added over \$100 Billion in new debt with literally no end in sight. While the Liberals argue this is investing in the middle class in my view it is mortgaging the middle class as future generations of Canadians will be left paying for what is basically a structural deficit.

As always I welcome your questions and comments on Budget 2017 and any matter before the House of Commons. I can be reached at Dan.Albas@parl.gc.ca or toll free at 1-800-665-8711.

March 29th

One aspect of majority Governments that is not often discussed is the ability to control timing. As an example of this announcements that may not be received positively are often released late on a Friday, as was the case when the Liberals released alarming updated debt projections on Friday, December 23rd of last year. Another example is making an announcement during the same time frame the budget is introduced knowing full well the budget will overshadow other events and thus receive less scrutiny. An example of this occurred recently when the Liberal Government released a document they call the “Modernizing Parliament” document.

As an Opposition MP I have come to be increasingly skeptical when the Liberals introduce new documents using buzz words, as was the case with the Liberals “Democratic reform” that the Liberals reneged on only when their preferred version of democratic reform, the use of a ranked ballot, was not well supported by experts during a Parliamentary Committee study and submissions by Canadians who instead supported other proposals like proportional representation.

In this case of “Modernizing Parliament,” it is clear that the Liberals see less accountability and a shorter Parliamentary work week – both measures that benefit the majority governing Liberals, as the more modern new way of doing business. Essentially some of the measures being proposed include shortening the Parliamentary work week by eliminating Friday sittings, eliminating Opposition procedural tactics in the House of Commons and what I find most troublesome allowing the Prime Minister to only show up one day a week in Question Period.

Why does this last measure trouble me? Think back to what was viewed as the “Senator Duffy scandal” – without the ability to question the Prime Minister daily in the House of Commons it is doubtful this issue would have received the scrutiny it deserved. Conversely without the ability to question the Prime Minister daily would the talents of NDP leader Thomas Mulcair in Question Period have been as well recognized by Canadians? Having been a member of the former 41st Parliament I believe our democratic interest was well served with the daily accountability from Question Period with an expectation the Prime Minister attends more than once a week.

At the same time the Liberals are proposing to spend less time in Ottawa they have also increased Parliamentary precinct spending by 18% since being elected. The House of Commons and Senate budget jointly is almost \$700 million annually, an increase of roughly \$100 Million since the Liberals were elected. In my view significantly increasing spending at the same time the Liberals are proposing to spend less time in Ottawa is misguided.

More importantly is the fact that as elected Members of Parliament we do not work for the Liberal Government, we work for Canadians. You are our employers and in my view it is up to Canadians to decide if they see higher spending on Parliament and getting a shorter work week in return is something you support. For the record both the Conservative and NDP Opposition caucuses fully oppose these measures. We were elected to a House of Commons that sits 5 days a week when the House is in session. I believe it is our duty as MPs to honour that work week commitment no differently than most Canadians do.

My question this week is do you support a shorter Parliamentary work week when the House of Commons is sitting? I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

April 2017

April 5th

This week the major theme in Ottawa has once again focused on the Quebec based manufacturer Bombardier after it was reported that six company executives were to receive \$32 million in bonus payments. Bombardier, as many may recall, received an interest free \$372.5 Million loan from taxpayers back in February. This loan was controversial in large part as Bombardier executives had previously stated publicly that the company did not actually need the loan having secured adequate funds elsewhere. Controversy over the announced \$32 million in bonus payments did result in Bombardier voluntarily agreeing to defer half the bonus amount to the year 2020 if certain financial targets are met.

As my own critics like to point out in recent letters to the editor – opposing is not the same as proposing an alternative. It is an important point and one that I agree with. In this case could the \$32 million in bonus payments to Bombardier executives be avoided until the company repays the \$372.5 Million loan? The alternative answer is yes.

As an example when the former Conservative Government provided assistance to Air Canada this assistance came with terms and conditions. Some of these conditions included terms that executive compensation would be frozen at the rate of inflation and that any additional bonuses would be prohibited. Over and above these restrictions Air Canada was also banned from issuing dividends or allowing share repurchases.

The debate in this particular case is that the Liberal Government loaned \$372.5 Million to Bombardier, interest free, with no similar terms of restrictions whatsoever. In fact at the same time Bombardier receives this loan it has also announced 7,500 jobs will be lost, 2,000 of these jobs in Canada alone. It was further revealed in Question Period this week that the Liberal Government has yet to sign off on the final paperwork for this loan and still has the option to add similar restrictions if it so desires.

My question this week pertains to government bailouts to private industry. In the event the Government does provide a form of assistance to a large scale Canadian employer is it reasonable to also require and enforce that executive bonuses and other shareholder related perks have limits placed on them until such time a loan and/or other relief measure is satisfied?

I welcome your comments, concerns and questions on this topic or any matter before the House of Commons. I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

April 13th

Tuesday night was a disappointing evening in Ottawa. With only three hours advance notice the Liberal Government invited Parliamentarians for a technical presentation on the upcoming 2017 Budget Implementation Act, also known as the BIA. Once I arrived for the presentation it became very clear the reasons why. In spite of promising Canadians that the Liberal Government would not

use omnibus legislation, the new Liberal BIA is a textbook example of an omnibus bill.

For those of you unfamiliar with an omnibus bill, essentially it is legislation that seeks to amend, repeal or enact several Acts, and is often characterized by the fact that it has a multiple number of separate initiatives that may be only loosely connected to the actual intent of the original bill, in this case the budget.

As an example, in this Liberal BIA it is proposed to weaken the independence of the Parliamentary Budget Officer (known in Ottawa as the PBO), a measure not related to the spending of funds outlined in the budget but rather a measure by the Liberals to weaken scrutiny of the spending. A disappointing but not surprising result given that the Liberals have been embarrassed by the PBO's previous reports that famously exposed Liberal efforts to manipulate and hide the fact that they inherited a balanced budget from the previous Conservative Government or the recent PBO report revealing the Liberal's slow and disjointed infrastructure spending.

Critics oppose omnibus bills arguing that with so much widely varied content an omnibus bill cannot receive the required parliamentary scrutiny for the many varied clauses. Another criticism is that some measures within an omnibus bill may be widely supported but other measures may be strongly opposed. As an example in this case weakening of the independence of the PBO would never stand as a single bill however it can more easily slip through in an omnibus bill where it will receive less scrutiny.

While the criticism against omnibus bills is certainly valid and should not be overlooked, I believe there is also another perspective that is deserving of consideration. A Government in challenging economic times has an obligation to enact as many measures as it believes is reasonably required to continue to build a stronger and more prosperous Canada. Within any Legislative or Parliamentary precinct there is ultimately a limited amount of time available that can also be subject to opposition delay tactics.

Government's propose many of these measures because it believes they are beneficial to the citizens it collectively represents. In my view it is not unreasonable to use an omnibus bill for the purposes of enacting broad based legislation in areas supporting the economy, public safety, the environment or trade as a few examples.

In this case I am not faulting the Liberal Government for using an omnibus budget bill such as this. Where I do take issue with the Liberals is that they committed to Canadians they would not use omnibus bills; in fact they promised they would outright change the House rules to technically eliminate them. It was the Liberal's choice to promise this during the election and their choice to table such a bill- regardless of whether or not our rules allow for them or not.

As with the promise to enact electoral reform or to return to a balanced budget by 2019, Canadians are witnessing a disturbing pattern of broken promises that were made to Canadians by this Liberal Government with little to no regard for keeping those promises. For a Government that promised "better was always possible", I would submit a pattern of broken promises only serves to undermine our democratic process and increase cynicism among voters, and on that note I believe yes, this Liberal Government can do better.

My question this week – Do you support the limited use of omnibus bills or should they be prohibited as the Liberals promised? I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

April 20th

Last week the Liberal Government introduced the much anticipated Marijuana legalization bill, technically known as Bill C-45 “The Cannabis Act”. First let me state that the Liberals clearly campaigned on legalizing marijuana and I have heard from several citizens who indicated this was one of the primary reasons they voted Liberal in the last election. I mention this point as I believe the Liberal Government does have a democratic mandate to move forward with this legislation.

From a quick overview this Bill takes a very similar approach that I used with my wine bill that removes federal barriers but still allows Provinces to enact and adopt their own rules and regulations with respect to marijuana legislation. I will credit the Liberals for using this approach as it allows Provinces to individually respond to this legislation in whatever manner they believe is most workable.

So what is proposed? Bill C-45 proposes a number of measures related to the legalization of Marijuana, some of these include: that cannabis can only be sold to citizens age 18 or older although individual Provinces can raise the legal age limit if desired. It is further proposed that adults would legally be able to possess up to 30 grams of legal cannabis in public, and to grow up to four plants per household at a maximum height of one metre from a legal seed or seedling. However it should also be pointed out that until the new law comes into force, cannabis remains illegal in Canada, except for medical purposes.

With the proposed legalization also comes new proposed changes to penalties and enforcement with significant changes to impaired driving enforcement. A few examples of this include allowing the police to demand that a suspected driver provide an oral fluid sample on demand. New regulations would also be introduced with respect to restricting the THC level per millilitre (ml) of blood not unlike current restrictions related to blood alcohol content. There is also a provision to allow for mandatory roadside screening even if an officer does not have a suspicion of drug or alcohol use. Prison sentences of up to 14 years are also proposed for illegal distribution or sale of marijuana. It is also proposed that penalties of up to 14 years in prison may result for giving or selling marijuana to minors. These are just a few of the many changes that are proposed in Bill C-45 with respect to penalties and enforcement.

As is often the case with any proposed new legislation there are still many unanswered questions, a few of these include concerns from landlords as typically tenant insurance will be void if marijuana is grown in a rental property. Border crossings is another topic as the United States may refuse to allow entry to a citizen who has used marijuana. Policing and identifying legal marijuana from illegally sourced marijuana is also a serious concern as criminal organizations could potentially undercut legally sourced marijuana with higher THC content black market cannabis. There is also a concern that many cannabis vendors currently defying the existing laws may not comply with the new regulations and restrictions either thus ensuring that enforcement remains a challenge that many municipal and provincial police forces will be burdened with the costs of policing.

My thoughts? Many details will need to be worked out by individual provinces for a more detailed understanding of how the full implementation will occur that will be an important part of this discussion. One concern I do have is that the Canadian Medical Association, has stated that even occasional marijuana use can cause serious negative psychological effects on brain development up to the age 25. As a result of this medical evidence I believe a substantial public education campaign will be needed to better educate citizens on the mental health risks that marijuana legalization presents to children and young adults. I will continue to provide further updates on this topic as they become available. I welcome your comments and questions on marijuana legalization and can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

April 26th

This week the USA administration announced that softwood lumber imports into the United States from Canada would be subject to new duties ranging anywhere from 3% up to 24%. The highest duties will be primarily against producers here in Western Canada. Within hours many media sources were running headlines reporting a trade war had erupted. Closer to home BC NDP leader John Horgan accused Premier Christy Clark of failing to resolve the matter even though it is entirely an issue of Federal jurisdiction that resides at the feet of the federal Liberal Government to resolve.

