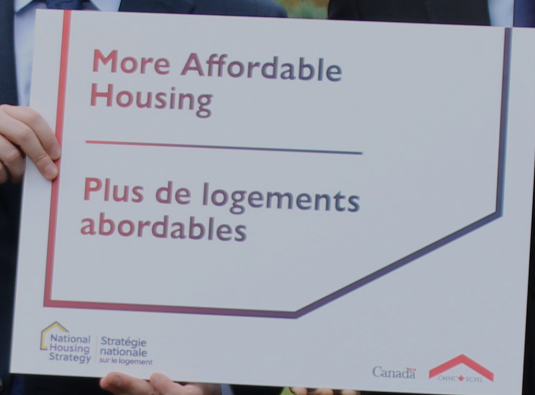




TERRY BEECH
BURNABY NORTH - SEYMOUR



Our Government's Work on **AFFORDABILITY**

-  More Affordable Homes
-  Health
-  A Fair Chance for Millennials & Gen Z
-  Growing Businesses to Create More Jobs
-  Childcare and Education
-  Making Life More Affordable for Seniors
-  Lowering Everyday Costs
-  Fairer Prices, Fewer Fees
-  Lower Banking Fees, Better Finances

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Introduction

Canada is prosperous because we are a country that cares about and invests in people. I grew up in a working middle-class family, and money was always tight. At age 12, my parents divorced, and at age 13, I moved out of the house for the first time. Regardless, I felt hopeful. I knew that if I worked hard enough, I could build a better future for myself and my family because I grew up in a country that invested in my future.

I decided to get involved in federal politics in 2015 because I started seeing our country heading differently. Under the previous government, life was getting more unaffordable. Housing and rental costs had reached record highs, poverty and homelessness were increasing, and from the conversations I had on the doorstep, I could see that many members of our community were feeling left behind.

Since we took office in 2015, we have focused on making life more affordable. We've made historic investments in housing through our \$82+ billion National Housing Strategy and our new Rapid Housing Initiative. We've made record investments in childcare and are building a universal \$10-a-day childcare system.

In this Affordability Report, we will focus on some key initiatives our government has taken and highlight the new initiatives proposed in Budget 2024.

More Affordable Homes

One of the most significant contributors to unaffordability in Canada, especially in the Lower Mainland, is the high cost of housing. Rents and mortgages are high, and the constituents I speak with on the doorstep always raise housing affordability as a top priority. In 2016, I made my first presentation to the Prime Minister and Cabinet after meeting with dozens of concerned neighbours, families, and business owners. Our government restored support for the construction of affordable housing in 2017, recognizing that these are vital investments. Combined with constraints on housing inventory, the low-interest-rate environment has contributed to a recent surge in housing prices in our communities.

On April 12, 2024, the government unveiled the Canadian Housing Plan, a robust initiative to revolutionize housing accessibility. At its core lies a commitment to facilitate affordable rent and homeownership, ensuring vital support for all Canadians. Central to this commitment is the pledge that hardworking Canadians should allocate 30 percent of their income toward housing expenses.

Budget 2024 and Canada's Housing Plan chart a bold trajectory towards unlocking 3.87 million new homes by 2031. This figure encompasses a minimum of 2 million net new homes, supplementing the anticipated 1.87 million homes projected to be constructed by 2031. Among these 2 million net new homes, it is estimated that the policy interventions outlined in Budget 2024, Canada's Housing Plan, and the fall of 2023 will catalyze the creation of at least 1.2 million new homes.

Recognizing the multifaceted landscape of housing development, we implore all levels of government to rally together and drive the creation of an additional 800,000 net new homes by 2031. This collaborative effort will entail active engagement with for-profit and nonprofit homebuilders, Indigenous communities, and all relevant stakeholders, ensuring that every avenue is explored to meet Canadians' housing needs and reinstate fairness across generations.

Through unified action, we are steadfast in our commitment to realizing a minimum of 3.87 million new homes by the conclusion of 2031.

Making it Easier to Own or Rent a Home

Our government is taking action to unlock new pathways for young renters to become homeowners and protect middle-class homeowners from rising mortgage payments. Some essential ongoing action items are:

- The Canadian Mortgage Charter details the tailored mortgage relief that the government expects banks to provide to borrowers facing financial difficulty with the mortgage on their principal residence.
- The new Tax-Free First Home Savings Account is a registered savings account that allows Canadians to contribute up to \$8,000 per year (up to a lifetime limit of \$40,000) for their first down payment.
- The recently doubled First-Time Home Buyers' Tax Credit provides up to \$1,500 in direct support to home buyers to offset the closing costs of buying a first home.
- Ensuring the profits from flipping residential real estate are subject to taxation will unlock more homes for Canadians because homes are not a speculative financial asset class for investors.
- Over \$750 million for the Oil to Heat Pump Affordability program has supported over 1,500 low-to median-income households transitioning from expensive oil heating to more energy-efficient, cost-saving electric heat pumps.
- Over \$6.7 billion, on a cash basis, for the Canada Greener Homes Grant and Loan programs, which to date have provided over 172,000 grants of up to \$5,000 and 58,000 interest-free loans of up to \$40,000 to help Canadians save money by making their homes more energy efficient.

Protecting and Expanding Affordable Housing

In the last decade, hundreds of thousands of affordable homes have been lost in Canada—by being destroyed after a lack of maintenance and upkeep, turned into more expensive rental units, or converted into luxury condos. Today, our community housing sector accounts for only 4 percent of Canada's housing market, while 10 percent of Canadians are low-income and need affordable housing. More must be done. We must protect our affordable housing supply for low- and modest-income families.

The government is committed to expanding and transforming this sector by 2030 and beyond to support Canadian households, including young Canadians further.

Budget 2024 proposes \$477.2 million over five years, starting in 2024-25, and \$147.8 million in future years, to launch a new \$1.5 billion Canada Rental Protection Fund, to be administered by the Canada Mortgage and Housing Corporation, to protect the stock of affordable housing in Canada. The Fund will provide \$1 billion in loans and \$470 million in contributions to support affordable housing providers in acquiring units and preserving rents at a stable level for decades, preventing those units from being redeveloped into out-of-reach condos or luxury rental units. This program will help mobilize investments and financing from the government as well as the charitable and private sectors.

Keeping Non-Profit and Co-op Homes Affordable

In recognition of the financial challenges facing community and social housing providers, such as co-ops, the federal government supports affordable housing providers in maintaining existing affordable housing. The Federal Community Housing Initiative has delivered over \$150 million to ensure that more than 47,000 homes remain affordable for vulnerable Canadians, including persons with disabilities, single-parent families, seniors, and newcomers.

Budget 2024 announces the government's intention to introduce flexibilities to the Federal Community Housing Initiative to ensure that eligible housing providers can access funding to maintain housing affordability for low-income tenants and co-op members.

Topping up the Housing Accelerator Fund

In March 2023, the government launched the \$4 billion Housing Accelerator Fund to work with municipalities to cut red tape and fast-track the creation of at least 100,000 new homes across Canada. Through 179 agreements signed to date, the government has committed nearly \$4 billion to erect 750,000 new homes across the country over the next decade. Building on this success, Budget 2024 proposes to provide an additional \$400 million over four years, starting in 2024-25, to the Canada Housing and Mortgage Corporation to top up the Housing Accelerator Fund. This will help fast-track 12,000 new homes in the next three years.

In Our Community

Jurisdiction	Federal Funding	New Homes
City of North Vancouver	\$18.6 million	500 - in three years 3,100 - in ten years
City of Burnaby	\$43 million	1290 - in three years 11,340 - in ten years

Adding Additional Suites to Single-Family Homes

Many homeowners have extra space they could convert into rental suites, such as an unused basement or a garage that could be converted into a laneway home. Historically, the cost of renovating, combined with municipal red tape, has made this both difficult and costly.

Recent municipal zoning reforms in Canada's major cities, including reforms through Housing Accelerator Fund agreements, create new opportunities for homeowners to add suites to their properties to support densification. New rental suites would provide more homes for Canadians and be an essential source of income for seniors who could afford to continue to age at home. New suites can also be purpose-built to be barrier-free to accommodate the physical impairments of an aging family member or a child with a disability.

The government is making it easier for homeowners to increase Canada's housing supply by adding additional suites.

- Budget 2024 proposes to provide \$409.6 million over four years, starting in 2025-26, to the Canada Mortgage and Housing Corporation to launch a new Canada Secondary Suite Loan Program. This program will enable homeowners to access up to \$40,000 in low-interest loans to add secondary suites to their homes. Details of this program will be announced in the coming months.
- Budget 2024 announces the government's intention to make targeted changes to mortgage insurance rules to encourage densification and support the efficient functioning of the housing finance market by enabling homeowners to add more units to their homes. The government will consult stakeholders on proposed changes to regulations, including refinancing, maximum loan and home price, and other mortgage insurance rules where homeowners are adding additional units.

Credit for Paying Rent

Millions of Canadian renters pay their rent in full and on time every month. Our government thinks this should count towards their credit score when applying for their first mortgage, seeking to refinance a mortgage, and in many other situations that require credit evaluations. This is even more important for young Canadians and newcomers to Canada, as they have a more difficult time establishing a credit history.

More Gen Z and Millennials are renting today than the generations before them. Over 54 percent of people between 25 and 34 years old are renters—that number jumps to 81 percent for people under 24. In comparison, 25 percent of Canadians between 55 and 64 years old are renters today. We can help younger Canadians get ahead by making renters' payments count.

