After the sharpest global recession since the Second World War, there are encouraging signs Canada is returning to economic growth.

Confidence is returning, and our economic recovery is forecast to be among the strongest in the Group of Seven (G7).

However, many Canadian communities, businesses and workers continue to be seriously affected by the downturn. Recovery is fragile.

That is why it is so important for the Government to stay the course and focus its efforts on delivering Canada’s Economic Action Plan.

Canada had by far the best fiscal position among G7 nations going into the current crisis, with a substantial record of debt reduction, and is projected to maintain this strong position as it emerges from the recession.
Canada’s Economic Action Plan is creating and protecting Canadian jobs and incomes by delivering a $61-billion shot in the arm to the economy.

The Economic Action Plan:

• Reduces taxes permanently.
• Helps the unemployed by enhancing Employment Insurance benefits and training programs.
• Creates jobs by building infrastructure.
• Creates the economy of tomorrow by improving infrastructure at colleges and universities and supporting research and technology.
• Supports industries and communities most affected by the global downturn.
• Improves access to and the affordability of financing for Canadian households and businesses.

The Government has now committed 90 per cent of the 2009-10 stimulus funding in the Economic Action Plan. Commitments are in place for more than 7,500 infrastructure and housing projects. More than 4,000 have begun. The 7,500 include:

• Over 4,700 provincial, territorial and municipal infrastructure projects.
• 1,150 projects to repair and renovate federal buildings across the country.
• 447 projects to improve infrastructure at colleges and universities.
• About 300 social housing projects.

Other projects underway include:

• 600 projects to help communities hardest hit through the Community Adjustment Fund.
• Almost 100 projects to promote culture and tourism.
Tax Relief for Individuals and Families

Canada’s Economic Action Plan is providing tax relief of more than $20 billion over 2008–09 and the next five fiscal years.

- Canadians have seen the benefits of income tax reductions on their pay stubs since April 2009.
- Increased child benefits started to flow in July 2009, providing up to $436 a year for a family with two children.
- The temporary Home Renovation Tax Credit will provide up to $1,350 in tax assistance per family in support of home renovations and improvements.
- Low-income working Canadians are expected to receive additional benefits under the enhanced Working Income Tax Benefit when they file their 2009 tax returns.

It is now expected that the Economic Action Plan will create or maintain 220,000 jobs by the end of 2010.

Tax Relief for Canadian Businesses

The Economic Action Plan builds on the Government’s record of creating a tax advantage for Canadian businesses. Key measures include:

- Extension of the temporary accelerated capital cost allowance rate to help manufacturers and processors invest in new equipment.
- An increase to $500,000 in the amount of small business income eligible for the reduced federal income tax rate.
- Extension of the temporary Mineral Exploration Tax Credit for one year to support exploration activity.

As a result of federal and provincial tax reductions, Canada will have the lowest overall tax rate on new business investment in the G7 by 2010 and the lowest statutory corporate income tax rate in the G7 by 2012.
Helping the Unemployed

The Economic Action Plan provides significant support for Canadian workers who have lost their jobs or may face layoffs.

- The Employment Insurance (EI) program is providing an additional $5.8 billion in EI benefits this year.
- More than 300,000 workers have received up to an extra five weeks of benefits.
- Enhanced EI work-sharing agreements are now supporting more than 164,000 individuals.
- Extended EI benefits for long-tenured workers are available through the Career Transition Assistance initiative for longer-term training.

Training for More Canadian Workers

Training measures are also in place to support Canadian workers and prepare them for the future.

- 44,000 Canadians are receiving training through funds flowing to provinces and territories.
- Funding through the Canada Summer Jobs Program helped to hire 40,000 Canadian students.
- Investments are flowing for 38 projects aimed at supporting older workers.
- The $2,000 Apprenticeship Completion Grant is now available and 4,329 grants have been issued.
- Skills development and employment opportunities for Aboriginal Canadians have been identified across the country.
Building Infrastructure

Investing in infrastructure helps create and preserve jobs. Since the release of Canada’s Economic Action Plan, the Government has committed more than $7.6 billion in federal funding towards over 4,700 provincial, territorial and municipal infrastructure projects worth over $21 billion.