I mention these things because this is an issue that for some is easy to play partisan politics with as the BC NDP has illustrated. However in reality forestry is a critically important industry not just in our riding of Central Okanagan Similkameen Nicola but in many ridings in British Columbia and let us not forget other regions of Canada. As an example in my riding the largest private sector employers in West Kelowna, Merritt and Princeton are all lumber mills. In the riding immediately south, South Okanagan—West Kootenay represented by NDP MP Richard Cannings, this is also the case and is one of the reasons why MP Cannings recently introduced a private members bill promoting the use of wood in Government related construction projects.

In short this is an issue that should be above partisan politics. I mention that resolving the softwood lumber dispute is an area of federal responsibility as it is unfair and inaccurate to suggest that the BC Government, or any provincial Government for that matter, has the ability to resolve the Softwood Lumber dispute. To be clear it should also be pointed out that this is a long term dispute and not a full blown trade war as some are attempting to claim. I believe it is also important to add that the Liberal Government, and in particular our Prime Minister, has shown restraint in not getting involved in USA domestic politics despite that it would be politically convenient to do so. In fact to date I believe most political pundits would agree that our Liberal Government has made considerable effort to work proactively with the new United States administration in several areas.

I mention all of these things as I believe that partisan politics and finger pointing will not constructively assist this situation and our combined focus should be on getting an agreement. If we can work together on a united approach we will increase our odds of success. Ultimately this challenge occurs because much of the United States timber is harvested from private land owners who are more successful in driving up revenues than our crown land system used primarily here in Canada. This in no way suggests that our crown land timber is subsidized, in fact all evidence to date and success at many trade dispute resolution tribunals consistently rule in Canada's favour.

To further complicate this matter when the Canadian dollar exchange rate is factored in at roughly between 74-76 cents USD this in fact becomes a discount that USA lumber producers must compete against. Interestingly enough the USA administrations recently added new duty rates essentially wipe out the currency advantage that works in Canada's favour essentially meaning that Canadian produced lumber will now arrive in the United States at a similar cost as USA produced lumber. I mention this only to add some perspective from the other side of the border.

There is no question both the Federal and many Provincial Governments will employ many strategies to attempt to help mitigate and resolve this issue as quickly as possible. From my perspective I will continue to support all measures that can bring this matter to a resolution as quickly as possible. I can be reached at Dan.Albas@parl.gc.ca or toll free at 1-800-665-8711 and welcome your comments and questions on this topic.

May 2017

May 4th

One of the challenges that all Provincial and Federal Governments face is communicating policy in a manner that is easily understood by citizens. On the surface this may sound simple but sometimes policy can be difficult and timely to explain easily. Further, opposition parties and other interest groups may either intentionally or unintentionally mispresent policy in manner that may undermine or generate public opposition.

I mention these things as the current BC election has resulted in some issues being raised that require more information to properly scrutinize. As an example of this in the community of Merritt one of the largest lumber mills has shut down in the past year creating significant hardship for many in this community. As forestry is an area that falls into Provincial jurisdiction this has become an election issue specifically as it has been alleged by some that the reason this mill closed is related to raw log exports.

In principal most would agree that exporting raw logs to be processed in mills outside of British Columbia should not occur if BC Lumber mills are closing as a result of a lack of timber supply. This raises the question why has no Provincial Government of any political stripe actually banned raw log exports once in power.

Part of the answer to this question is understanding how the process around exporting raw logs, technically known as "unmanufactured timber" actually works. Essentially the process involves three steps. The first step is to acquire an exemption of the requirement that lumber harvested in BC is also processed in BC. Part of the exemption process involves advertising the timber supply in question to be potentially exported on a Provincial list of timber for sale. This bi-weekly advertising list means that a domestic BC mill operator has the opportunity to buy these raw logs before they could be legally exported from BC. If there is an offer to purchase an advisory committee will determine that price is fair market value for all parties involved. If the offer is deemed fair the logs in question will remain in BC to be processed by the successfully bidding mill owner. If there is no interest or suitable buyers found the logs will be considered surplus for BC's domestic needs and be eligible for export.

Once raw logs are deemed surplus an application can be made for a BC Permit to export the logs in question before moving on to the final stage of the process that is a Federal permit for export. Why do some BC lumber mills not bid on these raw logs? There are a number of different reasons for this that may depend on specific circumstances. Many BC Mills have become highly specialized in dealing with specific types of timber to produce a unique value added product. In some cases the timber available for sale may not be of the type or quality desired by the Mill in question. In other circumstances the transport costs may not make purchasing logs in one area of BC economical if there is a sufficient distance to transport. Cost may be another factor more so if the raw logs are from a private forest owner or a First Nations community looking to obtain maximum value.

The intent of my column today is not to defend raw log exports as ideally I believe Governments of all political stripes support increased value added wood manufacturing here in B.C. Forestry remains a critically important industry to many communities in British Columbia and one challenge will be to encourage more investment into value added processing operations with access to a diverse range of markets.

Although raw logs is not an issue of federal jurisdiction I welcome your thoughts on ways Government can promote more value added wood manufacturing. I can be reached at Dan.Albas@parl.gc.ca or toll free at 1-800-665-8711

May 10th

I was asked recently if it is difficult to come up with a different topic every seven days for my weekly MP report to citizens. It is difficult, however not for the reason that you might expect. The challenge is not finding new topics to discuss but rather narrowing down the many subjects available to one or two that can be briefly covered with the limited space available in my reports. Case in point this week I would like to reference the Liberal Government's efforts to muzzle the Parliamentary Budget Officer however a more pressing concern is the Liberals plans for a proposed \$35 Billion Infrastructure Bank.

Why is the \$35 Billion Infrastructure Bank a serious concern? Canadians pay taxes to the federal Government for a variety of different purposes and uses. One of the important uses of your tax dollars is building infrastructure. The challenge here is that \$35 Billion in funding and guarantees that could be building Infrastructure in communities like Kelowna, Peachland, Penticton, Merritt or elsewhere in Canada will instead be diverted to create the Liberals new Infrastructure bank to be located in the Liberal stronghold of Toronto.

The concern here is that this Infrastructure Bank doesn't actually build any Infrastructure. The role of the Liberals new Infrastructure Bank is to attract international investors to ultimately invest and privately build Infrastructure here in Canada. In order to attract sophisticated and often international investors the Government will be paying lucrative rates of return on large scale projects with a minimum price of \$100 Million or more.

Why is this a concern? For starters the Liberal Government is borrowing money it does not have at lower rates of interest solely to subsidize higher rates of return to largely private investors. Worse, is that with a minimum project threshold of \$100 Million many rural communities and even smaller to mid-size cities will not be able to afford projects of this magnitude. Despite this fact the taxpayers

who live within these areas will be saddled with paying part of the borrowing debt and high rates of interest even though they do not directly benefit from the projects. Paradoxically this also comes at a time where new capital requirements put in place by a Federal Government regulator significantly limit the ability for sectors like Canadian insurance companies to invest in Canadian infrastructure. There are other concerns however this summarizes some of the more significant.

This week the NDP will table a motion in Ottawa to remove the Infrastructure Bank from the Liberals' omnibus budget bill so that it can be debated and opposed on a stand-alone basis. For those who might think the Infrastructure bank is only being opposed by Opposition parties alone it should be noted that other analysts such as the former Parliamentary Budget Officer through the University of Ottawa's Institute of Fiscal Studies and Democracy has also has stated serious concerns and questioned the need for a costly new level of bureaucracy and administration to create a bank that borrows funds at relatively low interest rates solely to pay high rates of return to international investors.

It is my intent to oppose the Liberals new Infrastructure bank however I welcome your views on this topic. Do you support the Liberals \$35 Billion Infrastructure Bank? I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

May 17th

This week in the House of Commons the Liberal Government introduced what is being called the *"Air Passenger Bill of Rights"*. Technically these proposed changes are part of *Bill C-49 "An Act to amend the Canada Transportation Act and other Acts respecting transportation and to make related and consequential amendments to other Acts"*.

What are some of these proposed changes? For the most part it is proposed to have more clear regulations for situations that may commonly arise when travelling by air.

Some examples are compensation minimums for denied boarding's that arise from overbooking, delays or other cancellations. Guidelines also are proposed for lost or damaged luggage, even tarmac delays over an established length of time are now subject to this Bill. Other changes include children sitting next to a parent without an additional seat selection charge and standards for the safe transport of musical instruments.

Aside from these consumer friendly changes that I believe most air travellers will welcome there are also some proposed changes from an industry perspective. Most notable is that the current restriction on foreign ownership of a Canadian airline will be increased from the current level of twenty five percent up to forty nine percent. This change will not apply to specialty air services such as firefighting.

Another proposed change is new powers for the Transportation Minister to approve joint ventures between two or more different air carriers. This change is intended to help accommodate standard industry practices elsewhere and potentially to increase competition.

It is also proposed that airport security screening services provided by the *Canadian Air Transport*

Security Authority or *CATSA* will now be supported on a cost recovery basis. The Government promotes this clause as allowing for an airport to pay for additional airport security screening services to help establish new routes. However it could also result in a form of downloading where airport operators are forced to pay for a larger share of security services that in turn increases the costs of air travel. Presently airports create significant revenues for the Federal Government from fees and charges that are already paid for by passengers. There is always a concern that some Canadians living near the border may instead use more price competitive alternatives at nearby USA airports. At this point more details and further clarification will be required.

My thoughts? One item I would like to see included would be an extended time frame for consumers who have airline credits to use those airline credits that currently expire within a fairly narrow window of time. Overall I believe the majority of these changes will be welcome while details on cost recovery for *CATSA* security services will need more clarification although in principle I am not opposed to cost recovery as a means of service delivery.

I welcome your comments, questions and concerns on the Transportation Modernization Act or any other subject before the House of Commons. I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

May 24th

As much as the House of Commons is often viewed as an adversarial environment there are also those times, albeit rare, when there is unanimous support for the passage of a bill. In the last Parliament, I was fortunate to have unanimous support for the passage of my bill to remove a prohibition era federal restriction preventing the personal movement of wine across provincial borders. Later the Government would expand on this bill to also include beer and spirits. Recently in the House of Commons another private member's bill has received unanimous support and has also passed through the Senate and recently received Royal Assent.

Bill C-224 "An Act to amend the Controlled Drugs and Substances Act" was sponsored by **MP Ron McKinnon** from **Coquitlam-Port Coquitlam**. This is a very important bill that may save lives. For many families in communities through British Columbia and Canada the opioid crisis is a very serious and real concern. Although the crisis is reported on almost daily, often when a tragedy is concerned, not told are the countless others who suffer from addiction and may be only one drug away from an overdose that could be fatal.

