Innovation, Science and Economic Development Canada

2018–19

Departmental Plan

The Honourable Navdeep Bains, P.C., M.P.
Minister of Innovation, Science and Economic Development

The Honourable Bardish Chagger, P.C., M.P.
Minister of Small Business and Tourism and Leader of the Government in the House of Commons

The Honourable Kirsty Duncan, P.C., M.P.
Minister of Science and Minister of Sport and Persons with Disabilities

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Ministers' message

The work of the Innovation, Science and Economic Development Portfolio is as diverse as it is expansive. We are involved in many important areas of our economy, including: making critical investments in innovation and science; supporting the commercialization of research and ideas; providing Canadians with the skills to excel in the digital economy; helping small businesses grow; promoting Canada as a world-leading tourism destination; and integrating science into our investment and policy decisions.

2018–19 will be an exciting year for all of this important work as we seek to make Canada a global innovation leader. We are continuing to implement the next steps of the Innovation and Skills Plan, which will build an economy that works for everyone. Through Budget 2018, we are making the single-largest investment in science in Canadian history to ensure that Canada remains a world leader in research and commercialization. And we are delivering Canada's first Women Entrepreneurship Strategy, to support women entrepreneurs as they start, grow and scale their businesses.

We believe our economy should work for all Canadians. We want to see Canadian businesses, large and small, create high-quality jobs, and we want them to compete in the knowledge economy, driven by creative, boundary-pushing ideas.

Specifically, we are looking forward to working with our talented departmental colleagues to support entrepreneurs and companies through programs such as the Innovation Superclusters Initiative, Strategic Innovation Fund, Innovative Solutions Canada and Venture Capital Catalyst Initiative. We will also advance a whole-of-government effort to reduce the administrative burden faced by SMEs, which includes but is not limited to Innovation Canada and other digital services for business.

This is in addition the great work the department is already doing to expand and enhance broadband access for Canadians in rural and remote communities; implement Canada's New Tourism Vision; deliver the Accelerated Growth Service; implement a Digital Research Infrastructure Strategy; and support scientific innovation and world-class research in Canada through a renewed vision for science in Canada—including new funding for the Canada Research Chairs and the Canada Foundation for Innovation.

It is our pleasure to present the 2018–19 Departmental Plan for Innovation, Science and Economic Development Canada.

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Minister of Innovation, Science and
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Plans at a glance

Next Steps in Canada's Innovation and Skills Plan

Innovation, Science and Economic Development Canada (ISED) will continue to implement Canada's Innovation and Skills Plan, an ambitious effort to make Canada a world-leading centre for innovation, to help create good, well-paying jobs, and help strengthen and grow the middle class by focusing on four interconnected and mutually reinforcing themes: People and skills; Research, technology and commercialization; Investment and scale-up; and Program simplification. This includes the ongoing implementation of programs such as the Innovation Superclusters Initiative to strengthen Canada's most promising clusters and accelerate economic growth in highly innovative industries; the Economic Strategy Tables, which have been established for areas where there is great potential for Canadian businesses to grow and create high-quality jobs (advanced manufacturing, agri-food, clean technology, digital industries, health/bio-sciences and clean resources); the Strategic Innovation Fund to attract and support high-quality business investments and promote innovation across all sectors of the economy; and the Innovation Canada platform to reduce the time it takes innovators and entrepreneurs to determine the government offerings that meet their needs. Innovation Canada, along with other digital services, is part of the Department's effort to reduce the administrative burden faced by small and medium-sized enterprises (SMEs). ISED will also work with the Business Development Bank of Canada, Export Development Canada, Global Affairs Canada and other federal partners to implement a new Women Entrepreneurship Strategy that will address critical growth stages and other challenges to better support women entrepreneurs, to help them grow their businesses and to remove barriers to their success. The Strategy will help enable more Canadian women entrepreneurs start businesses, access capital, do business with the federal government and export to new markets.

Canada's New Tourism Vision

Canada's New Tourism Vision is a whole-of-government approach to seizing the global opportunity that tourism offers. In every region of the country, tourism creates jobs and opportunities for Canada's middle class, and one in 10 Canadian jobs depend on the tourist economy. Tourism is Canada's number one employer of youth and is an important provider of employment for new Canadians. ISED will work with federal partners to implement all 20 action items of Canada's New Tourism Vision to grow the tourism sector in Canada by enhancing our marketing, facilitating access for those traveling to and through Canada, and enhancing our tourism product offerings.

Canada's Vision for Science

ISED will continue to respond to the recommendations of the Fundamental Science Review and take actions to realize a renewed vision for science in Canada. This renewed vision—which

includes enhanced support for investigator-led research through the granting agencies, the Canada Research Chairs program and the Canada Foundation for Innovation, and a Digital Research Infrastructure Strategy—will aim to strengthen scientific research in Canada in a way that reflects the country's diversity, including support for the next generation of women, visible minorities, Indigenous peoples and persons with disabilities.

For more information on ISED's plans, priorities and planned results, see the "Planned results" section of this report.

Planned results: what we want to achieve this year and beyond

Core Responsibilities

Core Responsibility title

People, Skills and Communities

Description

Support the creation, transfer and diffusion of knowledge to ensure that Canadians, including underrepresented individuals: are equipped with the skills and tools to participate in an innovative, high-growth economy; advance a culture of innovation where Canadians are motivated to address local, regional, national and/or global challenges; benefit from growth of the middle class across communities; have increased access to affordable broadband and mobile Internet, including in rural and remote regions; and are protected and informed consumers.

Planning highlights

> **Departmental Result:** Canada has a highly skilled workforce that is equipped for jobs in an innovative and high-growth economy

Aligned with Canada's Innovation and Skills Plan, ISED is working to increase the number of science and technology-related jobs in Canada and will continue to deliver programming and develop strategies that support a highly skilled Canadian workforce and digitally literate society.

Specifically, ISED will continue to implement the CanCode program, which will invest $50 million in 2017–18 and 2018–19 to provide educational opportunities for coding and digital skills development to Canadian youth, including underrepresented groups, from kindergarten to grade 12 (K-12). Promoting digital skills and coding in the K-12 student population helps encourage Canadian youth to continue studying in these areas and develop the skills that match workforce demand, enabling them to seize emerging opportunities in the rapidly evolving digital economy. The CanCode program will also give access to tools and training for Canadian teachers to teach digital skills and coding to their K-12 students. In 2018–19, the program seeks a 25% increase in the percentage of CanCode participants who enroll in science, technology, engineering and mathematics (STEM) fields in Canadian universities compared to students who did not participate in the program.

The Department will also contribute to the Youth Employment Strategy by continuing to deliver the Technical Work Experience Program (TWEP), which helps young Canadians gain hands-on information and communications technologies work experience. Participants in this program will

repair and refurbish computer equipment, sort and test computer software and prepare and package computers for shipment. The program will provide placements for 210 youth interns in 2018–19 (including those from underrepresented groups, including women, Indigenous people, visible minorities and persons with disabilities).

ISED, through FedNor, will implement an economic development strategy to ensure that Northern Ontario can benefit from Canada's Innovation and Skills Plan while addressing the specific needs and issues important to communities, businesses and Indigenous people. The strategy will build on Northern Ontario's strengths and competitive advantages, enabling the region to seize on new opportunities to create well-paying jobs.

Furthermore, as announced in Budget 2017, the new Digital Literacy Exchange program will provide $29.5 million in support over five years for non-profit organizations to implement initiatives that teach basic digital skills, including how to use the Internet safely and effectively, at community facilities such as public libraries, refugee housing complexes and seniors' homes. In 2018–19, the program is targeting those from underrepresented groups such as persons with disabilities, Indigenous people, people who do not speak English at home, people who have not completed high school and seniors.

The Accessible Technology Development program provides $22.3 million over five years to organizations and research institutes to develop technology solutions that support persons with disabilities and allow them to participate in the digital economy. In 2018–19, the program aims to provide $4 million to 20 organizations that will lead to 10 new technology development projects.

