An Economic Plan and Industrial Strategy for Workers

Submission to FINA Consultation on Federal Budget 2025

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# About Unifor

Unifor is Canada’s largest union in the private sector representing 320,000 workers nationwide in every major sector of the economy including advanced manufacturing, natural resources, transportation, communications as well as the public and private services sectors. On behalf of these members, their families and communities, Unifor welcomes the opportunity to share a summary of proposals for Budget 2025.

# Industrial Strategies

## Fortify Canada’s Aerospace Sector

Canada’s aerospace industry delivers substantial economic benefits and good, union jobs to the economy. Aerospace workers want to ensure Canada sustains and grows its status as a leading aerospace nation.

Unifor recommends that government:

* Design a National Aerospace Industrial Strategy with significant and multi-party stakeholder input, including from unions;
* Establish a well-capitalized, long-term, and flexible industry investment program dedicated to Canada’s aerospace industry; and
* Maximize Canadian content in all aerospace-related government procurements.

## Continue Support for Canada’s Auto Industry

Historic investments in Electric Vehicle (EV) and battery production and battery materials processing underscore the importance of active government investment policy to grow industry and create good jobs. Canada must further develop the auto industry, grow the supply chain and support workers vulnerable to transition.

Unifor recommends that government:

* Recapitalize and reorient the Strategic Innovation Fund to support transition-focused investments in the automotive parts supply industry; and
* Increase the maximum rebate of the iZEV program to $10,000, extend the program until at least March 31, 2030 and establish a charging network benchmark of at least one charger for every ten on-road electric vehicles.

## Protect Forestry Workers; Invest in Canada’s Forest Sector

Forestry workers are facing unprecedented disruptions from forest fires, uncertain resource access, plant closures, volatile commodity prices, the unresolved softwood lumber dispute and the upcoming impacts from wildlife habitat protection measures. The federal government must support workers in adapting to this challenging environment and grow the industry to contribute to Canada’s low-carbon economy.

Unifor recommends that government:

* Develop a comprehensive industrial strategy focussed on building a sustainable, value-added forestry sector and create a multi-stakeholder forestry sector council to ensure necessary dialogue and adjustments;
* Expand funding and coordinated interdepartmental initiatives that support impacted workers and forest communities; and
* Increase incentives to facilitate the industry’s transition to sustainable practices and accelerate its conversion to diversified, value-added production.

## Invest in Public Transit

Local public transit continues to face a funding crisis in the face of growing populations and needed transition in the face of decarbonization. The federal government must help contribute to ongoing infrastructure transition and upgrade costs.

Unifor recommends that government:

* Immediately commit the funding for the TTC Line 2 replacement subway cars including requiring Made-in-Canada content commitments;
* Expand infrastructure supports to ensure that public operators retain full public ownership over transit; infrastructure grants should target deferred maintenance and planned upgrades;
* Provide direct financial support to smaller municipalities for grant writing and developing public procurements;
* Develop federally led procurement processes for public transit vehicles to enable public transit agencies to leverage collective procurement and focus on maximizing economic benefits from Made-in-Canada transit vehicles.

## Ensure Equitable Access to Broadband Internet; Good Jobs in Telecom

# Broadband internet is an essential service enabling people to fully participate in society and access public services. Government funding for broadband infrastructure has gone to various telecommunications providers but such investments have not included requirements of good, local jobs or limits to off-shoring and contracting out.

# Unifor recommends that government:

# Implement legislation requiring telecommunications companies that receive federal funding to publicly report any operations that are contracted out, domestically or overseas; and

# Ensure universal access to affordable wireless and broadband internet plans.

## Invest in Rail Safety; Keep VIA Public

Prioritizing cost reduction and profit over safety and high quality service are putting Canada’s workers and rail transport users at risk. Privatizing VIA will not improve train travel. Incentivizing labour replacing technology over safety will cause injuries, delays and deaths.

Unifor recommends that government:

* Establish a federal working group including unions to develop regulations to guide the industry’s rapid technological transitions ensuring that technology augments employment instead of attempting to replace workers;
* Fund the enforcement of these regulations; and
* Develop a comprehensive funding program for VIA Rail to support expanded public passenger rail services in Canada, owned and operated by public entities and governed under a VIA Rail Act.

