

From Our Perspective



Budget 2018: Equality and Growth for a Strong Middle Class

On 27 February 2018, Finance Minister Bill Morneau released Budget 2018. Titled “Equality + Growth, A Strong Middle Class,” it has an overarching theme of promoting more women in skills trades. Here’s what AIA Canada thinks this budget would mean for the aftermarket industry.

Small Businesses

A win for small businesses – [no new tax increases](#). On the other side, in the words of [The Globe and Mail](#), Budget 2018 did not address a major concern of Canadian businesses: “While the budget covered much ground affecting the future of Canadian small business, it conspicuously did not address the competitiveness gap that has emerged between Canada and the United States following the current U.S. administration’s tax-reform plan being signed into law. These changes mean corporate tax rates in the U.S. are more competitive with Canada’s tax rates.”

Pre-Apprenticeship

The feds see pre-apprenticeship programs as a way to foster an understanding of the promise and value of a career in the skilled trades.

Working with multiple stakeholder groups, including post-secondary institutions, provinces and territories and employers, the feds will inject \$46 million over five years (\$10 million a year thereafter) to introduce a pre-apprenticeship program.

The AIA team was selected as a key stakeholder in the pre-apprenticeship conversation. We will participate in a consultation session on 2 March 2018, alongside provincial and territorial government officials, that will inform what this pre-apprenticeship program will look like. You can read more [here](#).

Cyber Security

The word cyber security came up a lot in the Senate report that put forth recommendations to the feds regarding how they should prepare for the arrival of connected and autonomous vehicles. Cyber security is perceived as a threat that comes with connected technology and something that must be mitigated. This is all part of a larger conversation around the new realities of an increasingly connected world.

As [CBC reports](#), “Several federal departments will not only see upfront cash but promises of

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long-term spending to counter both the threat of hackers — state-sponsored and otherwise — and cyber-criminals.”

We will have to wait and see if some of the resources being thrown at cyber security are allocated to connected vehicle technology.

Women

Females make up slightly more than half of the Canadian population: 18,207,880 males versus 18,500,200 females 2017 ([Statistics Canada](#)). Despite representing the majority of the population, the percentage of woman with a skilled trades certificate has declined from 10% in 1991 to 7% in 2015 ([Statistics Canada](#)).

To incentivize woman to enter the trades, the feds will “spend nearly \$20 million over five years, starting in fiscal 2018-19, to pilot an Apprenticeship Incentive Grant for Women. Women interested in male-dominated Red Seal trades, like welding and pipe-fitting, are eligible to get a total of \$8,000 in grants.”

Want to learn more? Head [here](#).

And one for the road...

Have you had a not-so-good experience dealing with the Canada Revenue Agency? Budget 2018 includes measures to turn that not-so-good experience into a better experience.

The [Hill Times](#) (subscription only) said this about the CRA cash infusion: “The CRA is also receiving \$206 million over five years, and \$33.6 million per year ongoing, to improve the quality of its services. The funding will largely go towards improving the CRA’s website to allow Canadians to easier find tax and benefit information, and telephone services, which the tax agency receives 20 million calls each year.”

“Simply put, equality between Canadian women and men will lead to greater prosperity and a better quality of life — not just for women and their families, but for all Canadians.”

— Bill Morneau, Minister of Finance

Sources:

Financial Post
The Globe and Mail
Budget 2018
CBC News
Statistics Canada
Maclean's
The Hill Times



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