In Budget 2024, the government is setting firm expectations with lenders through its strengthened Canadian Mortgage Charter that they consider a renter's on-time payment history when performing credit evaluations for mortgage applications.

- Budget 2024 announces that the government is calling on banks, fintechs, and credit bureaus to prioritize launching tools that allow renters to opt-in to report their rent payment history to credit bureaus. This will strengthen their credit scores and unlock pathways for more renters to become homeowners.

Enhancing the Affordable Housing Fund

Canada's affordable housing stock is too small to meet growing demand, resulting in too many people living in unaffordable and inadequate housing. More affordable housing is particularly needed to ensure persons with disabilities and low-income families can find a cheap place to call home.

This is why the government is investing billions of dollars to support affordable housing providers, repair existing affordable homes, and build new ones through programs such as the \$14 billion Affordable Housing Fund.

The *2023 Fall Economic Statement* provided \$1 billion for the Affordable Housing Fund to support non-profit, co-op, and public housing providers in building more than 7,000 affordable homes.

- To build and maintain more affordable housing, Budget 2024 proposes to provide \$976 million over five years, starting in 2024-25, and \$24 million in future years, to the Canada Mortgage and Housing Corporation to launch a new Rapid Housing stream under the Affordable Housing Fund to build deeply affordable housing, supportive housing, and shelters for our most vulnerable.

Lower Energy Bills for Renters and Homeowners

The government will launch a Canada Green Buildings Strategy to address the twin challenges of energy affordability and climate change. The strategy will support energy-efficient retrofits to help lower home energy bills and reduce building emissions. This represents an essential next step in meeting Canada's climate targets and assisting Canadians in saving money on their energy bills.

Budget 2024 proposes to provide \$903.5 million over six years, starting in 2024-25, to Natural Resources Canada as follows:

- \$800 million over five years, beginning in 2025-26, to launch a new Canada Greener Homes Affordability Program that will support the direct installation of energy efficiency retrofits for Canadian households with low to median incomes. This program represents the next phase of the Canada Greener Homes Initiative and will be co-delivered with provincial and territorial partners. It will also be complemented by CMHC's Greener Homes Loan program, which provides interest-free loans of up to \$40,000 for energy-efficiency home retrofits.

- \$73.5 million over five years, starting in 2024-25, to renew and modernize existing energy efficiency programs that offer tools to building owners like the ISO 50001 Energy Management Systems Standard and the ENERGY STAR Portfolio Manager. This funding will also spur the development of better, more ambitious building codes to reduce emissions and lower energy bills further. The federal government will encourage provinces and territories to adopt these top-tier building codes.
- \$30 million over five years, starting in 2024-25, to continue developing a national approach to home energy labelling, which will empower prospective home buyers with information about the energy efficiency of their new home, with the support of energy auditors.

Cracking Down on Short Term Rentals

Homes are for Canadians to live in, not speculative assets for investors. The short-term rentals listed on platforms such as Airbnb and VRBO are keeping 18,900 homes off the market in Montréal, Toronto, and Vancouver alone, based on estimates from 2020, meaning families, students, workers, and seniors have to compete for fewer homes.

In the 2023 Fall Economic Statement, the federal government proposed tax changes to unlock Canada's housing supply for Canadians to live in. These changes would incentivize the return of non-compliant short-term rentals to the long-term market and support the work of provinces and territories that have restricted short-term rentals.

These changes would apply as of January 1, 2024, to deny income tax deductions on income earned from short-term rentals that do not comply with the relevant provincial or municipal laws. The government is removing the profit incentive for short-term rental operators by denying income tax deductions.

Some provinces, including Quebec and British Columbia, and municipalities such as Toronto, Montréal, and Vancouver, have already taken action to return short-term rentals to the long-term market for Canadians to live in. To support municipalities' work to unlock homes for Canadians, the federal government is committed to launching a \$50 million short-term rental enforcement fund. The government is currently engaging with stakeholders to design a program responsive to municipal needs and will announce further details later this year.

Building Homes in Indigenous Communities

Access to safe and affordable housing is critical to improving socio-economic outcomes and ensuring a better future for Indigenous communities. Since 2015, the federal government has committed more than \$6.7 billion to support housing in Indigenous communities and a further \$4.3 billion to advance an Urban, Rural, and Northern Indigenous Housing strategy set to launch in 2024-25. As of December 31, 2023, Indigenous Services Canada, in collaboration with the Canada Mortgage Housing Corporation, has supported over 22,000 homes in 611 First Nations communities.

As outlined in Chapter 6, Budget 2024 also proposes additional investments to support housing and enabling infrastructure needs in First Nations, Inuit, and Métis communities.

The Urban, Rural and Northern Indigenous Housing Strategy

Indigenous households in Canada's urban, rural, and northern communities face challenges accessing adequate and affordable housing. To address this, Budget 2022 and 2023 committed \$4.3 billion over seven years, starting in 2024-25, to implement a co-developed Urban, Rural, and Northern Indigenous Housing Strategy. The Strategy will be designed and implemented to complement the federal government's previous \$6.7 billion investments to support existing distinctions-based housing strategies for First Nations, Inuit, and Métis.

Informed by Indigenous-led engagements with Indigenous governments, organizations, and housing providers, the funding will be delivered directly by First Nations, Inuit, and Métis governments, Modern Treaty holders, and self-governing Indigenous Governments and through a new Indigenous-led National Indigenous Housing Centre to ensure support is provided to all Indigenous people.

Recognizing Foreign Construction Credentials and Improving Labour Mobility

Newcomers with the skills and experience needed to build new homes should be able to join the Canadian labour market without delays.

The Foreign Credential Recognition Program helps skilled newcomers maximize their potential as they build a new life in Canada by providing training, work placements, wage subsidies, and mentoring. For six years, the program has helped over 9,000 skilled newcomers receive work placements and wage subsidies, and another 20,000 workers received low-cost loans and support services to minimize the costs and requirements associated with practicing their trade in Canada.

Building on **Budget 2022's** five-year \$115 million investment in the **Foreign Credential Recognition Program**:

- Budget 2024 proposes to provide \$50 million over two years, starting in 2024-25, to **Employment and Social Development Canada** for the **Foreign Credential Recognition Program**. At least half of this amount will streamline foreign credential recognition in the construction sector to help skilled trades workers build more homes, and the remaining funding will support foreign credential recognition in the health sector. Similar to a recent agreement between federal, provincial and territorial health ministers to recognize foreign credentials for healthcare professionals, the federal government is calling on provinces and territories to expedite the removal of their barriers to foreign credential recognition.

Protecting Renter's Rights

Renters face unique challenges in ensuring their homes are properly maintained, and their landlords follow provincial laws. Renters can struggle to navigate different provincial statutes and lack the resources to fight disputes with landlords—whether it concerns faulty heating, an illegal rent increase, or an illegal eviction. Tenant organizing and legal services can help renters.

When renters' rights are upheld, it gives people stability and housing security. They can stay in their homes and community—taking their kids to the same schools, being close to the same parks, and staying in the same job. It also gives them bargaining power, helping them keep their rent affordable.

The federal government is committed to protecting tenant rights and ensuring home rent is fair, open, and transparent.

- Budget 2024 proposes to provide \$15 million over five years, starting in 2024-25, for a new Tenant Protection Fund, which will provide funding to organizations that provide legal and informational services to tenants, as well as for tenants' rights advocacy organizations to raise awareness of renters' rights.
- Budget 2024 also proposes a new Canadian Renters' Bill of Rights to be developed and implemented in partnership with provinces and territories to protect renters from unfair practices, simplify leases, and increase price transparency. The government intends to crack down on renovations, introduce a nationwide standard lease agreement, and require landlords to disclose historical apartment rent prices.

30-Year Amortizations for First-Time Buyers Purchasing New Builds

The high cost of mortgage payments is a barrier for many younger Canadians hoping to buy that first time. Extending mortgage amortizations for first-time buyers purchasing new builds brings that monthly cost down, making it more affordable for first-time buyers, many of whom are young people still working their way up the salary ladder.

To restore generational fairness in the housing market for younger Canadians, the government is strengthening the Canadian Mortgage Charter with new measures to unlock pathways for Millennials and Gen Z to get the keys to their first home.

- Budget 2024 announces the government is strengthening the Canadian Mortgage Charter to allow 30-year mortgage amortizations for first-time home buyers purchasing newly constructed homes. Extending the amortization limits by five years for first-time buyers purchasing new builds will enable more younger Canadians to afford a mortgage and encourage new supply. This new insured mortgage product will be available to first-time buyers starting August 1, 2024. The government will bring forward regulatory amendments to implement this proposal. Further details will be released in the coming months.

The government will more broadly monitor whether housing inflation and supply conditions permit expanding access to 30-year insured mortgage amortizations.

Combined with the Tax-Free First Home Savings Account to help renters save for a down payment faster and build their credit score with their on-time rental payment history, new access to 30-year mortgage amortizations will help first-time buyers purchasing new builds access mortgages with lower monthly payments, making it easier to unlock the door to their first home.

Enhancing the Home Buyer's Plan

As home prices rise and the cost of living rises, saving for a down payment becomes increasingly difficult. The federal government is enhancing the tax savings plans that help young Canadians save for their first home.

Across the country, and particularly in Canada's major cities, home prices have gone up—steeply. Support to help first-time buyers save must keep pace with market prices. That is why the government launched the Tax-Free First Home Savings Account and why, in Budget 2024, it is enhancing the Home Buyers' Plan. While home prices have risen—and building more new homes will help to lower prices—the government is unlocking pathways to a down payment so more Canadians can buy a house and make a good middle-class life.

