

FEDERAL FALL ECONOMIC UPDATE

Yesterday, Federal Finance Minister Chrystia Freeland delivered the Federal Fall Economic Update. The first fiscal update since the pandemic began in mid-March was not one filled with great news, but rather how we can get through challenges we are facing with the second wave this winter. The Minister outlines what steps the Federal government can take to ensure Canadians and businesses have the supports they need to weather the storm. While many are wondering what we will do for a post-pandemic recovery, this fiscal update focused mainly on the fight against COVID-19 and the short term with hints of a longer-term recovery plan to come in the near future.

As you know, the IBEW represents 70,000 members across the country in a variety of sectors from coast to coast to coast. The information provided below is information obtained from the Fall Economic Update and how it affects the various sectors that IBEW Canada members can be found working in, from health care to construction, aviation to utilities.

Some of the items in yesterday's announcement may sound familiar as some have already been announced over the past few weeks, while other items we are seeing for the first time. Please be reminded that legislation still needs to pass in order for many of the items to take effect.

GENERAL HIGHLIGHTS

- Canada Emergency Wage Subsidy (CEWS) increases to 75% beginning December 20, 2020
- Targeted stimulus to invest up to \$100 billion over the next three fiscal years – roughly valued at between 3 to 4 per cent of GDP to jump start the economy once the virus is under control
- Investing an additional \$274.2 million over 2 years in training and skills
- Provide immediate temporary relief for families with young children who qualify for the Canada Child Benefit
- Eliminate the interest on repayment of the federal portion of the Canada Student Loans and Canada Apprentice Loans for 2021-22.
- Invest \$15 million in 2021-22 in the Foreign Credential Recognition Program.
- Provide \$2.6 billion over 7 years, starting in 2020-21, to help homeowners improve their home energy retrofit grants of up to \$5,000
- Accelerate installation of Electric Vehicle charging stations by providing \$150 million over 3 years
- Strategic electricity interties to bring clean power to more Canadians as we move approach Canada's coal phase-out.
- New national standards for long-term care
- An additional \$66 million over two years, to support community-based organizations responding to substance use issues such as Opioids

The full text of the Fall Economic Statement can be found [HERE](#)

Detailed items from the fall economic statement that may be important to IBEW Canada members can be found on the following pages

IBEW CANADA 2019 BREAKDOWN OF THE FALL ECONOMIC STATEMENT

Pharmacare

- While the Fall Economic Update was light on further details of the implementation of a national, universal pharmacare program, they did address that the work is ongoing. The IBEW along with affiliates of the Canadian Labour Congress continue to lobby for a implementation of a national, universal pharmacare program. More information can be found [HERE](#).

The Canada Emergency Wage Subsidy

- Given the ferocity of the second wave and its expected economic impact, the government is proposing to increase the maximum subsidy rate to 75 per cent for the period beginning December 20, 2020 and to extend this rate until March 13, 2021, to provide greater certainty to employers.



Figure 2.1 Canada Emergency Wage Subsidy Take-up

Support for the Air Sector

Section 2.1.11 “*Support for the Air Sector*” unfortunately missed the mark on the industry as a whole. The IBEW, along with other bargaining agents who have members working for NAV Canada have been calling for financial support for the not-for-profit corporation that operates Canada’s civil air navigation service in order to save the jobs of and careers of our members.

Targeted Stimulus to Jumpstart Recovery

The Federal government is developing the details of a plan to help Canada recover from the pandemic by preparing to invest up to \$100 billion over the next three fiscal years – roughly valued at between 3 to 4 per cent of GDP.

This stimulus will help accelerate Canada’s economic recovery and will be deployed at a time when the virus is under control and the economy is able to effectively absorb it according to the document. The Federal Government state that the stimulus will help Canada build out of this recession towards an economy that is greener, more innovative, more inclusive and more competitive.

In the coming months, leading into Budget 2021, the Federal government will be working with Canadians to further define the stimulus plan. The heart of this stimulus plan will be smart, time-limited investments that can act fast to jumpstart the recovery and have long-run value by creating shared prosperity, improving Canadians' quality of life and powering our green transformation.

