



THE NEW CANADA JOB GRANT



ECONOMIC ACTION PLAN 2013

Canada 

CANADA'S ECONOMIC
**ACTION
PLAN**
#eap13



Economic Action Plan 2013 is the next chapter in the Government's long-term plan to strengthen the Canadian economy in an uncertain world, and create jobs and growth, while keeping taxes low for families and businesses and balancing the budget by 2015.

Since the Economic Action Plan was introduced in 2009, the Canadian economy has created more than 950,000 net new jobs, with the vast majority of new jobs full-time, well-paying and in the private sector.



SKILLS TRAINING

Skills training is a central element of the Economic Action Plan. Canada faces ongoing shortages of skilled tradespeople and other professional occupations like electricians, carpenters, engineers and more.

There are too many jobs that go unfilled in Canada because employers can't find workers with the right skills. Meanwhile, there are still too many Canadians looking for work. Training in Canada is not sufficiently aligned to the skills employers need, or to the jobs that are actually available.

By connecting Canadians with available jobs, the Plan supports individuals and their families no matter where they live. And by helping businesses in vital sectors find the talent they need, the Plan positions Canada's economy for long-term success.

Economic Action Plan 2013 helps Canadians obtain the skills and training they need to succeed in today's economy by:

- Creating the Canada Job Grant.
- Creating opportunities for apprentices.
- Supporting job opportunities for all Canadians.

"Everywhere I go, businesses of all sizes tell me that their number one concern is finding the right people to do the job."

*—Perrin Beatty, President and CEO
Canadian Chamber of Commerce*



THE CANADA JOB GRANT: CONNECTING CANADIANS WITH AVAILABLE JOBS

The centrepiece of Economic Action Plan 2013 is the Canada Job Grant. It will transform the way Canadians receive training by potentially providing \$15,000 or more per person, including a maximum federal contribution of \$5,000 and matching by provinces/territories and employers, to help ensure Canadians are able to access the training they need to get jobs in high-demand fields. Upon full implementation, it is expected to provide nearly 130,000 Canadians each year with access to training at eligible institutions, including community colleges, career colleges and trade union training centres.

Businesses with a plan to train unemployed and underemployed Canadians for an existing job or a better job will be eligible to apply for a Canada Job Grant. Canadians seeking training can, in partnership with an employer, benefit from the Canada Job Grant.



The detailed design of the Grant will be negotiated with provinces and territories over the next year, in consultation with stakeholder groups including employer associations, educational institutions and labour organizations.

Upon completion, the Canada Job Grant should lead to a new or better job for unemployed or underemployed Canadians. **It will be introduced as part of the renewal of the Labour Market Agreements in 2014-15. For more information, visit ActionPlan.gc.ca.**

EMPLOYER DEMAND FOR SKILLED LABOUR

Engineers Canada projects that 95,000 professional engineers will retire by 2020 and Canada will face a skills shortage because the workforce cannot be replaced fast enough.

The Construction Sector Council declares that, between 2012 and 2020, the construction sector will need 319,000 new workers.

The Information and Communications Technology (ICT) Council declares that by 2016, Canadian employers will need to hire some 106,000 ICT workers—over 17,000 per year—“posing a significant recruitment challenge.”

The Mining Industry Human Resources Council forecasts that more than 100,000 workers, mostly skilled new hires, will be needed for Canada’s mining sector.

The Environmental Careers Organization of Canada says that, with 100,000 employees reaching retirement in the next decade, numerous opportunities are opening up for students and new graduates in the sector.

CREATING OPPORTUNITIES FOR APPRENTICES

An apprenticeship allows students to learn a skilled trade while gaining paid on-the-job work experience.

To further reduce barriers to accreditation in the skilled trades in Canada and increase opportunities for apprentices, the Government will work with provinces and territories to harmonize requirements for apprentices, and examine the use of practical hands-on tests as a method of assessment, in targeted skilled trades. This will ensure more apprentices complete their training and encourage mobility across the country.

In addition, Economic Action Plan 2013 announces that the Government is supporting the use of apprentices in federal construction and maintenance contracts. The Government will also ensure that funds transferred to provinces and territories through the Investment in Affordable Housing Program support the use of apprentices. As part of the new Building Canada plan for infrastructure, the Government will encourage provinces, territories and municipalities to support the use of apprentices in infrastructure projects receiving federal funding.

SUPPORTING JOB OPPORTUNITIES FOR ALL CANADIANS

Economic Action Plan 2013 will also support labour market participation and a more inclusive skilled workforce with a range of measures including:

- An investment of \$222 million per year to better meet the employment needs of Canadian businesses and improve the employment prospects for persons with disabilities.



- \$19 million over two years to promote education in high-demand fields, including the skilled trades, science, technology, engineering and mathematics.
- Investing \$70 million over three years to support an additional 5,000 paid internships for recent post-secondary graduates, ensuring they get the valuable hands-on work experience needed to transition into the workforce.
- Dedicating \$241 million over five years to improve the on-reserve Income Assistance Program to help ensure Aboriginal youth can access the skills and training they need to secure employment.

SUPPORT FOR APPRENTICES

Since 2006, the Government has recognized the importance of apprentices, with programs to support apprentices and the employers that hire them.

- The Apprenticeship Incentive Grant is a taxable grant of \$1,000 per year, up to a maximum of \$2,000 per person, available to registered apprentices once they have successfully finished their first or second year/level (or equivalent) of an apprenticeship program.
- The Apprenticeship Completion Grant is a taxable grant of a maximum of \$2,000 available to registered apprentices who have successfully completed their apprenticeship training and obtained their journeyman certification in a designated Red Seal trade.
- The Tradesperson's Tools Deduction allows tradespersons to deduct from their income part of the cost of tools they must acquire as a condition of employment.
- The Apprenticeship Job Creation Tax Credit encourages employers to hire new apprentices in eligible trades by providing a tax credit of 10 per cent of the wages payable to eligible apprentices in the first two years of their apprenticeship program (up to a maximum credit of \$2,000 per apprentice, per year).

To find out how to benefit from these programs, visit ActionPlan.gc.ca.



Find out more

ActionPlan.gc.ca

1 800 0-Canada (1-800-622-6232)

1-800-926-9105 (TTY)

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Ce document est également offert en français.

Budget measures are subject to parliamentary approval.