Budget 2024 announces the government's intention to amend the Income Tax Act to increase the Home Buyers' Plan withdrawal limit from \$35,000 to \$60,000, enabling first-time home buyers to use the tax benefits of an RRSP to save up to \$25,000 more for their down payment, faster.

Budget 2024 also announces the government's intention to amend the Income Tax Act to temporarily extend the grace period during which homeowners are not required to repay their Home Buyers' Plan withdrawals to their RRSP by an additional three years. This grace period extension would apply to Home Buyers' Plan participants who made a first withdrawal between January 1, 2022, and December 31, 2025, who will now only have to begin repaying their Home Buyers' Plan withdrawals after five years in which they withdraw. For a couple who withdrew the maximum in 2023, extending the grace period could allow them to defer annual repayments as large as \$4,667 by an additional three years.

This measure would reduce federal revenues by an estimated \$90 million over six years, starting in 2023-24 and continuing at \$5 million annually.

Banning Foreign Buyers of Canadian Homes

Foreign money has been coming into Canada to buy residential real estate for years, increasing housing affordability concerns in cities nationwide and preeminent centres. To address this, the government introduced a two-year ban on foreign investors' purchase of residential property, effective January 1, 2023.

To help ensure that homes are used for Canadians to live in and not as a speculative asset class for foreign investors, on February 4, 2024, the government announced it intends to extend the ban on foreign buying of Canadian homes by an additional two years to January 1, 2027.

Foreign commercial enterprises and people who are not Canadian citizens or permanent residents, will continue to be prohibited from purchasing residential property in Canada.

Health

At the heart of Canada's social safety is the promise of access to universal public health care. We have made a promise to each other, as Canadians, that if you get ill or injured or are born with complicated health issues, you don't need to go into debt just to get essential care. Here in Canada, no matter where you live or what you earn, you should always be able to get the medical care you need.

To maintain the core pillar of our social safety net, last year, the federal government announced our \$200 billion ten year health care plan to clear backlogs, improve primary care, and cut wait times, delivering the health outcomes that Canadians need and deserve.

Some essential ongoing action items are:

- Providing nearly \$200 billion over ten years to strengthen universal public health care for Canadians, including \$1.7 billion to support wage increases for personal support workers and related professions, and \$5.4 billion for long-term care and home and community care to help people age with dignity close to home.
- Enhancing the Canada Workers Benefit to help hard-working people with full-time, low-wage jobs support themselves and their families, by providing up to \$2,739 to working families and \$1,590 to single workers, through four payments spread throughout the year.
- Rolling out the Canadian Dental Care Plan to provide dental coverage for uninsured Canadians with a family income of less than \$90,000. As of now, over 1.7 million applications have been approved for eligible seniors, who will be able to visit an oral health provider as early as May of this year.
- Launching the first phase of the National Strategy for Drugs for Rare Diseases to help increase access to, and affordability of, effective drugs for rare diseases for patients across Canada.

Pharmacare

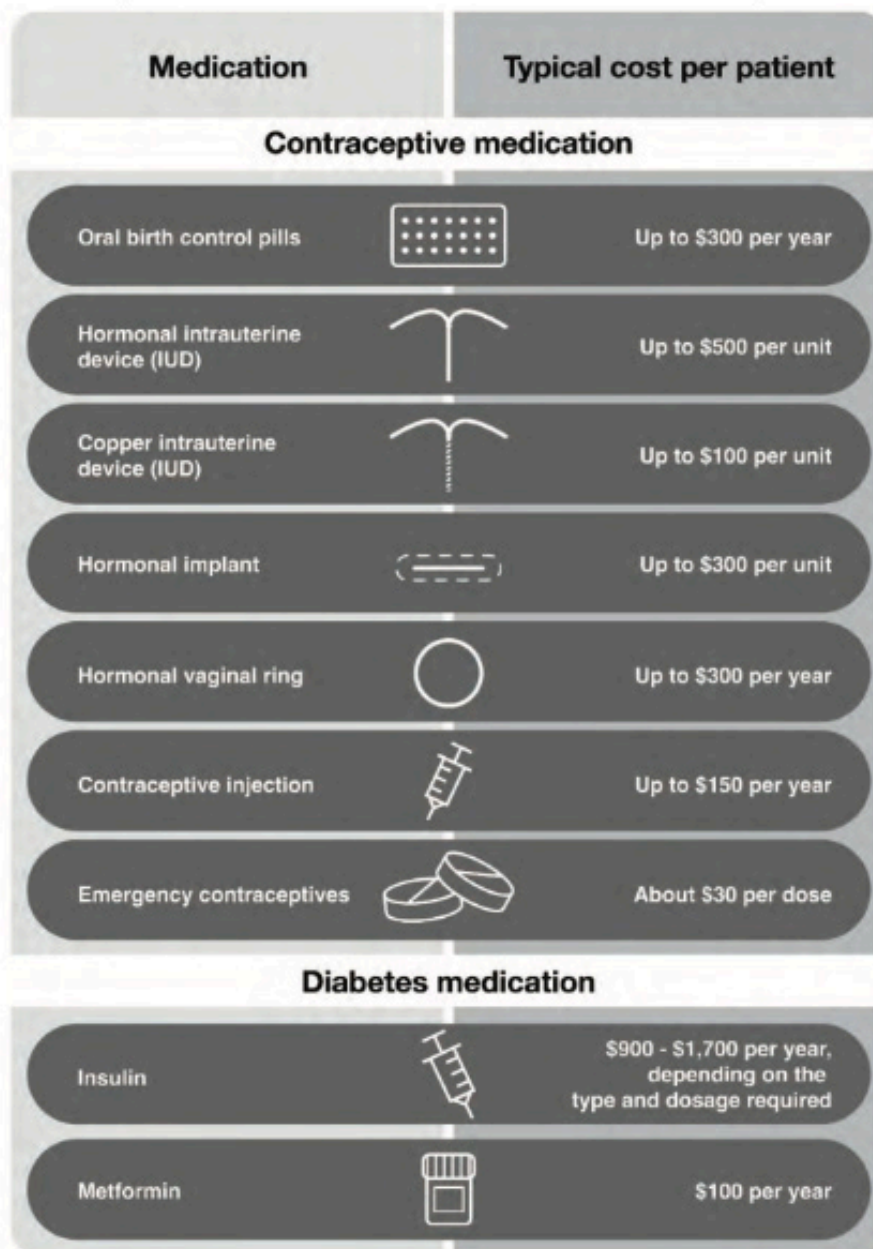
In a landmark move towards building a comprehensive national pharmacare program, the federal government has introduced legislation to help make essential medications more accessible and affordable for Canadians.

Bill C-64, the Pharmacare Act, proposes the foundational principles for the first phase of national universal pharmacare in Canada and describes the federal government's intent to work with provinces and territories to provide universal, single-payer coverage for several contraception and diabetes medications.

This first phase will ensure the effective roll-out of pharmacare while providing immediate support for the healthcare needs of women and people with diabetes. Every woman has the right to choose the family planning options that work best for her—and National Pharmacare ensures cost is not a barrier restricting that right.

The First Phase of National Universal Pharmacare

1. Coverage of contraceptives will mean that nine million women in Canada will have better access to contraception and reproductive autonomy, reducing the risk of unintended pregnancies and improving their ability to plan for the future. The cost has consistently been identified as the most critical barrier to accessing these medications, and women unevenly bear the cost. In addition to family planning, many Canadians rely on prescription contraceptives to mitigate a variety of reproductive health concerns and conditions.
2. Diabetes is a complex disease that has no cure. Treatment requires a lifetime of careful, continuous management using safe, effective, yet costly medication. One in four Canadians with diabetes has reported not following their treatment plan due to cost. Improving access to diabetes medications will help improve the health of 3.7 million Canadians with diabetes. It will reduce the risk of life-changing severe health complications such as blindness, heart disease, or amputations. People with diabetes will have access to first-line treatments that lower blood glucose levels, including insulin and metformin, as well as medications that are often used in combination by patients with type 2 diabetes. Beyond support for diabetes medication, the federal government announced its plan to establish a fund to support access to diabetes devices and supplies. Further details regarding this fund will be announced following discussions with provincial and territorial partners, who will be essential to its roll-out.



The federal government will work towards implementing coverage of these essential medications through existing provincial and territorial pharmacare programs following negotiations. New federal funding will expand and enhance, rather than replace, existing provincial and territorial spending on public drug benefit programs. This approach ensures that each province and territory's unique needs and existing coverage plans are considered, advancing collaborative federalism where the federal, provincial, and territorial governments work together towards a common goal. Budget 2024 proposes to provide Health Canada with \$1.5 billion over five years, starting in 2024-25, to support the launch of the National Pharmacare Plan. It marks a concrete step towards the vision of a national pharmacare program that is comprehensive, inclusive, and fiscally sustainable— today and for the next generation.

Delivering Dental Care for Canadians

Regular visits to the dentist reduce the risk of tooth decay, gum disease, and other serious health problems that disproportionately affect seniors, such as cardiovascular disease and stroke. Pain and disability associated with poor oral health can affect eating habits, speech, and appearance, which impacts both physical and mental health.

Since the Canadian Dental Care Plan was announced in Budget 2023, historic progress has been made to ensure everyone in Canada can access the dental care they need. Thanks to the interim Canada Dental Benefit, children are already receiving care, and seniors have begun enrolling in the Canadian Dental Care Plan. By 2025, up to nine million uninsured Canadians will have dental coverage.

