

EXECUTIVE SUMMARY: 2014 Budget

The budget for 2014 has been released. It is encouraged to read the highlights available from the summary provided below.

Significant Investments in:

- **Education:** \$1.5 billion over 10 years to help colleges and universities invest in world-class research, for the new Canada First Research Excellence Fund
- **Technology:** \$305 million over five years to provide broadband Internet service to rural and Northern communities
- **Disaster Management for Canada:** \$200 million over five years to create the National Disaster Mitigation Program, including \$11.4 million to upgrade earthquake monitoring
- **Entrepreneurship:** \$40 million to help entrepreneurs through the Canada Accelerator and Incubator Program

Some areas where our broader jamat will see slight improvement, includes:

- Less significant tax credits. For instance, two additional items added to the list of qualifying expenses for the Medical Expense Tax Credit System
- Automatic GST/ HST credits calculated based on family income as opposed taxpayers having to tick off boxes to apply

In order to recover the deficit significant changes are being made, including:

- Elimination of the five year tax-free window for Immigration Trusts
- Elimination of graduated tax rates on testamentary trusts drafted into sophisticated wills

Additional noteworthy updates:

The Canada Job Grant Program:

- Is considering grants anywhere up to \$10,000.00 - \$15,000.00 for training.

Federal Government and Youth Development:

- New programs are being funded to help young people get the skills they need and a foothold into the job market. Ottawa plans to spend \$100 million dollars plus on interest free loans through the Canadian Apprenticeship Loan Program. Apprentices registered in their first Red Seal trade apprenticeship will be able to apply for interest-free loans of up to \$4,000 per period of technical training. Interest charges and repayment of Canada Apprenticeship Loans will not begin until after loan recipients complete or terminate their apprenticeship training program. At least 26,000 apprentices per year are expected to apply for over \$100 million in loans. The estimated net cost of these loans to the Government would be \$25.2 million over two years and \$15.2 million per year ongoing.
- The Youth Employment Strategy is being reviewed to find opportunities to provide real-life work experience in science, technology, engineering, mathematics and skills trade. Additional dollars will be dedicated toward internship programs.

Changes to Immigration:

- The federal government is investing \$11million over a two year period to ensure employers are not abusing their temporary foreign worker program.
- The federal government is also looking to reform the way wealthy immigrants who say they'll invest in Canada are allowed to enter into the country.

Public Servants:

- Retired public servants will be request to contribute more money to their health care plan. The eligibility plan will be raised to apply for those benefits.

Charitable Giving:

- Easier with donations made by will or beneficiary designations being used across broader tax returns. For instance, the donation can be allocated to the final estate return, an earlier tax year of the estate, or the last two taxation years for the deceased individual. This allows for greater tax savings for the individual, family, and or estate.

Fewer fees for getting bills by mail:

- Federal Government will ban banks from charging customers to receive credit card bills in the mail and are also considering this for wireless companies.

Potential Lower Prices:

- Ottawa is looking at companies who are charging consumers more for their products in Canada than in the US. It is unclear how this will happen but they plan on giving the Competition Bureau more tools to do this. More information to be announced in coming months.

Better Internet Access for Rural Canada:

- Ottawa announced major infrastructure for rural and Northern Canadians, with an investment totaling \$305 million over the next five years to extend high-speed broadband to some 280,000 homes.

Additional highlights:

- The Canada First Research Excellence Fund will give university researchers \$1.5 billion over 10 years
- \$5million more will be allocated for programs aimed at senior citizens
- A larger tax credit for those who adopt
- Working to establish more low-cost bank accounts
- Increase transparency on credit card merchant feeds