

ACCELERATE THE PACE - FEDERAL PLATFORM

6 KEYS TO ACTION

4 MAJOR CHANGES

Upgrade worker skills and deal with labour shortages

Focus on training that is readily adaptable to Quebec's present and future economic needs and introduce measures to help businesses deal with labour supply challenges.

WORKFORCE

Meet the needs of companies in their early stages of growth

Ensure sound administration of government finances, with appropriate tax measures to preserve the attraction and competitive edge of Canada and Quebec.

GOVERNMENT FINANCE AND BUSINESS ENVIRONMENT

Accelerate improved productivity

Focus on better integration of existing technologies while creating new opportunities to innovate.

TECHNOLOGY INTENSITY AND COMPETITIVE EDGE

HEALTHCARE AND PHARMACARE

Ensure affordable, fair and timely access for all Canadians

A public-private insurance-drug system will ensure cost predictability and sustainability of drug plans.

ENERGY TRANSITION

Leverage energy transition as a vehicle for economic growth

Make better use of available funds by concentrating on programs that eliminate the most GHG emissions, maximize energy efficiency, and deliver sustainable mobility, while maintaining the competitive edge of Quebec-based and Canadian businesses.

REGIONAL DEVELOPMENT

Provide Quebec and its regions with essential tools for growth and prosperity

The quality of communication and transportation infrastructure is crucial for business productivity as it has a lasting impact on economic growth.

Surge of protectionism and tax competition from the US

An aging population: Impact on available workforce

Climate change and energy transition

Technological change: Impact on production, economic models, etc.

Please see other side for recommendations

THE POWER OF THE NETWORK



Accelerate the Pace - Federal Platform RECOMMENDATIONS

n° 1 WORKFORCE

- Implement more robust measures to raise the average retirement age than those adopted to date.
- Provide additional support to employers who must adapt their workplaces to meet the needs of skilled workers.
- Conduct a comprehensive review of the Employment Insurance program with a view to reducing its costs, in particular through (1) renewed focus on its primary mission, namely temporary income support, with measures to promote a quick return to employment, and (2) permanent solutions to seasonal employment issues in Canada's remote regions.
- Fully acknowledge the skills, experience, and expertise of existing workforce development and training program partnerships in the provinces, including the *Commission des partenaires du marché du travail* (CPMT) in Quebec, as part of the Future Skills initiative.
- Introduce a Voluntary Continuing Education Savings Plan (VCESP) to increase Canadian workforce participation in job-related training.
- Conduct an impact study of the pilot education and training project.
- Put officials in place to act as coordinators in organizing labour sharing in regions with high rates of seasonal employment.

n° 2 PUBLIC FINANCE AND BUSINESS ENVIRONMENT

- Present a clear and realistic deficit reduction plan to achieve the earliest possible return to a balanced budget.
- Eliminate the measures unfavourable to entrepreneurship introduced by the tax reforms for private sector companies, by increasing the non-taxable thresholds allowed for passive investment.
- Make foreign suppliers of intangible services subject to federal and provincial sales taxes, the same way suppliers of tangible goods are.
- Commit to amending the Income Tax Act in order to make transferring a business to a family member fair for all businesses, regardless of their size or economic sector. The federal government must also reach an agreement with the Quebec government to ensure prompt harmonization of tax legislation on this issue.
- Regularly assess the effectiveness of tax and budgetary expenditures to ensure that the government has sufficient flexibility to provide tax measures that will attract investment, with due respect for the principle that government should deliver a balanced budget.
- Work with the Quebec Government to institute a single tax return focused on the interest of taxpayers.
- In accordance with established rules and ethical standards, allow a system of Deferred Prosecution Agreements to operate for the purpose of enabling companies facing legal proceedings to maintain their reputation and safeguard the many jobs they provide.