> **Departmental Result:** Canadian communities are connected to and use digital infrastructure

Access to high-speed and modern digital infrastructure and the ability to engage with and use digital tools and services are necessary preconditions for full participation and success in the digital economy. ISED is working to ensure that as many Canadians as possible, particularly those in rural and remote communities, have access to the digital tools and infrastructure they need.

The Connect to Innovate program will invest $500 million by 2021, to bring high-speed Internet to rural and remote communities in Canada. In these communities, challenging geography and smaller populations present barriers to private sector investment in building, operating and maintaining infrastructure. This program supports new "backbone" infrastructure to connect institutions like schools and hospitals with a portion of funding for upgrades and "last-mile" infrastructure to households and businesses. As of January 2018, more than $260 million dollars have been committed to 121 projects benefitting more than 600 communities. Announcements of further projects will continue in 2018.

Through the Strategic Innovation Fund, ISED will also support projects that relate to low Earth orbit satellites—which have the potential to provide Canadians living in rural and remote areas with significantly improved access to Internet and wireless services at more affordable prices—and next generation rural broadband.

The Department will continue the administration and monitoring of supported projects under the Connecting Canadians Program to extend or enhance broadband networks capable of providing faster internet services to households. By the end of 2018–19, it is anticipated that the program will have provided 280,000 households with enhanced broadband access.

ISED will also develop and implement a new National Cyber Security Strategy. The strategy will focus on three principal goals: ensuring secure and resilient Canadian systems; building an innovative and adaptive cyber ecosystem; and supporting effective leadership and collaboration between different levels of Canadian government, and partners around the world.

In 2018–19, ISED will continue to implement the Affordable Access program, which helps Internet service providers offer low-cost home Internet packages to low-income households. By the end of 2018–19, the aim is to have four participating service providers, which will allow 43% of low-income Canadian households to access low-cost Internet.

As well, the Computers for Schools program will continue to increase Canadians' access to technology and digital skills so they can thrive in the digital economy by refurbishing 72,000 surplus computers and distributing them to various recipients, including low-income households, schools, non-profit organizations, new Canadians and remote communities.

Departmental Result: Canada's entrepreneurs represent all segments of Canadian society

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Increased diversity amongst Canada's entrepreneurs helps promote a more dynamic and prosperous economy for all Canadians. ISED is committed to promoting this diversity by supporting entrepreneurs from underrepresented groups, including young people, women and Indigenous people. The coming reform to federal innovation programs will track ISED support of underrepresented groups, including women entrepreneurs, in the innovation economy.

To that end, in 2018–19 ISED will continue to fund Futurpreneur Canada, which provides young entrepreneurs aged 18 to 39 with up to $45,000 in financing, mentorship, and resources to help plan, manage and grow their businesses.

To help more women start, sustain and grow their businesses, in 2018–19, ISED will implement the new Women Entrepreneurship Strategy. It will support and promote women's access to skills development, networking and mentorship opportunities; build capacity within the entrepreneurship ecosystem; facilitate access to capital in strategic sectors; promote access to new markets; and improve research and performance tracking. The investments under the

Strategy will work towards doubling the number of SMEs majority-owned by women by 2025 to empower more women to contribute to, and benefit from, a growing economy and to continue driving inclusive economic growth to create more well-paying jobs for Canadians.

Planned results

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2014–15 Actual results	2015–16 Actual results	2016–17 Actual results
Canada has a highly skilled workforce that is equipped for jobs in an innovative and high-growth economy	Percentage of professional, science and technology-related jobs in Canada's economy	40%	December 31, 2025†	32% (2014)	33% (2015)	34% (2016)
	Number of science, technology, engineering and mathematics graduates in Canada*	TBD	TBD	183,996 (2014)	187,041 (2015)	Not available
	Number of Canadians that receive digital and coding skills training and development opportunities through ISED programs	500,000	December 31, 2019†	287**	214**	270**
Canadian communities are connected to and use digital infrastructure	Percentage of population with access to ultrafast broadband	80% (at 1 Gbps)	December 31, 2020†	100 Mbps: 71% (2014) 1Gbps: N/A	100Mbps: 75% (2015) 1Gbps: N/A	100 Mbps: 83% (2016) 1 Gbps: N/A
	Percentage of households with an Internet connection (including across underserved individuals, such as low-income)	100%	December 31, 2025†	84.9% (2014)	86.9% (2015)	87.4% (2016)

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2014–15 Actual results	2015–16 Actual results	2016–17 Actual results
Canada's entrepreneurs represent all segments of Canadian society	Percentage of small and medium-sized enterprises that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities***	Women: TBD Indigenous people: TBD Youth : TBD Visible minorities: TBD Persons with disabilities: TBD	December 31, 2025†	Women: 15.7% (2014) Indigenous people: 1% Youth (<30yrs): 1.9% Visible minorities: 9.3% Persons with disabilities: Not available	Not available	Not available
	Number of small and medium-sized enterprises supported by ISED programs, including those that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities****	TBD	TBD	Not available	Not available	Not available

* This is a new indicator and a target will be established in April 2019.

** Results for 2014–15 through 2016–17 are for the Technical Work Experience Program (TWEP) only. Going forward, this indicator will measure the number of Canadians receiving digital skills training through CanCode, Digital Skills for Youth and the Digital Literacy Exchange Program, as well as TWEP.

*** The results data for this indicator is provided from a survey conducted every three years. The next survey will cover the year 2017 and targets will be established using that data as a baseline.

**** This is a new indicator and past data is not available. 2018–19 will be used as a baseline year and a target will be established in April 2019.

† The date to achieve this target is linked to Canada's Innovation and Skills Plan Charter.

Budgetary financial resources (dollars)

2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending
468,424,828	468,424,828	351,771,333	219,515,229

The decrease between 2018–19 and 2019–20 Planned Spending is mainly related to the decrease in approved funding for the Connect to Innovate Program and the Connecting Canadians Program, as well as the sunsetting of the CanCode Program.

The decrease between 2019–20 and 2020–21 Planned Spending is mainly related to the decrease in approved funding for the Connect to Innovate Program and the approved funding in the 2018–19 Main Estimates for the Women Entrepreneurship Strategy.

Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents
144	144	144

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2018 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

Core Responsibility title

Science, Technology, Research and Commercialization

Description

Support and enable business–led investment and strategic collaborations for leading-edge technology development and commercialization; maintain and strengthen Canada's research excellence, including support for fundamental science, experimentation and exploration to address global challenges.

Planning highlights

Departmental Result: World-leading superclusters are grown in Canada

As part of Canada's Innovation and Skills Plan, ISED is working to grow clusters—dense areas of business activity containing large and small companies, as well as post-secondary and other research institutions—into superclusters. The growth of superclusters will make it easier for innovators and potential customers to harness the strengths of their local ecosystems. They will create jobs and drive economic growth by promoting collaboration, including on research, development and demonstration activities.

To foster the growth of Canadian superclusters, in 2018–19 ISED will continue to implement the Innovation Superclusters Initiative (ISI). The program will provide up to $950 million through 2021–22 (which must be matched by recipients) and aims to strengthen Canada's most promising clusters and accelerate economic growth in highly innovative industries.

The first phase of the program attracted more than 50 letters of intent, which represented more than 1,000 businesses and 350 other participants from all regions of Canada. On February 15, 2018, the Minister of Innovation, Science and Economic Development, the Minister of Science and the Minister of Small Business and Tourism announced Canada's five superclusters, which are expected to create more than 50,000 middle-class jobs and grow Canada's economy by $50 billion over the next 10 years.[i]

Departmental Result: Canadian businesses invest more in research and development

In recent years, Canada's business expenditures on research and development (BERD) have declined relative to key trading partners such as the United States, European Union and Japan. Because of the research and development needed to develop new or improved products and services, BERD is a key indicator of private sector commitment to innovation.

