

British Columbia

1 BC	Incentives for Research and Development¹
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British Columbia points to federal and provincial tax credits, exemptions and deductions to encourage business investment and innovation.

Certain incentives target particular industries (film, mining, new media and international financial services).

R&D Tax Credits (Provincial and Federal)

- 10 per cent non-refundable B.C. income tax credit for eligible expenditures on qualified R&D.
- Eligible expenditures: salaries and wages, materials, supplies, overheads and capital equipment used directly in qualified R&D activities.

R&D Tax Deductions

- 100 per cent immediate deduction of eligible R&D expenditures to reduce B.C. taxable income.

¹<https://trade.britishcolumbia.ca/Invest/BusinessIncentives/Pages/Incentives.aspx>

2 BC	Incentives for Machinery and Equipment Investment²
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Property Tax Exemptions (Provincial and Local)

- Tangible personal property, such as production machinery, business equipment, furniture and inventories, is exempt from provincial and municipal property tax.

Separate Class Election for Depreciating Machinery and Equipment (Provincial and Federal)

- Fifty per cent per year straight-line depreciation method allowed for manufacturing or processing equipment.
- Tariffs on all manufacturing inputs will be reduced to zero by 2015.
- Imports of advanced machinery and equipment are free from import duties.
- Under the Harmonized Sales Tax (HST), businesses are eligible for input tax credits to recover HST paid on purchases such as raw materials, energy and capital items etc. When British Columbia reinstates the provincial sales tax on April 1, 2013, all permanent exemptions including the production machinery and equipment exemption will be reinstated. Manufacturers will continue to recover the 5 per cent federal value added tax (GST) through input tax credits.

² <https://trade.britishcolumbia.ca/Invest/BusinessIncentives/Pages/Incentives.aspx>

3 BC	Venture Capital Corporation³
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A Venture Capital Corporation is a corporation registered under the programs that have been formed for the sole purpose of investing funds in a number of start-up, emerging and expanding eligible small businesses. These corporations usually are managed by venture capitalists or angel investors who provide small businesses with the benefit of their expertise, experience and business knowledge.

Eligible Investment

For an investment in a small business to qualify as an "eligible investment", a number of requirements set out in the Small Business Venture Capital Act must be met. These requirements include the following:

- A business must qualify as an "eligible small business".
- The VCC must purchase treasury shares directly from the small business for cash;
- The VCC may purchase the shares of a small business indirectly through the conversion of convertible debt that is prescribed under regulation;
- The investment must be at risk and at arm's length;
- The VCC together with related parties and other VCCs must not control the small business;
- The shares held by the VCC must not carry prescribed rights and restrictions; and the total investment by all VCCs in the small business (and affiliates of the small business) must not exceed \$5 million.

Tax Credits

Tax credits are issued to investors only if the VCC raised the equity capital under a pre-approved authorization from the Investment Capital Branch and is in compliance with the Small Business Venture Capital Act (the "Act").

³ <http://www.jti.gov.bc.ca/ICP/VCP/VCC/index.htm>

4 BC	Eligible Business Corporation⁴
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Under the 'direct' investment approach, a small business registers as an eligible business corporation under the venture capital programs. This allows a small business to accept equity capital directly from investors without having to set up a venture capital corporation. This investment structure is ideal for an investor planning to be actively involved in the growth of the small business.

Tax Credits

Tax credits are issued to investors only if the EBC raised the equity capital under a pre-approved authorization from the Investment Capital Branch and is in compliance with the Small Business Venture Capital Act (the “Act”).

The tax credit budget is limited by Section 29.1 of the *Small Business Venture Capital Act* and Section 21 of the Regulations. Due to high program demand, Venture Capital Corporations and Eligible Business Corporations are encouraged to advise investors interested in receiving a tax credit to complete a share purchase report as soon as possible for the VCC or EBC to submit. Tax credit certificates will only be issued on investments made before the tax credit limit has been reached.⁵

⁴ <http://www.jti.gov.bc.ca/ICP/VCP/EligibleBusinessCorp/index.htm>

⁵ <http://www.jti.gov.bc.ca/ICP/VCP/TaxCreditBudgetUpdates.htm>

Alberta

1 AB	Research Capacity Program (RCP), College – Industry Innovation⁶
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The Research Capacity Program (RCP) is a competitive funding program designed to support the acquisition of small equipment and large research infrastructure to build capacity in Campus Alberta institutions and support multidisciplinary teams of researchers conducting excellent research and innovation initiatives.

The RCP uses a cost-shared funding approach to provide up to 40% of the total eligible project costs for successful proposals, enabling projects to leverage support from the Canada Foundation for Innovation (CFI) and other sources. To facilitate this cost-shared approach, the RCP coordinates its competition streams and competitive cycles with the CFI.

The four RCP competition streams are:

- College-Industry Innovation Stream
- Small Equipment Grants Stream
- Research Infrastructure Stream
- Infrastructure Sustainability Stream

College – Industry Innovation (CII)

The College-Industry Innovation (CII) stream is to support significant research infrastructure that would add to the existing applied research and technology development capacity of a college/technical institute. It should also provide tools and capabilities to expand an institution’s network of partners, increase the number of collaborative projects with industry, and provide highly qualified personnel with opportunities in applied research.

The CII seeks to enhance the capacity of colleges/technical institutes to support business innovation in Canada by providing them with state-of-the-art, industry-relevant research infrastructure to foster partnerships with the private sector, particularly small and medium-sized enterprises, in an area of strategic priority to the institution and to Alberta.

Applicant Eligibility:

Eligible colleges/technical institutes can submit one proposal to each stream per competition, requesting up to \$800,000 in funding support from the CII.

⁶ <http://eae.alberta.ca/research/rcp/research-capacity-program.aspx>

2 AB	Innovation Vouchers⁷
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Overview

The Alberta Innovation Vouchers program helps small technology and knowledge-driven businesses in Alberta get their ideas and products to market faster. The program assists Alberta companies that are in the concept and formation stages of their business and helps to facilitate their movement into the growth stage, preparing them for success.

Objective

The Voucher program is designed to enhance the ability of small businesses operating in Alberta to be successful in the global marketplace. The Voucher program aims to:

- Assist small rural and urban businesses to move more rapidly from concepts and ideas to commercial products or services, thereby gaining a competitive advantage in domestic and export markets.

Value of Vouchers

Innovation Vouchers are available in two denominations:

- \$15,000 for an Opportunity Assessment Report or for specialized services required to assist the entrepreneur related to business development and mentoring for supporting the advancement of technology, small scale prototyping or intellectual property.
- \$50,000 for more substantial technology development activities such as product prototyping, lab verification, field testing, intellectual property protection, etc.

Businesses are potentially eligible to receive one of each type of Voucher throughout the duration of the program.

⁷ <http://www.albertatechfutures.ca/CapacityBuildingPrograms/IndustryFunding/AlbertaInnovationVouchers.aspx>
<http://www.albertatechfutures.ca/CapacityBuildingPrograms/IndustryFunding/AlbertaInnovationVouchersFAQ.aspx>

3 AB	Commercialization Associates⁸
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Program Overview

Commercialization Associates is a competitive funding program that addresses the growing need for highly trained business and management personnel in Alberta high-tech industries. Through this program component, Alberta companies recruit business professionals with experience to lead to stronger technology commercialization for the benefit of the company and Alberta’s economy.

Commercialization Associates consists of an annual stipend of \$70,000 (minimum): with contributions of \$55,000 from Tech Futures and a minimum \$15,000 cash contribution from the company, and an annual commercialization allowance of \$7,000 from Tech Futures to cover qualified costs for travel and marketing intelligence. The funding term is up to a maximum of two years with Year 2 funding being contingent on satisfactory performance during the first year and upon proof of continued need.

Four competitions are held each year. Results are announced six to eight weeks after the application deadline.

Program Objectives

The primary objective of Commercialization Associates is to increase business management and marketing expertise in Alberta-based start-up and Small/Medium Enterprise (SME) companies by enabling these companies to recruit skilled business professionals. At the same time, business professionals with industrial and/or science experience contribute to the technology commercialization of science and engineering related products or services of the company.

⁸ <http://www.albertatechfutures.ca/CapacityBuildingPrograms/IndustryFunding/CommercializationAssociates.aspx>

4 AB	r&D Associates⁹
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Program Overview

r&D Associates addresses the increasing research and development (R&D) personnel needs of Alberta industry. Through this program component, Alberta companies are able to recruit recent Master’s and PhD graduates to conduct research that benefits the organization. The program consists of an annual stipend of \$55,000 from Tech Futures and an annual research allowance of \$7,000. The funding term is up to a maximum of two years with Year 2 funding being contingent on satisfactory performance during the first year and upon proof of continued need.

Four competitions are held each year. Results are announced six to eight weeks after the application deadline.

