

**#YOUR  
BUDGET  
2018**

Canada

# GUIDING PRINCIPLE:

“When you have an economy that works for the middle class, you have a country that works for everyone.”

**#YOUR  
BUDGET**

# BUDGET 2016

**Our first budget set out an ambitious agenda for inclusive and sustainable growth:**

- Middle Class Tax Cut
- Canada Child Benefit
- Historic investments in Indigenous Peoples, veterans, and seniors
- Major growth-oriented & community building infrastructure funding
- Action to help ensure that post-secondary education remains affordable
- Investments in discovery research through the granting councils and additional support for world-class researchers and institutions

# BUDGET 2017

## Advancing progress for the middle class:

- Equipping workers with skills and tools to succeed in a changing economy
- Strengthening Canada's publicly funded, universal health care system
- Accelerating the transition to a clean growth economy
- Supporting gender equality with Canada's first ever Gender Statement
- Building stronger communities with investments in early learning, child care and affordable housing
- Advancing reconciliation with Indigenous Peoples
- Making the tax system fairer for the middle class

# 2017 FALL ECONOMIC STATEMENT

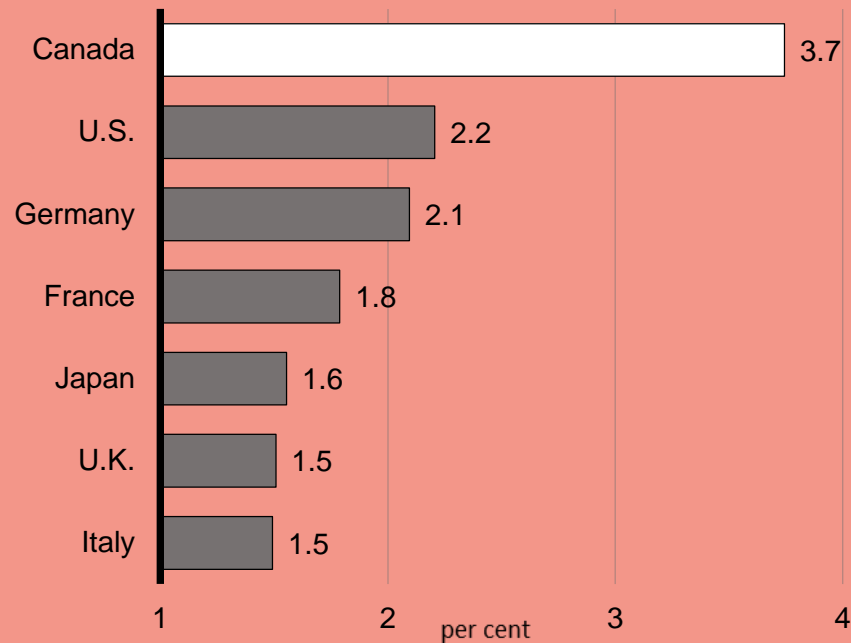
## Doubling-down on a plan that's working:

- Proposing to reduce the small business tax rate to 9 per cent, providing a small business with up to \$7,500 in federal corporate tax savings per year to reinvest in and grow their business.
- Strengthening the Canada Child Benefit by announcing intention to make annual cost of living increases starting in July 2018—two years ahead of schedule.
- Supporting low-income workers by announcing intention to invest more in the Working Income Tax Benefit, to help keep people in the workforce and encourage others to join it.

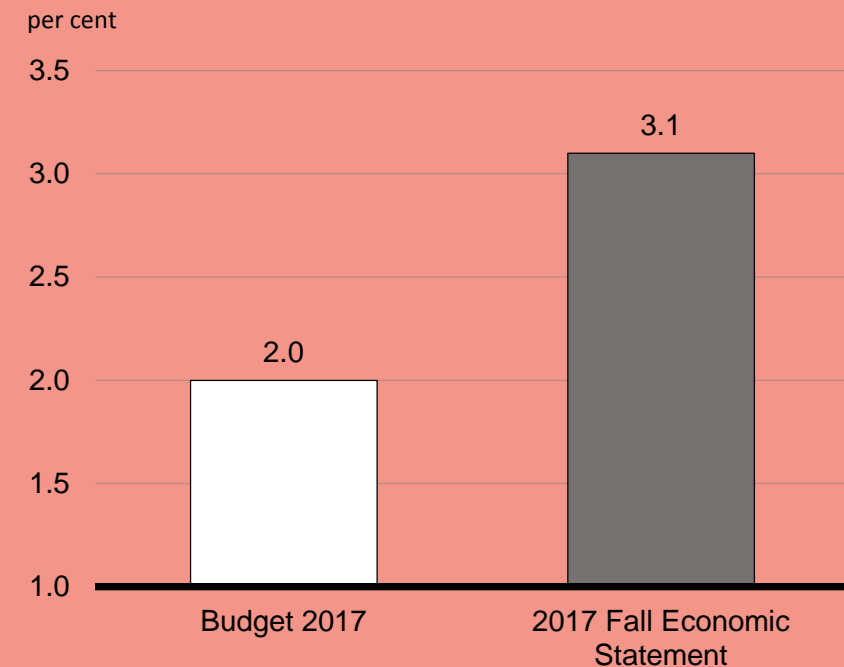
# THE GOVERNMENT'S PLAN IS WORKING:

