

>> Vassy: WELCOME TO "QUESTION PERIOD" ON THIS SUNDAY, MARCH 31, I'M VASSY KAPELOS. TODAY THE BUDGET DONE DIFFERENT.

>> Rt. Hon. Justin Trudeau: IT'S ABOUT CHANGING THE RULES OF THE GAME IN A WAY THAT MEETS YOUNG PEOPLE WHERE THEY ARE AND RESPONDS TO THEIR HOPES AND DREAMS FOR THE FUTURE VAT VAT THE FEDS ARE ROLLING OUT WHAT'S IN THE BUDGET ON A DAILY BASIS. WHAT'S IN IT FOR YOU? GENERALLY WILKINSON WILL BE HERE IN MOMENTS.

I'LL ASK ABOUT THAT AND WHETHER TOMORROW'S CARBON TAX HIKE CAN BE PAUSED.

>>> SPEAKING OF THAT HIKE, TOMORROW IS THE DAY.

>> WE HAVE VOICED OUR OPPOSITION TO THIS -- WHAT AMOUNTS TO AN INFLATIONARY TAX.

>> IF YOU WANT TOP APPLY THE CARBON TAX, IT HAS TO BE APPLIED EQUALLY ACROSS THE COUNTRY IN ALL PROVINCES FOR ALL TYPES OF FUEL.

>> Vassy: THE FEDERAL CARBON TAX INCREASES.

PETER SPENT THE WEEK URGING THE FED TO PRESS PAUSE.

WE'LL GO ONE-ON-ONE WITH ALBERTA PREMIER DANIELLE SMITH COMING UP.

>>> PLUS WILL THE PRE-GAME SHOW WORK?

>> WE'RE NOT GOING TO HAVE A BUDGET DAY.

WE'RE GOING TO HAVE BUDGET DAY. IT'S LIKE LIBERAL LENS.

>> Vassy: WILL THE FEDERAL GOVERNMENT'S NEW STRATEGY TO ANNOUNCE BUDGET MEASURES IN ADVANCE OF BUDGET DAY PAY OFF? COULD IT HELP CHANGE THE FED'S CURRENT POLLING WITH CANADIANS? OUR SUNDAY STRATEGY SESSION WILL BE HERE LATER ON TO DIG INTO THAT.

>>> LET'S START WITH THE FEDERAL BUDGET THAT'S JUST OVER TWO WEEKS AWAY.

THE FEDERAL GOVERNMENT THIS WEEK LAUNCHED A NEW STRATEGY FOR THAT BUDGET.

INSTEAD OF RELEASING THEIR NEW MEASURES ON THE DAY OF THE BUDGET, THEY PLAN TO SPEND THE NEXT TWO WEEKS ANNOUNCING NEARLY ALL OF IT BEFORE THE DOCUMENT IS EVEN TABLED.

EARLIER THIS MONTH FINANCE MINISTER CHRYSTIA FREELAND SIGNALLED THE BUDGET WOULD FOCUS ON BUILDING A, QUOTE, MIDDLE CLASS LIFE FOR THE NEXT GENERATION AND THAT SAME MESSAGE WAS REITERATED THIS WEEK.

>> WE HAVE A PLAN TO BUILD A CANADA THAT WORKS BETTER FOR YOU, WHERE YOU CAN GET AHEAD, WHERE YOUR HARD WORK PAYS OFF, WHERE YOU CAN BUY A HOME, AND WHERE YOU CAN REALIZE THE INCREDIBLE PROMISE OF OUR GREAT COUNTRY AND GET A FAIR CHANCE AT MIDDLE CLASS LIFE.

>> Vassy: SO FAR THE BUDGET ANNOUNCEMENTS ARE FOCUSED ON HOUSING AND MORE SPECIFICALLY ON RENTERS.

THE LIBERALS ARE PLEDGING TO CREATE A NEW CANADIAN RENTER'S BILL OF RIGHTS TO REQUIRE LANDLORDS TO DISCLOSE THEIR PROPERTY'S RENTAL PRICE HISTORY AND LAUNCH A NEW \$15 MILLION TENANT PROTECTION FUND AS WELL AS AMEND THE CANADIAN MORTGAGE CHARTER TO MAKE YOUR RENT COUNT TOWARDS YOUR CREDIT SCORE.

MEASURES ARE AIMED AT A BIGGER ISSUE OF AFFORDABILITY, WHICH THE OPPOSITION ACCUSES THE LIBERALS OF WORKING AGAINST BY INCREASING THE PRICE ON CARBON ON MONDAY.

JONATHAN WILKINSON IS THE MINISTER OF ENERGY AND IS HERE

TO TALK MORE ABOUT THAT.
THANK YOU FOR MAKING THE TIME.
>> NICE TO SEE YOU.