Program Objectives

The primary objective of *r&D Associates* is to increase research expertise in Alberta-based companies. At the same time, recent Master’s and PhD graduates gain applied experience and contribute to the research and related activities of the company.

This program is designed to achieve the following goals:

- Accelerate business ideas with research expertise
- Enhance resource-based sectors or Alberta’s economy to sustain competitiveness in global markets
- Help transform Alberta industry through the practical application of research
- Support the expansion of highly trained personnel in research and industry settings
- Foster the development of researchers with business interests or experience

⁹ <http://www.albertatechfutures.ca/CapacityBuildingPrograms/IndustryFunding/rDAssociates.aspx>

5 AB	AVAC¹⁰
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AVAC is a member-based private not-for-profit company, governed by an independent industry based Board of Directors. However, AVAC has received significant funding from both the Government of Alberta and Government of Canada, the use of which is defined in the various lending agreements.

Purpose

AVAC investment funds are targeted at Alberta-based pre-commercial and start-up opportunities. The investment scope may include support for mentoring, management expertise, developing a new product or service, enhancing an existing service, Conducting a third-party assessment such as regulatory reviews, intellectual property strategy and protection, developing professional market assessments, assessments and feasibility studies, legal, professional and engineering advice, and select start-up activities including working capital for initial product launch. In addition, there are opportunities to finance selected equipment –for example, to enable pilot-scale or proof-of-concept processing, development of prototype products, and operating equipment required for initial product launch.

Pre-Commercial

- The company may be a start-up or an existing company provided the project requiring investment is at the pre- commercial (seed) stage of development.
- The opportunity must show potential to create growth within Alberta.
- New product development to intellectual property or trademark advice; may include product development, market assessments, establishing samples/prototypes and business plan development.
- Opportunities requiring professional advice (including legal advice on intellectual property), market assessments (marketing plans to feasibility level) and engineering advice, will be given consideration.

Investment Focus

Qualified companies must have the potential to increase commercial business activity in one or more of Alberta’s value-added agribusiness (agrivalue™), information and communications technologies (ICT), life sciences and other industrial technology sectors, and have the ability to possess a sustainable competitive advantage. Both new and existing companies may be

¹⁰ <http://www.atb.com/business/business/borrowing/Pages/borrow.aspx>

considered providing that their proposed project requiring investment is at the pre-commercial stage of development.

As an early-stage hands-on investor, companies are to expect active participation by AVAC management in the strategic and operational direction with the company board and management.

6 AB	ATB Financial¹¹
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ATB became a provincial Crown corporation in October 1997 under the authority of the Alberta Treasury Branches Act Chapter/Regulation A-37 RSA 2000 and Alberta Treasury Branches Regulation 187/1997. It has a clear focus upon Alberta:

“We were a homegrown alternative, striving to know and understand this province better than anyone, and to support it regardless of whatever economic cycle was buoying or ravaging us.

Those notions—of a committed and unwavering ATB put here to serve and support Albertans—remain resonant today¹²”

Borrow Products Include

- Term Loans
- Operation Loans
- Government Guaranteed Loans
- Letters of Credit

¹¹ <http://www.atb.com/business/business/borrowing/Pages/borrow.aspx>

¹² <http://www.atb.com/about/Pages/our-purpose.aspx>

7 AB	Alberta Scientific Research and Experimental Development Tax Credit¹³
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Objective

The Alberta Scientific Research and Experimental Development (SR&ED) tax credit is to benefit businesses of all sizes and in all sectors that conduct research and development that will lead to new, improved or technologically advanced products or processes.

Eligibility

The credit is for all expenditures incurred after December 31, 2008 which are also eligible for the federal Scientific Research and Experimental Development Credit.

The Alberta SR&ED tax credit is over and above the federal SR&ED credit, helping the research and development investments made by Alberta companies go further.

Because the credit is refundable, start-up and early-stage companies will still be able to benefit from the credit even if they are not yet earning enough income to pay income taxes.

The Alberta Scientific Research and Experimental Development (SR&ED) tax credit is a key action in Alberta's Action Plan: Bringing Technology to Market, a provincial strategy to build a next generation economy in Alberta through technological innovation and the development of value-added sectors

Financing Details

The credit is worth 10 per cent of a company's eligible expenditures up to \$4 million, for a maximum credit of \$400,000. It will be refundable for all companies.

¹³ <http://eae.alberta.ca/economic-development/technology/support/taxcredit.aspx>

8 AB	Aerospace & Defence Productivity and Competitiveness Program¹⁴
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The Program

Productivity Alberta announces the launch of a new pilot program designed to help small and medium-size enterprises (SMEs) in Alberta who are currently engaged in, or desire access to opportunities in the global aerospace and defence supply chain. The Aerospace & Defence Productivity and Competitiveness Program addresses diversification and economic growth objectives identified in Alberta’s aerospace and defence industry strategy – A Vector to Diversity.

The Aerospace & Defence Productivity and Competitiveness Program will begin a pilot phase in May 2012 taking five Alberta companies through an industry-specific assessment program, benchmarking the companies across seventeen core competency areas deemed critical to global aerospace and defence supply chain requirements. Future phases will use information from the pilot to enhance the program and address a larger contingent of Alberta SMEs. The eleven-month pilot program builds on work completed in 2011, and is focused on achieving a stronger Alberta aerospace and defence sector. Active involvement in the PCP will provide an important indicator of capability and commitment of the participating companies to global industry players actively seeking qualified supply partners.

Following the program’s pilot phase, Productivity Alberta will conduct a formal evaluation to test the viability of delivering the program in the future. If a decision is made to proceed with follow-on phases, Productivity Alberta will issue an invitation to the consulting community to participate in the delivery of the program.

Benefits of participating

Companies participating in the Program will:

- Validate strategic business objectives
- Improve business capabilities, productivity and competitiveness
- Achieve higher profile within the aerospace and defence supply chain, leading to increased business opportunities and bottom-line growth
- Access to world-class productivity and competitiveness improvement services and intelligence at very favourable rates

¹⁴ <http://www.productivityalberta.ca/tools/pilot-projects/aerospacedefence-program>

Program partners

Productivity Alberta and Alberta Treasury Board and Enterprise support the initiatives of the aerospace and defence industry sector as outlined in A Vector to Diversity: Alberta's Aerospace and Defence Industry Strategy.

Productivity Alberta has contracted Synergetics Group Inc. to develop and implement the pilot phase of the program. Synergetics Group is an Alberta-based company with over 25 years of experience in assessing complex business, project and technical issues with a principle focus in the aerospace and defence industry.

Fees

Companies participating in the pilot phase will pay a program fee of \$3,000 (plus GST), with up to \$1,500 reimbursable upon the successful adoption of the improvement prescriptions.

Eligibility Criteria

Companies wishing to participate in the program must be:

- Currently in or interested in aerospace and defence industry
- An Alberta registered company with fewer than 300 employees
- Ready to invest in productivity and competitiveness improvement

9 AB	Alberta Enterprise¹⁵
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Alberta Enterprise Invest In Venture Capital Funds, Not Companies.

Formed as an independent corporation in 2008, Alberta Enterprise is a key component of the Government of Alberta’s goal of building a more sustainable, diversified technology industry in Alberta, one where home-grown innovation is encouraged and technology entrepreneurs have greater access to venture capital.

Its mission is to promote the development of Alberta’s venture capital (VC) industry by investing in VC funds that finance early stage technology companies and that have a commitment to Alberta – including a full-time presence in the province.

In the long term, Alberta Enterprise is to help Alberta claim a larger share of the venture capital invested in Canada and to help Alberta’s investment community be better networked within Alberta, across Canada and internationally.

¹⁵ <http://www.alberta-enterprise.ca/>

Saskatchewan

1 SK	Invest In Saskatchewan Program¹⁶
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Objective

The Invest in Saskatchewan Program encourages Saskatchewan people to invest in small and medium-sized businesses based in Saskatchewan through funds called Labour-sponsored Venture Capital Corporations (LSVCC).

Eligibility

- Broad-based Pool Funds (such as Golden Opportunities Fund Inc., SaskWorks Venture Fund Inc. or GrowthWorks Funds Ltd.) are open to any Saskatchewan resident wanting to invest in a broad base of Saskatchewan sectors and businesses. In turn, any Saskatchewan business is eligible to apply to access this venture capital to assist with establishing or expanding its business.
- Employee Investment Funds allow employees to invest in the company where they work and assist employers in establishing an employee ownership program. Employers and employees work together to establish a fund and make investments.

Financing Details

Individuals investing in the shares of a registered LSVCC fund are eligible for a combined 35% tax credit (a provincial tax credit of 20% and a federal tax credit of 15%) on the first \$5,000 invested in each year. Investments must be maintained for eight years to earn the tax credits. These investments are also Registered Retirement Savings Plan (RRSP) eligible.