Unfortunately history has shown that often when an overdose does occur in some cases it may not be reported to emergency responders in a timely manner as those who are with the overdosed individual fear law enforcement involvement once 9-1-1 has been called. These delays in treatment often end up in death.

Bill C-224 changes that. Technically Bill C-224 ensures that " an exemption from charges of simple possession of a controlled substance as well as from charges concerning a pre-trial release, probation order, conditional sentence or parole violations related to simple possession for people who call 9-1-1 for themselves or another person suffering an overdose, as well as anyone who is at the scene when emergency help arrives". In other words calling for help when an overdose occurs will now

ensure that there will not be criminal charges against the good samaritan(s) that attempt to save a life. While more Government action is needed against the opioid crises any step that can help save lives is an important one.

For those who have asked about the progress of the Liberal Government Bill to legalize marijuana it has currently had introduction and first reading with debate to begin in the near future.

I welcome your comments and questions and be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

June 2017

June 7th

This week the Liberal Government announced a new defence policy for Canada. While details are still being revealed, here is some of the information that has been released.

In terms of dollars it is proposed that annual operational military spending will be increased from \$18.9 Billion in the current fiscal year and will rise to \$32.7 Billion in the 2026-2027 budget. Part of this increased spending means that 3,500 more military personnel can be added to the total regular force size that will be increased to 71,500 troops overall.

In addition it is also proposed to make significant upgrades to Canada's military hardware. The current CF-18 jet will be replaced with 88 yet to be named replacement jet fighters. It is also proposed to add remotely piloted attack aircraft, often referred to as Drones although the exact number has yet to be announced. It is also proposed to either upgrade or replace many existing aircraft such as the CC-150 Polaris, CC-138 Twin Otter and CP-140 Aurora. Air to air missiles, communications and radar systems are also proposed for modernisation.

Part of the equipment upgrades will also apply to the Canadian Navy as it is proposed to add 15 new surface combat ships and two joint supply ships. Five to six Arctic patrol ships have also been proposed including more modernization for the current four Victoria class submarines. Weapons such as torpedoes will also be part of the upgrade effort.

Vehicles, weapons, cyber capabilities and even space capabilities will also be included in the modernization and expansion efforts.

This is only a partial summary of a fairly extensive proposal. From my perspective there is little dispute that our Canadian Forces are in serious need for upgraded and modernized capabilities.

We have an outstanding group of Canadians who serve in our armed forces and they deserve the tools necessary to serve the interests of Canada both at home and abroad. I do have some concerns with this proposal. As a significant amount of purchases will be required having an efficient and effective procurement process will be vitally important. To date Federal Governments of all political

stripes have long struggled with implementing an effective procurement process and this area will in my view remain a challenge.

My other major concern is the obvious. How does this ambitious plan get paid for? As is the case with most announcements from this Liberal Government the spending is typically back loaded with little spending now and the majority scheduled to occur after the next election and is imposed on future Governments who may or may not support these initiatives. At the same time the Liberals have not announced where this significant amount of money to pay for it will come from. Given that the Liberals are currently running deficits significantly larger than promised and refuse to present a plan when they will return to a balanced budget it is unclear if this spending will result in even more debt or if taxes are going to be significantly increased. At a minimum Canadians deserve to know these details.

I welcome your comments and questions on the new Defence Plan or any matter before the House of Commons and can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-888-665-8711.

June 14th

In my May 25th, 2016 MP Report I wrote:

“If you have been following our Canadian Senate you may know that a recent effort has been underway by the Liberal Government to appoint Senators who are considered “Independent” as they are not political members of the Government's Liberal caucus. More recently Senators have also been appointed by the Prime Minister with the benefit of being selected by a panel of appointees who in theory are selecting citizens without political considerations being part of the criteria. These recent Senate reform efforts have also resulted in a number of Senators who were formerly affiliated with party caucuses to resign and also sit as Independent members of the Senate. The end result is that there are now more independent senators and a different structure in place from a political perspective than had existed previously.”

At the time I wrote that I also observed “that all eyes will be on the Senate for more reasons than usual.” And one year later, more so today, that is precisely what is occurring in Ottawa.

Why do I mention this?

As some of you may recall recently I wrote about the subject of escalator taxation that was being introduced by the Liberals. Escalator taxation is when a tax will increase every year by default at the rate of inflation that would not be annually determined or debated by democratically elected Members of Parliament.

In this current case the tax escalator would be set on most beer, wine and spirits sold in Canada along with user fees in other areas. The concern of course is that this is a slippery slope that if left unchallenged may lead to other taxes also quietly receiving annual escalators set by unelected department officials in Ottawa.

Reaction to my report on this subject was overwhelming with many concerns expressed and strong

opposition. Comments such as “taxation without representation” were common and some pointed to the loss of many well-paying jobs when the former Hiram Walker plant near Kelowna shut down the last time an escalator tax was used and applied to spirits in Canada.

I mention all of these things because a number of Senators have decided to stage an intervention and seek to potentially amend the Liberals budget bill in the Senate to stop the use of escalator taxation. As one Senator describes it ““If the government wants to increase the excise duties on alcohol, which is completely legitimate, then it should do so manually every year, in every budget. Automatic increases don't take into account the state of the economy”.

While many welcome this potential intervention by the chamber of “sober second thought” and point to this as a reason why the Senate exists others are quite strongly opposed. Those who disagree have expressed concerns that an un-elected Senate has no business amending legislation put forward and passed by a democratically elected House.

What are your thoughts on this topic? Should Senators intervene in what they view as flawed legislation or as they are unelected and unaccountable should they refrain?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711

June 21st

In last week's report I referenced the emerging new dynamic in Ottawa. The increasingly more independent Senate is interfering with the Liberal Government's Parliamentary agenda. While most of the response I've heard locally is supportive of the Senate reviewing and amending legislation they believe to be flawed, there are certainly some who oppose any intervention from an un-elected Senate over bills passed in a democratically elected house.

The primary issue I raised last week was the Liberal Government's proposed use of an “escalator tax” that would be levied on most wine, beer and spirits sold in Canada. Under an escalator tax essentially the tax rate is increased every year and is set by civil servants linked to inflation as opposed to having to come before the House for debate in the annual budget.

As I also speculated last week, despite considerable effort by the Liberal Government to the contrary, the Senate did indeed vote to amend the Liberal budget bill and removed the “escalator tax”. What happens next? Once the Senate amends legislation it must then be sent back to the House of Commons where the Liberals have already stated they will reject the amendment made by the Senate and insist on the inclusion of the escalator tax in the budget bill. This in turn has the potential to send the re-amended bill back to the Senate where it could potentially be amended again, thus creating a legislative standoff. At this point it is unclear what the outcome will be however many eyes in the Ottawa bubble are focused on this topic.

From a Parliamentary aspect it should not be overlooked that the idea of removing Senators from caucus to sit as independent Senators was championed and done by *Prime Minister Trudeau*. In that respect some observers point out that this problem is one of the Liberal's own creation. However a closer inspection reveals that the ‘Independent’ Senators appointed by the PM have actually voted in

support of Liberal government bills close to 95% of the time. In reality it is former Liberal Senators now sitting as Independent Liberals and Conservative Senators who more frequently vote against Liberal legislation.

One point that all Ottawa pundits do agree on is that the greater independence of the Senate has ultimately created a more powerful Senate. This is a point that has not been lost on Ottawa lobbyists either. Recent lobbyist registry data shows that Senate lobbying has increased dramatically. In fact Senators were lobbied more in 2016 than any other year in history with close to 700 interactions recorded. In 2015, the last year the former Government was in power, this number was 217.

Although the vast majority of citizens I have heard from support the Senate's current efforts to stop the escalator tax there, may well come a time when the Senate stages an intervention on a democratically passed Bill that the public may be more supportive of.

I welcome your comments on this or any subject before the House and can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

June 28th

Late last week the House of Commons adjourned after a raucous final few weeks of vigorous debate. One of the contentious subjects that arose again was on the subject of electoral reform. As many will know, the Prime Minister famously promised that "2015 will be the last federal election conducted under the first-past-the-post voting system"- a campaign promise that has since been abandoned by the Liberals.

The reason why this subject has again surfaced was due to the Prime Minister commenting to reporters this week at the end of sitting press conference that the opposition was to be blamed for not providing a path forward on electoral reform. A comment that most Ottawa observers and many MPs alike agree was absurd and inaccurate.

It is important to understand that the all-party Parliamentary committee studying electoral reform traveled in excess of 30,000 kilometers over a 4 month time frame and held roughly 60 different meetings hearing a wide range of input and opinion on this subject. The findings of that study were very similar to what I heard here in our region. Of those who did support democratic reform, there was overwhelming support for proportional representation. Likewise there was also a strong consensus that a formal referendum was necessary on the subject as ultimately democracy in Canada belongs to Canadians and not elected officials.

I mention these points as there most certainly was a path forward for the Prime Minister to proceed on electoral reform, unfortunately that path was of no interest. Why? Ultimately the preference of the Liberals was a ranked ballot and not proportional representation, as a ranked ballot system politically most benefits the Liberals. Unfortunately at the time the Prime Minister made his promise for electoral reform he offered no disclaimer that it would only apply for a ranked ballot system, an omission that has angered many in Canada who support proportional representation.

Regrettably the approach of "ranked ballot or nothing" essentially means the all-party committee

studying electoral reform spent \$600,000 on a report that ultimately was never going to be accepted unless it fit the Liberals preference. As much as I strive to be non-partisan in these weekly reports, the behavior of our Prime Minister in this particular area was regrettable. Increasingly Canadians see broken promises and I am of the opinion that if a leader has to break or go back on an electoral commitment, that he or she should state compelling arguments as to why these campaign promises are no longer possible or not in the national interest. Rather than taking responsibility, we see instead the blame being cast at others, in this case at the opposition who proactively worked together hearing the concerns of Canadians.

As I like to end my reports on a positive note I would like to take a moment to thank the many volunteers who will be putting on Canada Day events across our great country. In any democratic society there will always be those times where we agree to disagree. As Canadians we do so respectfully but more importantly on July 1st we will set aside those differences and we will collectively celebrate our love for Canada and the diversity we share as a nation. Please have a safe and enjoyable Canada Day!

I welcome your comments and questions and be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

July 2017

July 5th

The Fourth of July is *Independence Day* in the United States. It was also on July 4th this week when it was reported that the Liberal Government had agreed to apologize and pay \$10.5 Million to Omar Khadr. For those of you unfamiliar with Omar Khadr, he was sentenced to 40 years in prison for participating in an al-Qaeda sponsored war crime after admitting to killing US Army combat medic Sgt. Christopher Speer.

This decision by the Liberals to potentially pay in excess of \$10 Million to Omar Khadr has created the largest amount of negative feedback and in many cases outrage, of any issue I have come across during my time in elected office. The questions I most frequently am asked is why did the Liberals offer this deal to Omar Khadr and what can be done to stop it?