## Stabilize Air Transportation

Canada’s air transportation system has faced operational chaos in recent years. Workers and travellers deserve better. Improved travel conditions require significantly enhanced working conditions.

Unifor recommends that government:

* Require airport authorities, in coordination with unions, to establish a “living wage” as the income floor for all workers at airports;
* Address the escalating harassment and violence faced by front line workers through targeted regulations, protocols and procedures; and
* Explicitly prohibit further profitization of Canada’s airports.

## Support Made in Canada Energy Policy

The federal government needs an energy investment policy that supports energy solutions built in Canada for the unique Canadian economy and climate.

Unifor recommends that government:

* Reduce emissions that drive climate change and are harmful to human health by promoting infrastructure maintenance and upgrades to reduce methane leaks and other emissions across oil, gas, and chemical supply chains and continuing investment in carbon capture and storage (CCS) technologies to mitigate emissions from existing infrastructure; and
* Expand federal, public investment in low carbon energy to:
  + Build a nationally secured nuclear supply chain, ensuring that any new nuclear power generation uses Canadian technology and materials and grows jobs in Canada in technical, oversight, development, and safety fields; and
  + Build new partnerships between Canadian industrial research councils and industry to create jobs in chemical and gas projects including hydrogen, ammonia, biofuels, and plastics production using low carbon processes.

## Close the Advertising Tax Loophole; Protect Journalists from Harassment

Unifor applauds recent federal efforts to address the crisis facing Canada’s media sector, but more must be done to support media workers and increase access to local news.

Unifor recommends that government:

* Legalize and encourage philanthropic journalism endowments to any qualified news organization;
* Explore options to allow employee or citizen news cooperatives to operate as non-profits;
* “Close the advertising tax loophole” by reforming Section 19 of the Income Tax Act to extend rules restricting tax deductibility of advertising expenditures to online foreign media; and
* Enact legislation, regulations and policies to better protect journalists from harassment and abuse.

## Develop Canada’s Mining Industry

Intense development in Canada’s mining industry is required to support the development of clean energy products, including the domestic EV battery supply chain, and create new jobs. Government must ensure growing demand for Canada’s natural resources is met, adheres to rigorous sustainability standards and is coordinated with Canada’s First Nations, Metis and Inuit peoples.

Unifor recommends that government:

* Directly fund the adoption of renewable energy sources for off-grid mines, while supporting research and development into alternative fuel sources;
* Address key infrastructure gaps, such as transportation and energy supply, to support sustainable critical minerals production; and
* Modernize regulatory processes to reduce unnecessary project approval delays and support key projects.

## Improve Road Transportation Standards

Road transportation workers including truck drivers, taxi drivers, logistics professionals and ride share and delivery drivers need fair and equal labour laws and employment standards. Access to safe and clean services, such as washroom facilities, are important for drivers’ health and safety.

Unifor recommends that government:

* Require the federal transportation minister work with provincial transport ministers to support investment in additional safe rest stops and parking areas for regional long-haul truck drivers;
* Support and fund a low-cost insurance alternative in the private road transport sector including taxicabs; and
* Conduct a study on expanding inspections and enforcement, currently focussed on the ‘driver inc.’ model in trucking, to misclassified “gig” economy workers in logistics and supply chains; include an assessment of the benefits of accessing collective bargaining for these workers.

Transition Supports and Economic Stabilizers

## Fund and Implement Viable Transitions to Sustainable Jobs:

The interim *Sustainable Jobs Action Plan* and the *Canadian Sustainable Jobs Act* are Canada’s first targeted measures to protect workers impacted by climate and biodiversity measures. To achieve its objectives, the program will require direct, dedicated funding.

Unifor recommends that government:

* Implement a dedicated Transition Fund that enables a range of transition responses to support workers impacted by decarbonization, technological change, protection of wildlife habitats and biodiversity, and climate change.

1. Reform EI

Employment Insurance is the most important economic stabilizer for workers in times of job loss, training, or transition. However, the program is inaccessible to most Canadians.