¹⁶ <http://www.enterprisesaskatchewan.ca/investinsaskatchewan>

2 SK	Manufacturing & Processing Profits Tax Reduction¹⁷
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Financing Details

The Manufacturing and Processing Profits Tax Reduction reduces the provincial general corporate income tax rate to as low as 10% on Canadian manufacturing and processing profits. This incentive is claimed on schedule 404 on the federal T2 Corporation Income Tax return. Saskatchewan-based firms with a high allocation of income to Saskatchewan receive a larger tax reduction than firms with a low allocation of income.

¹⁷ <http://www.finance.gov.sk.ca/Default.aspx?DN=58e4c474-fa62-42fc-8fae-85ffed35f634>

3 SK	Manufacturing & Processing Investment Tax Credit¹⁸
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Objective

This initiative was designed to encourage plant and equipment investment for use in Manufacturing and Processing (M&P) activities in Saskatchewan.

Eligibility

The Saskatchewan Investment Tax Credit (ITC) for M&P is available to all M&P corporations filing a T2 Corporation Income Tax Return (schedule 402) with some allocation of taxable income to Saskatchewan. The credit was introduced as a non-refundable income tax credit designed to encourage plant and equipment investment for use in M&P activities in Saskatchewan.

Financing Details

The ITC is determined as a percentage of the total capital cost of eligible new and used M&P building, machinery and equipment purchases made during the year, including installation costs. The ITC rate will depend on the acquisition date of the eligible property.

The 2006 Budget announced the conversion of the ITC into a refundable tax credit for all eligible capital acquisitions occurring after April 6, 2006. Unused non-refundable ITC balances earned prior to April 7, 2006 can be carried forward for up to ten taxation years.

¹⁸ <http://www.finance.gov.sk.ca/programs-services/mpitc/>

4 SK	Research & Development Tax Credit¹⁹
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Objective

The Saskatchewan Research and Development (R&D) Tax Credit is designed to encourage private-sector corporations to invest in research and development and the expansion of knowledge-based industries in the province.

Eligibility

The Saskatchewan R&D Tax Credit is available to all corporations filing a T2 CIT return and having a permanent establishment in Saskatchewan.

Financing Details

For qualifying R&D expenditures made after March 31, 2012, the R&D Tax Credit is:

- fully refundable in respect of the first \$3 million of such expenditures by a Canadian-controlled private corporation; and,
- non-refundable for all other such expenditures.

For all qualifying R&D expenditures made between March 19, 2009 and March 31, 2012, the R&D Tax Credit was fully refundable for all corporations. For qualifying expenditures made before March 19, 2009, the tax credit was non-refundable and could be used to reduce Saskatchewan Corporation Income Tax (CIT) otherwise payable.

The Saskatchewan R&D Tax Credit is administered by Canada Revenue Agency (CRA) on behalf of Saskatchewan under the Canada-Saskatchewan Tax Collection Agreement.

¹⁹ <http://www.finance.gov.sk.ca/Default.aspx?DN=7210d60f-4263-4bf8-9f59-dbbbd8d64f7a>

5 SK	Small Business Loans Association (SBLA) Program²⁰
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Objective

The SBLA program started in 1989 and makes funds available to entrepreneurs through local, community-run associations. These associations help diversify Saskatchewan's economy and bolster community economic development.

Eligibility

An individual business is eligible for the maximum \$15,000 loan under the program, including any entrepreneur who has experienced difficulty in obtaining financing through traditional means (bank or credit union). SBLA loans are available for entrepreneurs with a new business idea, the development of a new business or the expansion of an existing business.

Financing Details

An SBLA may access an interest-free revolving line of credit of up to \$200,000 from Enterprise Saskatchewan, and in turn can use this line of credit to make loans of up to \$15,000 to new and existing businesses. Financing is available up to \$15,000 for new and existing businesses that may have difficulty obtaining traditional financing.

Loans are granted at competitive interest rates, which vary with each association, up to a maximum of 10 per cent per year. Businesses have between two and five years to repay their loans.

Businesses can use SBLA loans to purchase assets, such as equipment, renovations or start-up inventory. The loan cannot be used for operating expenses or for repayment of existing debt.

²⁰ <http://www.enterprisesaskatchewan.ca/SBLA>

Manitoba

1	Private Placement Capital Funds²¹
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Under the Private Placement Capital Funds the government and its partners provide equity financings to assist Manitoba based businesses to grow. Private Placement Capital Funds are for profit, privately managed private partnerships of institutional investors. The Funds provide private equity and debt financings to small and medium sized companies. The financings can be highly flexible and pricing is commensurate with risk. Financings typically are in the range of \$250,000 to \$3.0 million.

Manitoba has two **Private Placement Capital Funds**; Canterbury Park Capital L.P. and the Centrestone Fund LP. To find out more, contact the Pools directly.

²¹ <http://www.gov.mb.ca/ctt/busdev/financial/capital.html#miop>

2 MB	Small Business Venture Capital Tax Credit Program (SBVCTC)²²
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Summary

The SBVCTC will assist eligible small corporations to issue new equity to primarily new investors. The small corporation will be able to issue from \$100,000 up to a limit of \$5,000,000 of new equity that will be eligible investments for the SBVCTC. The SBVCTC is not a tax benefit for the eligible corporation.

Eligible investors who purchase eligible investments are able to earn a 30% nonrefundable provincial tax credit up to an annual limit of \$135,000 in provincial tax credits. From the \$135,000 of earned provincial tax credits the investor can claim on its income tax return an annual limit of \$45,000 in provincial tax credits and carry forward unused provincial tax credits for ten years.

Eligibility Criteria

To be considered an eligible small business:

- the business must be a Canadian-controlled private corporation;
- all or substantially all of the carrying value of the assets must be used principally in an active business;
- the revenue of the business must principally be derived from one or more active businesses that are not ineligible activities;
- the small corporation has at least \$25,000 in stated capital;
- have either,
 - 50 or less full time equivalent employees, or
 - less than \$15,000,000 in gross revenue;
- 25% of the employees are resident in Manitoba;
- the corporation cannot be a reporting issuer as defined in *The Securities Act*; and
- the total amount of equity raised under the SBVCTC program by the corporation and its affiliates is not more than \$5,000,000.

Eligible corporations and eligible investors are encouraged to seek legal and tax advice before participating in the SBVCTC program.

²² http://www.gov.mb.ca/ctt/pdfs/sbvctc_intro.pdf

3 MB	Commercialization Support for Business Program²³²⁴.
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This program supports product and process commercialization and business development in all sectors and all regions of the province. The Commercialization Support for Business Program will help entrepreneurs at every stage of the business lifecycle.

Commercialization Support for Business includes:

- Concept Development (Max up to \$25,000) – from concept to prototype development
- Product Development (Max up to \$40,000) – pre-commercialization activities like feasibility or engineering analyses, trial production and test marketing
- Product Commercialization (Max up to \$200,000) – moving from prototype to market-ready product.
- Market Development (Max \$30,000) – materials and activities needed to enter new markets successfully
- Certification Assistance (Max \$15,000) – obtaining plant or product certification
- Intellectual Property (Max \$25,000) – securing intellectual property rights for the product or process

Financial Assistance:

The Program targets businesses seeking to develop and commercialize innovative products, processes, and expanding into new markets. Products must be disruptive to the marketplace by replacing imports (CSB supported products are not currently manufactured by competitors in Manitoba).

The Program provides financial assistance to cost share eligible arms-length third party expenses on a 50/50 basis.

The Government of Manitoba’s total contribution to funded projects:

- Will not exceed 50 per cent of eligible/approved costs.
- Total support from all levels of government cannot exceed 75 per cent of total costs.
- All assistance will be tied to mutually agreed upon milestones.
- Financial assistance may be required to be paid back in full in the event that the company is sold, or relocates its Manitoba operations outside of the province during the life of the project.

²³ http://www.gov.mb.ca/ctt/busdev/financial/csb/csb_guidelines.pdf

²⁴ <http://www.gov.mb.ca/ctt/busdev/financial/csb/index.html>

Who is eligible?

- Individuals (sole proprietors)
- Business Entities – Manitoba for-profit: incorporated businesses, sole proprietors (individuals), business co-operatives, partnerships, joint-ventures (both corporate or individual), that had
 - For the immediately preceding calendar year, less than 50 full-time equivalent employees: or
 - Gross revenue of the corporation and its affiliates (determined on a consolidated basis, where applicable) for the most recently completed fiscal period is less than \$15,000,000.
 - At least 25% of the full-time equivalent employees of the corporation and its affiliates are resident in Manitoba.

4 MB	Community Enterprise Development (CED) Tax Credit Program²⁵
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Purpose

To encourage Manitobans to invest in enterprises in their communities by providing a tax incentive, while providing community-based enterprises with access to equity capital.

Eligibility

- Manitobans looking to invest up to a maximum of \$30,000 annually.
- Approved enterprises with net and gross assets of \$10,000 and \$25 million or less respectively and no more than 200 employees (at least 25% residing in Manitoba).
- Excludes professional practices, enterprises involved in primary industries, mineral exploration, recreational/seasonal activities, or commercial property development.

