

# Government Relations and Ethics Bulletin

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Fasken Martineau DuMoulin LLP

## Federal Cabinet Shuffle

### Introduction

Prime Minister **Stephen Harper** (Calgary Southwest) moved quickly to shuffle his cabinet this week in the wake of the resignation of Veterans Affairs Minister **Greg Thompson** (New Brunswick Southwest) over the weekend. The shuffle is part of the Prime Minister's "recalibration" of his government during the prorogation of Parliament. In all, 12 MPs were affected by the change. And the exercise was more than a mere tinkering by the Prime Minister, as it does signal a shift in the government's focus as it prepares for the budget in March.

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The largest shift appears to be a move away from big-spending, with billions committed in infrastructure investments in response to the global economic crisis, to a government poised to attack a new and significant federal deficit. Another apparent shift seems to be a renewed interest in the relationship between the Government of Canada and the Government of Quebec.

Tuesday's shuffle saw a number of key changes, but is also telling for some changes that were not made.

The following is a summary of some of these moves. Attached in Appendix "A" is a complete list of the federal Cabinet.

### Key Changes

The cabinet shuffle signals a shift in economic focus. The Prime Minister has sent strong signals that stimulus measures for a beleaguered economy are coming to an end, and an era of economic restraint, with an eye to a return to balanced budgets, lies ahead.

The most significant appointment announced today is **Stockwell Day's** (Okanagan-Coquihalla) move from Minister of International Trade to President of the Treasury Board, where he will play a lead role in changes to program spending and overall government priorities.

**Day** brings to the portfolio significant experience from his days in provincial politics, having served as Alberta's Treasurer (Minister of Finance) in the Ralph Klein government. Along with Finance Minister **Jim Flaherty** (Whitby-Oshawa), **Day** will face an enormous challenge in addressing Ottawa's deficit, which is already estimated at \$56 billion for the current fiscal year. With little appetite for tax increases, and a commitment to maintain provincial transfer payments, the federal government's deficit reduction efforts will focus heavily on reducing its own expenditures.

**Day** maintains his secondary cabinet file as Minister responsible for the Pacific Gateway.

The second key change in the Prime Minister's cabinet shuffle is the appointment of former Public Works and Government Services Minister **Christian Paradis** (Mégantic-L'Érable) to the portfolio of Natural Resources. **Paradis** inherits a portfolio rife with complicated files – particularly with respect to Canada's nuclear industry. The shutdown of the National Research Universal reactor has jeopardized the world supply of medical isotopes, AECL has experienced delays in its refurbishment of New Brunswick's Point LePreau power plant, and the Crown Corporation has recently announced its intention to seek a buyer for its CANDU arm.

In addition to these demanding nuclear files, **Paradis** may find himself working to ease growing inter-provincial tensions on energy and climate change matters. He will also be expected to play a key role in improving the government's standing in Quebec.

Ministers **Day** and **Paradis** both sit on the Cabinet's powerful Priorities and Planning Committee.

Replacing Mr. **Paradis** at Public Works and Government Services is **Rona Ambrose** (Edmonton-Spruce Grove). Her move from Labour is not only a promotion in portfolio, it signals a renewed confidence from the Prime Minister in a member previously seen as one of his caucus's rising stars. Given the size of her new department, and the possibility of government asset sales, **Ambrose** may see a significant role in executing the government's fiscal agenda. Completing the three-way move, former Natural Resources Minister, **Lisa Raitt** (Halton) will replace **Ambrose** in the Labour portfolio.

## Other Moves

A new face from Atlantic Canada will join the cabinet as **Rob Moore** (Fundy-Royal) takes over as Minister of State for Small Business and Tourism. With the recent retirement of now former Veterans

Affairs minister **Greg Thompson**, **Moore's** move into cabinet keeps the tally of New Brunswick ministers at two.

Another notable change occurs in the complex and demanding Public Safety file, which sees former Treasury Board President **Vic Toews** (Provencher) take over from **Peter Van Loan** (York-Simcoe) who moves to International Trade.

Former Revenue Minister **Jean-Pierre Blackburn** (Jonquiere-Alma) will see two portfolios come under his direction as he assumes responsibility as Minister of Veterans Affairs and continues as Minister of State for Agriculture. **Blackburn** is being replaced at Revenue by **Keith Ashfield** (Fredericton) who will also take over responsibility for the Atlantic Gateway while assuming increased ministerial responsibility for the Atlantic Canada Opportunities Agency. This is a major promotion for **Ashfield** and it signals the Prime Minister's growing confidence in the New Brunswick MP.