>> Vassy: I LISTENED VERY CLOSELY TO YOUR GOVERNMENT'S ANSWERS TO THE OPPOSITION AND PREMIERS THIS WEEK ON THE PRICE ON CARBON AND UPCOMING INCREASE TO THAT PRICE.
I HEARD YOU AND YOUR COLLEAGUES SAY CANADIANS ARE GETTING MORE BACK IN THE REBATE, THEREFORE IT ISN'T AN AFFORDABILITY ISSUE. AND ANY POLITICIAN THAT INCIDENT MATES OTHERWISE IS ESSENTIALLY -- INTIMATES OTHERWISE IS ESSENTIALLY LYING TO CANADIANS F IT ISN'T AN AFFORDABILITY ISSUE, WHY DID YOU PAUSE THE TAX FOR THREE YEARS ON HOME HEATING OIL?

>> WELL, IT IS JUST TRUE AND IT IS A FACT TO SAY THAT EIGHT OUT OF TEN CANADIAN FAMILIES GET MORE MONEY BACK, BUT THE ONE EXCEPTION TO THAT WAS ACTUALLY PEOPLE WHO WERE LIVING ON HOME HEATING OIL.

IT IS THREE TO FOUR TIMES AS COSTLY AS NATURAL GAS, DEPENDING ON THE PROVINCE THAT YOU'RE IN, AND IT ESCALATED SIGNIFICANTLY. CERTAINLY MANY OF THE FOLKS THAT LIVE ON HEATING OIL ARE LIVING -- ARE IN THE LOWER INCOME BRACKET.

SO IT WAS REALLY IMPORTANT FROM AN AFFORDABILITY PERSPECTIVE THAT WE ACTUALLY ADDRESS THAT SO WHAT WE ARE DOING OF COURSE THE PAUSE ON -- NOT ELIMINATION, A PAUSE ON THE PRICE ON POLLUTION, IS PROVIDING FREE HEAT PUMPS TO PEOPLE SO THEY CAN SAVE MONEY GOING FORWARD.

IT WAS A DIFFERENT THING BECAUSE PEOPLE WHO BY AND LARGE LIVED ON HEATING OIL WERE PAYING MORE BUT THAT'S NOT TRUE OF THE VAST MAJORITY OF CANADIANS.

>> Vassy: BUT IF THE ISSUE WAS THE READINESS AND SORT OF COST OF AN ALTERNATIVE, WHY NOT JUST PROVIDE THE ALTERNATIVE FOR FREE AND INCREASE THE REBATE?

WAS IT JUST ACQUIESCING TO POLITICAL PRESSURE?

>> THE REBATE IS PAID TO PEOPLE ACROSS A PROVINCE. AS YOU KNOW WHATEVER IS COLLECTED IN A PROVINCE IS REDISTRIBUTED WITHIN A PROVINCE. BUT IT'S REDISTRIBUTED ON AN AVERAGE BASIS SO THOSE THAT ACTUALLY WERE USING HOME HEATING OIL WERE SIGNIFICANTLY WORSE OFF THAN EVERYONE ELSE.

SO THE PAUSE WAS INTENDED TO RELIEVE THAT PRESSURE, BUT THE PROGRAM THAT ACTUALLY PROVIDES THE HEAT PUMP IS INTENDED TO ENSURE THAT PEOPLE CAN ADDRESS THAT ISSUE, ADDRESS CARBON EMISSIONS, REDUCE THEIR ENERGY COSTS.

IT WILL SAVE MANY PEOPLE THOUSANDS OF DOLLARS A YEAR ONCE THEY INSTALL A HEAT PUMP.

SO IT WAS REALLY AN AFFORDABILITY MEASURE TO ADDRESS A PARTICULAR CASE WHERE THERE WAS A CHALLENGE BECAUSE PEOPLE ON AVERAGE WHO HAD HOME HEATING OIL WERE NOT GETTING AS MUCH BACK TO COVER THE HOME HEATING OIL COSTS.

THAT'S NOT TRUE OF NATURAL GAS OR ELECTRICITY.

>> Vassy: THE PEOPLE YOU REFERENCE MORE FREQUENTLY THIS WEEK, TO BACK UP THE POINT YOU MADE, THE 200 ECONOMISTS WHO SIGNED THAT LETTER, SOME OF THEM, IN PARTICULAR PROFESSOR CHRIS REGAN WHO IS INSTRUMENTAL IN DESIGNING THE CARBON PRICE IN THE FIRST PLACE, ACTUALLY SAID THIS ABOUT YOUR DECISION TO DO SO IN ATLANTIC CANADA OR MORE LARGELY WITH HOME HEATING OIL.