More than 1.7 million Canadians are enrolled in the Canadian Dental Care Plan six months after when seniors over age 87 first became eligible to sign up. As early as May 2024, eligible seniors can visit an oral health professional for their needed care. By May, all seniors aged 65 and older will be able to apply, followed by persons with disabilities with a valid Disability Tax Credit certificate and children under the age of 18. All uninsured Canadians between 18 and 64, with a family income up to \$90,000, can apply online and visit a dentist in 2025.

The interim Canada Dental Benefit, launched in December 2022 and has already supported more than 406,000 children, will ensure seamless dental coverage for children under age 12 until June 30, 2024, after which they can enroll in the Canadian Dental Care Plan.

Launching the Canada Disability Benefit

The government's landmark legislation, the Canada Disability Benefits Act, created the legal framework for a direct benefit for low-income working-age persons with disabilities. This benefit fills a gap in the federal government's social safety net between the Canada Child Benefit and the Old Age Security for persons with disabilities. It is intended to supplement, not replace, existing provincial and territorial income support measures. The federal government is making this new benefit a reality.

- Budget 2024 proposes funding of \$6.1 billion over six years, beginning in 2024-25, and \$1.4 billion per year ongoing, for a new Canada Disability Benefit, including costs to deliver the benefit.
- Budget 2024 further announces that the government will begin providing payments to eligible Canadians in July 2025, following the successful completion of the regulatory process and consultations with persons with disabilities.
- To ensure access to the Canada Disability Benefit for eligible Canadians and to address an anticipated significant financial barrier associated with benefit take-up, Budget 2024 further proposes funding of \$243 million over six years, beginning in 2024-25, and \$41 million per year ongoing, to cover the cost of the medical forms required to apply for the Disability Tax Credit.

In the spirit of "Nothing Without Us," the government will provide meaningful and barrier-free opportunities to collaborate through the regulatory process and ensure the benefit reflects the needs of those receiving it. Persons with

disabilities will be consulted on key elements of the benefit's design, including maximum income thresholds and phase-out rates. The benefit design will need to fit the investment proposed in Budget 2024.

The government intends for the Canada Disability Benefits Act to come into force in June 2024 for payments to begin in July 2025. The proposed design is based on a maximum benefit amount of \$2,400 per year for low-income persons with disabilities between 18 and 64. To deliver the benefit as quickly as possible and ensure nationwide eligibility consistency, the proposed Canada Disability Benefit would be available to people with a valid Disability Tax Credit certificate. As proposed, this benefit is estimated to increase the financial well-being of over 600,000 low-income persons with disabilities.

The government will continue working with persons with disabilities, health care providers, and tax professionals to find ways to increase take-up and lower the administrative burden of obtaining a Disability Tax Credit certificate.

To avoid persons with disabilities facing clawbacks on their provincial and territorial supports, the federal government is calling on provinces and territories to exempt Canada Disability Benefit payments from counting as income in relation to provincial or territorial supports. The federal government is making this investment due to the inadequacy of disability assistance provided by many provinces, which currently leaves far too many persons with disabilities in poverty.

The Canada Disability Benefit establishes necessary support for persons with disabilities and will ensure a more fair chance for future generations of persons with disabilities. We know that every dollar matters to those living with a disability. That is why the government aspires to see the combined amount of federal and provincial or territorial income support for persons with disabilities grow to the level of Old Age Security (OAS) and the Guaranteed Income Supplement (GIS) to fundamentally address the rates of poverty experienced by persons with disabilities

Expanding the Disability Supports Deduction

To help persons with disabilities have a fair chance at success, the federal government helps cover the cost of certain services (such as attendant care, tutoring, and note-taking) and the cost of accessibility tools and devices (such as braille note-taker devices and electronic speech synthesizers). The government is committed to ensuring persons with disabilities have the tools to pursue an education, advance their careers, become entrepreneurs, or achieve their aspirations.

- Budget 2024 announces the government's intention to amend the Income Tax Act to make additional expenses eligible for the Disability Supports Deduction, subject to certain conditions, such as;
 - ◇ Service animals trained to perform specific tasks for people with certain severe impairments;
 - ◇ Alternative computer input devices, such as assistive keyboards, braille display, digital pens, and speech recognition devices; and,
 - ◇ Ergonomic work chairs and bed positioning devices, including related assessments.

This proposal is estimated to cost \$5 million over five years, starting in 2024-25, and \$1 million per year, ongoing.

To continually improve the Disability Supports Deduction and meet Canadians' needs, the government will consult persons with disabilities and stakeholders on the list of eligible expenses every four years beginning in 2028.

Supporting the Care Economy

The pandemic highlighted the importance of paid and unpaid care work in our economy and for the well-being of every generation. The care economy provides crucial care to aging parents and grandparents, children, and many adults who live with disabilities or long-term conditions.

The federal government has made historic investments to strengthen the social infrastructure of the care economy, including early learning, child care, and long-term care. It also took action to help ensure that personal support workers get fair pay for their essential work and improved tax support for caregivers by providing the Canada Caregiver Credit.

Building on these investments, the federal government is announcing new measures to address the challenges faced by this sector further.

- Budget 2024 proposes a Sectoral Table on the Care Economy that will consult and provide recommendations to the federal government on concrete actions to support the care economy, including early learning and child care.
- Budget 2024 announces the government's intention to launch consultations on developing a National Caregiving Strategy.

Ensuring Access to Essential Drugs and Medical Devices

Health product shortages are becoming increasingly frequent and severe due to recurring global supply chain disruptions. Recent examples include the scarcity of children's pain medications and baby formula, which left many parents worried about their children's well-being.

These shortages are detrimental to patient health outcomes and impede the ability of our healthcare systems to provide treatment. Access to essential drugs and medical devices is critical to preventing clinicians' or patients' drug rationing, delayed or cancelled treatments, or using less effective substitutions.

To mitigate the effects of health product shortages and expedite emergency responses when supply chains fail, Budget 2024 proposes to provide \$3.2 million over three years, starting in 2024-25, to upgrade Health Canada's supply management capacity for drugs and medical devices.

A Fair Chance for Millennials and Gen Z

Too many younger Canadians, particularly Millennials and Gen Z, feel their hard work isn't paying off. They're not getting the same deal their parents and grandparents did, and they don't feel they're getting the same fair chance at success.

None of this is their fault. Institutions built by previous generations haven't kept up with changing times.

We must restore a fair chance for Millennials and Gen Z. If you stay in school and study hard, you should be able to afford college, university, or an apprenticeship, graduate into a good job, put a roof over your head, and build a good middle-class life.

We've made progress for younger Canadians. We're investing in skills training and work experience opportunities. Student and apprentice loans are now permanently interest-free. And you don't have to start making total payments on those loans until you earn a middle-class income.

However, not every younger Canadian has the money to attend school, so we're increasing student grants and loans and providing more rent support. When you graduate, you deserve a pathway to a good job.

In Budget 2024, the government is helping to restore generational fairness for Millennials and Gen Z by unlocking access to post-secondary education, including for the most vulnerable students and youth, and creating new opportunities for younger Canadians to get the skills they need to get good jobs.

Some essential ongoing actions items are:

- Eliminating interest on Canada Student Loans and Canada Apprentice Loans would reduce the burden of student debt, saving student loan borrowers an average of \$610 every year on interest payments and ensuring they do not need to make payments on their loans until they earn at least \$42,720 per year.
- In 2016, Canada Student Grants increased from \$2,000 to \$3,000 per year for students from low-income households to help cover the cost of education without increasing student debt loads.

- In Budget 2023, the Canada Student Grants will be further increased from \$3,000 to \$4,200 for one year.
- Enhancing student loan forgiveness to up to \$60,000 for doctors and up to \$30,000 for nurses who choose to work in rural and remote communities.
- Introducing a flat-rate student contribution for financial assistance will allow students to work and gain valuable labour market experience without worrying about reducing their federal support.
- The Youth Employment and Skills Strategy's programs (Canada Summer Jobs and the Youth Employment and Skills Strategy Program) served 141,262 youth in 2022-23. They supported them through skills development, training, and work experiences.
- The Student Work Placement Program, which in 2022-23 created 51,711 work-integrated placement opportunities (co-ops, internships) for post-secondary students related to their field of study.

Increasing Student Grants and Loans

Since 2016, the federal government has supported 638,000 post-secondary students annually, with \$38.4 billion in up-front grants and interest-free loans—enabling young Canadians to pursue their education, regardless of their background. The government permanently increased Canada Student Grants by 50 percent to \$3,000 to ensure this support keeps up with the cost of an education. In 2020, when students faced challenges finding work and affording school, the government temporarily doubled Canada Student Grants to provide \$6,000 each year for three school years.

Even with increased financial support for students and the permanent elimination of interest on student loans, many students still need more support to cover rising costs. Some provinces—British Columbia, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland and Labrador—are aligned with the federal government in making their student loans interest-free. The federal government calls on the provinces and territories that still charge interest on student loans—Alberta, Saskatchewan, Ontario, Quebec, Nunavut, and the Northwest Territories—to make their student loans interest-free.

- Budget 2024 announces the government's intention to extend for an additional year the increase in full-time Canada Student Grants from \$3,000 to \$4,200 per year and interest-free Canada Student Loans from \$210 to \$300 per week. Increased student grants and loans will be available for the 2024-2025 school year at an estimated total cost of \$1.1 billion in 2024-25. With this change, Canada Student Grants will have doubled in size since 2014.
 - ◇ Grants for part-time students, students with disabilities, and students with dependants will also be increased proportionately.
 - ◇ Increased grants will support 587,000 students, and increased interest-free loans will support 652,000 students, with a combined \$7.3 billion for the upcoming academic year.

