



INVESTMENT INDUSTRY ASSOCIATION OF CANADA
ASSOCIATION CANADIENNE DU COMMERCE DES VALEURS MOBILIÈRES

News Release

For immediate release

Budget Measures Position Canada for Continued Growth: Investment Industry Association

Ottawa, February 26, 2008 – The Investment Industry Association of Canada (IIAC) commends the federal Minister of Finance on his responsible budget in difficult and uncertain times that preserves fiscal integrity and builds on the government’s pro-growth productivity agenda.

The IIAC commented on the Federal Government budget released today in Ottawa. “Individual Canadians benefit from the announced Tax-Free Savings Account (TFSA), that provides another tool to help Canadians save,” said Ian Russell, President and CEO, IIAC. “TFsAs not only supplement RRSPs, but provide a source of tax-assisted savings for other purposes.”

Today’s budget complements the steep reductions in federal corporate rates from 21 to 15% over four years, announced in the October 2007 Economic Statement – the backbone of the government’s productivity agenda. Mr. Russell added, “Provincial governments now have a responsibility to match the federal business tax reductions, and harmonize with the GST, to achieve competitive tax rates for Canadian business. Timely provincial action is critical to help businesses, right across the country, hard-hit by economic circumstances.”

While the Association is pleased the federal government has expanded and enhanced the flexibility of Scientific Research & Experimental Development (SR&ED) credits, the measure will benefit only small private companies. “We are disappointed that the Budget has not provided sufficient incentives for small and mid-sized public and private companies to raise risk capital to improve competitiveness and seize expanding opportunities in domestic and global markets,” concluded Mr. Russell.

The Investment Industry Association of Canada (IIAC), formerly the industry association arm of the Investment Dealers Association of Canada (IDA), advances the position of the Canadian investment industry on regulatory and public policy issues. As the professional association for the industry, the Investment Industry Association has a mandate to promote efficient, fair and competitive capital markets for Canada while helping its member firms across the country succeed in the industry.

– 30 –

For more information: Katie O’Dell, Public Affairs Consultant, Tel. (416) 687-5478, kodell@iiac.ca