

JOB ACCELERATOR AND GROWTH PROGRAM



Program Description

- The Job Accelerator and Growth Program (JAG Program) was created to encourage private sector investment in Newfoundland and Labrador. The program will promote economic growth and development by providing a payroll incentive on qualifying incremental job creation. The program has an annual allocation of up to \$2 million per year and aims to attract established companies that are ready to commit to the province long term, have solid management, a record of success, and a clear path to growth. These could be companies outside the province seeking to establish a new presence, or companies in the province that are looking to expand.

Eligible Applicants

Candidate companies will be required to commit to:

- Creating a minimum of 20 new jobs over a three-year period;
- Ensuring that the new jobs have an average salary of at least \$50,000; and
- Demonstrating a long-term commitment to the province through capital or other investment.

Candidate companies may come from any existing or emerging sectors in the province, or from outside the province, that have high-growth potential and the ability to satisfy the requirements and objectives of the program. Consideration will be given to regional and sectoral diversification.

Program Objectives

The key objectives of the program include:

- Attracting inward investment in areas where there are gaps in innovation, technology and supply chain capabilities;
- Attracting individuals with priority skills to the province;
- Fostering inclusive job creation; and
- Increasing the likelihood of success for companies looking to enter or expand in the Newfoundland and Labrador economy.

Companies required to enter into industrial benefits agreements with the province, such as energy and mining companies, are ineligible for this program. Additionally, companies in sectors such as residential and commercial real estate services, wholesale or retail, and lower-growth service operations, such as call centers, are not eligible.

Benefits

Qualifying companies will receive an annual payroll rebate of 10 per cent on each incremental job created for the duration of the three-year period, subject to the provision of annual payroll data to the province. A further five per cent incentive will be available for the hiring of recent graduates in the province, or for the hiring of newcomers to the province who have priority skills that are in short supply in Newfoundland and Labrador.

- Increasing production capacity to enter new markets and produce new products; or
- Other technology development initiatives.

Eligible projects shall only include those that would not have been undertaken were it not for the funding provided by the JAG Program.

Eligible Costs

The program will provide an annual incentive for three years following approval in the program. This non-repayable contribution will be provided to the company at a standard rate of 10 per cent of the yearly incremental gross salaries. An additional 5 per cent employee incentive may be provided in hiring an employee identified as a recent post-secondary graduate or a newcomer with priority skills.

Disbursements will occur annually and only after the department has verified that employment targets for each year have been met.

Applicants must commit to a minimum new hire threshold of 20 full-time equivalents with an average salary of at least \$50,000 after three years, and annual targets shall be determined with each client based on project milestones. Shorter-length projects of one to two years may be considered based on the availability of program funds. Applicants must demonstrate a long-term commitment to the province in the form of capital or other investment.



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