To grow BERD and promote collaborations between the private sector and post-secondary institutions, ISED will support businesses as they advance and commercialize new technological solutions in key sectors by matching investments in collaborative research, development,

prototyping and the commercialization of innovative platform technologies. This support includes the ongoing monitoring and implementation of grants and contributions programs such as Genome Canada, the Centre for Drug Research and Development, Stem Cell Network, Mitacs and the Institute for Quantum Computing. The Department will help companies scale up, become more competitive and increase their productivity by incentivizing new collaborations among firms of all sizes, and between the private, academic and public sectors. These collaborations will lead to investments in joint research and development and the leveraging of pooled resources and capabilities.

> **Departmental Result:** Canada has world-leading research capacity

To attract leading researchers from Canada and around the world, and to ensure their work benefits all Canadians, ISED is promoting collaborative research between federal and non-federal scientists and publication of that research, as well as the development of science and research infrastructure.

On September 26, 2017, the Prime Minister announced Dr. Mona Nemer as Canada's new Chief Science Advisor (CSA). The CSA's functions include advising on how to ensure that government science is available and accessible to the public and that federal scientists remain free to speak about their work, as well as ways to strengthen the government's access to independent, evidence-based, strategic advice to inform decision-making on science and innovation issues. In December 2018, the CSA will publish her first annual report to the Prime Minister and the Minister of Science on the activities of the Office of the CSA and the state of federal government science, including the federal science workforce and federal scientific infrastructure.

ISED will also work with the federal granting agencies and other government departments to promote Open Science within the academic research community, as outlined in the Third Biennial Plan to the Open Government Partnership (2016-18).[ii] Open Science is intended to maximize access to federally funded scientific research with the goals of encouraging greater collaboration and engagement with the scientific community, the private sector, and the public; improving services for Canadians; and effectively managing public resources. This includes working toward the development of open access guidelines for scientific research funded through federal grants and contributions, which is expected to be completed in June 2018.

ISED will continue to deliver the $2-billion Post-Secondary Institutions Strategic Investment Fund to enhance and modernize research and commercialization facilities at Canadian post-secondary institutions, as well as industry-related training facilities at colleges and polytechnics. Post-secondary institutions play a fundamental role in Canadian society by developing highly skilled and creative workers. Quality infrastructure in these institutions is a key component for attracting and retaining talented people, boosting innovation and building a sustainable economy.

The Department will also continue to administer the contribution to the Canada Foundation for Innovation (CFI) to support its Major Science Initiatives Fund, which supports nationally important science facilities that make international-calibre research possible in Canada.

ISED will also implement a Digital Research Infrastructure Strategy that will deliver more open and equitable access to advanced computing and big data resources to researchers across Canada. The Minister of Science will work with interested stakeholders, including provinces, territories and universities, to develop the strategy to provide for more streamlined access for Canadian researchers.

In 2018-19, the Department will continue to address the findings of the independent Panel on Canada's Fundamental Science Review by advancing initiatives that strengthen Canada's research ecosystem. A key theme discussed in the Review is the need to improve governance and coordination. In October 2017, the Government established the Canada Research Coordinating Committee (CRCC) to strengthen harmonization, collaboration and coordination of support for science across the three federal granting agencies and the CFI. ISED, in collaboration with Health Canada, will support the CRCC in delivering on its mandate, particularly the objectives outlined in the open letter to CRCC members posted on the Department's website. The President of the National Research Council of Canada and Canada's Chief Science Advisor will also participate in CRCC meetings.

The Department will also take actions to realize a renewed vision for science in Canada. This renewed vision will aim to strengthen a culture of evidence-based policy-making, advance Canada's economic and social objectives through science, and support collaboration among the broader scientific community. As part of the renewed vision, the granting agencies will support early-career researchers, while increasing diversity among nominated researchers, including increasing the number of women who are nominated for Canada Research Chairs.

In 2018–19, the Science, Technology and Innovation Council (STIC) will be replaced with a new, more transparent science and innovation advisory body. Reporting jointly to the Minister of Innovation, Science and Economic Development and the Minister of Science, the Council on Science and Innovation (CSI) will provide independent, expert policy advice to inform federal efforts to strengthen Canada's science and research ecosystem and stimulate innovation across the economy. Membership will be drawn from the scientific and research community, the private sector and civil society through a transparent, merit-based selection process designed to attract high-quality candidates who reflect Canada's diversity. The STIC Secretariat will be transformed and redirected to support the new council including: providing background research and analysis and organizing consultations with external experts to inform the council's deliberations; acting as scribe for the council's advice; and providing organizational and administrative services for the chair and the council's ongoing operations.

Planned results

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2014–15 Actual results	2015–16 Actual results	2016–17 Actual results
World-leading superclusters are grown in Canada	Number of new firms created (in targeted areas)*	TBD	March 31, 2022	Not available	Not available	Not available
	Number of anchor firms (in targeted areas)**	TBD	March 31, 2022	Not available	Not available	Not available
	Value of investments leveraged to develop clusters as a result of ISED program funding (per dollar invested)	1.2 dollars for each ISI dollar invested	March 31, 2022	N/A***	N/A***	N/A***
Canadian businesses invest more in research and development	Business Expenditure in Research and Development in dollars	$30 billion	December 31, 2025†	$18.5 billion (2014)	$17.9 billion (2015)	$17.7 billion (2016)
	Percentage of companies engaged in collaborations with higher education institutions	10.4%	December 31, 2025†	5.2% (2014)	Not available****	Not available****
	Value of Business Expenditure in Research and Development by firms receiving ISED program funding (in dollars)*****	TBD	TBD	Not available	Not available	Not available

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2014–15 Actual results	2015–16 Actual results	2016–17 Actual results
Canada has world leading-research capacity	Canada's rank among Organisation for Economic Co-operation and Development nations on the citation score of science research publications	10th	December 31, 2025†	16th (2013)	17th (2015)	16th (2016)
	Number of co-authored publications between federal and non-federal scientists	2,479	2020	2,514	2,371 (2015)	Not available
	Value of investments leveraged in science and research infrastructure as a result of ISED program funding (per dollar invested)******	1:1	2018	N/A	N/A	1:1.5

* This is a new indicator and past data is not available. 2018–19 will be used as a baseline year and a target will be established in April 2019, that the number of new firms created in targeted areas is greater than the national average.

** This is a new indicator and past data is not available. 2018–19 will be used as a baseline year and a target (an increase in the baseline number of firms by March 31, 2022) will be established in April 2019.

*** This is a new program, so there is no data for prior years.

**** The results data for this indicator is provided from a survey that will next be conducted in 2018, covering the years 2015-2017.

***** This is a new indicator and past data is not available. 2018–19 will be used as a baseline year and a target will be established in April 2019.

****** The target and previous results for this indicator apply only to the Post-Secondary Institutions Strategic Investment Fund.

† The date to achieve this target is linked to Canada's Innovation and Skills Plan Charter.

Budgetary financial resources (dollars)

2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending
1,270,754,540	1,270,754,540	722,512,283	627,424,206

The decrease between 2018–19 and 2019–20 Planned Spending is mainly related to the sunsetting of the Post-Secondary Institutions Strategic Investment Fund, the Stem Cell Network, the Institute of Quantum Computing and the Centre for Drug Research and Development programs. It also reflects a decrease in approved funding for Genome Canada.

The decrease between 2019–20 and 2020–21 Planned Spending is mainly related to the decrease in approved funding for the Canada Foundation for Innovation, Genome Canada and the sunsetting of CANARIE Inc.

Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents
114	114	114

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2018 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

Core Responsibility title

Companies, Investment and Growth

Description

Provide support to help grow small, medium and large Canadian businesses into globally competitive, high-impact firms; ensure a fair and competitive marketplace ; promote the conditions that support competitive prices and product choices, including in the telecommunications sector; simplify government programming, promote efforts to reduce red tape for businesses, putting in place the right conditions for market-driven innovation and promoting inclusive growth and an economy that works for everyone; reduce barriers to the movement of goods, services, capital and labour; grow Canada's tourism sector.