Canada's economy is outpacing its peers and outperforming expectations

G-7 Real GDP Growth Over the Past Year



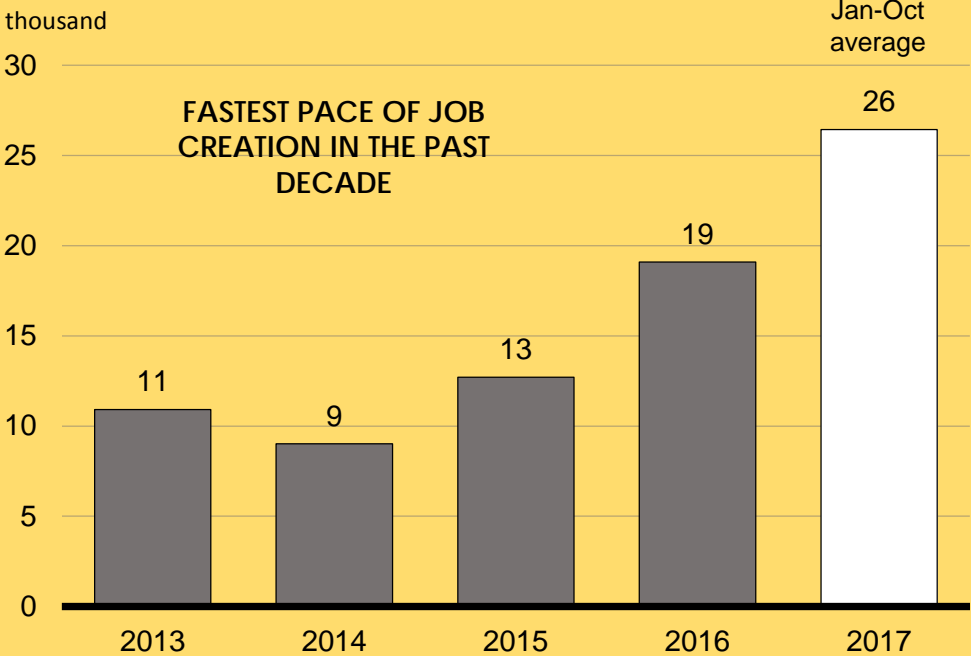
Canada 2017 Real GDP Growth Outlook



The Government's targeted fiscal investments have helped to re-establish economic momentum in Canada

# UNEMPLOYMENT RATE NEAR TEN-YEAR LOW

### Average Monthly Employment Gains



Note: The 2017 data point is the January to October 2017 average.  
Source: Statistics Canada.

