

Federal Budget 2011

What Small and Medium Businesses in the Board of Trade need to know

Budget 2011 was brought down by the Government of Canada on Tuesday, March 22. Below are highlights of what small- and medium-sized businesses of the St. John's Board of Trade should know about how the Budget might affect them.

Workers

- temporary hiring credit for small business of up to \$1,000 against the increase in 2011 EI premiums to encourage hiring
- extending work-sharing program, which avoids layoffs by offering EI benefits to workers willing to work a reduced work week while their company recovers
- renewing the Best 14 Weeks and Working While on Claim EI pilot projects for one year
- expanding eligibility for the Canada Student Loan and Grant Program for part-time and full-time post-secondary students
- Helping apprentices in the skilled trades and workers in regulated professions by making occupational, trade and professional examination fees eligible for the Tuition Tax Credit.
- enhancing the Wage Earner Protection Program to cover more workers affected by employer bankruptcy or receivership
- two-year, \$20 million program to help the Canadian Youth Business Foundation to support young entrepreneurs

Stimulus

- extending accelerated capital cost allowance for investments in manufacturing and processing machinery and equipment
- extending the temporary 15-per-cent Mineral Exploration Tax Credit for an additional year (until March 31, 2012) to continue to help companies raise capital for mineral exploration

Red Tape and Regulations

- BizPaL service to be upgraded and made permanent
- Streamline Canada's trade rules, including an overhaul of the Customs Tariff legislation to reduce the processing burden for Canadian business

Innovation

- renewing funding of almost \$100 million over two years for research, development and demonstrations of clean energy and energy efficiency
- providing \$80 million in new funding over three years through the Industrial Research Assistance Program to help small and medium-sized businesses to adopt key information and communications technologies in collaborative projects with colleges
- establishing 10 new Canada Excellence Research Chairs with a focus on Canada's Digital Economy Strategy at a cost of \$53.5 million

- three-year \$60 million investment in increasing student enrolment related to the digital economy
- increasing the budgets of all three federal granting councils by \$47 million annually, including support for indirect costs
- improving commercialization and supporting demonstration of new technologies in the marketplace by supporting research links between colleges, universities and businesses
- creating an India engagement strategy including a \$12 million five-year investment in a Canada-India Research Centre of Excellence