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# STRONG LEADERSHIP: CREATING JOBS AND GROWTH IN INDUSTRY AND INNOVATION



The Harper Government is fulfilling its promise to balance the budget in 2015. Canada's Economic Action Plan has been underpinned by prudent fiscal management and the Government's low-tax plan for jobs, growth and security. Since the depths of the recession, over 1.2 million net new jobs have been created—overwhelmingly full-time, well-paying and in the private sector.

At the same time, the Government has lowered taxes every year since coming into office. The Harper Government has delivered the lowest overall federal tax burden in over 50 years.

Our Government's balanced-budget, low-tax plan for jobs, growth and security is working. But the job is not done. There are new challenges on the horizon, and the Government must stay the course to protect the economic interests of Canadians and the security of Canada.

Economic Action Plan 2015 (EAP 2015) builds a stronger Canada by:

## Encouraging Investment in Canada's Manufacturing Sector

EAP 2015 invests in initiatives that will:

- Keep taxes on business investment low to encourage investment in Canada.
- Provide manufacturers a 10-year tax incentive to boost productivity-enhancing investments.
- Provide up to \$100 million over five years, starting in 2015-16, to support product development and technology demonstration by Canadian automotive parts suppliers through the new Automotive Supplier Innovation Program.
- Develop a national aerospace supplier development initiative.
- Provide \$2.5 million per year, starting in 2016-17, to increase the analytical capacity needed to support the Defence Procurement Strategy.

Together, these actions will help create the right conditions for businesses to succeed, creating the foundations for jobs, growth and long-term prosperity.

## Supporting World-Class Advanced Research

EAP 2015 is creating the conditions for sustainable, long-term economic growth across the country, and supporting a stronger and healthier Canada. EAP 2015 will:

- Provide over \$1.5 billion in funding over five years to advance the Government's renewed science and technology strategy. This includes stable long-term support for advanced research through the federal granting councils and the Canada Foundation for Innovation.
- Create a more efficient and effective national digital research infrastructure by investing in CANARIE—Canada's world-class high-speed research and education network.
- Support industry-partnered research and development activities of the National Research Council. This will transform knowledge into jobs and growth, making federal support more responsive to business needs.

## Confirming Canada's Participation in the World-Leading Thirty Meter Telescope

Canada has world-leading strength in astronomy and astrophysics. Canadian university researchers and federal scientists have made significant contributions to the instrumentation of leading international observatories since Canada first participated in the construction of an international observatory, the Canada-France-Hawaii Telescope, which saw first light in 1979.



As announced by the Prime Minister on April 6, 2015, EAP 2015 proposes to build on this scientific leadership by providing \$243.5 million over 10 years toward securing a viewing share for Canadian researchers at the Thirty Meter Telescope, in partnership with the United States, Japan, China and India.

## Investing in Canada's Premier Strengths in Physics

TRIUMF, in Vancouver, is Canada's premier physics laboratory and is home to the world's largest cyclotron particle accelerator. It brings together leading scientists and academics from across Canada through a unique 18-member university alliance, and connects them with leading counterparts from around the world to explore the fundamental structure and origins of matter. TRIUMF made critical contributions to the discovery of the Higgs Boson particle at the Large Hadron Collider at the European Organization for Nuclear Research.

EAP 2015 proposes to provide an additional \$45 million over five years, starting in 2015-16, to enable TRIUMF to continue to advance its world-leading research activities.

## Fostering Automotive Supplier Innovation

Automotive suppliers are an integral part of Canada's automotive footprint and success. To stay competitive and succeed globally, these companies must make new product development the cornerstone of their business strategies.

EAP 2015 will help them get there by proposing to provide up to \$100 million over five years, starting in 2015-16, to support product development and technology demonstration by Canadian automotive parts suppliers, through the new Automotive Supplier Innovation Program.

## Supporting the Competitiveness of the Canadian Aerospace and Space Sectors

Among the most research-intensive industries in Canada, our aerospace and space sectors are global technology leaders and a major source of high-quality jobs, directly employing 73,000 people across the country.

The Government has positioned these sectors to succeed through a range of measures, including creating a Technology Demonstration Program; announcing close to \$1 billion over five years, starting in 2013-14, for the Strategic Aerospace and Defence Initiative; and launching Canada's Space Policy Framework to provide a comprehensive approach to Canada's future in space.

EAP 2015 builds on this foundation by:

- Announcing that the Government will work with the Aerospace Industries Association of Canada and other industry and provincial stakeholders to develop a national aerospace supplier development initiative modelled on Aéro Montréal's successful MACH program.
- Extending Canada's participation in the International Space Station mission to 2024.
- Providing \$30 million over four years, starting in 2016-17, to support cutting-edge research and technology development in Canada's satellite communications sector.

## Promoting Responsible Resource Development

EAP 2015 will strengthen jobs and growth in Canada's natural resources sector by:

- Supporting timely and streamlined approval processes for major natural resource projects, facilitating engagement and consultations in federal environmental assessments and contributing to the safety of energy transportation infrastructure.

- Providing \$30.8 million over five years, starting in 2015-16, for measures to enhance the safety of marine transportation in the Arctic and further strengthen environmental protection and marine incident prevention, preparedness and response in waters south of the 60<sup>th</sup> parallel.
- Supporting the further development of some of Canada's exceptional resource assets with targeted investments in geoscience, rare earth elements and chromite production.
- Helping our forest sector expand with new funding for market diversification and innovation.

## Growing Trade and Expanding Markets

EAP 2015 will also invest in growing trade and expanding markets to help maximize the tremendous job-creating opportunities that they provide to Canadian businesses.

It proposes the creation of an export market development program to share the financial costs with Canadian businesses as they explore and pursue new export opportunities around the world.

It will expand the highly successful Trade Commissioner Service to help our entrepreneurs navigate new, exciting markets for their products.

It will increase funding for programs aimed at addressing market access issues and promoting exports for the agriculture and agri-food sector.

And it will fund the establishment of an Internal Trade Promotion Office to help unleash our trade potential, right here at home.

*With these and other measures, EAP 2015 is creating and protecting jobs for hard-working Canadians by making Canadian industry stronger.*