At this point the Liberals have yet to formally confirm or explain the reasons behind this reported \$10.5 Million payment. What we do know is that the Supreme Court was of the opinion that Omar Khadr's human rights were violated during the time he was in prison at Guantanamo Bay, Cuba and that Canadians officials were aware of this.

It should be noted that the Supreme Court rulings on Omar Khadr's human rights violations did not include any financial compensation. As a result Omar Khadr had commenced legal action against the Canadian Government suggesting it should be held responsible for the treatment he received at Guantanamo Bay, Cuba. For reasons yet unknown rather than vigorously fight this lawsuit it is reported that the Liberals have instead offered \$10.5 Million and an apology to Omar Khadr to settle this legal claim.

In a related action, the widow of the US Army Combat medic killed by Omar Khadr had filed a legal action in 2015 against Mr.Khadr and was ultimately successfully awarded \$134.2-million in damages. It has also been reported the widow may file a claim in Canada in an effort to have the \$134 million judgement enforced in Canada thus potentially impacting the payment of the \$10.5 Million to Omar Khadr.

So back to the original question, what can be done to stop this? In this case, only the Liberal Government can stop this agreement and related \$10 Million payment from going forward. If that were to occur the legal case would most certainly continue. Most of the documented involvement of Canadian officials was between the years 2003 and 2004 under the Liberal Governments of former Prime Ministers Jean Chrétien and later Paul Martin. If this case were to move forward it is conceivable the former actions of these governments would be heavily scrutinized.

For the record, I was a member of the Conservative caucus in the previous 41st Parliament where the Conservative Government staunchly opposed the payment of any funds to Omar Khadr. It should also be pointed out that some do support the payment of these funds to Omar Khadr and have applauded the Liberals for offering a settlement as opposed to more litigation. My question this week is do you support or oppose the \$10.5 Million payment to Omar Khadr?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

July 12th

Sometimes I find Ottawa related media coverage can be frustrating.

As an example you have likely heard this week one or more stories related to President Trump and Russia.

However have you heard that Canada's Credit Unions are once again under attack from Ottawa?

As a result I wrote the following Op-Ed on this topic that I would like to share for my MP Report this week.

Do you bank with a Credit Union? Soon, thanks to the long arm of Ottawa, that may come to an end.

You see last week the federal agency responsible for regulating banks and other financial institutions quietly issued new regulations that will damage the thousands of credit unions and caisses populaires that operate across our country.

The regulations issue a blanket prohibition on the use of terms like "bank", "banker", and "banking" by basically any entity other than the big banks. Credit unions, who have traditionally been allowed to use common terms like "bank with us" or "online banking", will no longer be allowed to do so.

And why the sudden change?

No explanation has been forthcoming. This has left credit unions and their customers confused as to

why they would want to change a decades-old practice. The result of these changes will be increased costs for credit unions, which will have to pay for changes to signage and other marketing. Moreover, it will put them at a further competitive disadvantage when compared to the big banks.

Over the past several months, credit unions and Parliamentarians alike have reached out to the regulator and to the Finance Minister to strongly oppose these changes. In fact, at an All-Party Credit Union Caucus meeting on Parliament Hill, MPs and Senators from all parties agreed that these changes were unnecessary and harmful.

Unfortunately their views seem to have fallen on deaf Liberal ears.

There are over 300 credit unions nationwide that serve over 5.5 million members. Credit unions provide a community-focused approach to finances and are regularly recognized as leaders in customer service. Instead of making business harder for these important institutions, we should be looking for ways to help ensure that credit unions can thrive and prosper in our communities.

It is not too late for the Finance Minister to step in and change these regulations. I call on him to do the right thing.

What can you do? Contact your local MP and tell them you value banking with your credit union and to stop this regulatory attack against Credit Unions and Caisses Populaires.

My question for you this week is do you agree with this decision to restrict Credit Unions from being able to use words like “bank”, “banker”, and “banking”?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at [1-800-665-8711](tel:1-800-665-8711).

June 19th

In last week’s report I raised the fact that Ottawa is soon to restrict Credit Unions from using terms like “bank, banker, and banking”. The reaction I heard from citizens was one of overwhelming opposition and in many cases bewilderment. I should also add that the sheer number of responses I heard was also very significant. Clearly this is an issue that many in our region have strong feelings about.

What can be done about it? The legislation that allows Ottawa to restrict Credit Unions from using these words is contained in the Bank Act. I am currently in the process of drafting a Private Members Bill to amend the Bank Act that will remove these language restrictions and allow Credit Unions to continue to successfully operate as they have for many decades now.

Unfortunately the order that Private Members Bills can be debated in the House of Commons are decided by a lottery style draw that does not allow this Bill to be presented in a timely manner. In the interim a local citizen is in the process of having an online petition approved by the House of Commons that citizens can sign online.

If there is strong support for this petition I am hopeful that the Liberal Government will either amend the Bank Act to remove this attack on Credit Unions or at a minimum intervene and ask that the Office of the Superintendent of Financial Institutions review this enforcement decision. Almost without exception I have not heard any support at all for restricting Credit Unions from using terms like bank, banker or banking. As one citizen observed – will food banks be targeted by Ottawa next?

My question this week – would you support my Private Members Bill to amend the Bank Act and by extension would you be willing to sign an online petition opposing this attack on our Credit Unions?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711

July 26th

Since being elected in 2015, the Federal Liberal Government has made numerous changes with respect to Canadian Mortgage and Housing Corporation (CMHC) policy that in many situations has made it more difficult to obtain a mortgage or in the case of re-financing an existing mortgage, more expensive. Generally the Liberal Government has reasoned these changes are intended to slow down the Vancouver and Toronto real estate markets and lower overall consumer debt.

Why would the Government want to slow down the real estate market in Toronto and Vancouver? The theory is if fewer buyers can qualify to purchase homes, the demand will decrease and prices will potentially drop as a result and by extension increase affordability in these markets.

The challenge with this particular approach is that CMHC policies are very much a 'one size fits all'. That means that although Vancouver and Toronto are the primary targets of these new restrictions, the rest of Canada is also subject to them and as a result many regions of Canada may be adversely impacted. This was feedback I heard extensively during hearings at the Finance Committee back in February when these changes were heavily scrutinized.

One particular point that was raised from one stakeholder is that while the Liberals crack down on debt taken on for home ownership, overlooked is the consumer debt on credit cards, third party loan outfits and elsewhere. The difference is that with debt taken on in home ownership there can be equity created and much lower interest costs in contrast to credit card debt.

It is a valid point.

More recently the Trudeau Liberal Government quietly announced that it will raid CMHC to the tune of \$ 4 Billion over the next two years. This announcement received very little media attention and that is disappointing. For those who have mortgages with a down payment less than 20%, the CMHC fees required to provide insurance on that mortgage are substantial. Instead of reducing CMHC fees to make them more affordable or refund the surplus to those who have paid them, the Liberals are instead using CMHC as cash grab, contrary to the purpose of this organization.

Rather than just oppose, I would like to propose an alternative. Instead of taking \$4 Billion from CMHC to go into general revenue, why not offer a GST exemption on new housing up to \$750,000, similar to what the BC Government has done with the property purchase tax exemption. This policy

would reduce the costs of home ownership by tens of thousands of dollars. At the same time this policy would help stimulate economic activity through increased construction, would increase housing supply and would help Canada's value added wood producers hit hard by the current softwood lumber dispute.

My question this week – Instead of a \$4 Billion cash grab from CMHC would you support those funds being used for a GST rebate on new housing?

I can be reached at Dan.Albas@parl.gc.ca or call 1-800-665-8711

August 2017

August 2nd

he ongoing threat of wildfire is one that is becoming all too common throughout many parts of British Columbia. When these fires occur they can cause massive amounts of damage that it is virtually unmeasurable for those who may lose a home, all their belongings and a lifetime of memories.

Economically, aside from the tremendous costs in fighting forest fires there is also the loss of crown timber and a lack of fibre can ultimately threaten the viability of a lumber mill. From a health standpoint the diminished air quality can cause harm to those with respiratory challenges who are often seniors. First responders and emergency service personnel can also be seriously stretched to the limit during a wildfire as is currently the situation in Kamloops and elsewhere in BC.

I mention all of these things as it is particularly disturbing to learn that some forest fires may well be intentionally set with the use of accelerants. Likewise more recently we have heard alarming reports of critically needed firefighting equipment being stolen and worse for those who may be evacuated because of a wildfire threat, their homes or business may be looted.

All of these actions are deeply troubling and very concerning for all involved.

Looting of evacuated homes of evacuees is particularly worrying as it places greater demands on law enforcement at a time when resources are already spread thin. Further, the evacuation process can be potentially undermined if residents feel their life long belongings may be subject to theft. All of these things, including the intentional and deliberate setting of a wildfire are a serious cause of concern throughout many regions of BC including here in the Okanagan where it has been reported two recent forest fires were intentionally set; one resulting in the loss of several homes in Lake Country and the other damaging a much loved public park.

My reason for raising these issues is currently there is no specific protection in the criminal code to deal with individuals who would commit crimes of this nature.

While theft and arson are subject to the Criminal Code, the action of committing these offences to create a wildfire or otherwise seek to commit criminal offences in relation to a wildfire are not specifically recognised under the criminal code. This leads me to my topic for this week's report –

should there be specific legal protection that references the intentional setting of a wildfire or committing acts of theft in relation to it?

In order to do this the Criminal Code would need to be amended; one possible approach would be to ensure that intentionally setting a wildfire or committing an act of theft in relation to a wildfire would be considered an aggravating factor in the sentencing of offenders. By extension the sentences for committing these types of crimes could also be stiffer. The use of aggravating factors in the sentencing of offenders already exists in the Criminal Code for cases involving offences around children and most recently for elder abuse.

My question this week – Do you support the idea of implementing aggravating factors in sentencing offenders who are guilty of intentionally setting wild fires or engaging in criminal actions as a result of a wildfire?

I welcome your comments, questions and concerns on this or any topic before the House of Commons.

I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

August 9th

Earlier this week on my facebook page I posted my thoughts on the use of social media blocking by elected officials. The post has generated a fair bit of discussion that is encouraging as many people have taken the time to express differing points of view. From my perspective when there is a large amount of interest on an issue it is one that citizens see as important.

On the surface an elected official blocking someone through social media may not seem like a significant event. However for the growing population who do use social media, blocking is a way of denying a person their voice to be heard. By extension as social media increasingly has become a tool for citizens to hold elected officials to account, the careless use of the block button by elected officials has become an easy way out instead of answering a difficult or unpopular question.

In some cases I have even learned of a practice called “pre-emptive blocking” where groups of citizens may be blocked by an elected official they have never interacted with online. This type of “guilt by association” we would never tolerate off line yet it has become an online practice by some elected officials and their senior staff.

