

MEMBER BULLETIN

February 28, 2018

Federal Budget 2018 - Highlights

On February 27, the Government of Canada published its 2018 federal budget, *Equality Growth: A Strong Middle Class* (Budget). The focus of the Budget is funding and creating policy backing for improving gender equality in the workplace and society (e.g. closing the wage gap; bringing women and underrepresented groups into new economic sectors; improving opportunities for women-owned businesses; creating dedicated apprenticeship spots and funding for women and underrepresented groups; etc.). The general assumption is that pushing forward on equality initiatives will lead to the enhancement of the middle class.

The Budget continues with significant deficit spending, with the projected 2018-19 deficit expected to hit \$18.1 billion, with an overall spend of \$338.5 billion. Current projections estimate that a balanced budget will not be achieved until at least 2022.

Key Highlights:

- Significant investments (close to a \$1 billion) will be made into various research and development funds around new technologies and techniques for water conservation and cleaning water pollution.
- \$175 million will be invested over the next three years to improve access to clean drinking water on reserves, with the long-term goal being to eliminate all boil water advisories.
- Further changes will be made to small business tax laws, including rules that will see companies exceeding \$150,000 in passive income no longer being eligible for the small business tax rate on this income, set at 9% through 2019.
- New funding will be established to help improve access for women and underrepresented groups into the skilled trades:
 - *Apprenticeship Incentive Grant for Women* will invest \$4 million per year for five years to help women access and complete apprenticeships;
 - *Women in Construction Fund* will invest \$10 million over three years to promoted careers in the skilled trades to women; and,

- A new pre-apprenticeship program will be established, investing \$9 million per year for five years, to create new training programs for historically underrepresented groups in the skilled trades.
- Close to \$200 million will be invested to protect temporary foreign workers. This funding will expand the number of unannounced inspections, enhance compliance programs, and improve labour market information to attract the right people to the right sectors.
- \$11.5 million will be invested over three years to reduce red tape to improve the business operating environment. The initial focus of this regulatory review will be on transportation and infrastructure bottlenecks and how to improve them.
- \$1.25 billion in new funding is being earmarked over three years to invest in the construction of new rental housing. This brings total investment \$3.75 billion over three years.

If you have any questions about the Budget, please contact Patrick McManus (905-629-7766 ext. 222 or patrick.mcmanus@oswca.org).