Available Benefits/Assistance

- Investors receive a 30% personal income tax credit on a maximum annual investment of \$30,000 (up to \$9,000 in tax credits).
- Eligible enterprises receive a maximum of \$1,000,000 in repayable capital.
- Projects requiring larger amounts of capital may be considered on a case-by-case basis.

²⁵ <http://www.gov.mb.ca/agriculture/programs/aaa21s04.html>

5 MB	Business Start Program²⁶
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Summary

The Business Start Program is a loan guarantee program with an educational component. Loans to new owner-managed businesses are provided through participating financial institutions and guaranteed by the Manitoba government. The five-year term loan is a \$30,000 maximum amount with an interest rate of prime plus one per cent and a one-year deferral of principal repayment. Loan proceeds can provide funds for business registration or incorporation costs, equipment and inventory purchases, promotional costs and working capital needs.

Eligibility Criteria

Applicants must:

- be a Manitoba resident, age 18 or over, and eligible to work in Canada
- develop a sound business plan
- complete a three-day Business Planning Workshop before loan funds will be released
- contribute equity equal to 40 per cent of the loan amount requested
- not have owned a similar business in the past 12 months
- be approved by a participating financial institution after applicant credit rating and debt capacity are considered

New businesses must:

- be operated in Manitoba
- be a business created for the purpose of making a profit
- not be in operations in any of these categories: financial services, insurance, real estate services, professional services and primary production
- be starting up or have been operating less than 12 months before the date of application
- employ the applicant for a minimum of 20 hours per week on average
- meet the program's small business definition of less than 20 employees and less than \$2 million per year in gross sales (both criteria have to be met in year one)
- be a business that is substantially different from other businesses carried on in Manitoba in the same market area by an associate of the applicant
- be reputable and appropriate in nature

²⁶<http://db.itm.gov.mb.ca/Databases/BRC/ProgServ.nsf/f43d4db6edd8f1ee86256e4700593d7c/38d5861529d61e4886257a010056e75b?OpenDocument>

6 MB	Manitoba Industrial Opportunities Program²⁷
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Objective

The Manitoba Industrial Opportunities Program (MIOP) is to secure significant business project investment that would not occur in Manitoba without the provision of some level of government assistance.

The program provides repayable secured loans or loan guarantee assistance to recipient companies in return for significant project investment and/or long-term job creation. Most loan repayment terms are 60 to 84 months and repayment terms can be flexible. Favourable interest rates are available to businesses that undertake significant project investment and/or create new jobs.

Program Considerations²⁸

The following considerations will apply to applicant projects under this program:

- Eligible Projects – Commercially viable businesses operating, or wishing to establish, in Manitoba which are undertaking significant investment to implement a business project which will enhance the company’s viability and will provide economic benefits to the Manitoba economy. Economic benefits to Manitoba would be in the form of long term job creation, or in certain cases, maintenance of existing jobs in Manitoba.
- Equity Requirements – Minimum equity requirement of 20 per cent of project costs; start ups and other types of high risk projects may require a significantly higher level of equity.
- Repayment Terms – Repayment terms are related to the nature of the loan security provided. For example, a typical range for loans based on equipment security would see repayment terms ranging from is 60 to 84 months.
- Security – All MIOP loans are required to be secured; start ups and other types of high risk projects may have more stringent security requirements.
- Size of Loan – Typical range for MIOP loans is \$500,000 to \$5,000,000; larger loans may be considered. Assistance from all levels of government will be a factor in determining the level of MIOP funding to be considered.

²⁷ <http://www.gov.mb.ca/ctt/busdev/financial/capital.html#miop>

²⁸ <http://db.itm.gov.mb.ca/databases/brc/progserv.nsf/AllDocs/8F14B499D8C9C6D586257A010056E75C>

7 MB	Labour-sponsored Investment Funds²⁹
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Golden Opportunities Fund Inc. is the largest provincial Labour-sponsored Investment Fund in Manitoba under the *Labour-sponsored Venture Capital Corporations Act* (Manitoba). Manitoba residents who purchase Shares of the Fund receive a 15% Federal tax credit (to a maximum contribution of \$5,000 annually) and a 15% Provincial tax credit (to a maximum contribution of \$12,000 annually) for a total of 30% in tax credits. Investments are also 100% RRSP eligible. With the capital raised from Manitoba residents, Golden Opportunities makes investments in public and private companies that carry on business locally in Manitoba.

GrowthWorks is an award-winning leader in Canadian venture capital management. Our regional retail venture capital funds (RVCs) support local businesses from coast to coast and provide tax-advantaged investment opportunities for Canadian investors. GrowthWorks manages over \$1 billion in assets, including \$700 million in RVCs.

GrowthWorks Canadian Fund is a national retail venture capital fund incorporated in 1990 (GrowthWorks took over management in November 2002). The fund has assets of approximately \$370 million and is available for sale in Saskatchewan, Manitoba, Ontario, Alberta, Northwest Territories, Yukon and Nunavut. ENSIS Growth Fund was merged into the GrowthWorks Canadian Fund in October 2008. A 15% federal tax credit is available on the first \$5,000 invested in retail venture capital funds each year and a 15% provincial tax credit is available on the first \$12,000 invested in Manitoba.

²⁹ <http://www.gov.mb.ca/ctt/busdev/financial/capital.html#content>

8 MB	Rural Entrepreneur Assistance (REA)³⁰
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Objectives

The Rural Entrepreneur Assistance (REA) program provides funds for business starts, expansion or the purchase of existing businesses for small, non-agricultural businesses in rural Manitoba by providing loan guarantees to financial institutions.

- Provides a guarantee on individual business loans to assist with start-up, expansion costs or the purchase of existing businesses.
- A guarantee of up to 80% of a loan is available.

Eligibility

- The program is available to businesses located in Manitoba, outside of Winnipeg.
- Small businesses with \$2 million or less in annual income/sales are eligible.
- Loans are made to owners/operators and may be used for the purchase of fixed assets, inventory and/or working capital.
- The loan cannot be used to pay existing debts of the company or any individual, nor can loans be transferred.
- Cooperatives and partnerships are eligible for the REA program.

Terms and Conditions

- REA is available on loans between \$10,000 and \$200,000 with repayment terms up to 10 years.
- The interest rate charged by the lender cannot exceed the commercial prime rate plus 1%.
- If a fixed rate is preferred, the rate is negotiated with the borrower and lender.
- Applicants must contribute 20% of the total project cost in the form of cash, land, buildings, equipment, inventory and/or assets that would be used in the business.

³⁰ http://www.masc.mb.ca/masc.nsf/factsheet_rea_rsb_loan_guarantees.pdf

Ontario

1 ON	Eastern Ontario Development Fund (EODF)³¹
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Objective

The \$80 million Eastern Ontario Development Fund (EODF) provides funding assistance to businesses, municipalities and not-for-profit organizations located in eastern Ontario. The Fund supports initiatives like capital investment, worker training, and investment attraction. Included in the eligibility scope are projects that create and retain jobs, encourage the introduction of new technologies, pursue growth in new markets, and contribute to the diversification of eastern Ontario’s economy. The program is targeted to companies that have at least 10 employees and can provide at least 3 years of financial statements.

As a grant program, eligible businesses (through the EODF-Business Stream) can receive up to 15 per cent of total project costs. Eligible not-for-profit organizations (through the EODF-Regional/Sectoral Stream) can receive up to 50 per cent of total project costs.

The maximum grant available for both the Business Stream and Regional/Sectoral Stream is \$1.5 million. A business will receive funding for a maximum of one project per year.

Eligibility

Actual costs directly attributable to and necessary for the completion of the project are eligible. These costs are incurred for this project only, and are not associated – in whole or in part – with any other purpose.

Refinancing, acquisitions, “bail-outs”, restructurings, and start ups are ineligible. Businesses should demonstrate that they are moving in a new direction, for example with new products lines or accessing new markets.

Retail, personal services, electricity generation, primary production (from agriculture, forestry, mining, etc.), free standing restaurants, golf courses, residential development, academic/research institutions, arms length government agencies, and consultants are also ineligible.

³¹ http://www.ontariocanada.com/ontcan/1medt/econdev/en/ed_eodf_news_en.jsp

2 ON	Southwestern Ontario Development Fund Consultations³²
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Objective

The Funds would be designed to strengthen communities by supporting the attraction and retention of employment and investment in Southwestern and Eastern Ontario, and promoting innovation and cluster development and collaboration in the regions.

The establishment of the Southwestern Ontario Development Fund, and making permanent the Eastern Ontario Development Fund, would build on Ontario’s Tax Plan for Jobs and Growth, Ontario’s Innovation Agenda and demonstrates the government’s commitment to grow the economy and create jobs.