To be clear I will continue to defend the right of elected officials to practice whatever social media policies they feel most comfortable with. Likewise for those who use social media for personal attacks, profanity and threats it is expected that such behaviours will not be tolerated. At the same I will also caution those who use the block button as a means to avoid accountability or debate. Social media ideally works both ways and citizens deserve the right to be heard.

On that note I am suggesting that elected officials, and those media and pundits who cover political circles to consider a social media forgiveness campaign. How about un-block (or un-mute) all of those citizens you have blocked over time and give people a second chance to engage. This may not work

in all situations however elected officials being exposed to more diverse views and being held to account in my view helps build a stronger democracy.

I welcome your comments, questions and concerns and can be reached online at Dan.Albas@parl.gc.ca or call me off-line toll free at 1-800-665-8711.

August 16th

As a Member of Parliament I am often contacted by citizens requesting assistance with applications they have to submit to the Federal Government. Whether it's their application for Old Age Security (OAS) and the Guaranteed Income Supplement (GIS) or a Permanent Resident Document, the processing times can be much longer than they expect.

In fact for those turning 65, it is recommended they have their applications in for OAS/GIS completed and sent well in advance of that significant birthday. One year prior is what I recommend.

It takes many months to process almost any kind of Federal Application and sometimes it can take years for completion.

The amount of your OAS benefit is calculated based upon how long you have been a resident of Canada. If you were born in Canada and have lived here for 40 years after your 18th birthday, things are pretty straight forward but your OAS/GIS application can still take many months to process.

If you were born outside of Canada or have spent time living abroad, it can complicate matters considerably. You must provide documentation which proves how long you have been resident in Canada. For people who came to Canada many years ago or with their parents as children, and have spent time outside Canada, it can be difficult and time consuming to gather the required documents you need to submit. Passports from 20 – 30 years ago or even just 10 years ago are often not kept. Other official documents to prove that you lived in Canada, like Provincial Medical Plan cards or certificates, Provincial or Municipal home ownership records that are sometimes not in the applicant's possession any more. Who knew these documents would be required to get your OAS? Applications for replacement of Citizenship documents also take months or even more than 1 year to process.

Enough of my constituents have come to me with these challenges that I began to research what changes we could implement at the legislative level to help solve these problems. Many people think that Government is just one big department and that personal information is shared as needed between Service Canada, Canada Revenue Agency, Citizenship and Immigration and all the Provinces. The fact is that without your written permission, information which could support your application for OAS but might be held by another Department or level of Government cannot be shared. Some small progress has been made recently as Service Canada, which is responsible for processing your OAS/GIS application can now ask for information from Citizenship and Immigration with your permission, however, that can add many months to a processing time that is already far too long.

That leads to this week's question - should we permit personal information about an applicant, with that applicant's written permission, to be shared between Government Departments to make it easier

and faster for applications to be processed? What has been your experience with a Federal Applications?

Contact me and tell me your story and if you think that information sharing between departments would have helped you.

I can be reached at Dan.Albas@parl.gc.ca or call [1-800-665-8711](tel:1-800-665-8711).

MP Dan Albas is the Member of Parliament for the Central Okanagan Similkameen Nicola riding. He is the Official Opposition Deputy Finance Critic. MP Dan welcomes any feedback and even tough questions.

August 23rd

It is difficult to turn on the news these days without hearing yet another media story about the United States administration. Even the most trivial of presidential social media stories have become almost daily features during prime time news coverage of many Canadian news agencies. I mention this as all too often, important Canadian events are being overlooked or ignored at the expense of US political coverage.

Why is this a concern?

In Ottawa, at the moment, the Trudeau Liberal Government is pursuing a new direction they refer to as “tax fairness” for Canadians. The Liberals enjoy using buzzwords like “tax fairness”. This phrase is cover for the fact that they are really proposing to seriously increase the amount of tax certain groups of society will send to Ottawa. This is the Liberal plan to deal with their problem of massively increased deficit spending.

Why should you care?

One of the groups who will be most seriously adversely impacted by these proposed tax changes is Canadian Doctors.

First, let me pass on some background information.

Doctors often operate like a small business. They pay rent, hire and pay staff, obtain insurance, cover monthly utility expenses, purchase medical equipment and supplies along with paying a host of other expenses. As a result of operating much like a small business, Doctors, often incorporate as there are tax advantages to incorporation.

What are some of those tax advantages? For starters, business income is taxed at a lower rate than personal income. However, it should be pointed out that when a Doctor pays themselves a wage out of the net corporate after tax income, they are taxed again on that income at the same personal income tax rates as any other Canadian. Incorporation also provides other advantages in that family members can also be employed, not unlike any other small business. This can help increase overall household income at a lower potential personal income tax rate. On the surface, this is why the

Liberal Government asks if it's fair to allow professionals such as Doctors to benefit from these taxation benefits.

However, there is another side to this discussion that is overlooked.

Doctors are not eligible for many of the same benefits as many working Canadians. There is no lucrative public sector pension plan for Doctors even though they work entirely within the public sector in most cases. Likewise employment insurance, maternity benefits, disability coverage and more, is not provided to Doctors. Coverage for these critically needed benefits must be provided and paid for by the Doctors themselves. In many cases, this is why Doctors will leave residual funds within the corporate framework. This allows them to access some of these benefits, maternity leave being but one example. Keep in mind when a Doctor is away for any reason, they suffer a loss of income or have to cover the costs of replacement coverage, all while monthly operating expenses remain in place.

The bottom line is if these "tax fairness" changes are pushed through by the Trudeau Liberal Government, they will seriously impact Doctors along with many other professionals all across Canada. While the potential outcome of these impacts is unknown given the already short supply of family Doctors, it is highly unlikely these tax changes will help with much needed recruitment and retention.

My question this week: Do you support the status quo of the current taxation policy with professionals such as Doctors or do you believe a tax increase would create more "tax fairness"?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

August 30th

This past week the Prime Minister announced a cabinet shuffle. Although media often portray cabinet shuffles as a type of crisis level event, there many reasons why a shuffle occurs and in this case I believe the Liberals are refocusing in several key areas. Most importantly, is the decision to divide the current Ministry of Indigenous and Northern Affairs into two new and separate departments.

One of the new departments will be Crown-Indigenous Relations and Northern Affairs, headed up by Minister Carolyn Bennett and the other will be the Department of Indigenous Services with former Health Minister Jane Philpott in charge.

What will these two new departments do? In essence, one will focus entirely on the relationship between Government and Aboriginal Leadership, while the other will focus on delivery of services to First Nations communities.

The Liberal Government has cited that the former Ministry had become too large, delivered far too many services with an equally large mandate to be truly effective. As a result the Liberals believe that having two Ministries with different mandates will be a more effective solution.

My thoughts?

I believe few would suggest that the status quo was not in need of improvement. However there are also concerns with this particular decision.

One aspect of governance that I have come across that applies at all levels, is that joint accountability can often lead to no accountability. In this case there will be a strong requirement for these two Ministries to work in partnership together while avoiding overlaps and missing gaps, all at the same time.

Another concern is creating another department with yet another Minister adds even more bureaucracy to a system that is already considered by many to be administratively overburdened. The time line for First Nation communities needing decisions or approvals from Ottawa on important projects, delays and hurdles can be significant. Adding another department and Minister to the fold is unlikely to help the process.

What would have been an alternative?

The Liberal Government since being elected, has had one Minister for the Ministry of Indigenous and Northern Affairs. Perhaps a shuffle with a new and different Minister may have been a prudent course of action before engaging in the costly split and creation of an entirely new department.

As an example of this, it is not a secret that the former Conservative Government had some struggles with the Department of Veterans Affairs. Fortunately a shuffle and the introduction of a new face with extensive experience, Minister Erin O'Toole, made a significant positive change of direction in getting the Department back on track. Ironically Prime Minister Trudeau also just shuffled a new Minister of Veteran Affairs into this portfolio for similar reasons as Seamus O'Regan takes over from Kent Hehr.

Ultimately how a Minister runs a department from my experience can make a significant difference.

My question this week: Do you support the splitting of the Department of Indigenous and Northern Affairs into two different Ministries or should there have first been a change in Minister?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711

September 2017

September 5th

Mr. Prime Minister,

I would like welcome you and the Liberal caucus to Kelowna.

I trust your caucus retreat will be constructive and I hope you have some time to visit some of our

nearby amenities and attractions.

I also hope you will have the opportunity to meet with local small business owners and I will explain why.

During my time in office as a Member of Parliament, I have not encountered any single issue that has more angered small business owners than the current tax proposals you are contemplating.

I believe it is important you understand why this anger exists.

You might recall during the last election, your Liberal platform promised to, and I quote directly; “reduce the small business tax rate to 9 percent from 11 percent”.

Flash forward to today and not only have you reneged on this promise but many small business owners feel that you have labelled them as tax cheats.

Your Liberal Government is implying that the amount of tax they pay is unfair and paying more tax to Ottawa will create fairness for those who are not self-employed.

Many small business owners find this offensive from a Government who promised something very different during election time.

Throughout this discussion I have repeatedly heard your Finance Minister talk about “misinformation” as if to imply that somehow small business owners do not understand what paying more in taxes really means.

This also offends many small business owners.

On the topic of misinformation, it is also very important to explain that when a small business owner pays themselves a wage, they do so at the exact same income tax rates that any other Canadian citizen does.

That is an important distinction.

In essence, the small business owner pays taxes twice.

The first time is when the small business owner pays tax on any profit, assuming there is some. All small businesses pay lower taxes on business income than personal income taxes. However don't overlook that all net income, once paid out in wages, is taxed again at the same personal income rates as all other Canadians.

It is also important to keep in mind that a small business owner has no Employment Insurance, no Canada Pension Plan, no taxpayer financed public sector pension or related benefits, no maternity leave benefits and no formal vacation pay system.

All of these expenses must be covered by the small business profits, again assuming there are some.

I mention all of these things to hopefully better illustrate why so many small business owners are taking such strong opposition to your proposed changes.

As I believe it is important to propose and not just oppose, I would like to offer a few observations.

Canadians understand we must live within our means.

Likewise, Canadians also understand your Liberal Government is running significantly larger deficits than promised and currently has no plan to return to the promised 2019 date for balanced budgets.

Canadians further understand either spending has to be reduced or taxes increased to pay for all of your spending.

Your Liberal Government has clearly decided increasing taxes is the solution. Rather than demonize small business owners under the guise of tax fairness, why not at least admit that your Liberal proposal is a tax increase? Recognize that small business owners are being asked to pay for this heavy burden.

Mr. Prime Minister, you often talk of recognition and respect and in my view it is time for you to show some for Canada's small business owners.

Here's my question for Canadians:

What are your thoughts on raising small business taxes?

I can be reached at dan.albas@parl.gc.ca or by calling 1-800-665-8711

September 18th

The proposed tax changes being contemplated by the Trudeau Liberal Government remain the single largest concern that I am hearing about on a daily basis.

Although I have heard some support for these potential tax increases the overwhelming response to date has been very strongly opposed. I have also heard some very specific concerns from a number of local accountants.

