



**Canadian
Manufacturers &
Exporters**

**Manufacturiers et
Exportateurs du
Canada**

MEDIA RELEASE

For immediate release

Budget provides important boost for manufacturers, helps sustain economic recovery: CME

OTTAWA (June 6, 2011) – The extension of the two-year write-off for manufacturing and processing technologies announced in today’s federal budget is critical to sustaining Canada’s economic recovery, according to Canadian Manufacturers & Exporters (CME).

The two-year depreciation rate for investments in industrial machinery was set to expire at the end of this year. While the spring election put the future of an extension in jeopardy, the budget ensures businesses will be able to take advantage of the investment incentive for an additional two years.

“Canadians can no longer borrow their way out of recession,” explains CME President & CEO Jayson Myers. “As the government now looks for opportunities to save money, we have to rely more than ever on business investment, innovation, improved productivity and export growth to sustain Canada’s economic recovery, and generate the incomes and public services that Canadians expect.”

The accelerated rate of depreciation will save Canadian manufacturers approximately \$650 million over the next five years. CME continues to advocate for this measure to become a permanent part of Canada’s tax system.

“We need an internationally competitive business environment to support our manufacturers and exporters,” says Myers. “The accelerated write-off combined with corporate tax cuts helps enormously on the tax side, but we need to do more to eliminate unnecessary regulatory impediments to growth, facilitate exports into the United States and other markets around the world, and leverage publicly-funded research to develop the solutions that will enable Canadian businesses to compete and grow.

“It’s no longer enough to be good – we need to be the best.”

CME recently released an eight-point plan for a more competitive Canada. Learn more at <http://www.cme-mec.ca/?lid=D6XGA-BYT1F-LN1HI>.

About CME

Canadian Manufacturers & Exporters (CME) is Canada's leading trade and industry association, and the voice of manufacturing and global business in Canada.

The association directly represents more than 10,000 leading companies nationwide. More than 85 per cent of CME's members are small and medium-sized enterprises. As Canada's leading business network, CME – through various initiatives, including the establishment of the Canadian Manufacturing Coalition – touches more than 100,000 companies from coast to coast, engaged in manufacturing, global business and service-related industries.

CME's membership network accounts for an estimated 82 per cent of Canadian manufacturing production and 90 per cent of all exports.

- 30 -

For more information, contact:

Jeff Brownlee

Vice President, Public Affairs & Partnerships

Canadian Manufacturers & Exporters

Tel: 613-238-8888 ext. 4233

E-mail: jeff.brownlee@cme-mec.ca