

Economic Action Plan

Economic Action Plan 2014 Emphasizes Jobs, Growth and a Return to Balanced Budgets by 2015

By Lynda Leonard, Senior Vice-President, ITAC

As he indicated he would, Finance Minister Jim Flaherty delivered a “solid, commonsense” budget designed to promote job creation and economic growth.

He reiterated the Government’s intention to launch the Canada Job Grant program in 2014. This new program creates a more active role for employers in the re-training process. Provincial governments have expressed serious reservations about the program, but negotiations are proceeding to bring the program to fruition.

Additionally, the Economic Action Plan introduces enhanced job matching services to help connect Canadians with available jobs. This includes allocating \$40 million to create up to 3,000 full-time internships for post-secondary graduates in high-demand fields. Eight million dollars has been allocated to MITACs to expand its support for industrial research and the training of post-doctoral fellows who will be Canada’s future R&D managers.

To emphasize its focus on jobs, Finance Canada released Jobs Report: The State of the Canadian Labour Market, simultaneously with the Economic Action Plan. The Jobs Report reflects many of the points that ITAC has been making regarding the importance of the international labour market to Canada’s economy, and the way that technology and innovation are raising skill requirements for all Canadians. The Economic Action Plan 2014 allocates \$11 million over two years to “further strengthen the Labour Market Opinion process to better identify vulnerable temporary workers and improve processing times for certain applications.”

The Action Plan also introduces a new recruitment model—“The Expression of Interest” system—and allocates \$14 million to Citizenship and Immigration Canada over two years for this purpose.

“The focus on jobs, and particularly the Jobs Report, are excellent indicators that the Government understands the specific needs of sectors such as ICT that are facing chronic skills shortages,” said ITAC President and CEO Karna Gupta. “Governments, educational institutions, and employers all have a role to play in building 21st-century, high-value jobs. This action plan charts these roles very well.”

One of the largest announcements in this Action Plan is a \$1.5-billion (over the next decade) allocation to create the Canada First Research Excellence Fund to advance the global research leadership of Canadian research institutions. The plan also contains an additional \$40 million over four years for the Canadian Accelerator and Incubator Program to help entrepreneurs create new companies.

The Government also plans to spend \$3 million to leverage its Open Data Initiative to create the Open Data Institute. The institute’s role will be to aggregate large data sets and catalyze the development and commercialization of new data-driven applications.

Other measures announced in Economic Action Plan 2014 of interest to the ICT industry include:

- \$305 million over five years to extend and enhance broadband service in rural and Northern communities;
- a restatement of the Government’s intention to cap wholesale domestic wireless roaming rates; and
- a \$150,000 allocation to Status of Women Canada to increase mentorship among women entrepreneurs.