



## **Dear IPAC Canada Members,**

The federal Minister of Finance Chrystia Freeland unveiled the government's first budget in over two years amid COVID-19 cases re-escalating across the country. This long-awaited budget is one of the most important budgets in recent history as many sectors of the economy are still reeling from the impacts of COVID-19, and provinces are navigating through new lockdowns and the vaccine roll-out. Budget 2021, which could double as a re-election pitch for the Liberals, provides the government's roadmap to Canada's economic recovery post-crisis and a plan to build a stronger and greener economy of the future.

Themes include support for the hardest-hit sectors, investments in green energy, and support for those who have been disproportionately impacted by COVID-19. This includes support for women, Indigenous peoples, young people and racialized Canadians, which are recurring themes throughout the budget.

Budget 2021 largely attempts to balance the need of providing an ongoing rescue plan for the damaged economy while setting the stage for a stronger economic rebound. To help businesses and workers while the pandemic still rages, the government proposes to extend the Canada Emergency Wage Subsidy (CEWS) and Canada Emergency Rent Subsidy (CERS) until September, while also implementing a new program to temporarily subsidize new hiring, providing \$1,100 per month for every new employee. Overall, the budget proposes over \$100 billion in stimulus spending in various programs and investments, including \$30 billion in funding over five years for a national early learning and child care system.

## **The Fiscal Update**

Last year's deficit came in at \$354.2 billion, lower than the \$400 billion deficit projected in the Fall Economic Statement. The deficit is projected to reach \$154.7 billion in 2021-2022 and \$59.7 billion in 2022-2023.

## **What Budget 2021 Means for IPAC Canada Members**

Among the healthcare related investments in Budget 2021, IPAC Canada is pleased to see some additional short-term support for provinces and territories through the Canada Health Transfer and the new investments on long-term care. However, IPAC Canada is disappointed that this budget does not include targeted support for infection prevention and control, additional support for federal sick leave benefits, a national surveillance system, and more. Budget 2021 in many ways fails to provide the type of long-term, predictable funding that Canada's systems of care and IPAC programs across the country need. Both in getting through the remainder of this

pandemic and in controlling the spread of infections in the future, IPAC programs need additional funding that is stable and reliable. Additional supports such as an integrated, national surveillance system for healthcare associated infections, would also help Infection Prevention and Control Professionals (ICPs) across the country maximize their ability to keep Canadians safe with improved, coordinated data. IPAC Canada has and will continue to advocate that the federal government provide better supports for the critical work that ICPs do every day – both during the pandemic and beyond.

Below are new investments included in Budget 2021 of interest to IPAC Canada members.

### ***Health Transfers***

- Included in a bill recently tabled by the federal government to amend the *Federal-Provincial Fiscal Arrangements Act*, is a proposal for a providing a one-time increase of \$4 billion to the Canada Health Transfer to support clearing health care system backlogs caused by the pandemic.

### ***Long-Term Care***

- An investment of \$3 billion over five years, starting in 2022-23, to Health Canada to support provinces and territories in ensuring standards for long-term care are applied and permanent changes are made.
- Providing \$29.8 million over six years to Health Canada to advance the government's palliative care strategy and lay a better foundation for coordinated action on long-term and supportive care needs, improving access to quality palliative care. Initiatives could include; improving palliative care skills and supports for health care providers, families, caregivers, and communities; enhancing data collection and research; and improving access to culturally sensitive palliative and end-of-life care.

### ***Vaccines***

- The government proposes to introduce amendments to enable the National Research Council to manufacture and produce medical products such as vaccines on a large scale. This will respond to public health needs and establish interests in corporations to facilitate new partnership operating models.
- The budget also notes the recent bill that the government tabled on March 25, which proposes to up to \$1 billion to provinces and territories in support of Canada's COVID-19 immunization plan.

### ***Health Research***

- Budget 2021 proposes to provide \$250 million over three years, starting in 2021-22, to the Canadian Institutes of Health Research to implement a new Clinical Trials Fund.
- Budget 2021 proposes to provide a total \$2.2 billion over seven years towards the life sciences sector for foundational investments to help build Canada's talent pipeline and research systems. This includes:

- \$500 million over four years for the Canada Foundation for Innovation to support the bio-science capital and infrastructure needs of post-secondary institutions and research hospitals; and
- \$250 million over four years, starting in 2021-22, for the federal research granting councils to create a new tri-council biomedical research fund.
- Providing \$20 million over five years to the Canadian Institutes of Health Research to support a new National Institute for Women's Health Research. The new institute will advance a coordinated research program that addresses under-researched and high-priority areas of women's health.

***Targeted Investments Involving PPE***

- Budget 2021 proposes to invest \$112 million to extend COVID-19 support so children on reserve can continue to attend school safely, including by providing PPE for students and staff, laptops to support online learning, more teachers, and other critical staff.
- An investment of \$478.1 million on a cash basis to continue to support the ongoing public health response to COVID-19 in Indigenous communities, including support to hire nurses, help at-risk people to isolate, and distribute personal protective equipment.
- Budget 2021 also proposes to provide \$154.6 million to the Correctional Service of Canada to limit the spread of COVID-19 and keep staff and inmates safe. This includes the procurement of personal protective equipment.

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