Rent Support for Students

Students should not have to choose between focusing on school and affording rent and groceries each month. Although federal student grants and loans are intended to help cover the cost of shelter, the formula used to estimate students' housing costs has not been updated since 1998.

- ◇ To reflect the actual rental housing costs most post-secondary students face, Budget 2024 proposes modernizing the shelter allowances used by the Canada Student Financial Assistance Program to determine financial need. This will cost an estimated \$154.6 million over five years, starting in 2024-25, and \$32.3 million annually after that.
- ◇ This new approach will provide additional student aid to approximately 79,000 students annually.

Helping People Return to School

Adults hoping to return to post-secondary school face barriers if they have a low credit score. For example, a mature student with a poor credit history because of everyday life circumstances, such as unplanned major health expenses or raising children, faces a cumbersome review process before they can receive federal student aid.

Whether enrolling to pursue their dreams or to find a better-paying job, credit screening can be an unfair barrier, especially for those with low incomes. For Canada to succeed, everyone should be able to reach their full potential.

- ◇ Budget 2024 proposes permanently eliminating the credit screening requirement for mature students applying for Canadian student Grants and Loans for the first time to reduce barriers for adults returning to school. This measure is estimated to cost \$18.9 million over five years, starting in 2024-25, with \$4 million annually ongoing.

This will allow up to 1,000 students to benefit from federal student aid annually.

Helping Students Gain Work Experience

Work-integrated learning opportunities, such as co-ops and internships, are a proven way for post-secondary students to gain valuable skills and get a foot in the door of their future careers. The government's work-integrated learning programs help businesses identify and recruit skilled and trained individuals, addressing a significant challenge for employers: finding the right talent.

The government supports practical, hands-on learning and connections with employers through the Student Work Placement Program. The program has created over 192,000 work opportunities for post-secondary students since 2017-18. These work experience opportunities help young Canadians gain the skills, education, and real-life experience necessary to get good-paying jobs in significant and growing fields.

To create more work-integrated learning opportunities for post-secondary students, Budget 2024 proposes to provide \$207.6 million in 2025-26 to Employment and Social Development Canada for the **Student Work Placement Program**.

Jobs and Skills Training for Gen Z

Canada's success depends on the success of its youngest generations. Gen Z is a diverse group, from those starting to think about their future career years to those just starting their first full-time job. They have a lifetime of opportunity—and we empower them to aim high.

Lifting Gen Z by ensuring they have good opportunities to launch their career will be critical to Canada's economic growth potential in the future. As baby boomers increasingly reach retirement age, our younger workforce must be equipped with opportunities to build their skills and gain meaningful work experience. Gen Z needs the confidence to know they will find a good job that will help them get ahead.

To help younger Canadians pursue and achieve their dreams, the government is investing in creating more job opportunities for youth and ensuring that hard work pays off for the next generation.

To create 90,000 youth job placements and employment support opportunities, Budget 2024 proposes to provide \$351.2 million in 2025-26 for the Youth Employment and Skills Strategy. These investments in youth job opportunities include:

- \$200.5 million in 2025-26 for Canada Summer Jobs to provide well-paying summer job opportunities, including in sectors facing critical labour shortages, such as housing construction; and,
- \$150.7 million in 2025-26 for the Youth Employment and Skills Strategy Program to provide youth job placements and employment support.

Young Canadians are eager to be part of the fight against climate change and to protect our natural environment. The government intends to launch consultations on the development of a Youth Climate Corps program that will equip young people with jobs that work to address climate change.

Launching a New Youth Mental Health Fund

Young Canadians are facing high levels of stress and mental health challenges, including depression and anxiety. Many of them are still in school or just starting their careers and are struggling with the costs of private mental health care. The rising cost of living has further exacerbated this issue. Our government remains committed to ensuring that future generations have access to mental health support for a healthy start to adulthood.

- Budget 2024 proposes to provide \$500 million over five years, starting in 2024-25, to create a new Youth Mental Health Fund to help younger Canadians access the mental health care they need.

The new Youth Mental Health Fund will help community health organizations provide more care for younger Canadians and better equip these organizations to refer youth to other mental health services within their networks and partnerships.

Youth must have what they need to build a happy, healthy adult start. Mental health care is essential to ensuring every young Canadian can reach their full potential, which also helps Canada's economy reach its full potential.

Childcare and Education

As part of the government's generational investments in the care economy, we have worked with all provinces and territories to build a Canada-wide early learning and childcare system that saves young families, many led by Millennials, thousands of dollars annually. Affordable child care unlocks new opportunities for parents—particularly mothers—to fully participate in the workforce and build a fulfilling and profitable career. It levels the playing field for parents and families.

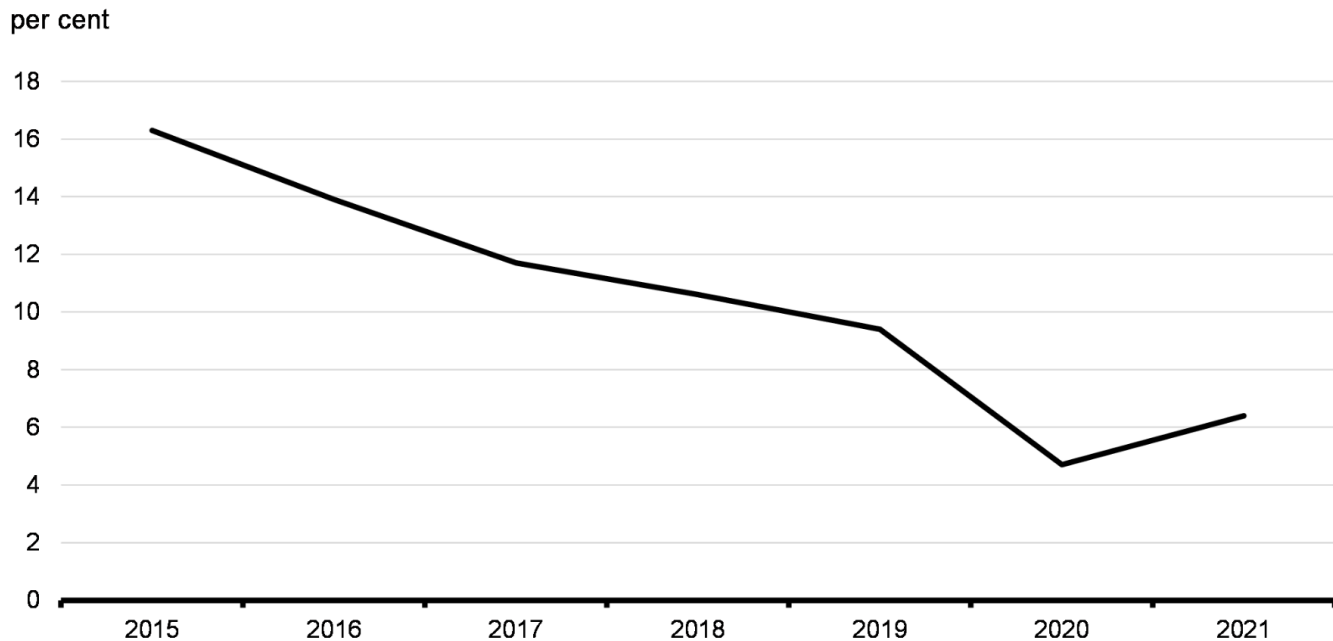
This builds on efforts since 2015 that support families, including the Canada Child Benefit, which provides nearly \$8,000 per child to families this year.

The federal government will work with provincial, territorial, and Indigenous governments to deliver the National School Food Program, with support beginning as early as the 2024-25 school year.

Since the Canada Child Benefit was introduced in 2016, child poverty in Canada has dropped from 16.3 percent in 2015 to 6.4 percent in 2021. **Some essential ongoing action items are:**

- Through the tax-free Canada Child Benefit, we provide over \$25 billion in support to about 3.5 million families with children annually, with eligible families receiving up to \$7,787 per child in 2024-25.
- Building a Canada-wide early learning and child care system delivers \$10-a-day in eight provinces and territories. All other provinces have already cut fees by 50 percent and remain on track to give \$10 a day of child care by March 2026, significantly ahead of schedule.
- Launching the Canada Dental Benefit to provide eligible parents or guardians with direct, up-front, tax-free payments of up to \$1,300 over two years to cover the cost of dental care for their children under 12 years old.

Reducing Child Poverty from 16.3 per cent to 6.4 per cent, 2015-2021



Source: Statistics Canada.

Note: Poverty rate based on Market Basket Measure, 2018. Emergency pandemic benefits dramatically reduced poverty rates in 2020 and also reduced rates in 2021.

A National School Food Program

Every child in Canada deserves to have the best start in life. However, higher grocery prices are making it more difficult for moms and dads to afford the food their kids need.

Nearly one in four children do not get enough food, impacting their learning and growth opportunities. According to the Toronto District School Board, students who regularly ate breakfast were 17 percentage points more likely to be on track to graduate than those who did not have access to breakfast.

The federal government is taking decisive action to launch a new National School Food Program to help ensure that children have the food they need to get a fair start regardless of their family's circumstances.

Budget 2024 announces the creation of a National School Food Program, which will provide \$1 billion over five years to Employment and Social Development Canada, Crown-Indigenous Relations and Northern Affairs Canada, and Indigenous Services Canada, starting in 2024-25, to work with provinces, territories, and Indigenous partners to expand access to school food programs. This includes investments for First Nations, Inuit, and Métis communities and Self-Governing and Modern Treaty Partners, many of whom have some of the highest rates of food insecurity in Canada.

