

Other Measures - 2017 Federal Budget

Corporate and Beneficial Ownership Transparency

The Government will collaborate with provinces and territories to put in place a national strategy to strengthen the transparency of legal persons and legal arrangements and improve the availability of beneficial ownership information.

These actions are aimed to give law enforcement and other authorities timely access to the information needed to crack down on money laundering, terrorist financing and tax evasion and to combat tax avoidance.

Electronic Distribution of T4 Information Slips

Budget 2017 proposes to allow employers to distribute T4 (Statement of Remuneration Paid) information slips electronically to current active employees without having to obtain express consent from those employees in advance. Required privacy safeguards will be specified by the Minister of National Revenue. Paper T4s will continue to be required for some employees.

This measure will apply in respect of T4s issued for the 2017 and subsequent taxation years.

Employment Insurance

Caregiving

Budget 2017 proposes to create a new Employment Insurance (EI) caregiving benefit. The new benefit will give eligible caregivers up to 15 weeks of EI benefits while they are temporarily away from work to support or care for a critically ill or injured family member.

Training

Budget 2017 indicates that, currently, a large number of unemployed and underemployed Canadians are not eligible for Employment Insurance (EI)-funded training under the Labour Market Development Agreements. Budget 2017 also proposes to invest an additional \$900 million over six years, starting in 2017–18, for new Workforce Development Agreements.

The Workforce Development Agreements, which will consolidate the existing Canada Job Fund Agreements, the Labour Market Agreements for Persons with Disabilities and the Targeted Initiative for Older Workers, will make transfers to the provinces and territories simpler and more flexible.

In addition to these investments, the Government proposes an amendment to broaden worker eligibility for programs and services under the Labour Market Development Agreements, allowing even more Canadians, especially underrepresented groups, to access EI-funded skills training and employment supports.

Flexibility

Budget 2017 proposes to make EI parental benefits more flexible. Proposed changes will allow parents to choose to receive EI parental benefits over an extended period of up to 18 months at a lower benefit rate of 33 per cent of average weekly earnings. EI parental benefits will continue to be available at the existing benefit rate of 55 per cent over a period of up to 12 months.

Budget 2017 also proposes to allow women to claim EI maternity benefits up to 12 weeks before their due date (expanded from the current standard of 8 weeks).

Premiums

Budget 2017 indicates that the EI premium rates are expected to increase to \$1.68 per \$100 of insurable earnings, commencing in 2018-2019.

Adult Learners

Budget 2017 announced numerous measures intended to enhance the ability of adult students to pursue educational updates. These include:

- expansion of eligibility for Canada Student Grants for students attending school part-time;
- increasing the threshold for eligibility for Canada Student Loans for part-time students;
- a three-year pilot project to test new approaches to make it easier for adult learners to qualify for Canada Student Loans and Grants, starting in the 2018–2019 academic year;
- enhancing the ability of EI claimants to pursue self-funded training while maintaining their EI status; and
- establishing a new organization to support skills development and measurement in Canada.

Business Fees

Budget 2017 indicates that the Government is proposing to make changes to the legislative framework governing fee setting for government services. The proposed changes are intended to streamline the fee setting process while ensuring continued accountability and oversight. In addition, an automatic inflation escalator is proposed to allow existing business fees to keep pace with costs. Details of specific fees are not included in Budget 2017.

Canada Savings Bonds (CSB) Phasing Out

Budget 2017 announces that the Government will discontinue the sales of new CSBs in 2017. Existing CSBs will be unchanged.

Increased Funding for CRA

Budget 2017 will invest an additional \$523.9 million over five years to prevent tax evasion and improve tax compliance. The investment will be used to fund initiatives and extend existing programs such as:

- increasing verification activities;
- hiring additional auditors and specialists with a focus on the underground economy;
- developing robust business intelligence infrastructure and risk assessment systems to target high-risk international tax and abusive tax avoidance cases; and
- improving the quality of investigative work that targets criminal tax evaders.