Unifor recommends that government:

* Lower the variable entrance requirement and eligibility threshold to 360 hours;
* Provide 50 weeks of regular EI benefits in all regions;
* Eliminate the 50-week limit on combined special benefits; extending the reference period to 104 weeks; and
* Increase the income replacement rate to 75% and raise the ceiling on insurable earnings.

1. Invest in Labour Adjustment

Federal LMDA funding enables Unifor to support displaced members through job loss and transition. Ongoing funding for such initiatives, such as workplace adjustment centres, is imperative to prepare for future transitions.

Unifor recommends that government:

* Require provinces and territories to negotiate labour adjustment advisory program (AAP) agreements with unions when workers are faced with workplace closures and increase LMDA funding to match; and
* Establish the proposed tripartite Employment Insurance Council, with representation from labour, employers and government to ensure proper and consistent utilization of federal funding for adjustment centres.

1. Address the Housing Crisis

Unifor supports the federal government’s renewed focus on housing, especially as outlined in the 2024 federal budget. However, more must be done to address Canada’s housing crisis.

Unifor recommends that government:

* Ensure funding to address encampments is earmarked for municipalities that adhere to a “rights-based” approach;
* Increase investments in non-market housing, including not-for-profit and co-op housing, with a goal of creating more deeply affordable units;
* Improve the design and increase funding for various income supports, including revising the new Canada Disability Benefit (CDB) to prevent clawbacks from other vital supports.

# Public Services and Government Revenue

## Create Universal, Comprehensive Pharmacare

Bill 64, *An Act Respecting Pharmacare*, laid the foundation for universal pharmacare and introduced the first phase of coverage for diabetes and contraception medications and devices. The federal government must build on this progress.

Unifor recommends that government:

* Establish the framework for a comprehensive pharmacare program and begin implementation as soon as possible. The fully realized pharmacare program must follow the principle of universality, which includes a single-payer system that is publicly funded and administered.

## Enhance Oversight of Health Care Spending

Provinces are increasingly relying on private sector service providers to deliver vital health care services. This is unacceptable. Every dollar that operators realize as a profit represents a dollar not going directly into frontline care.

Unifor recommends that government:

* Uphold the principle of universality outlined in the *Canada Health Act* and monitor provincial health spending;
* Ensure federal transfers contribute to expanding capacity within the existing public framework; and
* Address the workforce crisis by expanding student loan forgiveness programs for health care professionals.

## Reorient Long-Term Care to Improve Care for Seniors

Government must play a larger role in ensuring the needs of seniors in long-term care facilities are met. This includes funding measures and other initiatives that would shift long-term care away from for-profit, private care.

Unifor recommends that government:

* Provide conditional transfers to provinces to achieve a number goals including: minimum care standards, expansion of non-profit and government-owned facilities, phase out of for-profit long-term care homes, and development of comprehensive workforce strategies in consultation with labour organizations; and
* Immediately bring Revera under public ownership.

## Build Child Care Capacity

Unifor applauds the development of Canada’s national child care program. Government must build further capacity within the existing system by collaborating with provinces to:

* Maintain limits on the number of child care spaces in for-profit centres, enabling growth in the not-for-profit child care sector;
* Develop a recruitment and retention strategy that addresses fair wages, pensions and working conditions coupled with a matching funding commitment; and
* Expand the student loan forgiveness program to cover all who choose to pursue a career in Early Childhood Education.

## Implement Tax Reform

There are several tax changes that could have a significant impact on income and wealth disparity and affordability while directing investment towards achieving Canada’s economic goals.

Unifor recommends that government:

* Expand the windfall profits tax, make it retroactive to 2021-22 and make it permanent;
* Require large multi-national corporations to engage in country-by-country reporting enabling international cooperation to prevent tax avoidance; and
* End the Real Estate Investment Trust (REIT) corporate income tax exemption.

## Enforcement of the *Employment Equity and Pay Equity Acts*

The Canadian Human Rights Commission cannot adequately fulfill its mandate to monitor the 5,000 workplaces covering 1.4 million employers that fall under the *Employment Equity and Pay Equity Acts,* nor enforce the *Acts* or ensure compliance within the current funding envelope.

Unifor recommends that government:

* Increase funding to hire staff focussed on monitoring compliance and enforcing *the Acts* to ensure Canada achieves pay and employment equity.

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