The National School Food Program is expected to provide meals for more than 400,000 kids annually. And for families who manage to put enough food on the table but struggle to pay for it, this program is expected to save the average participating family with two children as much as \$800 per year in grocery costs, with lower-income families benefitting the most.

Canada-wide Affordable Childcare System

The government launched a Canada-wide affordable childcare system in 2021. This program is saving Canadian families thousands of dollars every year. Eight provinces and territories have already reached \$ 10 a day, and the rest have cut fees by 50 percent. All provinces and territories are on track to offer \$10-a-day child care.

Affordable child care helps more moms return to the workforce, helping our economy reach its full potential. These supply-side investments are working.

In September 2023, prime working-aged women's labour force participation rate reached a record high of 85.7 percent. More families earn more income, and more people working means more economic growth.

But there still aren't enough childcare spaces. We need to build more spaces to give every child the best start in life, help every family save thousands of dollars on child care, and ensure the next generation of parents doesn't have to choose between having a family or a career. That is why the federal government is helping build more childcare spaces.

- To launch a \$1 billion Child Care Expansion Loan Program, Budget 2024 proposes to provide the Canada Mortgage and Housing Corporation with \$179.4 million over five years, starting in 2024-25 and \$5.7 million in future years.
- The Child Care Expansion Loan Program will offer \$1 billion in low-cost loans and \$60 million in non-repayable contributions to public and not-for-profit childcare providers to build more childcare spaces and renovate their existing centres.
- The Canada Mortgage and Housing Corporation's expertise in financing capital projects will result in a fast program roll-out and enable synergies between childcare infrastructure and housing development.
- Budget 2024 also proposes reallocating up to \$41.5 million over four years, starting in 2025-26, and up to \$15 million ongoing from within Employment and Social Development Canada to establish a new capacity-building program to help providers apply for funding through the Child Care Expansion Loan Program and support Early Learning and Child Care research initiatives.

Growing Businesses to Create More Jobs

Small and medium-sized businesses are an integral engine of Canada's economy and employ about **64 percent** of Canadian workers. Entrepreneurs, local small businesses, start-ups, and growing medium-sized businesses—everywhere in Canada, there are people with good ideas ready to grow their businesses and create good jobs. The government is ensuring Canada's investment climate sets businesses up for success.

Existing businesses need support to stay competitive and scale up for economic growth to reach the pace needed. The government is taking action to help businesses scale up their technological innovations and implement productivity-raising technology across the economy. By cutting red tape, new and existing businesses can grow faster. Boosting access to financing from **financial Crown corporations** and encouraging **Canada's significant public pension funds** to put their investments to work here at home will **unlock new growth opportunities for Canadian businesses**.

Through Budget 2024, the government is making it easier for new businesses to start up and for existing businesses to grow by cutting red tape and providing the tools businesses need to scale up. The government is also taking steps to have Canadian public institutions and Crown corporations put their capital to work here at home and seize opportunities to increase Canada's growth and additional years from December 31, 2025, to December 31, 2026. Small businesses and not-for-profits will automatically access a three-year, low-interest loan of up to \$60,000 if they have not repaid or refinanced their loan. This will provide those unable to secure refinancing or generate enough cash flow to repay their loans by the forgiveness deadline with an additional year to continue repayment at a low borrowing cost. CEBA loan holders can repay the principal at any time throughout the three-year term, meaning far greater flexibility for businesses.

Repayment on or before the new deadline of January 18, 2024 (or March 28, 2024, if a refinancing application is submitted before January 18, 2024, at the financial institution that provided their CEBA loan) will result in loan forgiveness of \$10,000 for a \$40,000 loan and \$20,000 for a \$60,000 loan. The above changes apply to CEBA equivalent lending through the Regional Relief and Recovery Fund.

The federal government has set up a range of programs and initiatives to help small and medium businesses thrive and foster economic growth, including:

- Supporting small—and medium-sized businesses in hiring 55,000 first-year apprentices in construction and manufacturing Red Seal Trades through a \$5,000 grant for upfront costs, such as salaries and training.
- Maintaining the lowest marginal effective tax rate (METR) in the G7 and a 5.2 percentage point competitive advantage over the average U.S. METR to ensure Canada is a competitive place to do business.
- Budget 2022 cut taxes for Canada's growing small businesses by gradually phasing out their access to the small business tax rate.
- Secured commitments with Visa and Mastercard to lower credit card interchange fees for small businesses while protecting reward programs for consumers. These reductions are expected to save eligible Canadian small businesses approximately \$1 billion over five years.
- Ongoing support for small- and medium-sized businesses through Canada's seven Regional Development Agencies, including over \$3.7 billion since 2018, to help companies scale up and innovate through the Regional Economic Growth through Innovation program.
- Almost \$7 billion since 2018 for the Women Entrepreneurship Strategy to help women-owned businesses access the financing, networks, and expertise they need to start up, scale up, and access new markets.
- Enhancements to the Canada Small Business Financing Program will increase the annual financing available to small businesses by an estimated \$560 million.
- Up to \$265 million for the Black Entrepreneurship Program to help Black business owners and entrepreneurs succeed and grow their businesses.
- \$150 million investment in the Indigenous Growth Fund to help recruit other investors and, in turn, provide a long-term source of capital to support continued success for Indigenous businesses.
- \$49 billion in interest-free, partially forgivable loans of up to \$60,000 to nearly 900,000 small businesses and not-for-profit organizations through the Canada Emergency Business Account (CEBA).

Canada Workers Benefit

Enhancing the Canada Workers Benefit to help hard-working people with full-time, low-wage jobs support themselves and their families, up to \$2,739 will be provided to working families and \$1,590 to single workers through four payments spread throughout the year.

The Youth Employment and Skills Strategy Program

The Youth Employment and Skills Strategy's programs (Canada Summer Jobs and the Youth Employment and Skills Strategy Program) served 141,262 youth in 2022-23. They supported them through skills development, training, and work experiences.

In our community, organizations like the Camp Jubilee, the Down Syndrome Research Foundation and the Burnaby Neighbourhood House have received funding to create jobs for young students. These programs are a win-win for employers and students; employers receive extra help during a busy season, and students can earn money to save for tuition. The CSJ has led to the creation of over 1200 jobs for students in the last few years around Burnaby and North Vancouver.

The Student Work Placement Program

The Student Work Placement Program, which in 2022-23 created 51,711 work-integrated placement opportunities (co-ops, internships) for post-secondary students related to their field of study.

Investing in Canadian Start-Ups

Venture capital financing gives Canadian entrepreneurs the resources to start, scale, and become the next generation of Canadian anchor companies. Financing can help take new ideas from lab to market while creating high-quality, middle-class jobs.

The Venture Capital Catalyst Initiative (VCCI) strengthens Canada's venture capital ecosystem by co-investing with the private market, discovering and nurturing the next generation of globally recognized Canadian companies, and generating returns for private and public investors. Since 2016, the government has invested \$821 million through VCCI, supporting over 300 companies across Canada.

Building on this momentum, Budget 2024 proposes to provide \$200 million over two years, starting 2026-27, on a cash basis to increase equity-deserving entrepreneurs' access to venture capital and invest in underserved communities and outside key metropolitan hubs.

Cutting the Red Tape to Boost Innovation

Innovative businesses need certainty to bring their products to market to scale up new ideas. However, existing regulations often need to be updated to accommodate new technologies.

To ensure regulation keeps pace with innovations rather than hold innovation back, the government is advancing work on regulatory "sandboxes," which create temporary rules to enable the testing of products, services, or new regulatory approaches.

Budget 2024 announces the government's intent to introduce amendments to the Red Tape Reduction Act to broaden the use of regulatory sandboxes across the government. The changes will enable innovation by offering limited exemptions to existing legislation and regulations, streamlining the regulatory system, and reforming regulations to modern business realities.

Making Life More Affordable for Seniors

A More Secure Retirement

Canada's social safety net promises a safe and secure retirement for everyone. The government's most extensive program, Old Age Security, is projected to deliver \$80.6 billion to more than seven million seniors this year, significantly reducing seniors' poverty. The Canada Pension Plan is a bedrock of a secure retirement, providing an average of \$8,400 annually to nearly 6 million retirees.

The golden years are meant to be spent enjoying the fruits of a lifetime of hard work. That's why, in 2016, the government reversed the previous government's decision to delay OAS and Guaranteed Income Supplement (GIS) benefits to seniors aged 65 to 67.

Since 2015, the government has increased the pensions and benefits seniors receive. This has helped to reduce seniors' poverty, with about 11,000 seniors lifted out of poverty since 2015. The proportion of seniors living in poverty decreased from 7.1 percent in 2015 to 5.6 percent in 2021.

The government's unprecedented support for seniors means that seniors of all age cohorts are the least likely to live in poverty today. But it wasn't always this way. In 1976, seniors had the highest poverty rate of any age cohort. We are protecting seniors' benefits and strengthening their pensions to uphold this progress.

To ensure seniors have access to the care they deserve, the government also will introduce a Safe Long Term Care Act to ensure that seniors have the care they deserve, no matter where they live.

Some essential ongoing action items are:

- Maintaining the eligibility age for OAS and GIS benefits at age 65 by reversing the previous government's planned increase to age 67.
- Increasing the maximum GIS benefit for single seniors by ten percent, which provided up to an additional almost \$1,150 in 2023, indexed to inflation every quarter.
- Enhancing the GIS earnings exemption to provide a full or partial exemption on up to \$15,000 of annual employment and self-employment income for each GIS or Allowance recipient and their spouse.
- Increasing OAS payments for seniors 75 and older by ten percent provides over \$800 in new support to full pensioners annually.