On December 2, 2011, Minister Duguid, kicked off the consultation process, and sought advice from key regional stakeholders on the scope and purpose of the Southwestern Ontario Development Fund. This information will be central to the design, administration, and eligibility and application process of the fund.

Status

As of July 9, 2012 the government of Ontario was in third reading of Bill 11 to create this fund.

³² http://www.ontariocanada.com/ontcan/1medt/en/swodf_en.jsp

Ontario Centres of Excellence (OCE) offers a range of programs that help take research from labs to the marketplace. The Collaborative Commercialization initiative supports the Industry-Academic Collaboration Program (IACP) on the commercialization of innovative ideas through three activities:

- Technical Problem Solving; provides a focus on short-term projects and provides hands-on problem solving experience.
- Collaborative Research; is designed for projects with special technical research challenges, demonstrated market pull and high potential for commercialization.
- Market Readiness; aids in moving promising technologies from an academic lab setting to a new spin-off company or licensing opportunity.

Complementing the IACP's commercialization offerings are the Special Energy Fund and OCE's federally funded Centre for Commercialization of Research (CCR) suite of programs which include:

- Special Energy Fund; provides provincial funding for research and development in groundbreaking clean energy technologies.
- New Entrepreneur Micro-Finance; provides assistance and financial support to pre-incorporated and early-stage technology start-ups by providing young entrepreneurs with just enough capital to get an idea off the ground.
- Facilitated Access to Capital; provides advice and assistance to determine the best financing options available to the company, and introductions to national and international investors through CCR's expanding network.
- Embedded Executive; provides assistance and financial support to acquire the services of an experienced entrepreneur or business executive to work inside the company for a limited time as an embedded executive.
- Advisory Services; provides advice and direct assistance to access a range of business services and resources including funding, market research, highly qualified people, professional services, industry networks, intellectual property management, training and other business needs.
- Commercialization Services; provides assistance and financial support to achieve a specific commercialization milestone enabling the company to advance its commercialization plan.
- SmartStart (pilot); provides funding, training and development for new ventures by Ontario's next generation entrepreneurs.

³³ <http://www.oce-ontario.org/programs/commercialization-programs>

4 ON	Ontario Network of Excellence³⁴
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Objective

The Ontario Network of Excellence (ONE) is Ontario’s revitalized, client-focused, province-wide innovation network.

ONE aligns all of Ontario’s innovation programs into a single network to support innovators who are working to turn great ideas into globally competitive products and services. ONE is focused on the needs of its clients (technology-based entrepreneurs, companies, or researchers who are commercializing new approaches and new technologies) and supports the full range of businesses — start-ups, emerging growth companies, small and medium-sized enterprises, and large domestic and multi-national enterprises — that wish to pursue innovation to create a global competitive advantage and new wealth in Ontario.

For clients, the key access point to ONE programs and services is through 1 of 14 Regional Innovation Centres (RICs). Each RIC is a not-for-profit organization that delivers ONE programs and services in its region. Together, the 14 RICs cover the entire province, delivering ONE programs and services to clients everywhere in Ontario.

RICs are the primary entry point to ONE resources including programs and services of the other partners in ONE such as:

- MaRS, the provincial coordinator for Business Acceleration Programs.
- The Ontario Centres of Excellence (OCE), the provincial coordinator for Industry-Academic Collaboration Programs.
- Sector Innovation Centres (SICs) are sector-based not-for-profit corporations that deliver technology sector specific programs and services to Ontario Network of Excellence clients.

³⁴ <http://www.mri.gov.on.ca/english/programs/one/program.asp>

5 ON	Innovation Demonstration Fund (IDF) Program Guidelines³⁵
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Objective

The Innovation Demonstration Fund (IDF) is a discretionary, non-entitlement funding program administered by the Ministry of Economic Development and Innovation. The program focuses on emerging technologies, with a preference towards environmental, alternative energy, bio-products, hydrogen and other globally significant technologies. The purpose of the IDF is to support Pilot Demonstrations that will lead to the commercialization of processes and/or products in Ontario that are globally competitive, innovative Green technologies.

The objective of the IDF is to help companies mitigate the risk of Pilot Demonstration Projects in Ontario facing significant technical hurdles. By focusing on Pilot Demonstration hurdles, the IDF addresses the financing gap which exists between R&D and the commercialization of new technologies. The program is not aimed at routine engineering, upgrading, marketing, business development or improvements to existing technologies, processes, products or designs.

Eligibility

Subject to funding limits and the discretionary nature of the program, IDF will consider funding Ontario Companies with Eligible Pilot Demonstration Projects that will be undertaken in Ontario for support in developing innovative new and emerging technologies that will lead to commercializing “Green” products and/or processes that are shown to be among the most competitive and advanced in North America. .

Companies are required to demonstrate that their concept has been proven and fully validated and addressing the scale-up issues necessary for a Pilot Demonstration Project that, upon successful completion, will lead to full-scale commercial activities in Ontario.

Eligible Costs

- Start-up costs associated with the development and design of Pilot Demonstration prototypes;
- Equipment purchase, installation and retrofitting costs;
- Direct labour costs for personnel involved in the project;
- Maintenance costs;
- Costs associated with training of skilled resources; and

³⁵ <http://www.mri.gov.on.ca/english/programs/idf/guidelines.asp>

- Monitoring and evaluation costs.

Financing Details

IDF will provide financial support covering up to 50 percent of eligible costs for approved Eligible Pilot Demonstration Projects that will lead to commercialization in Ontario. The funding potentially available under IDF ranges from a minimum of \$100,000 CAD to a maximum of \$4,000,000 CAD per project.

Type of Funding

The types of Financial Assistance shall be at the sole discretion of the Ministry and will take the form of one of the following funding vehicles (the precise terms to be determined by the Ministry):

1. Secured Forgivable Loan;
2. Secured Repayable Loan;
3. Secured Incentive Term Loan (which may be principal deferred and interest free for a period of time, at which point interest would be repayable on a pro rata basis depending on performance targets);
4. Royalty Agreements; or
5. Equity participation.

6 ON	Ontario Business Research Institute Tax Credit³⁶
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Objective

The Ontario Business Research Institute Tax Credit (OBRITC) is a refundable tax credit. It is available to a qualifying corporation that performs scientific research and experimental development (SR&ED) in Ontario under a contract with an eligible research institute (ERI). The Canada Revenue Agency (CRA) administers the program on behalf of Ontario through the federal income tax system.

Financing Details

The OBRITC provides a 20% credit for SR&ED expenses incurred in Ontario under an eligible contract with an ERI. Qualifying expenditures are capped at \$20 million annually. The maximum annual credit is \$4 million.

Small businesses may claim the OBRITC in addition to the Ontario Innovation Tax Credit³⁷.

³⁶ : <http://www.fin.gov.on.ca/en/credit/obritc/index.html>

³⁷ : <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/crprtns/prv/on/bsnssrsrch-eng.html>

7 ON	Ontario Innovation Tax Credit³⁸
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Objective

The Ontario Innovation Tax Credit (OITC) is a refundable tax credit. It is available to all corporations that perform scientific research and experimental development (SR&ED) in Ontario.

The Canada Revenue Agency (CRA) administers the program on behalf of Ontario through the federal income tax system.

The OITC is calculated as 10% of qualifying SR&ED expenses. Qualifying expenses are:

- 100% of current expenses and
- 40% of capital expenses

The maximum annual credit is \$300,000.

Eligibility

A qualifying corporation:

- has a permanent establishment in Ontario
- carries on SR&ED in Ontario during the year and
- is eligible to claim the investment tax credit under section 127 of the federal Income Tax Act.

³⁸ : <http://www.fin.gov.on.ca/en/credit/oitc/index.html>

8 ON	Ontario Research Fund³⁹
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Objective

The Ontario Research Fund (ORF) is a key part of the government's plan to support scientific excellence by supporting research that can be developed into innovative goods and services that will boost Ontario's economy. Through a commitment of \$730 million over four years, Ontario is providing talented researchers with the support they need to undertake cutting-edge research. The ORF is designed to provide Ontario's research community with one window for research funding.

ORF aims to keep Ontario's researchers at the leading-edge by supporting:

- the operational costs (direct and indirect) of genomics and gene-related research through its Ontario Research Fund - Global Leadership Round in Genomics & Life Sciences (GL²) Competition
- the operational costs (direct and indirect) of research through its Research Excellence program
- the operational costs (direct and indirect) of water and wastewater-related research through its Research Excellence Water Round
- the capital costs of research through its Research Infrastructure program
- operational costs (direct and indirect) of research in the Social Sciences, Arts and Humanities

³⁹ <http://www.mri.gov.on.ca/english/programs/ResearchFund.asp>

9 ON	Next Generation of Jobs Fund⁴⁰
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Objective

The Next Generation of Jobs Fund is a five-year initiative designed to stimulate economic growth and prosperity in Ontario while helping create the next generation of jobs.

