Human Resources Legislative Update

Federal 2011 Budget Introduced

Date: March 23, 2011

On March 22, 2011, the federal government introduced its 2011 Budget "A Low-Tax Plan for Jobs and Growth". Highlights in the Budget of interest to employers include:

- elimination of the mandatory retirement age for federally regulated employees
- volunteer firefighters tax credit
- anti-avoidance rules for RRSPs
- increase in EI premiums limited to 5 cents in 2011 and 10 cents for subsequent years
- restriction of "loopholes" relating to tax deferrals under individual pension plans
- extension of work-sharing agreements by up to 16 weeks
- enhancement of the Wage Earner Protection Program
- temporary Hiring Credit for Small Business
- enhancement of the Guaranteed Income Supplement
- extension of the Targeted Initiative for Older Workers
- review of existing rules for Employee Profit Sharing Plans
- expansion of Labour Canada's Preventive Mediation Program.

Our *FTR Now* contains more detailed information on the Budget. (Note: it is unknown at this point whether the Budget will pass.)

- pholes" relating to tax deferrals under individual pension plans