Planning highlights

> **Departmental Result:** Canada becomes a global leader in clean technologies

To protect the environment and capitalize on the growing market for clean technologies, ISED supports Canadian businesses that are researching, developing and commercializing clean technology solutions and products.

In collaboration with Natural Resources Canada and other government departments and agencies, ISED is responsible for establishing the Clean Growth Hub within Innovation Canada. Budget 2017 dedicated $12 million over four years, beginning in 2017–18 for the establishment of the Hub, which will help streamline client services, improve federal program coordination, enable tracking and reporting on clean technology results across government, and connect stakeholders to international markets. Since July 2017, the Hub's team of experts from across government has met with more than 150 clients and in 2018–19 will begin operating at full capacity, helping companies and researchers pursuing clean technology projects identify the federal programs and supports most relevant to their needs. By the end of 2018–19, the Hub will establish a survey to track stakeholders' satisfaction regarding more efficient access to federal clean technology programming.

Budget 2017 also dedicated $14.5 million to Natural Resources Canada (NRCan) and ISED to establish a Clean Technology Data Strategy to provide the foundation for measuring the economic, environmental and social impacts of clean technology in Canada. In 2018–19 the Hub and ISED will develop guidelines and standards to enable consistent collection of federal clean technology programs administrative data. This will help the government track progress toward its clean technology objectives. ISED will also expand its clean technology data analysis. Working with Statistics Canada and Natural Resources Canada, ISED will identify clean technology data elements to help determine and measure Canadian areas of clean technology specialization, exports, revenues and jobs. Statistics Canada released the first round of data on

environmental goods and services on December 13, 2017. Over the next four years, the departments will continue to work with the data to include other sources of information and to create a clean technology data subset within the larger environmental goods and services frame. The key findings of this analysis will be shared publicly to give Canadian clean technology producers better access to key information to make strategic business decisions that will help them grow, create new jobs, increase revenues and help Canada transition to a low-carbon economy.

> **Departmental Result:** Canadian companies are globally competitive and achieve high growth

ISED provides support to Canadian businesses, helping them grow and succeed in an increasingly competitive global marketplace. This support will help promote Canada as a top destination for businesses to invest, grow and create jobs and prosperity for Canadians.

In 2018–19, ISED will continue to deliver the $1.26-billion Strategic Innovation Fund (SIF), which was created in July 2017 to attract and support investments across all sectors of the economy. The program builds on existing federal innovation programming—namely the Strategic Aerospace and Defence Initiative, Technology Demonstration Program, Automotive Innovation Fund and Automotive Supplier Innovation Program—and is open to all sectors of the economy. SIF provides funding in four streams to support innovative Canadian businesses: accelerating technology transfer and commercialization; facilitating growth and expansion; attracting and retaining large scale investments; advancing industrial research, development and technology demonstration.

ISED will also work with government stakeholders, including the Regional Development Agencies, Global Affairs Canada, the Business Development Bank of Canada and Export Development Corporation, to enhance the Accelerated Growth Service (AGS), which supports Canadian firms with high growth potential and will be consolidated with the Industrial Research Assistance Program's Concierge Service under Innovation Canada. The AGS provides companies with a dedicated advisor, a plan of potential government programs and services to help support their growth, and connections to those government programs and services. The new consolidated program will include 15 new Innovation Advisors to support Canadian high-potential firms. As of December 31, 2017, there were more than 300 high-potential firms enrolled in the AGS. In 2018–19, ISED will continue to engage and enroll additional high-potential firms in the AGS; put in place an information data sharing tool to enable increased cross-government collaboration, and data collection and analyses; and produce the first AGS performance report.

The Department will also continue to implement Innovative Solutions Canada (ISC), a new innovation procurement program announced in Budget 2017, which seeks novel solutions to

challenges issued by federal departments and agencies. ISED will work with 20 departments and agencies in 2018–19 to develop and post challenges for small businesses across the country to develop new products or applications that meet government needs. This will include actively engaging businesses led by underrepresented groups including women, Indigenous people, youth, persons with disabilities and visible minorities. In 2018–19, ISED will expand the functionality of the ISC web platform, which enables government departments to develop and post challenges while providing small businesses with a one-stop location to submit their potential solutions.

In order to provide sound advice on competitiveness and innovation issues, ISED will research and analyze current trends in the aerospace, space, marine and defence sectors, through outreach and intelligence gathering. ISED will continue working closely with the Canadian Space Agency (CSA) and other government departments to promote the development of an innovative and internationally competitive space sector and will publish the 2018 State of Aerospace report in July 2018.

To leverage economic benefits from defence spending and create jobs and growth for Canadians, the Department will continue to apply the Industrial and Technological Benefits Policy, which stimulates investment in Canada related to eligible military and Canadian Coast Guard procurements. ISED will also continue to administer the National Shipbuilding Procurement Strategy (NSPS) Value Proposition, in support of the NSPS goal of a sustainable Canadian marine industry over the long term.

ISED will also auction residual spectrum licences in various bands in 2018–19 to ensure the efficient use of spectrum resources for the benefit of all Canadians. The Department will also launch an auction of spectrum in the 600 MHz band that was repurposed from broadcasting to commercial mobile in a joint initiative with the U.S. Federal Communications Commission. In addition, the Department will continue to consult stakeholders as it prepares to release spectrum in the 3500 MHz and millimeter wave bands to support the deployment of 5G services.

> **Departmental Result:** Canada is a location and destination of choice for investment, growth and tourism

To help stimulate growth in the Canadian economy, ISED is implementing measures to ensure Canada is an attractive choice for foreign investors and international tourists.

In 2018–19, ISED will continue to implement Canada's New Tourism Vision. The New Vision is focused on marketing Canada as a destination, facilitating travel to and through the country, and promoting high-quality tourism experiences, including the development of Canada's unique and authentic Indigenous tourism industry. By 2021, the New Vision aims to increase the number of international visitors by 30% and double the number of visitors from China. By 2025,

the goal is for Canada to compete to be one of the top 10 most-visited countries in the world. An important component of the New Vision is ISED's work with other federal departments to deliver the Canada-China Tourism Strategy and, in particular, the 2018 Canada-China Year of Tourism, which will feature events including a closing ceremony to be held in China. These efforts are geared toward driving Chinese tourism to Canada, in order to reach the New Vision's target for 2021 and to achieve continued growth in the future. ISED will also support the market readiness of Canadian businesses as they prepare to welcome an increased number of tourists from China. The Minister of Small Business and Tourism will co-chair a meeting of the Canadian Council of Tourism Ministers in 2018 to continue Federal, Provincial, Territorial (FPT) collaboration in support of continued growth of Canada's tourism sector.

Over the next three years, the Office of the Superintendent of Bankruptcy will implement regulatory changes to reduce risks to the integrity of the consumer insolvency process. In 2018–19, reforms to the consumer insolvency counselling program will increase regulatory compliance with insolvency legislation and better protect consumers from unnecessary fees and unregulated services.

ISED will collaborate with other government departments to support ongoing free trade agreement discussions and negotiations, including NAFTA and bilateral trade agreements with China, Japan and India. ISED will continue examining the economic impact of the implementation of various Free Trade Agreements (FTAs) on a number of industries. In addition, ISED will continue to contribute to Canada's negotiating position through consultations with members of industry and by identifying Canada's interests. Further, ISED will continue to provide industrial analysis for certain sensitive sectors for FTAs which are still under consideration. ISED's role in trade will enhance Canadian economic competitiveness by preserving and expanding international market access and by creating fair free trade environments in which our industries can market their goods and services.

ISED, through the Competition Bureau, will continue to enforce Canada's competition laws with a focus on supporting competition and innovation in the digital economy and health/biosciences sector, safeguarding government investments in infrastructure, promoting shared compliance and increasing awareness of deceptive marketing tactics and fraud. The Bureau will prioritize high-impact consumer-focused digital economy investigations, including those involving drip pricing (when an online price is gradually inflated with additional fees, taxes and surcharges during the purchasing process), as well as by helping Canadians understand new digital pricing strategies and their impact on competition.