Accelerate Existing Infrastructure Funding

Canada’s Economic Action Plan is taking action to speed up spending from the Building Canada plan, with $2.5 billion committed to 78 large strategic projects since January 2009.

Example: $4.5 million in funding is being provided for Phase Two of the Summerside Wind Farm energy project that will see the purchase and installation of two wind turbines at the North St. Eleanor’s site. Combined with Phase One, the wind farm has the potential to meet more than 25 per cent of the energy needs of the community of Summerside. This project began in June 2009.

New Provincial, Territorial and Municipal Infrastructure Initiatives

The Government has worked with its partners to identify shovel-ready projects and get funds flowing. To date, over $3.2 billion of the $4-billion Infrastructure Stimulus Fund has been committed to more than 2,900 projects.

Example: New headquarters for the United Way are being built in downtown Winnipeg. The federal contribution to this project totals over $3.3 million.
First Nations Infrastructure

Over 97 per cent of the funding for infrastructure in First Nations has been committed for 2009–10. Projects for schools, safe water systems and health services infrastructure have begun.

Example: A new nursing residence is being built in York Landing, Manitoba, a remote community about 100 kilometres northeast of Thompson. The project is valued at $2.9 million, with a planned completion in the spring of 2010.

Recreational Infrastructure

$138 million in Recreational Infrastructure Canada (RInC) funding has been committed to build and refurbish recreational facilities across the country in 2009–10.

Example: The Pictou County Recreation and Athletic Society has received $998,000 in RInC funding to build a high-calibre track and field facility. The Stellarton, Nova Scotia project will provide 10 long-term positions once completed.

Federal Infrastructure

Canada’s Economic Action Plan is also supporting jobs by making investments in federal infrastructure, with 89 per cent of spending committed.

Example: $30 million of stimulus funding to overhaul the VIA Rail LRC (Light, Rapid, Comfortable) cars will generate 357 jobs.
Supporting Home Ownership
The Economic Action Plan is helping Canadians invest in their homes. Measures include:

- The temporary Home Renovation Tax Credit.
- The First-Time Home Buyers’ Tax Credit.
- Greater access to Registered Retirement Savings Plan savings to purchase a first home.
- The enhanced ecoENERGY Retrofit program.

Investments in Social Housing
Canada's Economic Action Plan is creating jobs through social housing construction and renovation.

- Agreements have been reached to deliver $650 million for renovation and retrofits of social housing, housing for low-income seniors, and the housing needs of persons with disabilities. This funding is being matched by the provinces and territories.
- 153 projects have begun to build and renovate social housing in First Nation communities and communities in the North.
Creating the Economy of Tomorrow

Canada’s Economic Action Plan invests a further $5.1 billion in science and technology initiatives.

- $929 million has been committed for college and university infrastructure across Canada in 2009-10, with 381 projects underway.
- $35 million for new Canada Graduate Scholarships awards has been allocated.
- $35 million for Arctic research infrastructure has been committed for 2009-10.

Example: The construction of a Centre for Engineering Innovation, which has begun at the University of Windsor, is expected to employ 444 workers until March 31, 2010 and 315 workers from April 1, 2010 to March 31, 2011.

Supporting Industries and Communities

Canada’s Economic Action Plan provides approximately $14 billion to support adjustment and help create and protect jobs across Canada, including:

- About $350 million committed to approximately 600 projects under the Community Adjustment Fund.
- Support for the restructuring of the automotive industry.

Examples:

- More than $3.3 million in funding has been provided to construct a 12,000-square-foot skilled trades training centre for the Conestoga College Institute of Technology and Advanced Learning in Ingersoll, Ontario.
- $4.25 million has been provided to the Centre for Excellence in Mining Innovation (CEMI). CEMI, a not-for-profit corporation, will use this funding to install, test and measure the efficacy of novel Ventilation-on-Demand technologies.
Improving Access to Financing

Strong financial conditions are vital for a sustained recovery in Canada and elsewhere in the world.

The Government has provided $131 billion in financing support, all of it on a commercial basis to protect the taxpayer.

Average effective interest rates paid by households and businesses have fallen significantly.

For more information on Canada’s Economic Action Plan, visit

WWW.ACTIONPLAN.GC.CA

or call

1 800 O-Canada (1-800-622-6232)
1-800-926-9105 (TTY)

Ce document est également offert en français.