

Emergency spending powers in Canadian governments

What we can learn about federal and provincial governments and legislatures from the COVID-19 crisis

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Emergency funding: what's different this time?

Scale

Emergency funds could double the cost of normal annually-funded government programs

Timing

Struck just before new fiscal year; duration is indefinite

Dual crisis

Simultaneously a public health and economic crisis, each larger than any in memory

Legislatures

Normally a key partner with government in managing during crises, but gatherings are prohibited

COVID-19 and emergency funding

Supply, interrupted

- How COVID-19 affects Canadian legislatures' supply process and available funding

What happens next

- Made-in-Canada ways to maintain funding (including Special Warrants) during a crisis

What it means

- Reflections for both theorists and practitioners

Legislatures have the right to approve spending

The normal supply process in Canada



COVID-19: premature adjournments

The 2020-21 supply process in Canada, interrupted



Voted supply*, Canada and provinces

Approved Not yet approved

	2020						2021					
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
Canada	Approved	Approved	Approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved
BC	Approved	Not yet approved	Not yet approved	Not yet approved								
AB	Approved											
SK	Not yet approved											
MB	Approved	Approved	Approved	Approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved
ON	Approved											
QC	Approved	Approved	Approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved
NB	Approved											
NS	Approved											
PEI	Approved											
NL	Approved	Approved	Approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved	Not yet approved

*Legislature-approved supply for 2020-21, as of April 1, 2020. Excludes special funding for COVID-19 response

Full supply without the legislature?

In provinces: Lieutenant-Governor's Special Warrants can provide all remaining supply

- Government can spend without prior legislative approval
- Available in all provincial governments through legislation;
- Permitted when legislature is adjourned and expenditure is urgently needed
- Routinely used for non-emergency spending in most provinces

In **Saskatchewan**, 2 months' supply are provided starting April 1 under standing legislation if no supply bill is passed

Federally, Governor-General's Special Warrants:

- **Not** normally available outside election periods
- Used only occasionally (last in 2011 during election)

Federal emergency funding legislation



**March
13**

- **Special Warrant provisions** temporarily amended (until June 2020); aligned with provincial rules

Government can use this to authorize full supply for regular programs if Parliament does not do so by June

**March
25**

- ***Public Health Event of National Concern Act*** gives government temporary authority (to September 30) to make various COVID-19-related payments without further Parliamentary approval



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What's next?

Provincial legislatures not needed for supply before 2021, but may be required for:

- Other urgent legislation, including tax measures
- Budget tabling (ON, PEI, NL)
- To test confidence after an election (SK, potentially NL)

Federal Parliament may be recalled before June to:

- Pass tax measures (emergency legislation did not delegate this)
- Permit Budget or Economic and Fiscal Update
- Seek consensus on additional spending measures from

What 2020 shows us

Flexibility is two-sided

Special Warrants provide provincial governments with almost unchecked power, but are effective in a serious crisis

Legislative power

Provincial legislatures have limited power to constrain governments using Special Warrants

Budgets

Provide key signals to citizens and markets on economic and policy positions, but are not critical during emergencies

Virtual legislatures?

Parliament requires members to attend in person – legislatures may consider future provisions for virtual meetings