The Bureau will also continue to promote competition and innovation in the financial services sector through outreach activities and submissions to financial sector regulators and policy makers. It will target enforcement and collaborate with partners to promote competition and

protect consumers in the health/biosciences sector by, for example, strengthening its collaboration and dialogue with provincial and federal health regulators.

The Bureau will continue to protect the government investments in infrastructure through vigilant detection, prevention and enforcement of bid-rigging and price fixing, updating its immunity and leniency programs and working to improve its detection and information gathering tools.

The Bureau will promote compliance with the Competition Act and help protect Canadians from becoming victims of fraud and deceptive marketing by continuing its outreach activities to provide consumers with information about new deceptive conduct. The Bureau will also participate in public awareness campaigns, such as Fraud Prevention Month, to inform Canadians about ways they can recognize, reject and report fraud.

In 2018–19, the Department will work to implement a new national intellectual property (IP) strategy, a key item within Canada's Innovation and Skills Plan and a Budget 2017 commitment. This strategy will ensure that Canada's IP regime helps Canadians better protect and access ideas to grow and succeed. The strategy will be based on the input received during consultations held in 2016 and 2017, with a particular focus on increasing the IP literacy of Canadian entrepreneurs, and reducing costs and creating incentives for Canadian businesses to leverage their IP. The IP strategy will include:

- A pilot Patent Collective to pool patents so that small and medium-sized firms have better access to the critical IP they need to grow their businesses.

- Improved access for Canadian entrepreneurs to IP legal clinics at universities. It will also enable the creation of a team in the federal government to work with Canadian entrepreneurs to help them develop tailored strategies for using their IP and expanding into international markets.

- The creation of an IP marketplace, a one-stop, online listing of public sector-owned IP available for licensing or sale to reduce transaction costs for businesses and researchers, and to improve Canadian entrepreneurs' access to public sector-owned IP.

To increase SMEs' knowledge and strategic use of IP the Canadian Intellectual Property Office (CIPO) will deliver an enhanced IP awareness and education program— including case studies, videos and webinars—targeting Canadian SMEs, as well as underrepresented groups (such as women and Indigenous entrepreneurs). CIPO will also develop a new IP Hub, which will provide referral, consultation and advisory services for SMEs to better acquire manage and leverage their IP assets. Increasing IP literacy and access to IP services is crucial to the growth of Canada's innovation ecosystem and will encourage business growth and global competiveness for Canadian innovators.

In 2018–19, the Communications Research Centre Canada will continue to implement "Grand Challenge" research projects that build on its past advancements and result in proof-of-concept technology demonstrations that fundamentally change the discussion regarding the use and management of wireless spectrum. The Grand Challenge projects will help the Department better understand how spectrum is currently being used, find new ways to manage existing spectrum and develop innovative technologies that open up new bands of spectrum for commercial mobile communications.

Departmental Result: Canadian innovators have simplified access to tools and support

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To help Canadian innovators spend more time innovating and less time dealing with government red tape, ISED is working to improve its service offerings and simplify access to tools for businesses and Canadians.

Through the Innovation Canada platform, ISED will reduce the time it takes innovators and entrepreneurs to sort through the multitude of government services and programs to determine which ones best meet their needs. In 2018–19, ISED will continue to improve upon the platform while ensuring it remains a simple, user-friendly service. The Department will implement the next steps in a historic reform of business innovation programs to create a simpler suite that is easy to navigate and will strengthen the one-stop shop for Canadian businesses to get the information they need to grow, create jobs and drive our economy forward. While overall funding for innovation programming will increase, the total number of business innovation programs will be streamlined by up to two-thirds.

To make it easier for small businesses to access funding, the Department will continue to roll out the Canada Small Business Financing Program's online registration application, which permits lenders to transfer loan registrations and fees electronically. By March 2019, the program will receive and process more than 90% of all loan applications electronically.

The Connecting Canada's Business Registries project will digitally connect all of Canada's business registries, providing a digital platform for simplifying extra-provincial business registration. This initiative will also improve access to business registry

Experimentation at ISED
In 2017, ISED participated in a proof-of-concept with the government of Ontario and the City of Toronto that experimented with the use of Blockchain technology to create a simpler and more efficient process for entrepreneurs starting up a new restaurant business. Following this successful experiment, the Department is exploring ways to scale-up this innovation in 2018-19.

information and increase corporate transparency, facilitate service delivery improvements to businesses and promote open government. In 2018–19, Corporations Canada will continue working with the provinces and territories on developing a pilot for this project. The initial phase will include British Columbia, Saskatchewan, Ontario and Quebec, with Alberta and Manitoba

joining in phase two. A public search function to access the core information for 80% of Canadian corporations will be available in spring 2018.

To improve client experiences, ISED is implementing its Service Management Strategy that outlines the Department's multi-year overall approach to managing and improving its services to businesses. The delivery of better, more efficient digital services will save businesses time so they can focus on innovation and growth. The Department will also expand the availability of BizPaL's digital services to more Canadians, emphasizing improved access for underrepresented groups, and explore options for furthering digitization of permits and licenses.

ISED, in collaboration with the Regional Development Agencies, will continue to improve and expand the Canada Business Network (CBN) digital service delivery model to increase the reach of CBN information and advisory services to Canadian small business owners and entrepreneurs. Building on lessons learned through client engagement and feedback, new partnerships will be explored with other government departments and regional business intermediaries (e.g., incubators, not-for-profits, financial institutions) to provide them with a trusted source for information and content to support business client needs. Particular focus will be given to underrepresented groups such as women, Indigenous people and immigrants.

Planned results

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2014–15 Actual results	2015–16 Actual results	2016–17 Actual results
Canada becomes a global leader in clean technologies	Value of Canada's exports of clean technologies (in dollars)	$13 billion	December 31, 2025†	$6.6 billion (2014)	$6.4 billion (2015)	$6.6 billion (2016)
	Clean technology employment in Canada (in numbers)*	TBD	TBD	Not available	Not available	Not available
	Value of investments leveraged in clean technologies as a result of ISED program funding (per dollar invested)*	TBD	TBD	Not available	Not available	Not available
Canadian companies are globally competitive and achieve high growth	Number of high-growth firms	28,000	December 31, 2025†	14,000 (2014)	Not available	Not available
	Value of Canada's goods and services exports (in dollars)	$817 billion	December 31, 2025†	$628 billion (2014)	$629 billion (2015)	$630 billion (2016)
	Revenue growth rate of firms supported by ISED programs*	TBD	TBD	Not available	Not available	Not available
Canada is a location and destination of choice for investment,	Total Business Investment in Canada (in dollars)	$260 billion	December 31, 2025†	$242.7 billion (2014)	$216.2 billion (2015)	$196.9 billion (2016)

Departmental Results	Departmental Result Indicators	Target	Date to achieve target	2014–15 Actual results	2015–16 Actual results	2016–17 Actual results
	Spending by international visitors to Canada (in dollars)	$25 billion	December 31, 2021	$17.1 billion (2014)	$18.06 billion (2015)	$20.01 billion (2016)
	Number of international overnight visitors to Canada	25,973,134	December 31, 2021	16,500,000 (2014)	18,000,000	20,000,000
	Turn-around times for patent applications filed in Canada, with a request for examination	34.6 months	March 31, 2019	40.3 months	38.9 months	36.7 months
Canadian innovators have simplified access to tools and support	Canada's ranking on the World Bank's Ease of Doing Business Index	10th	December 31, 2025	14th (2015)	22nd (2016)	18th (2017)
	Percentage of ISED priority services that meet published service standards**	90%	December 31, 2019	Not available	89%	96%

* This is a new indicator and past data is not available. 2018–19 will be used as a baseline year and a target will be established in April 2019.

** ISED's list of priority services is likely to change in 2018–19, so the target is set at a realistic level, despite the 2016–17 results.

† The date to achieve this target is linked to Canada's Innovation and Skills Plan Charter.

