



Summary and Analysis of the Throne Speech
February 2, 2004
Canadian Construction Association

February 2, 2004 Ottawa - The Paul Martin government today unveiled its first Speech from the Throne, marking the opening of the Third Session of the 37th Parliament.

By their nature, Speeches from the Throne tend to offer broad, vague vision statements as opposed to concrete policy announcements (which will be formally unveiled in the federal budget, expected in early March). In addition, with a federal election expected in May 2004, the outlook covered by this Speech is unusually short.

For the Canadian construction industry, the primary items of interest include:

- The Martin government repeated its promise to deliver a "*new deal*" for Canadian municipalities, which will, among other things, "...target the infrastructure needed to support quality of life and sustainable growth".
- This new deal will deliver "*reliable, predictable, and long-term funding*".
- The federal government has promised to share a portion of gas tax revenues or "*determine other fiscal mechanisms which achieve the same goal*". However, this will take time to negotiate, and no amount was set.
- In the meantime, the federal government will provide a 100% GST rebate for municipalities. This will be equivalent to \$7 billion over the next decade. In addition, existing federal infrastructure funds will be advanced more quickly than originally announced.
- Under its learning agenda, a vague promise was made to "*refine and enhance its programs to encourage skills upgrading, in concert with sector councils, unions, and business*".
- Under its agricultural policy, the federal government has promised to "*...support infrastructure of transportation and applied science...*".
- The government's environmental policy will include a 10-year, \$3.5 billion program aimed at brownfield remediation. An additional \$500 million will be allocated for other remediation programs, including funding to clean up the Sydney tar ponds.
- As part of its efforts to facilitate border crossings with the United States, the federal government will "*work toward infrastructure investments at key trade corridors to ensure that we can facilitate the expanding trade between our two countries*".

Jeff Morrison
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