### Unemployment Rate

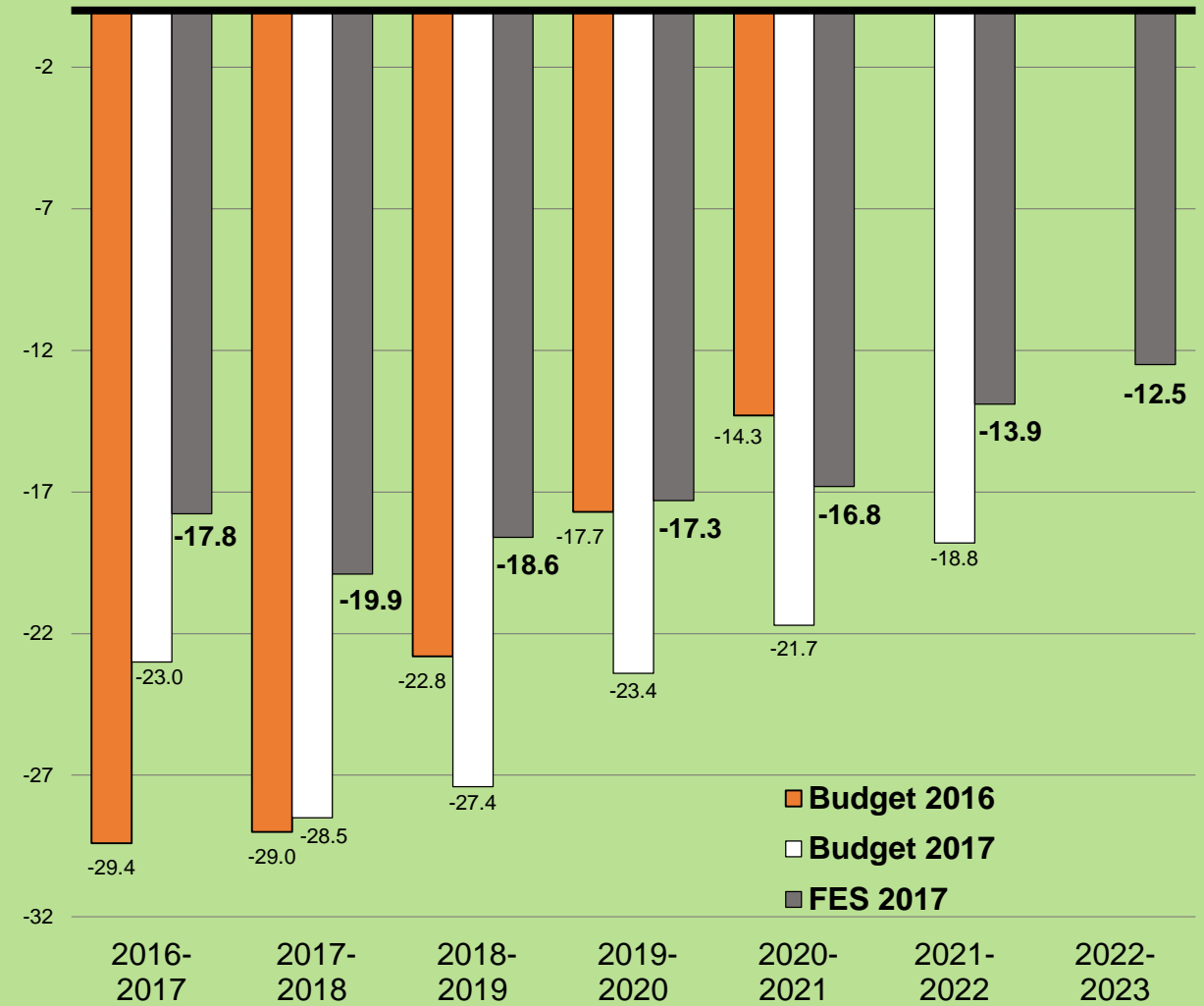


Note: Last data point is October 2017.  
Source: Statistics Canada.