A Stronger Canada Pension Plan

For the middle class and those working hard to join it, Canada's public pensions—including the Canada Pension Plan and the Quebec Pension Plan— provide confidence that they will be able to retire with dignity. Moreover, these benefits are adjusted to keep up with inflation, which helps maintain purchasing power for the nearly 6 million seniors receiving CPP retirement benefits. The Canada Pension Plan is a bedrock of a secure retirement, providing an average of more than \$8,400 annually to nearly 6 million retirees.

Further, in June 2016, the government reached a historic agreement with provinces to enhance the CPP, raising the maximum retirement benefit by up to 50 percent over time. In 2019, the CPP enhancement started being phased in, ensuring Canadian workers have a strong and secure retirement today and tomorrow.

If you or anyone in your family needs help accessing the benefits you deserve, contact our office, and we will be happy to help. When seniors have the support they need, they can be lifted out of poverty. That's our goal as a government.

Old Age Security program

Underpinning the security of every Canadian's retirement is the Old Age Security program, which includes the OAS pension, the GIS, and the Allowances. As the federal government's most extensive program, it is forecast to provide \$80.6 billion to more than seven million seniors in 2024-25.

To ensure seniors have the support they need through retirement, in July 2022, the government increased the OAS pension by ten percent for seniors age 75 and older, delivering an average of an extra \$1,173 to eligible seniors between July 2022 and December 2023. The ten percent increase provided \$3.7 billion to an average of 3.2 million seniors nationwide from July 2022 to December 2023.

Because of the federal government's investments to strengthen seniors' benefits, the indexation of benefits to inflation, and the growing senior population, OAS annual program expenditures are projected to grow by close to 24 percent to almost \$100 billion by 2028-29—representing 18 percent of federal program spending that year—and nearly threefold from 2024-25 levels by 2055-56, to about \$234 billion.

Lowering Everyday Costs

Affordable Groceries

The government is taking action to lower the cost of groceries and make life more affordable.

The cost pressures Canadians are facing start with the price of food. Whether your house is paid off or you've managed to hang on to an affordable apartment for years, everyone is paying more for groceries. That's why Budget 2024 launched a National School Food Program, which will help ensure more than 400,000 children have the nutritious meals they need to learn and grow.

Budget 2024 also advances work to cut farmers' costs through greater equipment interoperability, regardless of brand name.

Some essential ongoing action items are:

- Delivering the enhanced, quarterly Canada Workers Benefit payments four times a year to our lowest-paid—and often most essential—workers, with a family receiving up to \$2,739 this year, plus an additional \$821 for workers with disabilities.
- Making life more affordable and cutting pollution with the Canada Carbon Rebate, which ensures eight out of ten families in provinces where the federal fuel charge applies get more back than they pay, with lower-income families benefiting the most. This year, the Canada Carbon Rebate will return up to \$2,160 to a family of four.
- Delivering the Goods and Services Tax (GST) Credit every three months to support lower- and modest-income Canadians with up to \$496 this year for a single individual without children, and up to \$992 for a family of four, and temporarily doubling the GST Credit for six months in fall 2022.
- Delivering the Grocery Rebate, which provided up to \$467 for a family of four, to 11 million Canadians and families in July 2023.
- Tackling shrinkflation to uphold the food sizes and qualities that Canadians expect. The Office of Consumer Affairs is leading this work. It has launched research projects to investigate and reveal price inflation and harmful business practices that reduce the quantity and quality of groceries.
- Passing the Affordable Housing and Groceries Act, which included amendments to the Competition Act to enhance competition and help stabilize prices for Canadians, particularly in the grocery sector, by:
 - ◇ Giving more power to the Competition Bureau to crack down on unfair practices by large, dominant companies who drive up prices;
 - ◇ Removing the efficiencies defence to end anti-competitive mergers that raise prices and limit choices for Canadians;
 - ◇ Empowering the Competition Bureau to block collaborations that stifle competition and consumer choice, including when large grocers prevent smaller competitors from establishing operations nearby.

We recognize that the rising cost of living is putting a strain on families nationwide. To support those who need it most, we announced the introduction of a new Grocery Rebate in Budget 2023, providing hundreds of dollars in targeted inflation relief to 11 million Canadians and families. This rebate will contribute up to an additional \$467 for a family of four to help with the cost of living or to use as needed. We're also proud to have implemented other measures in the past year, such as a doubled GST tax credit, a new quarterly Canada Workers' Benefit of up to \$2,400 for a low-income family, dental care for kids, \$500 for low-income renters, and reduced child care fees across the country. We're committed to supporting Canadian families during these challenging times and will do everything we can to ensure everyone can access the resources they need to thrive.

In response to global inflation and rising food prices, our government is working to provide relief for Canadians at the checkout counter. We introduced vital measures to make groceries more affordable, including amendments to the Competition Act through Bill C-56 and the Affordable Housing and Groceries Act. These changes enhance competition in the grocery sector, ultimately lowering costs and expanding choices for Canadian consumers. Furthermore, we've secured commitments from Canada's five largest grocery chains, representing 76% of the market, to help stabilize prices. To oversee these efforts and address practices like "shrinkflation," we've established a Grocery Task Force, ensuring transparency and vigilance in the grocery sector to benefit all Canadians.

Stabilizing the Cost of Groceries

The cost of food has gone up in recent years. Too many Canadians are struggling with the price of groceries. In a country as wealthy as Canada, no one should go hungry. That's why the government has been taking action to stabilize the price of groceries and deliver targeted support for those who need it most.

However, a lack of competition in Canada's grocery sector means Canadians pay higher prices. That is why the government has been reforming competition law to create a grocery market where grocers compete to attract customers by offering the best prices.

Prices have been driven up by global factors like Russia's full-scale invasion of Ukraine, grain blockades, and climate impacts on agriculture. Canadian grocery companies are also making record profits.

Since the pandemic, the profits of Canada's three largest grocers have collectively increased by 46 percent—a substantial increase. Canadians deserve fair prices. By strengthening competition, the government is combatting oligopolies among significant grocery chains.

A recent Competition Bureau study of the grocery sector found that profit margins have increased since 2017 and concluded that there is room for more competition in the Canadian grocery sector. The government has already strengthened competition to make it easier for more grocers to set up shop and compete to bring down Canadian prices and will keep working to do this.

To support competitive prices for groceries and other essentials and give Canadians more choices, the government is:

- Monitoring the grocers' work to help stabilize prices and investigating other price inflation practices in the grocery sector through the Grocery Task Force.
- Maintaining the Food Price Data Hub will give Canadians detailed information on food prices, helping them make informed grocery choices.
- Tackling shrinkflation and disqualification, including through the Office of Consumer Affairs, which has launched research projects to investigate and reveal price inflation and harmful business practices that reduce the quantity and quality of groceries.
- Enhancing competition through the Affordable Housing and Groceries Act, which amended the Competition Act to strengthen competition, including in the grocery sector, by giving the Competition Bureau more power to crack down on unfair practices, removing the efficiencies defence, and empowering the Competition Bureau to block corporations from stifling competition.

The government will continue to fight for fair prices so every Canadian can afford to put good food on the table for themselves and their families.

Strengthening Local Food Security

Food insecurity is a persistent problem in Canada, with higher rates among Indigenous, racialized people, and persons with disabilities. Local food programs enable communities to grow, process, store, and distribute food to those in need within the community, improving the availability of and access to nutritious local food and reducing the need to shop at major grocery chains.

People should be able to grow food in their communities. It helps them save money on groceries and build stronger community connections. Growing food in one's neighbourhood is the best way for children to learn where food comes from. Studies have shown that access to healthy, locally-grown food increases health outcomes. Growing locally is good economic and social policy.

- As part of the government's work to end food insecurity, Budget 2024 proposes to provide \$62.9 million over three years, starting in 2024-25, to renew and expand the Local Food Infrastructure Fund to support community organizations across Canada to invest in local food infrastructure, with priority to be given to Indigenous and Black communities, along with other equity-deserving groups. Part of the expansion will support community organizations in improving the infrastructure of school food programs as a complement to the National School Food Program.

Fairer Prices, Fewer Fees

No one likes surprise fees. These additional fees are on top of what Canadians already paid for their airline ticket and monthly phone plan. Transparency on all fees up-front is essential so businesses refrain from deceptively advertising lower prices than Canadians will pay.

Junk fees are their source of frustration. These costs add up from high service fees or charges to surprise event ticketing fees to non-sufficient funds and transaction fees charged by banks. And they disproportionately impact lower- and middle-income Canadians. The federal government is taking action to cut junk fees everywhere it can and is launching a call to action for provinces and territories to reduce junk fees under their jurisdiction.

The government has made significant progress to crack down on junk fees and help middle-class Canadians keep more of their money in their pockets, and it will keep going further. The new efforts will ensure Canadians in every province and territory can save money by getting fairer prices and paying fewer fees.

Some essential ongoing action items are:

- Modernizing the Competition Act further strengthened the law against hidden fees from drip pricing, ensuring they are not legal anywhere in Canada, and allowing private parties to bring certain deceptive marketing cases directly to the Competition Tribunal.
- Investigating international mobile roaming charges through a Canadian Radio-television and Telecommunications Commission study to ensure the cell phone fees Canadians pay are fair and affordable.
- Lowering telecom prices by issuing a new directive for the Canadian Radio-television and Telecommunications Commission to improve competition, make it easier to cancel services, and strengthen the protections Canadians have from unfair business practices, such as paying unlocking fees for their cell phone—now; all phones come unlocked.
- Leading a Canada-wide effort to crack down on junk fees through the Office of Consumer Affairs, including through support towards consumer groups' independent research and advocacy against junk fees.