The government's growth plan states it will include investments that create good, middle class jobs and unleash private spending in the short-run, and that also help us strengthen Canada's competitiveness in the long-run. This will include growing a green economy, investing in infrastructure that supports our communities, workers and flow of goods, and supporting inclusive participation in the workforce.

This signals that although there are no major announcements for massive infrastructure investments in this update, there will be in the near future once we emerge from the virus and vaccines are being deployed. This will be welcome news to our brothers and sisters working in the construction and utility sectors specifically.

Investing in Training and Skills

- To further bolster training supports for those hardest hit by the pandemic, including marginalized and racialized women, Indigenous Peoples, persons with disabilities and recent newcomers to Canada, the government proposes to invest an additional \$274.2 million over 2 years, starting in 2021-22.

This funding will support;

- The Indigenous Skills and Employment Training Program
- The Foreign Credential Recognition Program (*see details below*)
- The Opportunities Fund for Persons with Disabilities and,
- The Women's Employment Readiness Canada pilot project.

The Foreign Credential Recognition Program

- The Foreign Credential Recognition Program helps address specific barriers faced by skilled newcomers, such as the length and cost of credential recognition, and has recently expanded its scope to provide direct employment supports.
- To scale up and expand existing supports for the labour market integration of skilled newcomers with a focus on in-demand sectors, such as health, IT, and skilled trades, the government proposes to invest \$15 million in 2021-22 in the Foreign Credential Recognition Program.

Immediate Support for Families with Children

- In order to provide immediate relief for families with young children, the federal government proposes to introduce temporary support totaling up to \$1,200 in 2021 for each child under the age of 6 for low- and middle income families who are entitled to the Canada Child Benefit (CCB).
- This support would automatically be delivered to families entitled to the CCB with net income at or below \$120,000 as four tax-free payments of \$300, with the first payment being made shortly after the enabling legislation is passed, and subsequent payments in the months of April, July, and October 2021.
- Families entitled to the CCB with net income above \$120,000 would receive a tax-free payment of \$150 at each of these times, for a total benefit of \$600.

Youth Employment and Skills Strategy

- To help young people, including those who may face more complex barriers to employment, and who may have been driven further from the labour force due to the pandemic, gain the skills and experience needed to find and keep quality work, the government proposes to invest \$575.3 million over the next two years in the Youth Employment and Skills Strategy to provide approximately 45,300 job placements for young people.

Eliminating Interest on Canada Student Loans and Canada Apprentice Loans

- To ease the financial burden of student debt during the economic recovery, the government intends to eliminate the interest on repayment of the federal portion of the Canada Student Loans and Canada Apprentice Loans for 2021-22.

Preparing People for Good Jobs

Jobs and Training for Vulnerable Populations	Measure	Description	FES 2020 Funding TOTAL in 2021-22
	Foreign Credential Recognition Program	Expanding existing supports to attract skilled newcomers to Canada's in-demand sectors. Up to 15,000 skilled newcomers would benefit.	\$15M
	Indigenous Skills and Employment Training	Provide training and supports to young, Indigenous people, Indigenous people with disabilities, and out-of-territory and vulnerable Indigenous people to prepare them for good jobs. This funding also helps improve labour market data and service delivery.	\$144.2M
	Opportunities Fund for Persons with Disabilities	Support persons with disabilities by creating inclusive workplaces, supporting career advancement and increasing support for existing activities.	\$65M
	Women's Employment Readiness Pilot	Establish a new pilot program to support marginalized women by providing and testing pre-employment and skill development supports.	\$50M over two years
	Youth Employment and Skills Strategy	Helping Canadians aged 15-30 by supporting approximately 43,500 job placements over two years, of which approximately 17,500 are new job placements.	\$575.3M over two years
	Canada Summer Jobs	Supporting 120,000 job placements for young Canadians ages 15-30 in 2021-22, and extend program flexibilities introduced in 2020-21 for one additional year.	\$447.5M
Total Incremental Funding			\$1.3B over two years

Source: Federal Fall Economic Statement page 80

Home Energy Retrofits

Buildings, including homes, account for 17 per cent of Canada's greenhouse gas emissions

- The government proposes to provide \$2.6 billion over 7 years, starting in 2020-21, to Natural Resources Canada to help homeowners improve their home energy efficiency by providing up to 700,000 grants of up to \$5,000 to help homeowners make energy-efficient improvements to their homes, up to one million free EnerGuide energy assessments, and support to recruit and train EnerGuide energy auditors to meet increased demand.
- Additional information on home energy efficiency grants will be provided in a future announcement, and eligibility for these grants will be retroactive to December 1, 2020.

