

Budget2015

Balancing Choices for a Promising Future

Encouraging a Diverse Business Climate

Business and Regional Development

Budget 2015 maintains funding of approximately \$44.4 million to support start-up businesses, emerging growth sectors, and regional development activities. This investment is a continuation of robust business support programs from pre-commercial, to new start-up, to growth and expansion. Funding supports are also available to encourage a skilled and productive work force, market and export readiness, and green technologies and product development.

Encouraging Commerce through Tax Expenditures

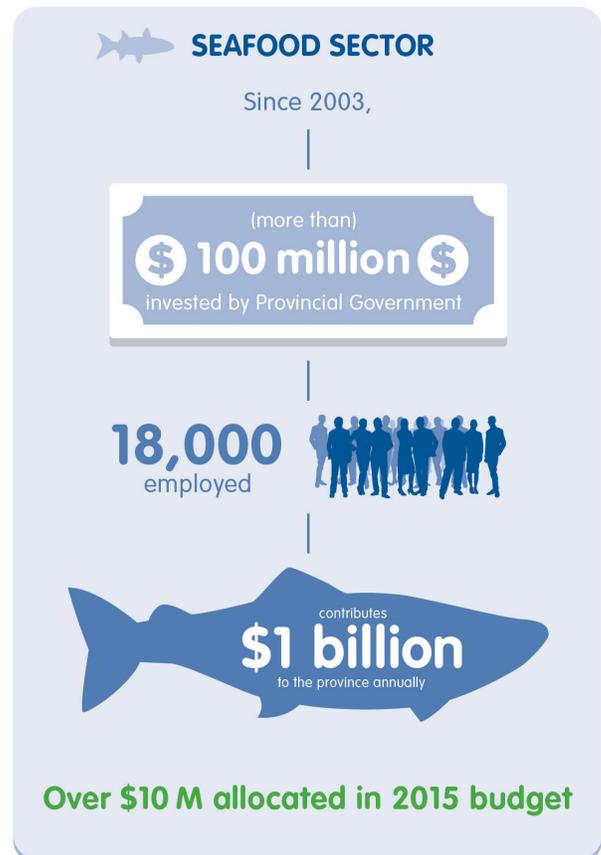
Approximately \$102 million will be invested in continuing tax credits and incentives to support businesses:

- Venture Capital Tax Credit.
- Labour Sponsored Venture Capital Tax Credit.
- Small Business Tax Rate Reduction.
- Manufacturing and Processing Profits Tax Rate Reduction.
- Scientific Research and Experimental Development Tax Credit.
- Economic Diversification and Growth Enterprise Program.
- Film and Video Industry Tax Credit.
- Direct Equity Tax Credit.

Sustaining a Strong Fishery

\$6.5 million for key initiatives to support the industry, including:

- \$1 million for the Fisheries Technology and New Opportunities Program, bringing total commitments under this program to approximately \$14 million since 2007.
- \$1 million to maintain funding for the Canadian Centre for Fisheries Innovation, bringing total funding commitments to \$6.6 million by the end of 2015-16.



- \$2.6 million to support world-class fisheries science initiatives at the Marine Institute's Centre for Fisheries Ecosystems Research as part of more than \$15 million provided since 2010.
- \$750,000 to continue the Fish Plant Worker Support Program, bringing total employment supports to displaced plant workers to more than \$10 million since 2006.
- \$200,000 toward enhanced seafood marketing initiatives.

Supporting a Thriving Tourism Industry

Building on the success of recent campaigns, Budget 2015 includes a \$2 million increase to the tourism marketing budget, returning the total budget to \$13 million, as committed in 2013.

Preserving Heritage Assets

\$420,000 will support the continuation of a \$1.2 million multi-year plan to preserve the province's heritage assets. This includes enhancements to Point Amour Lighthouse Provincial Historic Site, and structural and interpretive improvements at Trinity sites, Bonavista Lighthouse, Heart's Content Cable Station, and Commissariat House.

Research and Development

\$22 million to support research and development activities conducted by the Research & Development Corporation (RDC). To date, the RDC has invested over \$100 million in 571 individual projects and for every dollar invested, \$6 has been leveraged from other investment partners.

Forestry – Working with the Industry

Newfoundland and Labrador's forest industry is valued at \$250 million annually and directly and indirectly employs over 5,500 people.

In response to requests from operators, the Provincial Government will modify the Commercial Sawmill Licence fee structure for small and medium-size sawmills:

- Small sawmill fees are reduced from \$200 to \$50 annually.
- Medium sawmill fees are reduced from \$200 to \$100 annually.
- For sawmills with annual production greater than one million board feet, the annual fee of \$200 remains unchanged.

Funding to support the industry includes:

- \$8.2 million for silviculture projects.
- \$4 million to construct resource roads for timber harvesting.
- \$2.6 million for forest insect and disease control.
- \$3.9 million for forest fire control measures.
- \$1.38 million for research and development.
- \$10.6 million for regional operations.

Supporting Aquaculture Growth

Newfoundland and Labrador is a national leader in aquaculture best practices which, in part, has been a result of strategic investments. To continue to support this industry, Budget 2015 includes:

- \$2.8 million for investment through the Aquaculture Capital Equity Investment Program.
- \$1 million over two years for oceanographic research to support aquaculture expansion as well as nearly \$1 million to complete a biosecure wharf in Milltown.

New Interactive Digital Media Tax Credit

Budget 2015 allocates approximately \$1 million for a new Interactive Digital Media Tax Credit, designed to help companies currently working in the province's digital media industry retain and expand their workforce, while also offering an incentive for other companies to expand or relocate to Newfoundland and Labrador.

The credit provides a 40 per cent refundable provincial tax credit on eligible wages and remuneration to interactive digital media companies in the province for fiscal years beginning on or after January 1, 2015.

Supporting the Film and Television Industry

A total investment of approximately \$4 million in equity investment and tax credit by the Provincial Government will support the new television series, *Frontier*. It is estimated that every \$1 in investment by the Provincial Government will result in \$4 of production activity and \$2.95 in direct spending. Approximately 165 full-time employment equivalencies are expected to be created in the province.

Agriculture and Agrifoods

With annual sales valued at \$500 million and providing direct and indirect employment for 6,500 people, the agriculture and agrifoods industry is a strong sector of the provincial economy.

Budget 2015 provides \$12 million to enhance the industry:

- \$3.76 million for year three of the five-year, \$37 million federal-provincial-territorial Growing Forward 2 Program.
- \$2.5 million through the Agriculture and Agrifoods Development Fund.
- \$2.25 million through the Provincial Agrifoods Assistance Program.
- \$2.2 million through the Land Consolidation Program.
- Approximately \$1 million to fund the Provincial Agricultural Research and Development Program that takes a proactive, strategic approach to agriculture research and development.
- \$271,800 through the Agricultural Limestone Program.