



# Western Economic Diversification Canada

Agricultural Institute of  
Canada 2017 Conference:  
Agricultural Innovation in a  
Changing Environment





# Global / National Context

- Climate Change and Resource Scarcity (water and food)
- Globalization v. Economic Nationalism
- Technological change and automation are disrupting sectors of the economy
  - Unemployment and underemployment
    - youth, aboriginals, new Canadians
  - Business investment in Canada is low
    - R&D expenditures have fallen steadily since 2011



# Government of Canada Economic Priorities

- **Growth for the Middle Class**
  - establishing Canada as a centre of global innovation, and investing in infrastructure to deliver sustained economic growth.
- **A Clean Growth Economy**
  - positioning Canada to take advantage of opportunities in the new global economy while reducing emissions and generating well-paying jobs.
- **A Better Future for Indigenous Peoples**
  - working in partnership with Indigenous peoples to break down the barriers that have held back individuals and communities from reaching their full potential.



# Budget 2017 Innovation and Skills Plan

Canada's Innovation and Skills Plan aims to help Canadian workers and companies adapt to a rapidly changing economy.

Four key themes:

- **Skills**
- **Research, Technology, Commercialization**
- **Investment and Scale-up**
- **Program Simplification**



# I&S Plan: Skills

- **Northern Adult Basic Education Program**
  - Training for residents of the 3 territories (\$14.7M/3y for CanNor)
- **Youth Employment Strategy**
  - Help 33,000 youth find work/go back to school;
  - Creating 15,000 green job and 1,600 heritage sector internships. (ESDC) (\$395.5M/3y)
- **Canada 150 Research Chair Programs**
  - (\$117.6M/8y)
- **Global Skills Strategy**
  - Temporary Foreign Worker Program and the International Mobility Program (\$279.8M/5y and \$49.8M ongoing)
  - New Global Talent Stream (\$7.8M/2y)
  - New work permit exemption for short-duration work terms and short-term, inter-company work/study exchanges



# I&S Plan: Research, Tech, Commercialization (1)

- **Innovation Superclusters Initiative**

- Support for a small number of business-led innovation superclusters enhancing global competitiveness in highly innovative industries (\$950M/5y)

- **Strategic Innovation Fund**

- Consolidating and simplifying business innovation programming in automotive and aerospace sectors while expanding support to other sectors (\$1.26B/5y)

- **Impact Canada Fund**

- Clean technology (\$75M/2y) to help rural and remote communities reduce their reliance on diesel as a power source
- Smart cities (\$300M/11y)



## I&S Plan: Research, Tech, Commercialization (2)

- **Access to Growth Capital for Clean Technology**
  - Increasing financing support to clean tech firms (~\$1.4B from BDC/EDC)
- **Sustainable Development Technology Canada (SDTC)**
  - Recapitalizing the SD Tech Fund™ (\$400M/5y)
- **International Business Development**
  - Supporting clean tech firms to become global leaders (GAC) (\$15M/4y)
- **Clean Growth in the Natural Resources Program**
  - Supporting research, development, demonstration and adoption of clean tech in natural resources sectors (NRCan, AAFC, DFO) (\$200M/4y)
- **Clean Energy and Transport**
  - Investing in R&D for clean energy and transportation (NRCan/TC) (\$229M/4y)
- **Expanding Tax Support for Clean Energy**
  - Expanding accelerated capital cost allowance provisions to geothermal (FC)



# I&S Plan: Investment and Scale-up

- **Innovative Solutions Canada**
  - Launching a new procurement program for early-stage R&D, late-stage prototypes from Canadian innovators and entrepreneurs (\$50M/5y)
- **Venture Capital Catalyst Initiative**
  - Providing \$400M on a cash basis through BDC over 3 years for late-stage venture capital
- **Canadian Business Growth Fund**
  - Creating a \$500M investment fund with contributions from Canadian financial institutions to support promising small and medium-sized firms (private sector)
- **Futurpreneur**
  - Financing and mentorship for young entrepreneurs (\$14M/2y)





# Program Simplification

- **Innovation Canada**

- Comprehensive review of federal innovation programs
- Create economic growth strategies
  - Identifying innovation opportunities in: advanced manufacturing, agri-food, clean tech, digital industries, health/bio-sciences, and clean resources.
- Review effectiveness and efficiency of SRED
- In time, serve as a one-stop shop for Canada's innovators and entrepreneurs



# Western Economic Diversification

- Funds projects to develop and diversify Western Canada's economy.
- WD's primary tools are grants and contributions programs: the **Western Diversification Program (WDP)**; and, the **Western Innovation Initiative (WINN)**.
  - WDP and WINN are both delivered through a call for proposals process.
  - WDP call for proposals closed on February 23, 2017.
  - Since 2014, WD has invested nearly \$97 million in 85 projects through WINN.



# Other Federal Programs (1)

- Agricultural Greenhouse Gases Program
- CICAN Clean Tech Internship
- NRC-IRAP Youth Employment Program
- Energy Innovation Program
- NSERC
  - Engage Grants Program
  - Collaborative R&D
  - Strategic Partnership Grants



# Other Federal Programs (2)

- Canada Foundation for Innovation
  - Innovation Fund
- Sustainable Development Technology Canada
  - SD Tech Fund™
  - SD Natural Gas Fund™
  - SD NextGen Biofuels Fund™
  - SDTC Joint Fund with AI-EES
  - SDTC Joint Fund with CCEMC



# Summing Up

- Clean Tech Programs aimed at the Agriculture Sector
  - Strategic Innovation Fund (\$1.26B/5y)
  - Clean Growth in the Natural Resources Program (\$200M/4y)
  - Innovation Superclusters (\$950m/5y)
- Support for Agricultural Innovation
  - Budget 2017 \$70M/6y to focus on discovery science
  - Budget 2016 \$30M/6y for advanced research
- Next Agriculture Policy Framework
  - To be launched in 2018

Canada 