



## Federal Budget Primer

The federal budget signals the government's priorities and lays out a plan for government spending on programs, initiatives and services for the fiscal year starting in April. It also lays out expected revenue from various sources. The largest source of government revenue is Personal Income Tax, so in many ways the federal budget is the government's plan for how it will spend our tax dollars! This is just one of the reasons that we have a responsibility to step up and let the government know how we want the federal budget to be spent.

The budget is drafted by senior public service members based on priorities laid out by the Cabinet (comprised of Ministers) and the Prime Minister's Office. It is announced in the House of Commons by the Minister of Finance, currently Minister Bill Morneau (fun fact - Canadian Finance Ministers traditionally wear new shoes when they release the budget!) After it is announced, the House of Commons (comprised of MPs or Members of Parliament) must vote whether or not to pass the budget. Budgets are what is known as a confidence measure, meaning that if the House of Commons votes against passing the budget, the government can fall and trigger an election.

Currently, the Liberal Party under Prime Minister Justin Trudeau holds a majority government, meaning they hold the majority of seats in the House of Commons. For this reason, the likelihood of the budget being passed is fairly certain.

While other federal political parties have some influence over the budget, in a majority government, external influences - such as voters, civil society and lobby groups - hold more sway. Budget decisions are very important during elections, as the ruling party wants to make decisions that will lead to their re-election.

This is where organizations like EWB come in.

In our #BringCanadaBack ask, we encouraged the Prime Minister increase Official Development Assistance by sending him Valentine's Day postcards and tagging him in social media posts (click [here](#) for a primer on what ODA is and why it's important). These actions demonstrated that there is public support across Canada, especially amongst young Canadians, to increase ODA. When making decisions on how to allocate the government's resources in the federal budget, the Prime Minister considered the hundreds of EWBERs who told him that ODA is important to them and the impact these EWBERs could have when they go to the polls to vote in 2019. Showing that there is widespread support for a policy change reduces the perceived risk and increases incentives for the government to act on that policy ask. This is why EWB's community is the driver of real policy change, not just EWB as an organization - we have strength in numbers!