



PRACTICAL FIRST STEPS TO REWARD THE JOB CREATORS

2.1 Reducing the Small Business Tax Rate

- We will reduce the small business tax rate from 11 per cent to nine per cent to support a sector of our economy that creates nearly half of all new jobs in Canada.

2.2 Establishing a *Job Creation Tax Credit*

- We will introduce a *Job Creation Tax Credit* that will provide up to \$4,500 per new hire:
 - Employers will receive a one-year rebate on the employer contributions for the Canada Pension Plan and Employment Insurance premiums for each new employee hired;
 - Companies and organizations that keep a new employee for 12 months or more will be eligible for a retention bonus - a \$1,000 non-refundable tax credit;
 - This initiative will help create 200,000 family-supporting jobs a year.

2.3 Extending Tax Credits for Job-Supporting Investment

- We will extend the *Accelerated Capital Cost Allowance* for eligible machinery and equipment acquired before 2016. This would apply to machinery and equipment for primary use in Canada for the manufacturing or processing of goods for sale or lease;

“Let’s invest in small business and those actually creating jobs here in Canada.”

- We will extend eligibility for the mineral exploration tax for an additional three years beyond March 31, 2012. This will apply to flow-through share agreements entered into on or before March 31, 2015;
- We will establish FedNor as a fully independent regional development agency with a new mandate to invest exclusively in Northern Ontario. We will double the FedNor funding;
- We will give tradespeople and indentured apprentices whose job sites are located at least 80kms away from their ordinary residence a tax deduction for their travel and accommodation costs.

2.4 Ensuring Foreign Investment Delivers Quality Canadian Jobs

- We will strengthen the *Investment Canada Act* by:
 - Reducing the threshold for investments subject to review to \$100 million;
 - Providing explicit, transparent criteria for the “net benefit to Canada” test, with an emphasis on the impact of foreign investment on communities, jobs, pensions and new capital investments;
 - Requiring public hearings that allow for community input into decisions on both the assessment of “net benefit” and conditions to apply to the investment;
 - Ensuring public disclosure and enforcement of all commitments undertaken by potential investors.

2.5 Setting the Corporate Tax Rate at Below the USA's

- We will keep Canada’s corporate tax rate competitive by ensuring that our combined federal/provincial Corporate Income Tax rate is always below the United States’ federal corporate tax rate.

2.6 Investing in Critical Infrastructure

- We will develop a stable, predictable Canadian infrastructure plan, to include:
 - Funding urban public transit with an additional cent of the existing gas tax;
 - Significant new funding for affordable and social housing;
 - Maintaining the Gateways and Border Crossings Fund;
 - Create a Northern Highways investment fund and begin with completion of the Inuvik-Tuktoyaktuk link, followed by eventual completion of the Mackenzie Valley Highway;
 - Federal Investment in major green energy projects across the country, including a federal investment in the Maritime Link to bring electric power from Lower Churchill to Nova Scotia;
 - Sewer and water treatment;
 - Made-in-Canada federal procurement policy for investments in public transit, infrastructure and other key investments;
 - Continuing current federal infrastructure funding commitments, like those under the *Building Canada Fund*.