In another move, Senator **Marjory LeBreton** (Ontario), the government leader in the Senate, will relinquish her responsibilities as Minister of State for Seniors to **Diane Ablonczy** (Calgary-Nose Hill), who many view as an under-utilized talent in the Harper cabinet. **Ablonczy** is the former Minister of State for Tourism and Small Business.

## Key Stays

As expected, most of the heavy-hitters in the Harper cabinet, all Cabinet senior veterans of the Ontario Conservative governments of Mike Harris will stay in their posts. Top cabinet performers including Finance Minister **Jim Flaherty**, Transport Minister **John Baird** (Ottawa-West - Nepean) and Industry Minister **Tony Clement** (Parry Sound-Muskoka) remain unchanged in their Ministries, which is a clear signal that the Prime Minister has retained confidence in his government's performance throughout the recent economic recession.

Foreign Affairs Minister **Lawrence Cannon** (Pontiac) will also stay at his post, while Minister **Peter MacKay** (Central Nova), who has been under fire from the opposition for the Afghan detainee issue, will stay at Defence, while relinquishing his responsibility for the Atlantic Gateway.

For more information on the subject of this bulletin, please contact Daniel Brock.

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## APPENDIX “A”

### Federal Cabinet

- Here are the members of Prime Minister Harper’s Cabinet.
- The Honourable Robert Douglas Nicholson, Minister of Justice and Attorney General of Canada
- The Honourable Jean-Pierre Blackburn, Minister of Veterans Affairs and Minister of State(Agriculture)
- The Honourable Marjory LeBreton, Leader of the Government in the Senate
- The Honourable Chuck Strahl, Minister of Indian Affairs and Northern Development Federal Interlocutor for Métis and Non-Status Indians and Minister of the Canadian Northern Economic Development Agency
- The Honourable Peter Gordon MacKay, Minister of National Defence
- The Honourable Stockwell Day, President of the Treasury Board and Minister for the Asia-Pacific Gateway
- The Honourable Vic Toews, Minister of Public Safety
- The Honourable Rona Ambrose, Minister of Public Works and Government Services
- The Honourable Diane Finley, Minister of Human Resources and Skills Development
- The Honourable Beverley J. Oda, Minister of International Cooperation
- The Honourable Jim Prentice, Minister of the Environment
- The Honourable John Baird, Minister of Transport, Infrastructure and Communities
- The Honourable Lawrence Cannon, Minister of Foreign Affairs
- The Honourable Tony Clement, Minister of Industry
- The Honourable James Michael Flaherty, Minister of Finance
- The Honourable Josée Verner, Minister of Intergovernmental Affairs, President of the Queen’s Privy Council for Canada and Minister for La Francophonie
- The Honourable Jay D. Hill, Leader of the Government in the House of Commons
- The Honourable Peter Van Loan, Minister of International Trade
- The Honourable Gerry Ritz, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board
- The Honourable Jason Kenney, Minister of Citizenship, Immigration and Multiculturalism
- The Honourable Christian Paradis, Minister of Natural Resources
- The Honourable James Moore, Minister of Canadian Heritage and Official Languages
- The Honourable Leona Aglukkaq, Minister of Health
- The Honourable Lisa Raitt, Minister of Labour

- The Honourable Gail Shea, Minister of Fisheries and Oceans
- The Honourable Keith Ashfield, Minister of National Revenue, Minister of the Atlantic Canada Opportunities Agency and Minister for the Atlantic Gateway
- The Honourable Gary Lunn, Minister of State (Sport)
- The Honourable Gordon O'Connor, Minister of State and Chief Government Whip
- The Honourable Helena Guergis, Minister of State (Status of Women)
- The Honourable Diane Ablonczy, Minister of State (Seniors)
- The Honourable Rob Merrifield, Minister of State (Transport)
- The Honourable Lynne Yelich, Minister of State (Western Economic Diversification)
- The Honourable Steven John Fletcher, Minister of State (Democratic Reform)
- The Honourable Gary Goodyear, Minister of State (Science and Technology) (Federal Economic Development Agency for Southern Ontario)
- The Honourable Denis Lebel, Minister of State (Economic Development Agency of Canada for the Regions of Quebec)
- The Honourable Peter Kent, Minister of State of Foreign Affairs (Americas)
- The Honourable Rob Moore, Minister of State (Small Business and Tourism)

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