When the Prime Minister was in Kelowna last week, he stated that "people who make \$50,000 should not pay more taxes than people who make \$250,000".

I believe most would agree with that statement.

Unfortunately, as many accountants have taken the time to share with me, this statement from the Prime Minister is not even remotely true or even close to being accurate.

In reality a small business owner, doctor or other person would indeed be paying tens of thousands more than one who earns \$50,000 per year.

This is one of the reasons why there is such a large amount of outrage from many small business owners who feel that the Prime Minister either does not understand the impacts of our existing tax laws or is intentionally misstating them in an effort to draw public support for the proposed tax increases.

From my perspective, I will grant the Prime Minister the benefit of the doubt and assume he misspoke with this comment as can inadvertently occur with any elected official. For the record I will continue to oppose these tax changes in Ottawa and encourage the Liberal Government to be more transparent with their talking points.

For an update on another matter I have raised in a previous reports.

Some of you may recall I have mentioned that the federal agency responsible for regulating banks and other financial institutions has issued new enforcement regulations that issue a blanket prohibition on the use of terms like “bank”, “banker”, and “banking” by basically any entity other than the big banks. Credit unions, who have traditionally been allowed to use these common terms would no longer be allowed to do so. This would not only create consumer confusion it would also impose more costs and regulatory compliance burdens on Credit Unions that in turn would be passed onto Credit Union members.

Suffice to say these proposed restrictions also generated overwhelming public opposition throughout our region as well as many other regions across Canada. As a result the Financial Regulator has temporarily suspended this enforcement action while it begins a series of consultations.

I believe this should be taken a step further.

Currently I am working on a bill that would amend the Bank Act to make it clear that Credit Unions can continue to use terms such as “bank”, “banker”, and “banking” without fear of The Office of the Superintendent of Financial Institutions (OSFI) coming after them. I had hoped the Liberal Government would introduce similar legislation but in the absence of any my only recourse would be this private members bill.

My question this week – Would you support a Private Members Bill to amend the Bank Act and allow Credit Unions the continued use of terms such as “bank”, “banker”, and “banking”?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711

September 20th

I am going to begin this week by crediting a few backbench members of the Liberal caucus in Ottawa. A few of these MP's have been quietly voicing displeasure with the Liberals attempts to frame a proposed tax increase on small business owners and other professionals such as doctors, as being all about “tax fairness” when in reality it is simply a tax increase. These Liberal MP's have no doubt received the same types of emails that I have been getting from accountants, who consistently provide data that the Prime Ministers claims on taxes paid by small business owners and others are

patently false.

So what is really going on here?

Earlier this week, the Department of Finance revealed that the actual deficit from the 2016-2017 fiscal periods was just under \$18 billion. The good news for the Liberal Government is the forecasted deficit was \$23 billion. The bad news for the Prime Minister is that he promised a deficit of \$10 Billion and has still has not announced when or how we will return to a balanced budget.

Fair to say, it will not be in the year 2019 as was also promised by the Liberals.

Looking closer at the deficit of roughly \$18 billion, two items stand out. \$3.7 billion in budgeted spending did not yet make it out of Ottawa. There are many reasons for this and it is not uncommon for any Federal Government to see delays in spending commitments.

The other interesting aspect of this budget deficit was that the forecasted income tax revenues actually dropped by just over \$1 billion. As you may recall, the Prime Minister increased income tax rates on those who earn in excess of \$200,000 and they now pay a personal income tax rate of 33%. As a result of this tax increase the Liberals had predicted income tax revenue would increase by close to \$3 billion.

So, the Liberals need to increase revenue to pay for their increased spending, and seeing as it has not been realized by income tax increases, the intent now is to go after those who are personally incorporated.

The challenge is, the truly wealthy, those who can take stock options at a 50% reduced tax rate, are not being targeted at all by these Liberal proposed tax fairness changes. Instead, small business owners, the majority of which are not among the 1% of Canada's most wealthy, are being targeted along with some upper middle income professionals such as Doctors.

Farmers, Fisherman and other unique groups also are being targeted and impacted by these Liberal tax proposals.

The Liberals continue to insist the tax fairness changes will not hurt small business owners and other professional groups in the usual "Ottawa knows best" tone.

Here is the problem.

Ottawa bureaucrats, majority of whom have never owned or run a business, when attempting to tell small business owners how an Ottawa imposed tax increase will impact them, tend to offend.

I know this because I hear from many of these offended entrepreneurs, every single day.

Worse is the Liberals have yet to explain how Ottawa bureaucrats will make arbitrary decisions on how family members of a small business may or may not be able to be paid.

Does a stay at home parent raising children and doing the books of a small business qualify to be

paid?

We don't know.

How many more Ottawa bureaucrats will need to be hired to administer these complex changes and at what cost?

Again, the Liberals will not say.

Ultimately this issue is not about tax fairness, it is all about a tax increase and I congratulate those Liberal MP's who are admitting as much.

What is your opinion – Do you view these tax changes as tax fairness or a tax increase?

I can be reached at Dan.Albas@parl.gc.ca or call 1-800-665-8711.

September 27th

Although the subject of the Liberal Government's contemplated "tax fairness" measures continues to dominate much of the discussion I am hearing both here in the riding and in Ottawa, it is important to not overlook the previous Conservative Government's "fairness" debate during the last Parliament.

Many may forget however, formerly both the federal public sector pension plans as well as the MP pension plan contributions were heavily subsidized by taxpayers. In a measure of pension plan fairness to taxpayers, former Prime Minister Stephen Harper made changes so that contributions to these respective pension plans would eventually become equally split at 50/50 between employees and the employer.

Those changes were estimated to save taxpayers \$2.6 Billion over a five period and are now fully in effect for 2017.

One aspect of these changes was not widely reported. The former Prime Minister also removed a special pension clause reserved exclusively for Prime Minister's. Removing this clause alone cost Mr. Harper in excess of \$1 Million in future pension benefits that his predecessors still receive.

I mention this for the fact that it was revealed this week in the House of Commons that the Liberal tax changes, if implemented, will not adversely impact the personal family fortunes of either Prime Minister Trudeau or Finance Minister Morneau.

This revelation has created a significant amount of controversy, for good reason.

When millionaire families, being the real one percent of wealth, are not being impacted by "tax fairness" at the expense of small business owners, farmers, ranchers and other professionals – is that really fair?

Many small business owners and others I am hearing from strongly disagree. Ironically I am also

hearing from a growing number of Liberal MP's in Ottawa who are also voicing concerns on the long term consequences this tax increase may create.

I will be in Penticton to hear your concerns about how these tax changes will impact your small business or profession this Friday September, 29th from 5pm to 7pm at the Day's Inn and Conference Centre located at 152 Riverside Drive.

If you are unable to attend you can also email the Finance Minister at fin.consultation.fin@canada.ca to share your concerns. Please consider cc'ing my office.

My question this week relates to tax fairness.

Considering many of Canada's wealthiest will still have access to tax mitigation strategies not impacted by these proposed tax changes, does that meet your definition of tax fairness?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

October 2017

October 4th

Many now believe this well-intended tweet from Prime Minister Trudeau helped to instigate a surge of illegal border crossings into Canada. I will give the Prime Minister some credit as he has since modified his message to point out that while "Canada is an opening and welcoming society," that "We are also a country of laws."

These more recent quotes were a result of roughly 8,000 recent illegal border crossings into Canada. Keep in mind in Ottawa, the Liberal Government refers to an illegal border crossing as an "irregular" border crossing.

Recently at the House of Commons' Standing Committee on Citizenship and Immigration, opposition MP's had the opportunity to question senior officials from Immigration, Refugees and Citizenship Canada (IRCC) to learn more about how this situation was being handled.

The committee learned that in many cases there is an alarming lack of data. As an example, the Department had no information of how many people, who entered Canada in 2017 through illegal points of entry, had been found to have criminal backgrounds. Likewise there is no data on the percentage of asylum claims from those entering Canada illegally, as opposed to legally.

Some information that Department could confirm. The Government has directed, through Ministerial order, that those entering Canada illegally will receive expedited health benefit coverage along with expedited work permits. This basically means that those who are entering Canada illegally are going to the front of the line ahead of those who enter through legal methods.

Conversely, it has also been revealed that roughly 80 IRCC staff members have been diverted to deal

with asylum claims from those who have entered Canada illegally thus increasing the wait time for those who have legally followed all of the rules to remain in Canada.

My question for this week: do you think it is a good policy for those who enter Canada legally and follow the rules, to be placed at the back of the line while those who enter illegally receive expedited treatment?

I can be reached at dan.albas@parl.gc.ca or call toll free 1-800-665-8711.

October 11th

Social media allows citizens to share comments, questions and concerns with elected officials in real time that can quickly demonstrate a trend.

As an example, early on this week my social media feed along with in person meetings was filled with outrage over news that if you are an employee who receives a staff discount, that discount would now be considered a taxable benefit by the Canadian Revenue Agency (CRA).

Public reaction to this change in interpretation from the CRA has been overwhelming angry and strongly opposed. For small business owners, the thought of attempting to administer the records of documenting staff discounts was another serious concern as was a potential reduction in wages for staff that might use a staff discount.

Fortunately there may be some positive news on this matter.

The National Revenue Minister, Hon. Diane Lebouthillier has indicated that this change on interpretation of the tax code is not one that the Minister authorized. It has been further reported that the Minister has instructed the CRA to remove this interpretation from the CRA website.

In Ottawa circles this is often referred to as “the Minister throwing the Department under the bus” .

From my perspective it seems clear the Minister recognized the outrage of this decision and has acted quickly to attempt to mitigate this change to the tax code.

Currently this interpretation of the tax code is said to be officially under review while CRA consults with stakeholders. Unfortunately this does not necessarily mean that the CRA may not again attempt to implement a similar tax grab targeted against workers who receive a staff discount.

Given that many workers are in occupations that may not involve a staff discount I would like to hear your views on this subject.

Would you support a staff discount being considered a taxable benefit or do you prefer the status quo where discounts are left alone by the CRA?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711

October 18th

On Monday of this week the Liberal Government announced that it will be abandoning some of the proposed tax changes that had generated a considerable amount of concern and opposition throughout our region. Although it is unclear at this point the total scope of what changes will ultimately be tabled in legislation I believe that any time a Government listens to overwhelming opposition it deserves recognition for doing so.

My greater concern at this point is the pattern that has emerged. Over the past year the Liberals have raised proposals to tax employer provided health and dental benefits, to finally close the stock option tax loophole, more recently the small business tax increase and even a proposal to tax employee discounts.

All of these measures the Liberals have since indicated they plan to abandon raising the question what will be the next tax increase to be proposed?

As the Liberals continue to run deficits much larger than they promised and currently have no path to return to a balanced budget until possibly sometime close to the year 2050, a plan will be needed to reconcile this situation. Given that the Liberals continue to increase spending, most recently just over \$216,000 just to produce the cover of the most recent Budget document, it seems clear the Liberals will continue to look for ways to increase taxes.