HE SAID CARBON PRICING WORKS AT LOW COST TO REDUCE GREENHOUSE GAS EMISSIONS PRECISELY BECAUSE IT LETS THE MARKET, NOT POLITICIANS, IDENTIFY LOW COST ACTION.

WHEN THE FEDERAL GOVERNMENT EXEMPTED HOME HEATING OIL LAST FALL IT WEAKENED THAT PRINCIPLE AND IGNITED A POLITICAL FIREARM STORM.

IN ADDITION IT CREATED MARKET UNCERTAINTY BY SETTING EXPECTATION THAT IS FUTURE POLITICAL CHALLENGES MIGHT LEAD TO FURTHER POLICY EROSION.

IS HE WRONG?

>> WELL, I KNOW CHRIS WELL, AND CERTAINLY I AGREE WITH THE FIRST PART OF HIS STATEMENT, WHICH IS ALL THE DATA SHOWS AND THE 200 ECONOMISTS CONFIRM IT IS BY FAR THE MOST EFFICIENT LOWEST COST WAY TO REDUCE CARBON EMISSIONS. IF YOU BELIEVE IN THE SCIENCE OF CLIMATE CHANGE AND WANT TO REDUCE.

>> Chris: S LEAST LOSTLY FOR TAX IS A PRICE ON POLLUTION. I DON'T AGREE WITH CHRIS WITH RESPECT TO THE HOME HEATING OIL PAUSE BECAUSE THAT WAS A VERY SIGNIFICANT CASE.

WE CAME OUT OF COVID, THERE WAS HIGH INFLATION, THEN INTEREST RATES WENT UP TO CURB INFLATION. AFFORDABILITY CHALLENGES BECAME VERY ACUTE.

GO BACK TO THE BEGINNING.

AT THE END OF THE DAY, PEOPLE LIKE MR. POILIEVRE WHO MAKE THE ARGUMENT THAT THE PRICE ON POLLUTION CREATES AFFORDABILITY CHALLENGES AND DOESN'T REDUCE CARBON EMISSIONS, 200 ECONOMISTS WHO ARE EXPERTS IN THE FIELD SAY THAT IS COMPLETELY FALSE, AND THERE IS ONE POLITICAL LEADER IN THIS COUNTRY WHO HAS NEVER HAD A JOB OUTSIDE OF SITTING IN THE

HOUSE OF COMMONS IS SAYING DON'T LISTEN TO THE EXPERTS.

WHO SHOULD PEOPLE BELIEVE?

I THINK IT'S PRETTY CLEAR WHO PEOPLE SHOULD BELIEVE.

>> Vassy: THE GENESIS OF MY QUESTIONS OF YOU AND THE GOVERNMENT IS NOT WHAT MR. POILLIEVRE SAYS; IT'S WHAT THE WOMAN FROM NEW BRUNSWICK SITTING ON THE PLANE NEXT TO ME A FEW DAYS AGO SAID IN HER WORRY ABOUT THE DEGREE TO WHICH THE TAX THAT YOUR GOVERNMENT IS LEVYING SHE SAYS HAS DISPROPORTIONATELY AFFECTED HER. WHEN YOU TALK ABOUT, FOR EXAMPLE, THE LEVEL OF ACUTENESS OF AFFORDABILITY CRISIS, WHAT ABOUT SMALL BUSINESS OWNERS, INDIGENOUS PEOPLE, AND FARMERS, THREE GROUPS OF PEOPLE YOUR GOVERNMENT IDENTIFIED IN 2019 AS BEING DISPROPORTIONATELY IMPACTED?

WERE YOU TO SAVE 10% OF THE REVENUE YOU TOOK IN FROM THE CARBON TAX AND REDISTRIBUTE IT TO THOSE GROUPS OF PEOPLE, A HUNDRED MILLION OF \$2.5 BILLION HAS THUS FAR FLOWED TO THOSE GROUPS.

WHAT ABOUT THE AFFORDABILITY ISSUES THEY FACE?

>> LET ME START BY SAYING IT IS SIMPLY TRUE THAT THE VAST MAJORITY OF CANADIANS GET MORE MONEY BACK AND IT WORKS EXACTLY INVERSE TO INCOME SO PEOPLE THAT ARE MOST VULNERABLE GET MONEY BACK.

GET THE MOST NET MONEY BACK. IN TERMS OF SMALL BUSINESSES, THERE IS MONEY THAT WILL FLOW BACK TO SMALL BUSINESSES, HOPEFULLY TO INVEST IN ENERGY EFFICIENCY IMPROVEMENTS. THERE IS MONEY THAT IS FLOWING BACK AND WILL FLOW BACK TO INDIGENOUS COMMUNITIES.