Zero-emission Vehicle Infrastructure

To date, 433 charging and fueling stations have been built, and more than 800 are currently under construction.

- The government proposes to accelerate this work by providing \$150 million over 3 years to Natural Resources Canada, starting in 2021-22. These investments in infrastructure for zero-emission vehicles will help increase confidence that charging and refuelling stations are available and conveniently located where and when they are needed.

Strategic Interties

To bring clean power to more Canadians and accelerate Canada's coal phase-out, the government is committed to working with the provinces and territories to help build new electricity transmission infrastructure with support from the Canada Infrastructure Bank (CIB). As part of its \$10 billion Growth Plan, the CIB has earmarked \$2.5 billion for clean power and is currently working in collaboration with provincial and regional partners to connect Canadians to clean electricity across Canada through the Atlantic Loop and other regional projects.

- In addition, to further support necessary project predevelopment work, the government proposes to provide \$25 million in 2021-22 to help some proponents complete engineering assessments, community engagement, and environmental and regulatory studies. This work will help inform and complement the CIB's efforts to identify and address financial gaps in the projects.

The Canada Infrastructure Bank's Growth Plan

In October 2020, the Canada Infrastructure Bank (CIB) announced a **\$10 billion Growth Plan** to invest in infrastructure that will create good jobs for Canadians, build stronger communities, and make the economy more sustainable and resilient for everyone. Over the next three years, the CIB will work in partnership with provincial, territorial, municipal, and Indigenous communities, and leverage the private sector, to build infrastructure across Canada.

- \$2.5 billion for **clean power** to support renewable generation and storage and to transmit clean electricity between provinces, territories, and regions, including to northern and Indigenous communities;
- \$2 billion to connect about 750,000 homes and small businesses to **broadband** in underserved communities;
- \$2 billion to invest in large-scale building **retrofits**;
- \$1.5 billion for **agriculture irrigation projects**; and
- \$1.5 billion to accelerate the adoption of **zero-emission buses** and associated charging infrastructure.

To accelerate the delivery of projects in which the CIB intends to invest, the plan will also allocate \$500 million for project development and early construction works.

Helping Provinces and Territories Protect Long-term Care and Other Supportive Care Facilities

- The Government of Canada is committing up to \$1 billion for a Safe Long-term Care Fund, to help provinces and territories protect people in long-term care and support infection prevention and control. This funding can be used to undertake a range of activities, including carrying out infection prevention and control readiness assessments, making improvements to ventilation *and hiring additional staff or topping up wages*.

New National Standards

- The federal government will work with provinces and territories to set new, national standards for long-term care. The standards will act as a means to address critical gaps in long-term care facilities, including raising the working conditions of lower-wage essential workers in senior care, particularly personal support workers, who have persevered in the face of adversity.

Better Working Conditions for the Care Economy

- The COVID-19 pandemic has highlighted the low wages and poor working conditions of our essential workers, including of those personal support workers caring for our seniors and other vulnerable Canadians.
- To support personal support workers, homecare workers and essential workers involved in senior care, the government will work with labour and healthcare unions, among others, to seek solutions to improve retention, recruitment and retirement savings options for low- and modest-income workers, particularly those without existing workplace pension coverage.

Fighting the Opioid Crisis

COVID-19 pandemic has coincided with a worsening of the opioid crisis and a surge in opioid deaths across the country.

- To support Canadians struggling with problematic substance use, the government will provide an additional \$66 million over two years, starting in 2020-21, to support community-based organizations responding to substance use issues, including to help them provide frontline services in a COVID-19 context.