Budgetary financial resources (dollars)

2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending
999,165,583	999,165,583	904,051,246	774,719,990

The decrease between 2018–19, 2019–20 and 2020–21 Planned Spending is mainly related to the decrease in approved funding for programs under Innovation Canada, partially offset by an increase in funding for the Sustainable Development Technology Fund for 2019–20. The approved funding for the Sustainable Development Technology Fund then decreases again in 2020–21.

Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents
3,303	3,306	3,296

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2018 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

Financial, human resources and performance information for ISED's Program Inventory is available in the GC InfoBase.[iii]

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Budgetary financial resources (dollars)

2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending
166,536,487	166,536,487	165,538,511	160,277,206

Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents
1,428	1,428	1,428

Note: Main Estimates, Planned spending and Full-time equivalents figures do not include Budget 2018 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

Planning highlights

In 2018–19, ISED's internal services delivery and the management initiatives noted below will continue to be grounded in sound financial management practices, and designed to improve the efficient and effective delivery of programs and operations.

Innovation 2020

ISED's Innovation 2020 agenda supports the Department's activities to renew the public service and is inspired by the Blueprint 2020 vision. These activities are grouped under three themes: creating an agile workforce, practising sound stewardship and operating as one, by instilling a culture of openness and transparency.

Agile Workforce

In 2018–19, ISED will focus on fostering a culture that embraces movement and growth, and renewing the Department's workforce. ISED will encourage employee development through the promotion of its talent management tool and strategy, and related mechanisms such as Interchange Canada. The Department will also develop a veterans hiring strategy to support increased access to possible employment opportunities at ISED.

Sound Stewardship

In addition to the ongoing application of rigorous operational and financial controls, ISED will continue to build a healthy, respectful and supportive work environment by continuing to implement its Respectful, Healthy, and Inclusive Workplace strategy, and the Mental Health Strategy. The new Canadian Innovation Centre for Mental Health in the Workplace will deliver seminars and workshops to support the well-being and mental health of all federal public servants.

The Department will also promote a diverse workforce and inclusive workplace by delivering Unconscious Bias training to employees and utilizing existing diversity initiatives such as Positive Space, LiveWorkPlay, the Federal Indigenous Network, Youth with Disabilities Summer Employment Opportunities, and Indigenous Youth Summer Employment Opportunities.

Operating as One

To improve efficiency and adopt an operating as one work style, the Department will continue coordinating and collaborating with the ISED portfolio organizations. ISED will implement the Open Government directive, including developing an inventory of datasets that could be released through the Open Government Portal. ISED will continue its implementation of the GCDOCS file management system, which will allow employees better and more efficient access to the information they need to do their jobs.

Spending and human resources

Planned spending

Departmental spending trend graph

	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21
Statutory	171 999 686	210 024 214	183 708 876	194 935 684	179 589 382	173 839 191
Voted	997 834 811	1 876 889 571	2 215 430 735	2 709 945 754	1 964 283 991	1 608 097 440
Total	1 169 834 497	2 086 913 785	2 399 139 611	2 904 881 438	2 143 873 373	1 781 936 631
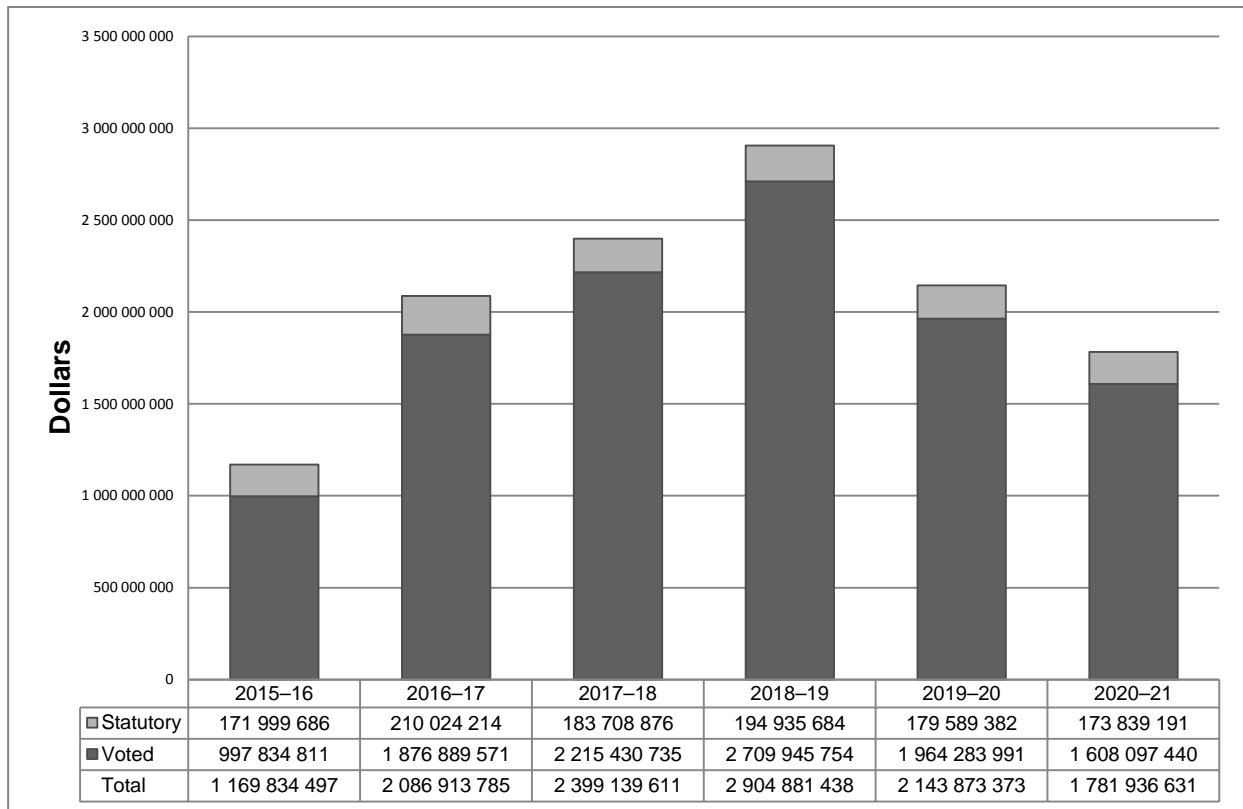
Budgetary planning summary for Core Responsibilities and Internal Services (dollars)

Core Responsibilities and Internal Services	2015–16 Expenditures	2016–17 Expenditures	2017–18 Forecast spending	2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending
People, Skills and Communities (1)	195,156,528	259,727,828	274,663,446	468,424,828	468,424,828	351,771,333	219,515,229
Science, Technology, Research and Commercialization (2)	262,608,626	1,007,068,828	1,101,133,063	1,270,754,540	1,270,754,540	722,512,283	627,424,206
Companies, Investment and Growth (3)	580,084,527	666,023,360	850,563,788	999,165,583	999,165,583	904,051,246	774,719,990
Subtotal	**1,037,849,681**	**1,932,820,016**	**2,226,360,297**	**2,738,344,951**	**2,738,344,951**	**1,978,334,862**	**1,621,659,425**
Internal Services (4)	131,984,816	154,093,769	172,779,314	166,536,487	166,536,487	165,538,511	160,277,206
Total	**1,169,834,497**	**2,086,913,785**	**2,399,139,611**	**2,904,881,438**	**2,904,881,438**	**2,143,873,373**	**1,781,936,631**

Budgetary Planning Summary Explanation

Note: Previous years' figures are estimates based on the percentages established in the crosswalk between the Program Alignment Architecture for 2017–18 and the Departmental Results Framework (see page 37). The figures are presented for illustrative purposes only. Main Estimates and Planned spending figures do not include Budget 2018 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

1. The increase between 2017–18 Forecast Spending and 2018–19 Planned Spending is mainly related to new funding for the Connect to Innovate Program, partially offset by a decrease in the approved funding for the Connecting Canadians Program. The decrease between 2018–19 and 2019–20 Planned Spending is mainly related to the decrease in approved funding for the Connect to Innovate Program and the Connecting Canadians Program, as well as the sunsetting of the CanCode Program. The decrease between 2019–20 and 2020–21 Planned Spending is mainly related to the decrease in approved funding for the Connect to Innovate Program and the approved funding in the 2018–19 Main Estimates for the Women Entrepreneurship Strategy.