Cracking Down on Junk Fees

To lower the cost of everyday goods and services for Canadians, from monthly bills to air travel costs, the government launched an effort to crack down on junk fees. The federal government is using all legislative and regulatory levers to reduce the unnecessary fees Canadians pay, including reforming competition law, directing federal agencies to strengthen protections for Canadians, and introducing new caps to minimize bank fees. The federal government is making significant progress to deliver on its commitments to crack down on junk fees:

1. Amending the Competition Act to strengthen protections against hidden prices: Through Bill C-59, the government is further cracking down on drip pricing (when additional charges or fees affect consumers' abilities to make informed decisions about prices) by strengthening prohibitions against the digital marketing of unattainable prices without the inclusion of mandatory fees. The proposed amendments will enable Canadians to bring deceptive marketing claims directly to the Competition Tribunal.

2. Directing the Canadian Radio-television and Telecommunications Commission (CRTC) to improve competition and support consumers: Last year, the government issued a new directive to establish new rules and improve competition in the telecom sector to protect Canadians from unfair business practices and lower prices. Since the CRTC has already increased the choice and affordability of high-speed internet services for more than five million Canadian families, large telecom companies have been required to provide competitors with access to their fibre optic networks.

3. Introducing the Financial Consumer Protection Framework Regulations to help Canadians avoid fees: Since June 2022, updated regulations have helped Canadians avoid non-sufficient funds fees by requiring banks to send Canadians electronic alerts when their chequing or savings account, credit card or line of credit balance falls below \$100, and allow

Canadians to set a different amount; and requiring advance notice before renewal of products or services to ensure you only pay for the services you need.

4. Amending the Air Passenger Protection Regulations: To ensure that airlines seat all children under 14 next to their accompanying adult at no extra cost, the government is developing regulatory amendments, which will be introduced this year. The government is also taking further action to strengthen transparency of optional fees charged by airlines for everything from baggage to seat selection to in-flight meals.

Cheaper Internet, Home Phone, and Cell Phone Plans

The government has made significant progress in reducing the cost of internet, home phone, and cell phone plans and increasing access to these services. We are focusing the next phase of our work on reducing the costs and barriers to switching providers so Canadians can find better deals:

Budget 2024 announces the government's intention to amend the *Telecommunications Act* to allow better Canadians to renew or switch between home internet, home phone, and cell phone plans:

- The CRTC will prohibit carriers from charging consumers extra fees to switch carriers.
- Carriers will be required to help consumers identify plans, including lower-cost plans before a contract ends.
- Carriers must also provide a self-service option, such as an online portal, for customers to easily switch between or end plans with a provider.

Transparency for Airline Fees

Every Canadian wants to get the best deal possible when booking a flight, but they are often surprised to find out there are additional costs in addition to the advertised fare.

Even though airlines must show a ticket price that includes taxes, fees, and charges, Canadians can still face additional fees for optional services at different journey steps. From selecting seats to checking bags to meals on board, it is only fair that Canadians have full transparency about the total cost of their flight.

Budget 2024 announces the government will strengthen transparency of fees for optional services charged by airlines, such as seat selection, checked and carry-on baggage, meals on board, and in-flight entertainment. The government will work with the Canadian Transportation Agency and airlines to ensure these fees are paid. This will help Canadians select fares based on the total price of the travel options that best meet their needs.

Concert and Sports Ticket Fairness

Canadians want transparent, up-front pricing and fair practices for sporting and event tickets to keep costs low. The federal government, including the Competition Bureau, is doing its part to enforce federal protections against deceptive marketing practices, including hidden fees.

Some provinces have taken steps to help their residents, such as Ontario's Ticket Sales Act, which implemented protections for consumers who buy event tickets.

Some other provinces need to do more to strengthen their consumer protection laws to safeguard the interests of Canadians. To make entertainment prices fair for everyone, Budget 2024 announces that:

- The federal government will work with provinces and territories and encourage them to adopt best practice requirements for ticket sales, with three priority goals:
 - ◊ Ticket sales transparency, to continue to protect Canadians from unexpected charges through upfront, all-in pricing;

- ◇ Stronger protections for Canadians, including against excess fees and better ensuring they get timely refunds when events are cancelled; and,
- ◇ Cracking down on fraudulent resellers and practices that unfairly drive up prices, such as maliciously using bot technology to buy and resell tickets.

Protecting Canadians from Deceptive Marketing

The Competition Bureau is an independent law enforcement agency that plays a crucial role in enforcing the Competition Act and defending Canadians against junk fees. This has led to \$12.6 million in penalties paid by Ticketmaster, StubHub, and TicketNetwork, as well as by car rental companies Avis and Budget, Hertz, Enterprise, and Discount.

The government recognizes the Competition Bureau's critical role in the economy. It has taken several steps to provide the Bureau with the resources and tools to achieve its mandate more effectively.

As an example of the work of the Competition Bureau, in 2019, Ticketmaster paid a \$4 million penalty and \$500,000 for the Competition Bureau's costs for investigating allegedly misleading pricing claims in online ticket sales. The Bureau's legal action against Ticketmaster, in defence of Canadian consumers, concluded that Ticketmaster's advertised prices were not attainable because they added mandatory fees during the later stages of the purchasing process.

Ticketmaster's junk fees often add more than 20 percent, and in some cases, over 65 percent, to the advertised prices. The Competition Bureau's actions also led to a 10-year compliance agreement with Ticketmaster to ensure Canadians are not subject to junk fees and deceptive advertising.

In 2023, the Competition Bureau announced legal action against Cineplex for advertising movie tickets at a lower price than many consumers.

In its application to the Competition Tribunal, the Bureau argues that the \$1.50 online booking fee is misleading and means consumers can't buy tickets online at advertised prices. In that same application, the Bureau is seeking the Tribunal to order Cineplex to stop this form of advertising, pay a penalty, and issue restitution to affected consumers.

Through an increased budget and legislative amendments to the Competition Act, the Competition Bureau has been empowered to independently defend Canadians, enabling more robust competition law enforcement in Canada. In addition, the government's proposed amendments to the Competition Act will allow private parties to challenge anti-competitive conduct.

A Right to Repair Your Devices

From cell phones to computers to washers and dryers, it is frustrating—and expensive—to replace, rather than repair, your devices and appliances when they break. The current disposable lifecycle of many modern electronics and appliances is terrible for the environment and costly for Canadians.

Canadians expect the expensive devices they purchase to work well and last for years. If these items fail, Canadians should be able to repair their broken appliances or devices at a fair price rather than being forced to purchase a new product when one component fails.

The federal government is advancing a right to repair to increase product durability and repairability, ensuring Canadians can keep their devices working longer and reducing harmful electronic waste.

Significant progress is already being made to secure these rights for Canadians, including:

- Amending the Copyright Act to allow the circumvention of digital locks to diagnose, maintain, or repair a product. This will enable consumers to repair their devices where they choose.
- Amending the Competition Act, as announced in the 2023 Fall Economic Statement, to prevent manufacturers from refusing, in an anti-competitive manner, to provide the parts, tools, or software needed to fix devices and products.

Building on this progress, Budget 2024 announces:

- The government will launch consultations this June to develop a right-to-repair framework that focuses on durability, repairability, and interoperability.
- The federal government also calls on provinces and territories to amend their contract laws to support a right to repair and interoperability. Quebec's Bill 29 is an example of how provinces can protect consumers by promoting the right to repair.

Further details on the right-to-repair framework for home appliances and electronic devices will be announced in the coming months. The federal government is exploring how to address:

- Planned obsolescence, which is when manufacturers intentionally create products that break quickly;
- The merits of a durability index, which could help Canadians better understand how long their device is expected to last;
- If there is a need for further federal legislative changes to support the right to repair.

Lower Banking Fees, Better Finances

Every Canadian deserves access to affordable, modern banking tools. These tools help them pay their bills, save money, receive government benefits, and build credit. Ensuring every Canadian has access to affordable banking services is about fairness for every generation because hard work isn't paying off like it used to. Hardworking, middle-class Canadians deserve to keep more of their money. They need it to get ahead.

While Canadians face a rising cost of living, bank profits have continued to grow—in part due to Canadians paying higher fees. Some banks have recently increased the minimum balance required to waive monthly payments, making it even harder for people to keep their banking fees low. This is unfair, so the government is taking action to lower banking fees.

The federal government is using its regulatory and legislative tools to cut the banking fees Canadians pay and help them improve their financial circumstances. No one should face steep penalties when trying to get ahead.

Budget 2024 lowers banking fees by capping non-sufficient funds fees, modernizing accessible and affordable bank account options, launching new consumer-driven banking tools, expanding financial help services, and doing more to crack down on predatory lending.

Some essential ongoing action items are:

- Cracking predatory lending by lowering the criminal interest rate to 35 percent APR (annual percentage rate).
- Introducing the Canadian Mortgage Charter details the tailored mortgage relief that the government expects banks to provide borrowers facing financial difficulty with the mortgage on their principal residence.
- Ensuring Canadians have an independent and transparent complaints body to help resolve banking issues, the Ombudsman for Banking Services and Investments will be designated as the single external complaints body for Canadians, effective November 1, 2024.
- Requiring banks to automatically notify Canadians when their bank account or credit card balance falls below a set amount, set by default at \$100, and requiring advance notice before renewing services.