



*Bring Back Jobs!*

## **Lower Taxes, More Jobs! Backgrounder**

A PC government will create the conditions to encourage private sector job growth by leveraging the tax system to encourage businesses to hire more Newfoundlanders and Labradorians.

Andrew Furey's first budget announced 13,000 job losses. A PC government will undo this damage and will grow jobs in every industry and community in the province.

A PC Government will provide a hiring tax credit to help businesses create more jobs and hire more people. To incentivize the hiring of more employees, we will invest a portion of the income tax paid by these new employees back into the business which has hired them.

To further encourage job growth, a PC Government will progressively reduce the payroll tax charged on full-time employees, to support more full-time jobs.

- The HAPSET Tax, or Payroll Tax as it is commonly referred to, is restricting economic growth within the province. Employers who have a payroll over \$1.3 million are taxed at a rate of 2% over that \$1.3 million.
- A PC Government will progressively reduce the payroll tax to create jobs. We will start by reducing the tax rate on full time employment. This will encourage employers to hire full time employees, instead of part time employers.

A PC Government will make it easier for people to accept work here by providing a relocation tax credit to those who move here to accept a new job in targeted growth sectors.

- Just last week the CEO of TechNL, Paul Preston said:  
*"The number one challenge facing our techNL members and the industry as a whole is the lack of available talent to fuel growth. This funding will enable techNL to bring together the stakeholders in the ecosystem to promote existing programs and connect individuals and companies with resources in the community to enable the sector to grow and thrive."*  
(<https://www.technl.ca/2021/01/14/new-talent-strategy-to-prepare-workers-for-careers-in-growing-tech-sector/>)
- The technology industry and the green economy are just two areas which will need employees over the next five years. As indicted by TechNL, the technology industry is already challenged to find available talent.
- A PC government will support these growing industries and grow our population by providing a relocation tax credit to individuals who move here to work in these targeted growth sectors.