At the time it was created, Ontario’s priorities were:

- Conquering disease through life sciences, biotechnology, advanced health technologies and pharmaceutical research
- Tackling climate change through bio-based, environmental, alternative energy and clean technologies
- Advancing the digital universe by leading the development of new, global digital media, information and communications technologies.

Support is available for high impact, large scale projects.

Eligibility

The fund is modeled after the \$500 million Ontario Automotive Strategy. Industry support for that program generated more than \$7 billion in total new automotive investments.

The Next Generation of Jobs Fund is to support a wide range of ‘new economy’ investment projects including:

- green auto research, parts production and assembly
- clean fuels research, development and commercialization
- environmental technologies, clean industries and bio-economy
- advanced health technologies
- digital media and information and communications technology
- pharmaceutical research and manufacturing
- financial services
- anchor investments to support cluster development (including the services sector)
- Investments that are uniquely advantageous to Ontario.

⁴⁰ <http://www.ontla.on.ca/library/repository/mon/22000/281885.pdf>

Financing Details

Support of 15% or more is available to companies making new investments that:

- help establish Ontario as a global leader in an emerging market
- projects over \$25 million or that secure at least 100 good jobs for Ontarians
- reduce greenhouse gas emissions in certain sectors
- build on existing expertise in areas in which Ontario has a strong research and commercialization base or create new expertise, and
- create synergies among researchers, industry and entrepreneurs.

10 ON	Strategic Jobs and Investment Fund⁴¹
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Objective

The SJIF is a discretionary grant and loan program designed to support leading-edge investments and jobs in Ontario. SJIF is interest to innovative companies that make anchor investments in Ontario that support cluster development and leading-edge initiatives that build long-term prosperity and global competitiveness.

This program focuses on four priority sectors:

- Clean/Green Technologies;
- Financial Services;
- Information and Communication Technology;
- Life Sciences.

Eligibility

- Investments or expansions must meet the project minimum threshold of \$10M of eligible costs or create 50 new high-value jobs.
- Projects must meet the project thresholds within five years.
- SJIF proposals will need to exhibit an innovation component and be within one of the four priority sectors.
- Where applicable, SJIF projects must be consistent with / supportive of Ontario's *Go Green Plan* by reducing energy consumption and carbon emissions.

⁴¹ http://www.ontariocanada.com/ontcan/1medt/econdev/en/ed_sjif_main_en.jsp

11 ON	Ontario Research and Development Tax Credit⁴²
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Objective

The Ontario Research and Development Tax Credit (ORDTC) is a non-refundable tax credit. It is available to corporations that carry out scientific research & experimental development (SR&ED) work in Ontario. The ORDTC replaced the Ontario SR&ED tax deduction for tax years ending after December 31, 2008.

The Canada Revenue Agency (CRA)⁴³ administers the program on behalf of Ontario through the federal income tax system.

Eligibility

Corporations that incur eligible expenses may claim the credit. An eligible expense must be:

- on account of SR&ED carried on at a permanent establishment in Ontario and
- a qualified expense in respect of SR&ED for purposes of the federal Investment Tax Credit.

Financing Details

The ORDTC provides a 4.5 per cent tax credit based on eligible SR&ED expenses carried out in Ontario. The credit may be used to reduce corporate income tax payable. Any unused credit may be:

- carried back three years to tax years ending after December 31, 2008 or
- carried forward 20 years.

⁴² : <http://www.fin.gov.on.ca/en/credit/ordtc/index.html>

⁴³ : <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/crprtns/prv/on/rd-eng.html>

12 ON	Research Infrastructure Program Overview⁴⁴⁴⁵
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Objective

The ORF-RI program is to ensure that Ontario’s publicly funded research institutions and their researchers continue to have competitive, state-of-the-art infrastructure to engage in world-leading research and technology development, and are able to leverage awards from the Canada Foundation for Innovation (CFI).

Eligibility

The program is open on a competitive basis to any Ontario research institution eligible to apply to the CFI under its Leading Edge Fund, New Initiatives Fund, Leaders Opportunity Fund or College-Industry Innovation Fund.

- Large Infrastructure Fund (LIF) – Strategic investments in institutional research facilities that bring together researchers from a range of disciplines, technology experts and industry partners to generate new ideas, stimulate technology development and support the growth of strong regional economies.
- Small Infrastructure Fund (SIF) – Investments to help attract, retain and develop leading researchers by supporting the acquisition and renewal of state-of-the-art research equipment at Ontario’s publicly funded research institutes.
- College-Industry Innovation Fund (CIIF) – enhances the capacity of Ontario’s colleges of applied arts and technology to support business innovation by providing them with state-of-the-art, industry-relevant research infrastructure to foster partnerships with the private sector in a specific area of institutional strategic priority.

ORF-RI funds the capital costs of acquiring, developing modernizing or leasing research infrastructure up to a maximum 40% of the total eligible costs. Research institutions are responsible for obtaining at least 60% from the CFI, any private funding partners, and its own resources.

⁴⁴ <http://www.mri.gov.on.ca/english/programs/orf/ri/program.asp>

⁴⁵ <http://www.mri.gov.on.ca/english/programs/orf/ri/documents/Ontario%20Research%20Fund%20-%20Research%20Infrastructure%20Projects.pdf>

13 ON	Ontario Exporters Fund - A component of the Global Growth Fund⁴⁶
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Objective

The Ontario Exporters Fund has been established to assist small and medium-sized enterprises (SMEs) to become export ready and help them gain/increase access to international export markets. The fund will be administered by the Ontario Chamber of Commerce (OCC) with the support and funding from the Ontario government. The Ontario Exporters Fund is intended to:

- Help SMEs better understand their export capacity and thereby improve their ability to access foreign markets
- Encourage SMEs to develop focused export market access strategies
- Assist businesses realize their export sales objectives

Eligibility⁴⁷

Eligible applicants must satisfy the following criteria:

- SMEs with a minimum of 5 employees to a maximum of 500 employees
- Have between \$1 million and \$20 million in sales
- Currently established and operating in Ontario
- Registered company (federally or provincially) for a minimum of two years
- Able to provide a reference from the International Trade Branch of the Ministry
- Be in one of the following priority sectors:
 - Advanced Manufacturing
 - Aerospace
 - Building Products and Construction
 - Clean Technology (including renewable energy, smart grid and environmental technologies)
 - Exportable Professional Services (e.g., Architecture, Engineering, Urban Planning)
 - ICT including Digital Media
 - Life Sciences
- Able to provide quotations for eligible costs included in the approved budget
- Able to provide completed audited financial statements signed by a Canadian Designated Accountant for the two most recent fiscal years

⁴⁶ <http://www.ontarioexporters.ca/home/>

⁴⁷ <http://www.ontarioexporters.ca/who-is-eligible/>

- Maintain an insurance policy for commercial general liability to an inclusive limit of no less than \$2 million per occurrence. This insurance policy must include products and completed operations, and contractual liability insurance
- Are in full compliance with all government laws and regulations
- Are not receiving any other contributions from public funds towards the activities contained in the funding application

Funded Activity:

Hiring an Export Manager

Funding will cover 50% of eligible costs associated with hiring an experienced Export Manager. The maximum grant amount for this activity is \$80,000.

To receive support to hire an Export Manager, companies must:

- Have total annual sales between \$1 million and \$20 million
- Have exports sales ranging from 10% to 50% of total annual sales

Quebec

1 QC	UNIQ Financing, Capital Assets⁴⁸	Financement UNIQ, Immobilisations
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Eligible Businesses

Most Québec based manufacturing sectors are eligible.

Eligible Projects

Most projects are eligible including:

- Purchase of machinery, office equipment or transportation equipment;
- Expansion, construction or modernization of a building;
- Business start-up;
- Entering a new market;
- Refinancing;
- Succession or business transfer via share acquisition.

Financing Details

- Term Loans
- Loan Guarantees (to repay the meet loss incurred by financial institutions the grant financing.
- Quasi-equity financing in the form of debentures or subordinated debt.

Terms and Conditions

- The minimum amount of financing from Investissement Québec is \$50,000.
- The financing may cover up to 100% of the project costs.
- The loan guarantee may cover up to 85% of the net loss.
- The maximum duration of the financial assistance is 20 years.
- Repayment of the capital amount may be deferred up to 24 months.
- Securities may be required.

⁴⁸ A government of Quebec program administered through Investissement Quebec
<http://www.investquebec.com/en/index.aspx?page=3035>

2 QC	UNIQ Financing, Working Capital⁴⁹	Financement UNIQ, Fonds de roulement
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Eligible Businesses

Québec based aerospace and other manufacturing sectors are eligible

Eligible Projects

Most projects are eligible including:

- Acquisition of intangible assets (trademarks, patents, etc.);
- Product or market development;
- Financing of a short-term financial commitment (line of credit, letter of guarantee);
- Working capital (due to growth of the business);
- Refinement and marketing of new or improved products or services;

Financing Details

- Our term loan is offered at a competitive market rate.
- Our loan guarantee is a guarantee to repay the net loss incurred by the financial institution that grants you a loan, line of credit, letter of credit or other short-term financial commitment.
- Our quasi-equity financing may be offered in the form of debentures or subordinated debt.