# FISCAL OUTLOOK IMPROVING

## Budgetary Balance – 2017 Fall Economic Statement

\$billions



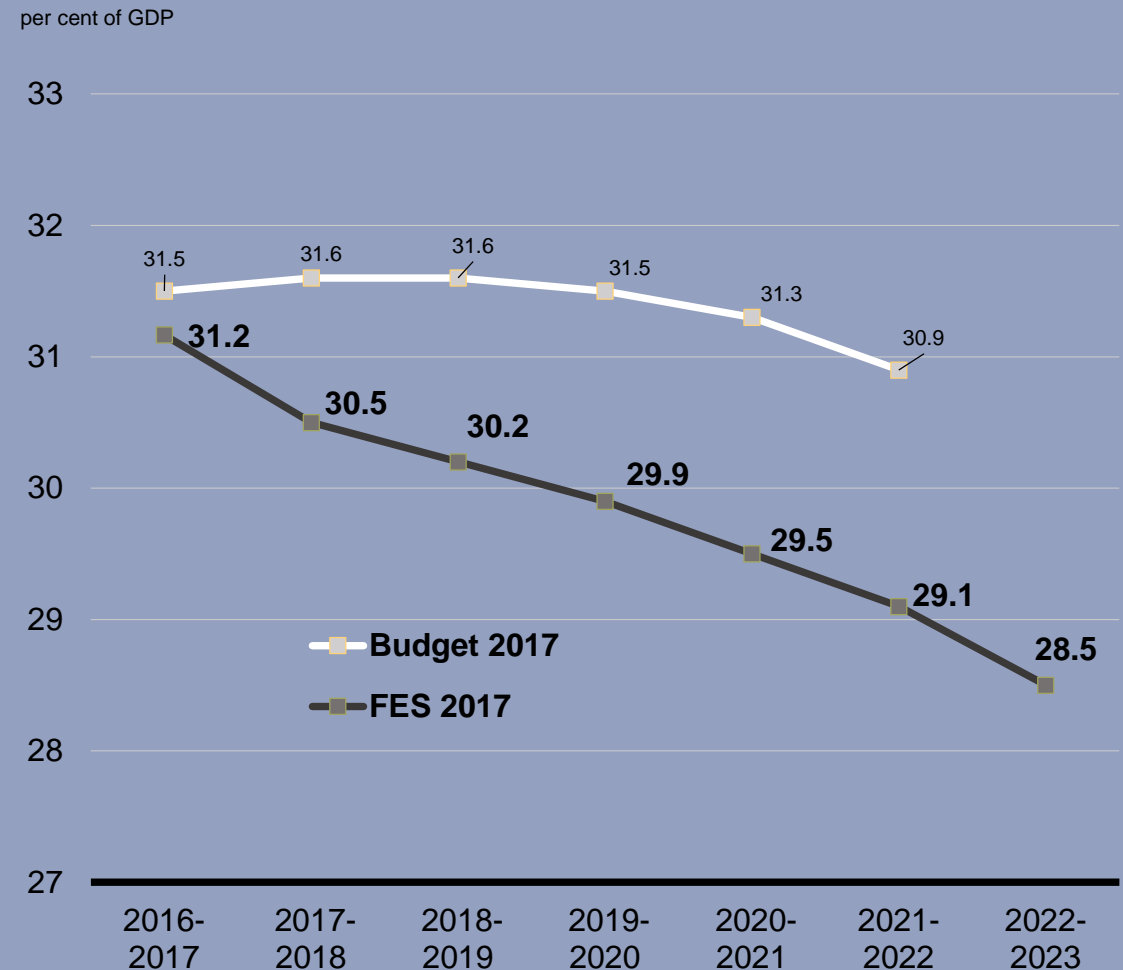


# Canada Has the Best Balance Sheet in the G7

Federal Debt-to-GDP Ratio Tracking Lower Than Projected

*“The Government will maintain this downward deficit and debt ratio track – preserving Canada’s low-debt advantage for current and future generations.”*

## Federal Debt-to-GDP



# AN OPPORTUNITY TO GROW AND STRENGTHEN THE MIDDLE CLASS

Canada's strong fiscal position allows us to do what other countries would like to do, but can't afford to do: invest in ourselves and in our future, while maintaining the flexibility needed to manage global uncertainty.

# #YOUR BUDGET 2018

How should we invest to support economic growth that benefits all Canadians?

# PROGRESS FOR THE MIDDLE CLASS

*Canada has the fastest-growing economy in the G7, and the Government of Canada wants to ensure that all Canadians see the benefits of that success.*

**As our economy grows and changes, how can we make sure the middle class grows with it?**

# ECONOMY OF TOMORROW

*The Government of Canada has already taken definitive steps to foster innovation and equip Canadians with the skills they need to succeed in the economy of tomorrow.*

**How can we better prepare  
Canadians for the future?**

# LIFELONG LEARNING

*The Government is working to do even more to help create good, well-paying jobs, and to build one of the smartest, most skilled and most creative workforces in the world.*

**What can the Government do to help Canadians develop their skills and progress in their careers?**

# GENDER EQUALITY

*We know that every Canadian – men and women - should have an equal opportunity to thrive and succeed in Canada's economy.*

**How can the Government advance gender equality, so that as our economy grows, all Canadians see the benefits?**

# #YOUR BUDGET 2018

[www.budget.gc.ca/pbc18](http://www.budget.gc.ca/pbc18)

[fin.pre-budgetconsultations2018-consultationspre-budgetaires2018.fin@canada.ca](mailto:fin.pre-budgetconsultations2018-consultationspre-budgetaires2018.fin@canada.ca)

Canada