While the Liberals back down on small businesses tax increases has been generally well received, the Finance Minister remains firmly under fire in Ottawa.

At issue was the recent disclosure that the Finance Minister has a corporately registered private Villa in France as well as significant personal assets that are not placed into a blind trust. As a result, the NDP has written to the Ethics Commissioner demanding a full investigation. Meanwhile the Conservative Opposition has used an Opposition Day debate to call for the full tabling of the assets held by the Finance Minister.

Ultimately the question raised is what impact does the Finance Minister's potential policy decisions have on his own personal finances? This is ultimately why all public office holders who are Cabinet Ministers, provincially and federally, are required to make full disclosure of personal assets to ensure they do not unduly benefit from policy decisions they may be involved with.

Some believe this disclosure is an invasion of personal privacy and that it is an unfair expectation that elected officials utilize mechanisms such as a blind trust that currently is not mandatory.

My question this week: Should it be a mandatory requirement that the personal financial assets of Cabinet Ministers be placed into a blind trust?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711

October 25th

This week in Ottawa began with the Finance Minister under fire for failing to place his investments into a blind trust and also refusing to disclose them in the House. As a result the Liberals made the politically wise decision to move up the fall fiscal update. Select media in Ottawa were leaked certain details suggesting that this would be a "good news" fiscal update with increased revenues and a promise to further increase the child benefit program.

In the end we learned that the "good news" was the fact that the Liberals revised deficit was going to be just under \$20 billion this year.

For the Liberals, this was good news as they had thought the deficit would be even higher.

For the Opposition, this deficit is basically double the size of the modest deficits the Liberals promised. In fact the Liberals are now on a path to add \$100 Billion in debt over the next 7 years with no plan to return to balance whatsoever.

I participated in a press conference with Diabetes Canada last Sunday where it came to light that many vulnerable citizens with Type 1 Diabetes are being denied the Disability Tax Credit from the Canada Revenue Agency.

This has shocked both the people applying and physicians, as many have qualified in previous years but have been rejected with no clear explanation as to what has changed.

Subsequently I have raised this in Question Period with some urgency. The Government has denied this is an official change of policy and is working on this issue. If you someone you know with type 1 diabetes is having any difficulty with CRA, please contact my office at 1-800-665-8711 for assistance.

My question this week: Do you see tabling a budget deficit that is roughly double the size of what was promised as "good news"?

I can be reached at Dan.Albas@parl.gc.ca or call toll free [1-800-665-8711](tel:1-800-665-8711).

.....
.....

On a final note, I would like to pass on a sincere thank you to the many citizens who responded to my previous MP reports regarding the enforcement of the Bank Act.

For those of you unfamiliar, Ottawa had announced that it intends to prohibit Credit Unions from using the terms "bank" "banking" and "banker". Many citizens have shared with me strong opposition to these heavy handed tactics that will add cost and create confusion to consumers and unfairly impact Credit Unions.

As a result this week I tabled my private member's bill C-379 that proposes to amend the Bank Act and allow Credit Unions to continue using the terms "Bank" "Banking" and "Banker".

November 2017

November 1st

Although the topic of the Finance Minister and his assets that were not being held in a blind trust, leaving a potential conflict of interest investigation looming remains an active one in Ottawa, it will not be the topic of this week's report.

Instead I would like to solicit your thoughts on the pending legalization of marijuana.

For those of you unfamiliar, the Liberals in the last election openly campaigned on the legalization of marijuana. I raise that point as I believe the Liberals received a democratic mandate from voters to move ahead with marijuana legalization.

The intent of my column today is not to wade into ideological discussion on this topic but rather to hear concerns that in turn can be passed on in Ottawa.

Some of the concerns I have heard thus far are quite varied.

From landlords I have heard that insurance will not cover rental units where marijuana is present. From potentially approved and legally licensed growers I have heard concerns that they might be illegally undercut by those selling marijuana with a higher THC content under the table tax free.

More recently I have heard concerns from food vendors that their products at a wholesale level might be contaminated with marijuana and resold as edible marijuana potentially creating a liability concern.

From a law enforcement standpoint I have heard that it might be difficult if not impossible to determine the point of origin to determine between legal and illegal marijuana.

Locally NDP MP Dick Cannings has raised another concern that chronic users of Marijuana may have higher THC levels in their blood that could subject a user to be subject to potentially unfair criminal charges if operating a vehicle.

Those who frequently cross the border have questioned what impact legal marijuana use in Canada would have on someone crossing into the United States. Local Governments have asked about who will pay for potentially higher policing costs while the Provinces will be responsible for setting policy.

At this point there are no answers to any of these concerns that have been raised but given that the Liberal Government has promised to implement legalization in eight months, the answers will need to be found relatively soon.

The above is only a small sampling of concerns that I have heard and do not include comments around secondary smoke and smoking marijuana in public places. I have also heard many questions from educators on how to restrict marijuana from teenagers given scientific evidence has shown potential harm for brain development among youth if using marijuana.

My question this week: what concerns do you have, if any, on the legalization of marijuana?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at [1-800-665-8711](tel:1-800-665-8711).

November 8th

The major issue reverberating around Ottawa this week was the recent release of the 'Paradise Papers'.

For those of you unfamiliar with the 'Paradise Papers', they are leaked documents that contain the names of individuals who have involvement in offshore accounts that in some cases are used to avoid paying domestic taxes.

The reason this has become a political issue in Ottawa is that one of the names on the list happens to be the Liberal Party of Canada's chief fundraiser.

This same individual accompanied the Prime Minister to an exclusive dinner at the White House during the Obama administration. This in turn raised the question why a Liberal Party fundraiser was brought to an exclusive dinner when the Liberal Government's Natural Resource Minister was left off the guest list.

To date the Prime Minister has refused to answer this question.

From my perspective I think it is important to recognize that being named on the Paradise Papers is not indicative of having done anything illegal. The real issue is, we have observed the Canada Revenue Agency attempt to tax employee discounts. At the same time the Liberal Government attempted a large tax grab against farmers and small business owners.

Meanwhile individuals of immense wealth can utilize offshore accounts and family trusts here at home with no proposed taxation change whatsoever.

In many ways this creates two tiers of taxation where the wealthiest are treated differently by this Liberal government than everyday Canadians.

This raises a question on exactly how much potential tax revenue is lost by these types of tax policies. Officially this is known as the "tax gap". The tax gap is the Government's potential tax revenue as opposed to the amount of tax revenue it is actually able to collect.

In the United States this type of taxation data has been tracked and publicly disclosed for many years.

As the recent release of the Paradise Papers has brought the extent of this problem to light, many have questioned what the tax gap is in Canada.

Unfortunately the Canada Revenue Agency refuses to disclose this information. In fact, there has been considerable effort in Parliament by MP's and Senators alike to obtain this information. To date,

there has been no success. Considering that some estimates believe Canada's tax gap could be as high as \$47 Billion annually, this is a serious and growing concern.

The Liberal Government has justified the position of the Canada Revenue Agency, arguing that Canadians tax information is confidential and as a result this aggregated data should not be publicly released. The Liberals have also pointed out they are increasing the budget for the Canada Revenue Agency for enforcement and investigation purposes.

My question this week: do you believe that Canada Revenue Agency should join countries such as the United States, Sweden, Australia and others in publicly disclosing the tax gap?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at [1-800-665-8711](tel:1-800-665-8711).

November 15th

This week in Ottawa, it was revealed that Finance Minister Bill Morneau is now being investigated by the Office of the Conflict of Interest and Ethics Commissioner.

This investigation centers around his involvement in a pension bill that may have financially benefited a company that Mr. Morneau was reported to own roughly \$21 million worth of shares in.

Ottawa pundits have observed that this is the first time both a sitting Prime Minister and the Finance Minister have been under ethics investigations at the same time.

As is often the case when a Government is under an ethics scandal, efforts are made to "change the channel".

Early this week the Liberal Government announced it would publicly post an online "[mandate tracker](#)" where Canadians can see the Governments progress on key initiatives. In theory this a good idea, however in execution the Liberals have come up short on this one and I will explain why.

The first challenge with the Liberal mandate tracker is that it is not based on the promises that the Liberals made in order to get elected. Rather the mandate tracker is based on the [mandate letters](#) to the Ministers of the Liberal Government. [For example, the Liberals promised to restore Canada Post door to door delivery.](#) However in the [mandate letter to the Minister who oversees Canada Post](#), only a review of door to door mail delivery was requested but not a restoral of service.

As the Liberals have conducted the review of door to door mail service, they can boast they have met this commitment even though it falls short of what was actually promised during the election.

The other challenge I have with the mandate tracker is that the Liberal Government themselves decide how much they have actually accomplished.

In other words, it is not the Parliamentary Budget Officer or any other independent and objective department providing this information.

Ultimately I would submit this mandate tracking idea could have had more usefulness to Canadians if it was handled differently.

Also this week we learned the long awaited details of the Liberal Government's new peacekeeping measures. As some may recall during the election, Mr. Trudeau had suggested that Canada was out of peacekeeping business and promised an increase in Canadian peacekeeping forces.

This promise led to a commitment from the Prime Minister before the 2016 UN Peacekeeping Defence Ministerial Conference in the UK, to provide up to 600 troops and 150 police for a specific deployment that was promised to be announced at a future date.

Today we know this 2016 commitment will be yet another promise that is not fully honoured by this Prime Minister. Instead only 200 personnel and 50 police will be provided in primarily training and transport roles. There will be no specific deployment zone despite many promises and overseas trips to explore potential peacekeeping opportunities over the past two years.

I am not suggesting that Canada will not continue to serve a useful role in UN peacekeeping operations with this significantly reduced commitment. My observation is that once again we see a pattern where Mr. Trudeau is pleased to make a significant announcement with a photo opportunity, as was done in the 2016, only to move the goal posts at a later date.

My question this week- should the Prime Minister have fully honoured his 2016 commitment to the UN Peacekeeping Defence Ministerial Conference?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711.

November 22nd

When former Prime Minister Stephen Harper first introduced the Universal Child Care Benefit program that provided direct financial benefits to parents with kids, it was heavily mocked and criticized by the Liberal Opposition at the time.

Specifically, the Liberals suggested the money that would be provided towards supporting children under this program would instead be spent by parents on “beer and popcorn”.

Fast forward to the present, and the Liberal Government have not only continued this program, with changes that adds a means test, they have also significantly increased the funding.

In the House of Commons some Liberals refer to this program as the most significant social policy innovation in a decade as many believe it has helped to reduce child poverty in Canada.

The Canada Child Tax Benefit has become particularly important for divorced single parents who will often receive an increase of overall monthly financial support, if their household income has been reduced as a result of a divorce.