Terms and Conditions

- The minimum amount of financing from Investissement Québec is \$50,000.
- The financing may cover up to 100% of the project costs.
- The loan guarantee may cover up to 85% of the net loss.
- The maximum duration of the financial assistance is 10 years.
- Repayment of the capital amount may be deferred up to 12 months.
- Securities may be required.

⁴⁹ A government of Quebec program administered through Investissement Quebec
<http://www.investquebec.com/en/index.aspx?page=3034>

3 QC	UNIQ Financing of Refundable Tax Credits⁵⁰	Financement des crédits d'impôt remboursables
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Eligible Businesses

The business must be qualified for a refundable tax credit.
The business must demonstrate the unmistakable need for additional working capital.

Eligible Projects

Projects eligible for refundable tax credits pursuant to tax legislation.

Financing Details

A Loan or Loan Guarantee may be provided.

Terms and Conditions

- The minimum amount of the loan guarantee provided by Investissement Québec is \$50,000 for the SRED tax credits and \$20,000 for the other tax credits.
- The loan guarantee can cover up to 80% of the net loss.
- The maximum duration for financial assistance is 18 months.
- For loans granted by Investissement Québec, the amount provided may cover up to 75% of refundable tax credits for one fiscal year (two years in some exceptional cases).
- Repayment of the capital amount comes directly from the tax credits to be paid.
- The usual securities are required.

⁵⁰ A government of Quebec program administered through Investissement Quebec
<http://www.investquebec.com/en/index.aspx?page=3040>

4 QC	Financing of Refundable Tax Credits for Export Businesses⁵¹	Financement des crédits d'impôt remboursables pour les entreprises exportatrices
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Eligible Businesses

A business is eligible if:

- it carries out activities giving rise to refundable tax credits under the tax laws of Québec and Canada;
- its revenues from international exports are at least \$5 million or account for at least 15% of its total revenues;
- it is seeking to increase its export sales.

Financing Details

A loan guarantee may be provided, i.e., a repayment guarantee on the net loss of a loan granted by a financial institution.

Terms and Conditions

- The minimum amount of the loan guarantee provided by Investissement Québec to export businesses is \$50,000.
- The loan guarantee covers 85% of the net loss.
- The maximum duration of the financial assistance is two years.
- The maximum loan amount, \$500,000, provided by the financial institution can cover 85% of the cost of the project.
- Repayment of the capital amount comes directly from the tax credits to be paid.
- The usual securities are required.

⁵¹ A government of Quebec program administered through Investissement Quebec
<http://www.investquebec.com/en/index.aspx?page=3041>

5 QC	Workforce Training	Mesure de formation de la main-d'œuvre
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Two of Emploi-Québec’s workforce training programs may be of use to aerospace companies, the Labour Training Measure and the Apprenticeship initiative.

Labor Training Measure⁵²

Emploi-Québec can provide technical and/or financial assistance to identify training needs and evaluate the effectiveness of the training received. The training is expected to maintain worker employability and be transferable to increase mobility within the company.

Training examples:

- vocational training,
- refresher training for managers,

Financing Details

Assistance is negotiated based on the company’s financial situation. It can reach 50% of costs incurred.

Eligible Businesses

- private company,
- groups of private businesses,
- cooperative,
- not for profit organization,
- municipality,
- self-employed,
- community
- Band Council.

⁵² A Province of Quebec program administered by Emploi-Quebec
http://translate.googleusercontent.com/translate_c?hl=en&prev=/search%3Fq%3DMesure%2Bde%2Bformation%2Bde%2Bla%2Bmain-d%2527%25C5%2593uvre%26hl%3Den%26rlz%3D1W1GGLD_en%26biw%3D1177%26bih%3D674%26prmd%3Dimvns&rurl=translate.google.ca&sl=fr&u=http://emploiquebec.net/entreprises/formation/services-quebec/mesures.asp&usg=ALkJrhj5VTuIVs0TwnRXt9is_GCUm5qhAQ

Apprenticeship⁵³

The Apprenticeship Program In The Workplace

The more experienced employees in the workplace assist their colleagues on an individual and structured basis. A representative of Emploi-Québec plays a supporting role, monitoring, and coordinating throughout the process. Many of the projects lead to a certificate of qualification recorded in the registry of skills.

Financing Details

A tax credit is provided from the Quebec government to fund a portion of the expenses. The Department of Revenue determines eligibility.

⁵³ A Province of Quebec program developed by Emploi-Quebec
http://translate.googleusercontent.com/translate_c?hl=en&prev=/search%3Fq%3DMesure%2Bde%2Bformation%2Bde%2Bla%2Bmain-d%2527%25C5%2593uvre%26hl%3Den%26rlz%3D1W1GGLD_en%26biw%3D1177%26bih%3D674%26prmd%3Dimvns&rurl=translate.google.ca&sl=fr&u=http://emploiquebec.net/entreprises/formation/services-quebec/programmes.asp&usg=ALkJrhXoel-Ug0e88qt0Dg6pBmcS4UBkA

<p>6 QC</p>	<p>Validation Certificate for Precompetitive Research Consortiums⁵⁴</p>	<p>Visa pour les consortiums de recherche précompétitive</p>
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This is a tax measure aimed at companies conducting pre-tender research. It seeks to promote consortiums among companies so that they may enhance their science and technology expertise, reduce costs and share risks related to the complex pre-tender phase of R&D projects. Member companies of recognized research consortiums can obtain a refundable tax credit of up to 35% of the dues or fees reasonably attributable to scientific research and experimental development carried out by the consortium in Québec.

⁵⁴ <http://www.investquebec.com/en/index.aspx?page=1825>

<p>7 QC</p>	<p>A Tax Holiday for Foreign Researchers and Experts⁵⁵</p>	<p>Des avantages fiscaux pour les chercheurs et spécialistes étrangers</p>
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Foreign researchers employed by a company in Canada that does R&D in Québec benefit from a provincial tax holiday on their salary for five consecutive years. It is a declining tax holiday computed as follows: 100% of employment income the first two years, 75% the third year, 50% the fourth year and 25% the fifth year. This measure also applies to other foreign experts; e.g., managers working in innovative fields.

While not a direct financial benefit to aerospace companies, it can provide an indirect benefit.

⁵⁵ <http://www.investquebec.com/en/index.aspx?page=1825>

8 QC	CRIAQ⁵⁶	Le Consortium de recherche et d'innovation en aérospatiale au Québec (CRIAQ)
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Consortium for Research and Innovation in Aerospace in Québec (CRIAQ) is a non-profit organization established in 2002 with the financial support of the Québec government. Its mission is to increase the competitiveness of the aerospace industry, and enhance the collective knowledge base in aerospace through improved education and training of students.

5 Strategic Pillars

- *Collaborative Research*
 - To perform focused industry driven generic research projects;
- Innovation
 - To create novel concepts and processes that can be applied to future products in the aerospace industry; a particular emphasis is placed on management of the intellectual property;
- *Training Of A Highly Qualified Workforce*
 - To enhance the technical and professional skills for tomorrow's engineers;
- Promotion
 - To improve the visibility of aerospace design and research challenges to the scientific community and students;
- National and International Collaborations
 - To partner with Canadian, US and European programs with similar technology objectives.

In 2001, CRIAQ welcomes its first members: six companies, six universities and one research center listed below:

- | | | |
|-----------------------------|-----------------------------------|---|
| • Bell Helicopter Textron | • Pratt & Whitney Canada | • McGill University |
| • Bombardier Aerospace | • Concordia University | • Université de Sherbrooke |
| • CAE | • École de technologie supérieure | • Aerospace Manufacturing Technology Centre at the National Research Council Canada |
| • Esterline CMC Électronics | • École Polytechnique de Montréal | |
| • EMS Technologies | • Université Laval | |

The companies invested 25% of project costs and covered the consortium's operating costs which resulted in an important government subsidy.

⁵⁶ http://www.criq.aero/Pages/Detail/5975934504/10579844776/le_criq.html

Through the years, the Québec Government via its various programs (VRQ, FQRNT, MDEIE, SQRI, Fonds Vert) has supported the creation and the continued existence of the consortium. To complement provincial support, the Natural Sciences & Engineering Research Council of Canada (NSERC) also participates financially to the CRIAQ's projects. And, since 2003, Innovitech has been providing administrative support to CRIAQ.

9 QC	Investment Tax Credit⁵⁷	Crédit d'impôt à l'investissement
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A business that acquires new manufacturing and processing equipment before January 1, 2016 can receive this tax credit, which can vary between 5% and 40% depending on the region.