AND THAT IS THE SAME THING IS TRUE FOR THE FARMING COMMUNITY. IN ADDITION WITH RESPECT TO THE FARMING COMMUNITY, ONE OF THE THINGS THAT'S OFTEN NOT DISCUSSED IS AT THE VERY BEGINNING OF THE DESIGN OF THE TAX, A NUMBER OF ON-FARM FUELS WERE ACTUALLY EXCLUDED FROM THE PRICE.

SO THE FARMING COMMUNITY ACTUALLY HAS ITS OWN EXEMPTION THAT WAS BUILT INTO THE PRICE ON THE VERY BEGINNING.

>> Vassy: YOU HAVEN'T MADE NO INVESTMENTS IN THOSE THREE GROUPS BUT THE FIRST NATIONS FROM ONTARIO ARE TAKING YOU TO COURT BECAUSE THEY DO FEEL THAT THEY ARE CONTINUALLY MORE DISPROPORTIONATELY IMPACTED BY THE CARBON TAX AND THAT DOESN'T ANSWER THE QUESTION ABOUT WHERE THE \$2.4 BILLION THAT YOUR GOVERNMENT IS SITTING ON HAS GONE AND IF IT WILL IN FACT FLOW TO THE THREE GROUPS YOU IDENTIFIED AND IF SO, WHEN.

>> AS I SAY, THE COMMITMENT HAS ALWAYS BEEN THE MONEY THAT'S COLLECTED WILL FLOW BACK. IT WILL FLOW BACK IN THE NEAR TERM.

AT THE END OF THE DAY IT IS IMPORTANT THAT SMALL BUSINESSES ARE -- HAVE AN ABILITY TO ADDRESS THE ISSUES ASSOCIATED WITH PAYING THE PRICE ON POLLUTION, THAT THERE IS A REBATE, AND CERTAINLY THOSE THAT HAVE ACTUALLY ACCUMULATED WITH RESPECT TO SMALL BUSINESSES WILL BE RETURNED.

>> Vassy: WHEN WILL THAT HAPPEN?

WHAT DOES NEAR TERM MEAN?

>> AS I SAY, IT WILL BE OVER THE COMING MONTHS.

I DON'T HAVE A SPECIFIC DATE AND CERTAINLY YOU ARE VERY WELCOME

TO ASK THAT QUESTION TO THE
MINISTER OF MINISTERS OF FINANCE WHO'S THE
MINISTER THAT IS RESPONSIBLE FOR
ADMINISTERING IT.

BUT IT WILL BE IN THE NEAR TERM.

>> Vassy: DOYLE SO.

I HAVE JUST ONE OTHER ISSUE TO
ASK YOU ABOUT THAT IS MOST
DISTINCTLY IN YOUR PURVIEW AND
THAT'S AROUND LNG.

I SPOKE TO GREECE'S PRIME
MINISTER ON THIS PROGRAM LAST
YEAR AND HE SAID THAT GREECE
WOULD, QUOTE-UNQUOTE,
ABSOLUTELY WANT CANADIAN LNG AS
[INDISCERNIBLE] DISPLACE RUSSIAN
GAS.

DOES THAT MATTER TO YOU?

>> WELL, SURE.

AND TO BE HONEST, THERE IS A LOT
OF LNG DEVELOPMENT GOING ON
LARGELY ON THE WEST COAST OF
CANADA WITH LNG CANADA, WITH
WOOD FIBER, AND WITH CEDAR LNG
WHICH HAVE ALL BEEN APPROVED AND
ARE MOVING FORWARD.

AND THAT IS PROBABLY A SIMPLER
CONVERSATION THAN ON THE EAST
COAST BECAUSE OF THE PROXIMITY
OF THE GAS FIELDS TO WHERE YOU
WOULD ACTUALLY SHIP IT FROM.
YOU OBVIOUSLY HAVE TO DO THAT IN
A MANNER THAT IS CONSISTENT WITH
CANADA'S CLIMATE PLAN SO YOU
HAVE TO REDUCE METHANE EMISSIONS
IN THE UPSTREAM AND LIQUEFY
USING CLEAN ELECTRICITY.

ON THE EAST COAST WE HAVE HAD
MANY CONVERSATIONS ABOUT THIS
WITH PREMIER HIGGS AND OTHERS
ABOUT HOW COULD YOU GET YOURSELF
INTO A POSITION TO EXPORT LNG
FROM THE EAST COAST OF CANADA TO
EUROPE WHICH WOULD INCLUDE
GREECE OBVIOUSLY.

INITIALLY THE LOOK WAS FOR THE
[INDISCERNIBLE] PROJECT AND A
COUPLE OF OTHERS BRINGING GAS
ALL THE WAY FROM ALBERTA.
AND WHAT WE FOUND AND WHAT