n° 3 TECHNOLOGY INTENSITY AND COMPETITIVE EDGE

- Increase the supply of capital to support growth-stage businesses, after proof-of-concept but prior to securing venture capital funds.
- Introduce a tax credit for upgrading production to complement the Scientific Research and Experimental Development (SR&ED) tax credit.
- Address the digital conversion needs of manufacturing companies:
 - Clarify, simplify, integrate, and promote available federal government resources that support manufacturing companies.
 - Develop a game plan for the manufacturing sector that encourages investment in advanced manufacturing, enhancement of added value, and technological intensity not only for products, but also for intangible assets to meet the immediate challenge of digital technology.
 - Develop new financial mechanisms and/or subsidies to address the ROI constraint and protect the liquidity of companies.
- Support the digital transformation of print media:
 - Provide significant financial support for print media, including local and regional media.
 - In the interest of fairness and competitiveness, make government assistance available for the conversion of media practices to digital to other groups in the media sector that could face the same challenges, including bigger players.
 - Work with the Quebec government to create a print media fund.

n° 5 ENERGY TRANSITION

- Promptly confirm that the \$1.3 billion loan to CDPQ Infra, when repaid, will return to the Canada Infrastructure Bank, and will then be dedicated exclusively to new public transit infrastructure in Quebec.
- Set aside the amounts dedicated to public transit infrastructure in the overall envelope for Quebec. These must consider Quebec's many development and asset maintenance needs.
- Reach prompt and timely agreement with the Quebec government to make up the \$1.2 billion shortfall in funding for the Quebec City comprehensive public transit network, the Réseau structurant de transport en commun (RSTC).
- Respect the principle of "one project, one environmental assessment" so as not to duplicate the authorizations already required by the provinces.
- Ensure that all Canadian provinces contribute to the carbon market.

n° 4 REGIONAL DEVELOPMENT

- Make high-speed internet available to all businesses and households in Quebec.
- Make the necessary funds available for the VIA Rail High Frequency Rail project so that construction can begin once comprehensive studies are completed, including the Quebec City–Montreal corridor as the initial phase, while ensuring that the project complements the CDPQ Infra rapid transit network, the Réseau express métropolitain (REM).
- Grant Quebec shipyards a significant share of and fair treatment in its National Shipbuilding Strategy (NSS).
- Provide sufficient funds in its budget to allow the Canadian Coast Guard (CCG) to make more vessels in the St. Lawrence icebreaker fleet available in order to provide a level of service consistent with CCG targeted standards.
- Promptly announce investments in infrastructure under the National Trade Corridors Fund and give priority to development of the St. Lawrence River, Gulf of St. Lawrence, and Northern Quebec trade corridor.
- Review the Airport Capital Assistance Program to improving the quality of regional airports, expanding regional air service and economic development in order to better meet the needs of small airports.
- Ensure that federally-owned airport infrastructure is maintained and upgraded when and where it contributes significantly to growth and development in those regions.
- Reduce the charges (rent and taxes) imposed on airport authorities, carriers, and passengers, and ensure that all taxes and fees collected in airports are fully reinvested in the industry.
- For dairy producers and processors:
 - Clarify the parameters of the dairy producer compensation program and promptly implement a payment system with all due diligence. Mitigation measures should be calculated based on net present value of the permanent losses that will be incurred by the industry as a result of implementing the two trade agreements. These measures should be structured so that Quebec producers receive their fair share.
 - Put in place mitigation and compensation measures for dairy processors and review import quota allocations.

n° 6 HEALTHCARE AND PHARMACARE

- Amend the Canada Health Act to allow private sector organizations and firms to provide health services included in the pool of insured health services, operating within parameters defined by public policy.
- Support a Pharmacare plan that would:
 - Ensure maintenance of a mixed-coverage system, where the costs of a Pharmacare plan are shared between public and private insurers, employers, and patients.
 - Build on Quebec's experience and expertise by imposing mandatory membership in a private or public Pharmacare plan.
 - Support innovation as well as research and development.
 - Develop a national strategy for high-cost medications, notably through risk pooling.
 - Allow voluntary participation by the provinces, with full compensation in case of opting out.