2. The increase between 2017–18 Forecast Spending and 2018–19 Planned Spending is mainly related to new funding for the Innovation Superclusters Initiative, the Canada Foundation for Innovation, Genome Canada, CIFAR – Pan-Canadian Artificial

Intelligence, partially offset by a decrease in the approved funding for Post-Secondary Institutions Strategic Investment Fund. The decrease between 2018–19 and 2019–20 Planned Spending is mainly related to the sunsetting of the Post-Secondary Institutions Strategic Investment Fund, the Stem Cell Network, the Institute of Quantum Computing and the Centre for Drug Research and Development programs. It also reflects a decrease in approved funding for Genome Canada. The decrease between 2019–20 and 2020–21 Planned Spending is mainly related to the decrease in approved funding for the Canada Foundation for Innovation, Genome Canada and the sunsetting of CANARIE Inc.

3. The increase between 2017–18 Forecast Spending and 2018–19 Planned Spending is mainly related to new funding for programs under Innovation Canada. The decrease between 2018–19, 2019–20 and 2020–21 Planned Spending is mainly related to the decrease in approved funding for programs under Innovation Canada, partially offset by an increase in funding for the Sustainable Development Technology Fund for 2019–20. The approved funding for the Sustainable Development Technology Fund then decreases again in 2020–21.

4. The increase between 2016–17 Actual Spending and 2017–18 Forecast Spending is mainly related to retroactive payments for collective bargaining settlements, as well as investments in workplace technologies and digital modernization. The variance between 2017–18 Forecast Spending and 2018–19 Planned Spending is mainly due to the retroactive payment of collective bargaining increases in 2017–18.

2018–19 Budgetary planned gross spending summary (dollars)

Core Responsibilities and Internal Services	2018–19 Planned gross spending	2018–19 Planned gross spending in specified purpose accounts	2018–19 Planned revenues netted against expenditures	2018–19 Planned net spending
People, Skills and Communities	468,424,828	-	-	468,424,828
Science, Technology, Research and Commercialization	1,270,754,540	-	-	1,270,754,540
Companies, Investment and Growth	1,237,992,814	-	(238,827,231)	999,165,583
Subtotal	**2,977,172,182**	**-**	**(238,827,231)**	**2,738,344,951**
Internal Services	200,736,486	-	(34,200,000)	166,536,486
Total	**3,177,908,668**	**-**	**(273,027,231)**	**2,904,881,437**

Planned human resources

Human resources planning summary for Core Responsibilities and Internal Services (full-time equivalents)

Core Responsibilities and Internal Services	2015–16 Actual	2016–17 Actual	2017–18 Forecast	2018–19 Planned	2019–20 Planned	2020–21 Planned
People, Skills and Communities	154	142	140	144	144	144
Science, Technology, Research and Commercialization	62	90	115	114	114	114
Companies, Investment and Growth	3,295	3,159	3,240	3,303	3,306	3,296
Subtotal	**3,511**	**3,391**	**3,495**	**3,561**	**3,564**	**3,554**
Internal Services	1,200	1,410	1,417	1,428	1,428	1,428
Total	**4,711**	**4,801**	**4,912**	**4,989**	**4,992**	**4,982**

Note: Previous years' figures are estimates based on the percentages established in the crosswalk between the Program Alignment Architecture for 2017–18 and the Departmental Results Framework (see page 37). The figures are presented for illustrative purposes only. Full-time equivalents figures do not include Budget 2018 announcements. More information will be provided in the 2018–19 Supplementary Estimates and Departmental Results Report, as applicable.

Estimates by vote

For information on ISED's organizational appropriations, consult the 2018–19 Main Estimates.[iv]

Future-Oriented Condensed Statement of Operations

The Future-Oriented Condensed Statement of Operations provides a general overview of ISED's operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Because the Future-Oriented Condensed Statement of Operations is prepared on an accrual accounting basis, and the forecast and planned spending amounts presented in other sections of the Departmental Plan are prepared on an expenditure basis, amounts may differ.

A more detailed Future-Oriented Statement of Operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on ISED's website.[v]

Future-Oriented Condensed Statement of Operations
for the year ended March 31, 2019 (dollars)

Financial information	2017–18 Forecast results	2018–19 Planned results	Difference (2018–19 Planned results minus 2017–18 Forecast results)
Total expenses	2,530,381,589	3,057,368,736	526,987,147
Total revenues	257,686,915	273,027,231	15,340,316
Net cost of operations before government funding and transfers	2,272,694,674	2,784,341,505	511,646,831

Total expenses year-over-year are expected to increase by approximately 21% ($527 million). The change is attributable to expected increases in transfer payments, particularly for the new Innovation Superclusters Initiative ($244 million), the Strategic Innovation Fund ($220 million) and the Connect to Innovate program ($239 million), offset by a reduction in the Post-secondary Institutions Strategic Investment Fund ($223 million). Operating expenses, including salaries, are expected to remain relatively stable in 2018–19.

Total revenues (net of those earned on behalf of government) are projected to increase by approximately $15.3 million which is mainly due to an increase in ISED's net revenue recovery from the Department's revolving fund Canadian Intellectual Property Office (CIPO) to cover Internal Support Services costs. Other net revenues are expected to remain consistent with 2017–18.

Supplementary information

Corporate information

Organizational profile

Minister of Innovation, Science and Economic Development:
The Honourable Navdeep Bains, P.C., M.P.

Minister of Small Business and Tourism and Leader of the Government in the House of Commons:
The Honourable Bardish Chagger, P.C., M.P.

Minister of Science and Minister of Sport and Persons with Disabilities:
The Honourable Kirsty Duncan, P.C., M.P.

Institutional head:
John Knubley

Ministerial portfolio:
Innovation, Science and Economic Development[vi]

Enabling instrument:
Innovation, Science and Economic Development Canada's founding legislation is the Department of Industry Act, S.C. 1995, c.1.[vii]

Year of incorporation:
1892

Raison d'être, mandate and role

"Raison d'être, mandate and role: who we are and what we do" is available on ISED's website.[viii]

Operating context and key risks

Information on operating context and key risks is available on ISED's website.[ix]

Reporting framework

ISED's Departmental Results Framework and Program Inventory of record for 2018–19 are shown below:

