



Budget 2010 Provides Modest Good News for Print Industry

Ottawa (March 5, 2010) - Budget 2010 announced yesterday contains some good news for the Canadian graphic communications industry as well as for manufacturers in general however it also falls short in other areas.

“Generally I would say that this has some positive aspects that will assist short and long term” commented Canadian Printing Industries Association (CPIA) President Bob Elliott. “The elimination of import tariffs on productivity-improving machinery and equipment and goods should provide some relief to equipment suppliers and ultimately to printers. There are a number of types of equipment that have already been exempted from import tariffs so the yet-to-be provided specifics of this budget announcement will be critical as to whether this is a value-add initiative”.

The Government has suggested that the elimination of such import tariffs will provide an annual savings of \$300 million to Canadian manufacturers. “The manufacturing industry in Canada generates over \$500 billion a year in shipments so this is not particularly significant however it is definitely better than nothing,” commented Elliott.

“CPIA and the Canadian Manufacturing Coalition have been pushing the government to extend the Accelerated Capital Cost Allowance on manufacturing equipment past the current December 2011 end date and there was no movement on this issue” stated Elliott. “We will continue to fight for that extension”.

Other measures of interest included in Budget 2010:

- Over \$100 million to extend the maximum length for work sharing agreements
- \$108 million for support of young workers through internships and skills development
- Over \$600 million to help develop and attract talented young people
- Keeping \$19 billion in federal stimulus money in place under Year 2 of Canada’s Economic Action Plan announced in Budget 2009 (this is complemented by an additional \$6 billion from the provinces and others). This includes \$3.2 billion in personal income tax relief and \$1 billion to enhance training opportunities for Canadian workers
- A commitment to improve Canada’s system of international taxation to facilitate investment and streamline the compliance process associated with cross-border activity
- There will be no increased taxes for Canadians
- A new Red Tape Reduction Commission will be formed
- Removal of the freeze on EI premiums in 2011
- The launch of a new small and medium-sized enterprise innovation commercialization program

The budget is generally regarded as one that recognizes that the economy has still not recovered but also positions Canada to return to deficit reduction budgets in the years to come.

The **Canadian Printing Industries Association (CPIA)** is the national voice of the pre-press, press and allied printing industries in Canada. Since 1939, the Association has served as the collective body to represent the interests of its member firms for policy formation, regulation and legislation. Through a network of Formally Affiliated Regional Associations (FARAs) across the country and related organizations, CPIA provides management and information services to enhance the efficiency and profitability of its member firms. The Association also provides industry leaders with a forum for information exchange and acts as an effective voice when making representations to government.

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