

Government Acts To Secure Jobs and Economic Growth

OTTAWA, Ontario, July 13, 2010 — Today, the Honourable Jim Flaherty, Minister of Finance, welcomed last night's Senate passage and Royal Assent of the *Jobs and Economic Growth Act*, legislation that will help secure Canada's economic recovery, encourage growth and create jobs.

The *Act* allows for the implementation of important elements of Budget 2010. Key elements of the legislation include measures that restrain and focus spending, create a more competitive environment for business and help ensure tax fairness for Canadians.

"Canada's Economic Action Plan has worked well and is continuing to stimulate the Canadian economy to the end of the fiscal year," said Minister Flaherty. "At that point, we have an exit strategy and a plan to return to budget balance over the medium term by restraining the growth of program spending."

The key measures included in the *Jobs and Economic Growth Act* will:

- eliminate tariffs on manufacturing inputs and machinery and equipment;
- eliminate the need for tax reporting under section 116 of the *Income Tax Act* for many investments by narrowing the definition of taxable Canadian property;
- implement important changes to strengthen federally regulated private pension plans;
- implement the one-time transfer protection payment to Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, and Saskatchewan announced in December 2009;
- regulate national payment card networks and their operators, if necessary;
- enable credit unions to incorporate federally and operate as banks;
- streamline environmental assessments for infrastructure projects;
- increase competition in telecommunications by removing existing restrictions on foreign ownership of Canadian satellites;
- stimulate the mining industry by extending the Mineral Exploration Tax Credit for one year;
- create greater tax fairness between single- and two-parent families with respect to the Universal Child Care Benefit;
- implement an enhanced stamping regime for tobacco products to deter contraband; and
- ensure fairness for Canadian taxpayers by closing tax loopholes.

The Act also helps restrain and focus spending by:

- freezing salaries for parliamentarians; and
- reducing Governor in Council positions to federal institutions.

More details about these and other measures from Budget 2010 are available at www.budget.gc.ca.