As with all taxpayer funded financial programs, there is a need for Government to confirm eligibility

for a program and to take measures to protect against fraud. In the case of the Canada Child Tax Benefit (CCTB) this typically requires an applicant to provide various forms of documentation to confirm eligibility.

In my view, it is a reasonable expectation to provide this documentation.

Recently I have become aware of a number of cases where the Canada Revenue Agency may also request additional documentation from a separated or divorced spouse. The challenge in these circumstances is what if a separated or divorced spouse refuses to cooperate with the Canada Revenue Agency or cannot be located?

Amazingly, in these situations, the benefits of some single parents are being frozen or denied.

In some extreme cases, the Canada Revenue Agency has even gone so far as to change the tax status of a divorced or separated person to "married". This change in tax status may result in a single parent having their monthly assistance significantly reduced and in some cases they might be determined as ineligible for the program, as it is no longer universal. In those cases, a demand is made for repayment of any CCTB benefit paid prior to the ineligibility decision.

For a single mother or father, who have been legitimately divorced or separated, this can be an extremely stressful and traumatic situation. More so if the primary cause is a former spouse, who either cannot be located or refuses to provide documentation to the Canada Revenue Agency.

Currently I am pursuing this matter in Ottawa as I believe these actions that sometimes occur with the Canada Revenue Agency can adversely impact affected single parents unfairly.

As some will know, the breakdown of a relationship is not always an amicable or pleasant experience. For the Canada Revenue Agency to penalize and deny some single parents financial support for children because of the inaction of a former spouse is, in my opinion, unreasonable and unfair.

My question this week relates to fairness.

Is it fair that in some situations a single parent could be denied Canada Child Tax Benefit (CCTB) benefits due to the inaction of a former spouse to provide supporting documentation?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711

November 29th

In last week's report I referenced some of the challenges single parents, particularly single moms, were facing with the Canada Revenue Agency in receiving their Canada Child Benefit (CCB) support.

Since that report I have heard of literally dozens of more cases that illustrate the severity of this problem.

This matters because in many cases, the Canada Revenue Agency (CRA), with often dubious information at best, will send out an advisory informing a single parent that their marital status has been arbitrarily changed to married or common-law.

Typically this occurs because an ex-spouse has left the marriage and has not filed a change of address; often to avoid being found as child/spousal support payments are not being made either.

I have heard from many single mothers, the great lengths they have gone to attempt to prove an ex-spouse is no longer living at the same address. Even in cases where a restraining order is present, the CRA may still refuse to change the status of the single parent in question.

What is most troubling about this conduct from the Canadian Revenue Agency is essentially single parents are being treated as guilty. The important Canada Child Benefits are being withheld, denied or reduced until such time they can prove to the satisfaction of CRA that they are innocent. Only then do they receive the benefit to which they are entitled.

I would submit nowhere else in Canadian society would we accept a presumption of guilt to deny single parents benefits that help care for children.

Yet I have witnessed evidence that demonstrates the Canada Revenue Agency is doing precisely that and it is wrong.

Keep in mind - in cases where fraud can be proven and established by CRA - the agency has the ability to garnishee wages, bank accounts and other assets. I mention this as I believe Canada Revenue Agency has sufficient tools to deal with fraud. They do not need to penalize single parents and label them guilty without due process.

From a political standpoint, this is all part of a disturbing trend.

In the last few months, the Canada Revenue Agency has attempted to go after staff discounts, began denying significant numbers of Type 1 diabetes applicants their Disability Tax Credit and now single parents, most often single mothers, are being targeted.

Although the Canada Revenue Agency may not give many single parents the benefit of the doubt, I will offer the benefit of the doubt that the Trudeau Liberal Government has not sanctioned these actions.

I will also publicly pass on that the Minister of National Revenue's office has recently reached out to my office suggesting they are well aware of this problem.

However I will also state that the Minister of National Revenue must get this agency under control, or the Prime Minister is going to need to find a new Minister who can.

My question this week:

Do you think it is fair that Canada Revenue Agency can unilaterally change the marital status of a single parent thus potentially penalizing the Canada Child Benefits and essentially say "prove us

wrong"?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

December 2017

December 7th

The headlines coming out of Ottawa this week were unrelenting:

"Trudeau's trade deal with China turns into an embarrassment" and

"Trudeau breaks the three rules of doing business in China, leaves Beijing empty-handed"

At issue was a press conference in Beijing where it was widely expected that the Prime Minister would announce that Canada and China were entering into formal trade talks. That did not occur and even at the present moment it is unclear what the current status is of talks between Canada and China that are trade related.

The rumored stumbling block is the Trudeau Government's insistence on demanding what they call "Progressive Trade".

What is "Progressive Trade"?

Based on the Government's own definition, it is a trade deal that also has guarantees on topics such as labour, gender and environmental rights that are not normally part of a free trade agreement. There are many criticisms of this progressive trade policy -- as an example would Canadians accept societal values from another country demanded upon us in order to accept a trade deal?

I suspect many Canadians would not.

So it is no surprise that this progressive trade approach has been rejected in NAFTA, TPP and now Chinese trade related discussions thus far. Why does the Liberal Government insist on "progressive trade" language? It has been suggested this language is more aimed for Canadians to hear back at home, for political reasons. Obviously this is also confusing for our potential trading partners.

However, I believe there is another aspect to this.

For example, the Trudeau Liberals have insisted on a national carbon tax here in Canada. In the event Canada enters into a free trade agreement with a country that does not have a national carbon tax, our producers and manufacturers would be at a competitive disadvantage. Likewise Canada has significant worker protections with social programs such as EI, CPP, parental leave, medical leave, the right to collective bargaining and more.

Other countries, particularly China, do not typically offer similar protections for workers. As many of

these programs are funded in part by employers once again a competitive disadvantage would be created in a free trade agreement.

Canada already has a trade deficit with China of roughly \$45 billion annually and growing. Obviously there many other concerns related to Chinese human rights and environmental policies or lack thereof. In addition, past cyber-attacks on Canadian Institutions such as the National Research Council that Communications Security Establishment Canada identified as coming from a "highly sophisticated Chinese state-sponsored actor" have yet to be reference by the Trudeau Liberals as they continue to negotiate with China behind closed doors.

My question this week: are you in support of a "Progressive Trade" deal with China?

I can be reached at Dan.Albas@parl.gc.ca or call toll free at 1-800-665-8711

December 13th

I was not planning on mentioning the controversy surrounding a temporary ice rink the Liberal Government built in front of the Parliament buildings to celebrate Canada 150.

However, a nearby Liberal MP referenced this rink locally and defended the project against allegations of government waste. Unfortunately the Member of Parliament in question failed to mention the actual costs to build this temporary rink.

That omission of relevant fact led to many citizens asking me what were the actual costs.

Originally the costs to build this temporary ice rink were quoted at \$5.6 million dollars. The rink would only be open for just over three weeks in December. Later it would be donated to a community near Ottawa.

The public outcry over the costs in addition to the limited schedule led to an announcement extending the opening schedule to the end of February 2018. However, the extra costs of doing so are not clear.

I will leave it up to local citizens to decide if \$5.6 million dollars, plus additional costs not known, is money well spent for a temporary skating rink outside of the House of Commons.

More importantly I have have received a considerable response from many single parents, the majority of which are single mothers, who have encountered serious difficulty in dealing with the Canada Revenue Agency(CRA).

These single parents are having their Canada Child Benefit arbitrarily denied, reduced or clawed back. I will credit the Minister of National Revenue's office who has reached out and to date we have been able to successfully restore the benefits for one local single mother. I am currently working on a number of other cases.

I do believe it is important to give credit where it is due and on behalf of my constituents, I appreciate

the assistance of the Minister's office in these matters.

On a somewhat related theme, the House of Commons will adjourn this week.

Earlier today, the Finance Minister revealed details to the Liberal Government tax changes affecting Canadian small businesses, effective January 1st, 2018.

I am concerned over the timing of this announcement, being so close to the holiday season. Last year, the Liberals quietly released a report on Christmas Eve showing they would not balance the budget until at least the year 2050.

What is more concerning is these small business tax changes will add more discretionary power to the CRA in areas such as the dividends to family members, who help run those small businesses.

My greatest concern relates to the experience I have encountered with single parents and how unfairly the CRA may use their discretionary power. This could lead to the CRA unfairly penalizing Canadian small business owners without proof of any actual wrong doing. I have witnessed many examples where citizens do provide the required documentation only to be arbitrarily denied again by the CRA.

While I do appreciate the Minister of National Revenue's efforts, it is not practical to have the Minister's office continue to intervene on a case by case basis for what should not be a problem in the first place.

This leads to my question for this week:

Do you believe the CRA should have ultimate and sole authority when interpreting the status of information reported by taxpayers?

By extension, should there be a greater burden of proof required from the CRA before they can arbitrarily and adversely impact a taxpayer?

I can be reached at Dan.Albas@parl.gc.ca or call toll free 1-800-665-8711.

December 20th

I had written my MP Report for today, and then we had some breaking news.

We learned that Prime Minister Trudeau has been found guilty on four violations of the Conflict of Interest Act in a report released by Conflict of Interest and Ethics Commissioner, Mary Dawson.

The various conflict violations are related to a vacation that the Trudeau family and friends took on a private island owned by the Aga Khan in December of 2016.

Ultimately this relates to the fact that the Aga Khan Foundation is a registered lobbyist that receives millions of dollars in funding each year from the Federal Government. The Conflict of Interest Act is intended to ensure that elected officials do not personally benefit from their position of public office.

With the Prime Minister and also the Finance Minister recently being found in violation of the Conflict of Interest Act, I am often asked, what is the penalty?

Currently the penalty for being found in violation of the Conflict of Interest Act is a fine that has a maximum of up to \$500.

My question for this week- do you believe that the fine for a violation of the Conflict of Interest Act is sufficient at \$500 or should it be higher or something else, other than money?

Now on to my original report.

I would like to take a moment to thank the residents of Central Okanagan-Similkameen-Nicola.

We share a large, diverse and beautiful region together; the one constant is the friendliness of the people and the level of interaction and engagement, that from my perspective, is very high.

It is truly an honour to represent you and raise your issues of importance in Ottawa.

Recently, I was able to bring forward the challenges single parents, most often mothers, were having in dealing with the Canadian Revenue Agency in obtaining Canada Child Benefits. I asked the Minister of National Revenue about this in Question Period and have since been interviewed by CBC. This has now become a national story with wide reaching implications.

I credited the Minister's office recently for resolving some of these issues, which will ensure some households will have a far more meaningful holiday season.

When an issue can be raised by Opposition and the Government can respond in a positive manner, it is an example that our democracy is working and for that we shall all be thankful.

On that note, I would like to sincerely wish everyone a Merry Christmas and a safe and enjoyable holiday season.

Best wishes for a prosperous 2018 and a special thank you to our armed forces and first responders for the ongoing work that they do on our behalf.

I can be reached at Dan.Albas@parl.gc.ca or call toll free at [1-800-665-871](tel:1-800-665-871)