

Federal Budget 2019

White Paper on the impact of
Budget 2019 on the Canadian
Grants and Incentives
Landscape

March 2019

fundingportal

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Executive Summary

Grants and Incentives are an important source of funding for many companies and organizations. Governments in Canada alone disburse about \$26B annually through federal and provincial grants and incentives, largely to fund innovation. In the US, this number rises to US\$180B per year across federal and state programs. Yet, actioning this funding can be time-consuming and expensive for companies; many choose not to action it at all. Traditionally, it has represented a heavy drain on internal human resources or expensive professional fees.

Now, with the trend toward Software-as-a-Service (SaaS), CFOs can access the data and tools they require on their desktops and mobile devices, 24/7. This White Paper, and associated webinar delivered in partnership with **Financial Executives International (FEI)** Canada, seeks to help your company understand the grants and incentives funding marketplace in 2019-20 and ensure you are getting your fair share.

Top Priorities in Budget 2019

1. Innovation
2. Infrastructure
3. Broadband
4. Jobs and Skills
5. Arts, Culture, and Tourism



Innovation

- **Strategic Innovation Fund (SIF).** This Fund continues as Canada's most effective fund for supporting large-scale innovation projects of \$20M+. Fundingportal has helped many Canadian companies to benefit from this fund. [Contact us](#) about applying to SIF.
- **\$251.3M for Forestry.** Natural Resources Canada's budget will increase by \$251.3M over three years to extend its existing programs: The Forest Innovation Program; the Investments in Forest Industry Transformation Program; the Expanding Market Opportunities Program; and the Indigenous Forestry Initiative.
- **\$100M for Greening the Energy Sector.** The Strategic Innovation Fund will flow \$100M in additional funding over four years to the Clean Resource Innovation Network, a consortium that aims to lower the environmental impact of the oil and gas sector.
- **Green Vehicles.** Businesses buying zero-emission vehicles will benefit from a full tax write-off (capital cost limit up to \$55k) until Jan. 1, 2024.
- **\$75M for Innovation in the North.** CanNor will launch a new \$75M five-year program called Inclusive Diversification and Economic Advancement in the North (IDEANorth) to support innovation and economic development.

- **\$100M for Western Economic Diversification Canada.** This department receives \$100M over three years to diversify and strengthen the economy in Western Canada by providing grants and contributions to innovative businesses and nonprofits.
- **\$38M for Young Entrepreneurs.** Futurpreneur Canada receives \$38M over five years to provide loans to 1000 more young entrepreneurs per year.
- **SR&ED Rules.** Budget 2019 eliminates the \$500k income threshold on claims for tax credits under the Scientific Research & Experimental Development (SR&ED). Register for our [Alerts service](#) to stay informed about the new rules.

Research

- **\$524.4M for Research Organizations.** \$524.4M goes to The Stem Cell Network, Brain Canada Foundation, Terry Fox Research Institute, Ovarian Cancer Canada, Genome Canada, Let's Talk Science, and TRIUMF.
- **New Strategic Science Fund.** This new fund will launch in 2022-23 and will allocate funding to researchers through a principles-based framework. The program will become the Government's new key instrument for supporting third-party science and research organizations. Register for our [Alerts service](#) to get more details.
- **\$80M for Cybersecurity.** Three or more cybersecurity networks will receive \$80M over four years to support research and talent.

Infrastructure

- **\$7.7B for Broadband.** The Government will invest up to \$7.7B over the next 10 years in rural, remote, and northern broadband. Fundingportal has helped Canada's telecom leaders to benefit from federal grants and incentives. [Contact us](#) about applying to the new broadband fund.
- **\$2.2B for Infrastructure.** The Government will do a one-time transfer of \$2.2B through the Gas Tax Fund to support the short-term priorities of municipalities, such as supporting productivity and economic growth, clean environment, and cultural infrastructure. Fundingportal helps municipalities write winning grant applications through its partnership with Canadian Network of Asset Managers (CNAM). Visit cnam.ca/funding to learn how your municipality can benefit from this program.
- **\$1.01B for Greening.** The Federation of Canadian Municipalities' (FCM) Green Municipal Fund receives a \$1.01B boost to support these and other new programs: Collaboration on Community Climate Action (to retrofit and improve the energy efficiency of large community buildings and community pilot and demonstration projects) and Sustainable Affordable Housing Innovation Program (to improve energy efficiency in housing developments).



- **\$400M for the Arctic and the North.** Communities in Arctic and Northern Regions will see their allocation under the National Trade Corridors Fund increase by \$400M over eight years to build new roads and other vital infrastructure.
- **\$60M for Asset Management.** FCM's Municipal Asset Management Capacity Fund attracts \$60M in additional funding to help small communities get asset management skills training.
- **\$6M for Community Safety.** Public Safety Canada's Security Infrastructure Program, which sits under the National Crime Prevention Strategy, will double its annual budget from \$2M to \$4M until 2021-22 to make community gathering places safer.



Culture and Tourism

- **\$58.5M for Tourism.** A new \$58.5M two-year Canadian Experiences Fund will support businesses and organizations that create, improve or expand tourism infrastructure, products or services. Funding will support five key categories: rural and remote communities, Indigenous tourism, winter tourism, inclusiveness, and culinary tourism.
- **\$30M for Sports.** Sports organizations attract \$30M over five years and \$6M per year thereafter to promote accessible, ethical, equitable, and safe sports.
- **\$24M for Festivals.** The Building Communities Through Arts and Heritage Program and the Celebration and Commemoration Program will disburse \$24M in additional funding over two years to support more festivals, celebrations, and commemoration initiatives.
- **\$20M for Music.** The Canada Music Fund will see its budget increase by \$20M over two years to support the production, promotion, and distribution of Canadian music.
- **\$16M for Artistic Events.** The Canada Arts Presentation Fund gets \$16M in additional funding over two years to support more professional performing arts organizations.
- **Tax Support for Journalism.** Certain journalism organizations will qualify for a 25% refundable tax credit on salaries and wages paid to eligible newsroom employees.

Jobs and Skills

- **\$781.2M for Internships.** The Student Work Placement Program, a partial wage subsidy, receives \$631.2M in additional funding to support 20,000 new work placements by 2021-22. The program will now be open to students outside of STEM, including those in the arts, humanities, and social sciences sectors. Employment and Social Development Canada will fund another \$150M over four years to support internships within innovative businesses.
- **\$160M for Women.** The Women's Program gets \$160M over five years to support community initiatives that tackle systemic barriers impeding women's progress.

- **\$145.9M for Indigenous Businesses.** The Community Opportunity Readiness Program, the Aboriginal Entrepreneurship Program, and Métis Capital Corporations will all see their budgets increase over the next three to five years.
- **\$49.5M for Youth Employment.** The Youth Employment Strategy will be modernized over five years to support more jobs and internships for youth.
- **\$45M for Anti-Racism Initiatives.** A new \$45M three-year Anti-Racism Strategy will support community-based projects, such as developing programs that provide leadership and employment opportunities.
- **\$35.2M for Global Talent.** The Global Talent Stream Pilot will become permanent with funding of \$35.2M over five years and \$7.4M thereafter to help Canadian businesses attract top global talent.

Visit fundingportal.com or call 1.855.850.FUND (3863) today to learn more about how your organization can get funded.

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