CORE RESPONSIBILITIES	People, Skills & Communities	Science, Technology, Research & Commercialization	Companies, Investment & Growth
DEPARTMENTAL RESULTS & RESULT INDICATORS	**Canada has a highly skilled workforce that is equipped for jobs in an innovative and high-growth economy** • Percentage of professional, science and technology related jobs in Canada's economy • Number of STEM graduates in Canada • Number of Canadians that receive digital and coding skills training and development opportunities through ISED programs **Canadian communities are connected to and use digital infrastructure** • Percentage of population with access to ultrafast broadband • Percentage of households with an Internet connection (including across underserved individuals, such as low-income) **Canada's entrepreneurs represent all segments of Canadian society** • Percentage of SMEs that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities • Number of SMEs supported by ISED programs, including those that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities	**World-leading superclusters are grown in Canada** • Number of new firms created (in targeted areas) • Number of anchor firms (in targeted areas) • Value of investments leveraged to develop clusters as a result of ISED program funding (per dollar invested) **Canadian businesses invest more in research and development (R&D)** • Business Expenditure in Research and Development (BERD) in dollars • Percentage of companies engaged in collaborations with higher education institutions • Value of BERD by firms receiving ISED program funding (in dollars) **Canada has world leading-research capacity** • Canada's rank among OECD nations on the citation score of science research publications • Number of co-authored publications between federal and non-federal scientists • Value of investments leveraged in science and research infrastructure as a result of ISED program funding (per dollar invested)	**Canada becomes a global leader in clean technologies** • Value of Canada's exports of clean technologies (in dollars) • Clean technology employment in Canada (in numbers) • Value of investments leveraged in clean technologies as a result of ISED program funding (per dollar invested) **Canadian companies are globally competitive and achieve high growth** • Number of high-growth firms • Value of Canada's goods and services exports (in dollars) • Revenue growth rate of firms supported by ISED programs **Canada is a location and destination of choice for investment, growth and tourism** • Total Business Investment in Canada (in dollars) • Spending by international visitors to Canada (in dollars) • Number of international overnight visitors to Canada • Turn-around times for patent applications filed in Canada, with a request for examination **Canadian innovators have simplified access to tools and support** • Canada's ranking on the World Bank's Ease of Doing Business Index • Percentage of ISED priority services that meet published service standards
PROGRAMS	1. Talent Development 2. Entrepreneurship Policy 3. Bridging Digital Divides 4. Economic Development in Northern Ontario 5. Consumer Affairs	6. Higher Education Sector Science & Research 7. Horizontal Science, Research & Technology Policy 8. Innovation Superclusters Initiative 9. Support to External Advisors	10. Innovation in Business 11. Support & Financing for Small Business 12. Business Policy & Analysis 13. Economic Outcomes from Procurement 14. Digital Service 15. Spectrum & Telecommunications 16. Clean Technology & Clean Growth 17. Communication Technologies, Research & Innovation 18. Business Conditions Policy 19. Insolvency 20. Intellectual Property 21. Competition Law Enforcement & Promotion 22. Federal Incorporation 23. Investment Review 24. Trade Measurement 25. Tourism Policy

Concordance between the Departmental Results Framework and the
Program Inventory, 2018–19, and the Program Alignment Architecture, 2017–18

ISED's Departmental Results Framework (DRF) replaces the previous Program Alignment
Architecture (PAA) and will allow the Department to better describe and demonstrate the results
it is achieving for Canadians. The following table shows how the programs from the PAA fit into
the new DRF.

2018–19 Core Responsibilities and Program Inventory	2017–18 Lowest-level program of the Program Alignment Architecture	Percentage of lowest-level Program Alignment Architecture program (dollars) corresponding to the program in the Program Inventory
Core Responsibility 1: People, Skills and Communities		
Talent Development	2.1.2 Science and Technology Partnerships	8.39%
	1.3.2 Spectrum Management and Regulation	1.23%
Entrepreneurship Policy	3.1.1 Small Business Financing and Growth	12.59%
Bridging Digital Divides	3.3.2 Computer and Internet Access	100%
Economic Development in Northern Ontario	3.3.1 Northern Ontario Economic Development	100%
Consumer Affairs	1.1.6 Consumer Affairs	100%
Core Responsibility 2: Science, Technology, Research and Commercialization		
Higher Education Sector Science and Research	2.1.1 Science and Technology Policy and Analysis	1.41%
	2.1.2 Science and Technology Partnerships	84%
Horizontal Science, Research and Technology Policy	2.1.1 Science and Technology Policy and Analysis	2.26%
Innovation Superclusters Initiative	2.1.1 Science and Technology Policy and Analysis	92.27%

Support to External Advisors	2.1.1 Science and Technology Policy and Analysis	1.5%
Core Responsibility 3: Companies, Investment and Growth		
Innovation in Business	2.1.1 Science and Technology Policy and Analysis	2.56%
	2.2.1 Automotive Innovation	100%
	2.2.2 Aerospace and Defence Innovation	100%
	3.1.1 Small Business Financing and Growth	1.65%
Support and Financing for Small Business	3.1.1 Small Business Financing and Growth	85.76%
Business Policy and Analysis	1.1.5 Market Access	100%
	3.2.1 Industry-Specific Policy and Analysis	90.74%
Economic Outcomes from Procurement	3.2.2 Economic Outcomes from Procurement	100%
Digital Service	3.1.2 Service for Business	100%
Spectrum and Telecommunications	1.3.1 Spectrum and Telecommunications Policy and Legislation	100%
	1.3.2 Spectrum Management and Regulation	98.77%
Clean Technology and Clean Growth	2.1.2 Science and Technology Partnerships	7.61%
Communications Technologies, Research and Innovation	1.3.3 Communications Technologies Research and Innovation	100%
Business Conditions	1.1.2 Insolvency	5.63%

Policy	1.1.4 Intellectual Property	8.92%
	1.2.1 Competition Law Enforcement	0.43%
Insolvency	1.1.2 Insolvency	94.37%
Intellectual Property	1.1.4 Intellectual Property	91.08%
Competition Law Enforcement and Promotion	1.2.1 Competition Law Enforcement	99.57%
Federal Incorporation	1.1.3 Federal Incorporation	100%
Investment Review	1.2.2 Investment Review	100%
Trade Measurement	1.1.1 Trade Measurement	100%
Tourism Policy	3.2.1 Industry-Specific Policy and Analysis	9.26%

Supporting information on the Program Inventory

Supporting information on planned expenditures, human resources, and results related to ISED's Program Inventory is available in the GC InfoBase.[x]

Supplementary information tables

The following supplementary information tables are available on ISED's website:[xi]

‣ Details on transfer payment programs of $5 million or more

‣ Disclosure of transfer payment programs under $5 million

‣ Gender-based analysis plus

‣ Planned evaluation coverage over the next five fiscal years

‣ Upcoming internal audits for the coming fiscal year

‣ Up-front multi-year funding

‣ Departmental Sustainable Development Strategy

Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures.[xii] This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational contact information

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Appendix: definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Core Responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of appropriated departments over a three-year period. Departmental Plans are tabled in Parliament each spring.

Departmental Result (résultat ministériel)

Any change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by Program-level outcomes.

Departmental Result Indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

Departmental Results Framework (cadre ministériel des résultats)

The department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on the actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

experimentation (expérimentation)

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and gender-diverse people. The "plus" acknowledges that GBA goes beyond sex and gender differences to consider multiple identity factors that intersect to make people who they are (such as race, ethnicity, religion, age, and mental or physical disability).

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2018–19 Departmental Plan, government-wide priorities refers to those high-level themes outlining the government's agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada's Strength; and Security and Opportunity.

horizontal initiative (initiative horizontale)

An initiative in which two or more federal organizations, through an approved funding agreement, work toward achieving clearly defined shared outcomes, and which has been designated (by Cabinet, a central agency, etc.) as a horizontal initiative for managing and reporting purposes.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement)

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priority (priorité)

A plan or project that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Departmental Results.

Program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

Program Alignment Architecture (architecture d'alignement des programmes)[1]

A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

result (résultat)

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

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1.   Under the Policy on Results, the Program Alignment Architecture has been replaced by the Program Inventory.

Strategic Outcome (résultat stratégique)

A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (programme temporisé)

A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (cible)

A measurable performance or success level that an organization, Program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

i. Government of Canada's new innovation program expected to create tens of thousands of middle-class jobs, https://www.canada.ca/en/innovation-science-economic-development/news/2018/02/government_of_canadasnewinnovationprogramexpectedtocreatetensoft.html

ii. Third Biennial Plan to the Open Government Partnership, https://open.canada.ca/en/content/third-biennial-plan-open-government-partnership

iii. GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start

iv. 2017–18 Main Estimates, https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html

v. Future-Oriented Statement of Operations, http://www.ic.gc.ca/eic/site/017.nsf/eng/h_07612.html

vi. Innovation, Science and Economic Development portfolio, http://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_00022.html

vii. Department of Industry Act, http://laws-lois.justice.gc.ca/eng/acts/i-9.2/

viii. Raison d'être, mandate and role, http://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_00018.html

ix. Supplementary information tables, https://www.ic.gc.ca/eic/site/017.nsf/eng/h_07609.html

x. GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start

xi. Supplementary information tables, https://www.ic.gc.ca/eic/site/017.nsf/eng/h_07609.html

xii. Report on Federal Tax Expenditures, http://www.fin.gc.ca/purl/taxexp-eng.asp