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## OMA Federal Spring Update Analysis

April 28, 2026

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### Overview

The federal government is focused on “building”, including a \$6 billion apprenticeship program and a new sovereign wealth fund (the Canada Strong Fund), as their approach to managing the economic uncertainty created by American tariff policy and the U.S./Israel attacks on Iran.

It is announcing a number of affordability measures as well, including:

- Working through the regulator (the CRTC) to reduce mobile and internet costs; and
- Working with the provinces to reduce CPP premiums for employers and employees.
- These programs, along with the previously announced increase to the GST tax credit (Canada Groceries and Essentials Benefit, starting in July 2026 and lasting for five years), temporary suspension of the federal excise tax on fuel, and other smaller initiatives, are focused on affordability for Canadians.

The 2025-26 deficit has come in lower than expected, at \$66.9 billion, \$11.5 billion lower than the November 2025 forecast, and is expected to decline to \$53 billion by 2030-31. The November budget took a new approach to budgeting, driving to balance on operating spending (so that all borrowing is devoted to capital assets); this operating balance is still forecast for 2028-29.

- The federal government is forecasting low economic growth over the next three years, with real GDP growth at 1.1% in 2026 and 1.9% over the following three years.
- The unemployment rate is forecast to average 6.5 per cent in 2026, down from the 6.8% expected in Budget 2025, and to continue its downward trend reaching 6.0% by 2029, the same as in Budget 2025.

## Impacts and Potential Impacts on the Museum Sector

The key provision that may benefit museums as employers is the redesigned apprenticeship grant. It is intended to recruit, train, and hire 80,000 to 100,000 new Red Seal skilled trades workers by 2030-31, to support housing, major infrastructure, and defence projects.

- It will provide apprentices an income support top-up of \$400 per week while they are attending mandatory in-class technical training, for a total payment of up to \$16,000 per apprentice, paid in addition to Employment Insurance.
- It will also provide up to \$10,000 per apprentice to support employers, particularly small and medium-size businesses, to hire, train and retain apprentices, including help matching workers to jobs.
- The initiative has been coordinated with the focus on defence capacity, with training offered through Cadets and Junior Canadian Rangers, and fully funded trades training for young Canadians joining the Canadian Armed Forces primary Reserve.

In sharp contrast to the Ontario government, the federal government is extending increases to Canada Student Grants and interest-free Canada Student Loans for the 2026-27 academic year.

### *Other Operational Spending*

The Canada Strong Fund will be launched with \$25 billion over 3 years, and is intended to increase over time. The fund will invest in Canadian projects that deliver market-rate returns. It will be led by a CEO and a qualified independent board of directors, and Canadians will be able to invest in the fund directly.

The spring update also pledges \$755 million to expand access to sport and make better use of existing and new infrastructure, in part to attract more international sports events.

There is also substantial new funding for Indigenous Services Canada:

- \$601 million in 2026-27 to support high-quality, culturally relevant elementary and secondary education on reserve;
- \$700 million over six years, starting in 2025-26, to continue to support Indigenous communities in delivering child welfare services; and
- \$794 million in 2026-27 to support the Non-Insured Health Benefits Program, which provides First Nations and Inuit with coverage for a range of health products and services such as medical travel, pharmaceuticals, and mental health counselling.

### *Capital Spending*

The update announces \$1 billion for small craft harbours, and reiterated its commitment to “reforming” Canada’s airports system.

### *Tax Policy*

There are no tax items focused on the cultural or heritage sector. However, as part of its affordability initiatives, the government is making it easier to access the Disability Tax Credit by streamlining the application process for certain conditions and expanding the list of medical practitioners who can certify eligibility.

*Note: Because this note is being drafted on April 28, it may be updated with new information such as detailed Estimates.*

*As a provincial association, our work, and the work of our members, takes place in the territories (unceded and treaty) of Indigenous peoples in what is known as Ontario. As treaty people we acknowledge the complex colonial legacy of museums and our responsibilities to land and community in uplifting reconciliation, decolonization and Indigenous self-determination. We remain grateful to all the Nations, ancestors and individuals who guide us along this path towards humility, sustainability and reciprocity.*