⁵⁷ http://www.finances.gouv.qc.ca/documents/bulletins/fr/BULFR_2009-8-f-b.pdf

10 QC	Regional Economic Intervention Fund (FIER)⁵⁸	Fonds d'intervention économique régional (FIER)
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The Regional Economic Intervention Fund (FIER) is a development fund designed to help companies obtain financing (equity or quasi-equity) at the start-up, development, succession and turnaround stages mainly in the regions.

The initial capitalization of the fund is mixed (public-private) and totals \$408 million drawn from the following sources:

- \$318 million from the Québec government, via a subsidiary of Investissement Québec, IQ FIER inc.;
- \$50 million from the Fonds de solidarité FTQ;
- \$25 million from Capital régional et coopératif Desjardins;
- \$15 million from Fondation (CSN).

This capitalization is augmented by private investments so that the FIER can reach \$682 million.

Components of the FIER

FIER-Regions

Regional investment funds are designed to help the capitalization of businesses in the start-up, development, succession and turnaround phases. These funds are managed by limited partnerships in which the regional community holds a majority.

- For each dollar invested by the private sector, the government injects \$2 (the total envelope of the funds can reach \$288 million).
- As an incentive measure, the government waives its right to the yield on its share of capital invested during a period of five years.
- The maximum assistance amount is \$750,000 per company, in the form of equity or quasi-equity, for a Fund with maximum subscribed capital of less than \$15 million.
- For Funds with maximum subscribed capital of \$15 million and more, the maximum investment is \$1 million.

⁵⁸ A government of Quebec program financed in part through Investissement Quebec
<http://www.investquebec.com/en/index.aspx?page=1771>

FIER Partners I.p.

The objective of the FIER Partners limited partnership is to support the creation of Sector Funds and Seed Investment Funds, in addition to Regional Development Fund.

Sector Fund

A fund consisting of venture capital designed to support a traditional, technology or emerging sector in certain fields of excellence in the regions.

- The capital outlay of the limited partnership is \$85 million.
- The capital outlay of FIER Partners in a sector development fund must not exceed \$10 million.
- For every \$2 invested by the private sector, FIER Partners injects \$1.
- Sector development funds must be created and managed in Québec.
- The fund can invest in every region of Québec.

Seed Investment Fund

A fund designed to satisfy the financing needs of seeding-stage technology companies.

- The capital outlay of the limited partnership must not exceed \$55 million.
- Participation in a seeding-stage fund cannot exceed \$25 million.
- For every \$1 invested by the private sector, FIER Partners injects up to \$1.
- The seed investment fund must be created and managed in Québec.

Regional Development Fund

A fund designed to support developmental, strategic and catalyst projects in the regions.

- The capital outlay of the limited partnership is \$30 million.
- The contribution of FIER Partners ranges from \$5 million to \$20 million per project.
- The total participation of the limited partnership in a developmental project must correspond to roughly 30%, but never exceed 50%, of the project's total non-secured financing.
- The fund is intended chiefly for projects in the regions.

11 QC	ESSOR: Feasibility Study for an Investment Project ⁵⁹	Programme ESSOR – Volet Étude de faisabilité d'un projet d'investissement
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Objective

Encourage investment projects for the introduction or expansion of businesses in Quebec.

Clientele

The program is to support for-profit businesses, cooperatives and social economy enterprises whose activities are similar to private companies in the following sectors:

- Manufacturing
- Software publishing
- Private research centers
- Environmental Services
- Tourism (subject to certain restrictions)

Projects

Eligible conducting feasibility studies to analyze or evaluate the technical or economic factors to support decisions to invest or expand businesses in Québec in the short term.

Studies related to planned investments may include:

- Market analysis;
- Evaluation process, technology and acquisition of intellectual property;
- Analysis of site selection and regulatory and legal framework.

Financing Details

- Financial assistance takes the form of a non-repayable contribution of up to 40% of eligible expenses; the amount of aid can reach a maximum of \$100,000 per project.

⁵⁹ A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation administered in partnership with Investissement Québec.
http://www.mdeie.gouv.qc.ca/objectifs/financement/achat-dequipement/page/programmes-14739/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=13&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=7380751471d8bec34b44d58ef381e93b&tx_igaffichagepages_pi1%5BparentPid%5D=14738

12 QC	ESSOR: Support for Investment Projects⁶⁰	Programme ESSOR – Volet Appui aux projets d’investissement
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Objective

This program is administered jointly by Investissement Québec and the Ministère du Développement économique, de l'Innovation et de l'Exportation.

Eligible Businesses

This program targets for-profit companies, cooperatives and social economy companies with activities similar to those of private for-profit companies in the following sectors:

- manufacturing;
- software publishing;
- private research centres;
- environmental services;
- Tourism (subject to certain restrictions).

Eligible Projects

- Capital asset projects with eligible expenditures of \$250,000¹ and over, including:
 - investment projects aiming to create a new business or expand (or modernize) an existing business;
 - projects involving the implementation of a process to provide a service or the establishment of a manufacturing facility leveraging a proven green technology developed in Québec;
 - projects to construct, adapt, expand or acquire a building in order to create new research and development (R&D) facilities for active research businesses that do not own research facilities and for those that carry out research in Québec in facilities that they own.
- Projects that do not involve capital asset expenditures but for which the cumulative increase in payroll over the first three years following the project start date is \$2million or more.

⁶⁰ A Program of the Province of Quebec’s Ministry of Développement économique, Innovation et Exportation administered in partnership with Investissement Québec.
http://www.mdeie.gouv.qc.ca/objectifs/financement/achat-dequipement/page/programmes-14740/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=13&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=31b17305e3de0b099884b00e6b279489&tx_igaffichagepages_pi1%5BparentPid%5D=14738

Special Requirements

- Projects must be completed within three years and must not have a negative impact on existing businesses.
- Projects must contribute to maintaining or creating jobs.
- The assistance must complement private financing sources and other regular government programs.

Financing Details

Loans, interest free loans or loan guarantees may be provided.

Terms and Conditions—Investment Project

- The loan guarantee may cover up to 70% of the net loss.
- The maximum term of the financial assistance is 10 years.
- Financial assistance granted by governments may not exceed 50% of the total project cost. However, it may amount to 55% in the case of projects carried out in the Bas-Saint-Laurent region and 60% in the case of projects carried out in remote regions (Abitibi-Témiscamingue, Côte-Nord, Nord-du-Québec and Gaspésie-Îles-de-la-Madeleine).
- Repayment of the principal may be deferred in some conditions.

13 QC	Program To Support The Recovery And Retention Of Strategic Enterprises And Territories In Difficulty⁶¹	Programme d'appui au redressement et à la rétention d'entreprises stratégiques et aux territoires en difficulté
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Objectives

This program aims to maintain, consolidate or revive companies as well as to support economic diversification in areas designated through the *Fonds d'aide aux municipalités monoindustrielles* (FAMM).

Eligible Clientele

This component will address:

- businesses operating in Quebec;
- non-profit organizations involved in economic development.

Eligible Projects

Eligible projects include:

- feasibility studies;
- capital projects for recovery, modernization, or expansion of a business.

Financing Details

Non-repayable contributions of up to 50% - 70% of eligible expenses.

⁶¹ A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation http://www.mdeie.gouv.qc.ca/objectifs/financement/demarrage/page/programmes-14837/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=11&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=b1885d7975d627ea120cda21904841a214837/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=11&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=b1885d7975d627ea120cda21904841a2

14 QC	Export Program⁶²	Programme Exportation
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Objective

Support Québec companies develop and diversify activities in foreign markets:

- encourage Quebec businesses to adopt a structured approach to exporting
- persevere in emerging markets;
- encourage partnerships between Quebec and foreign companies, and become and become part of global value chains.

Eligible Clients

- Businesses operating in Quebec not-for-profit organizations promoting international trade;
- education networks and academic institutions in Quebec.

Eligible Projects and Activities

- study of markets outside Québec;
- business planning and marketing outside Québec
- prospecting missions;
- trade shows (visitor or exhibitor);
- negotiation of partnerships and alliances with foreign partners;
- use of an incubator service internationally;
- hiring a specialist in international affairs;
- International bid support.

Financing Details

- Financial assistance is provided as a grant.
- Business subsidies may reach 40% up to a maximum of \$100,000 per project.
- Businesses hiring a specialist in international affairs could receive up to \$20,000.
- Non-profits could get as much as 50% of eligible expenses up to \$500,000 per year.

⁶²A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation http://www.mdeie.gouv.qc.ca/objectifs/financement/exportation/page/programmes-14201/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=21&tx_igaffichag epages_pi1%5BcurrentCat%5D=&cHash=0d8db794d8721b96cc28f2e423b03c1c

Eligible Expenses

- professional fees;
- costs of studies;
- the costs related to hiring a specialist in international affairs.

15 QC	Program to Support Innovation (PAI) Volet I – Support for Technology Start-up Project⁶³	Programme d'appui à l'innovation (PAI) Volet I – Soutien aux entreprises technologiques en démarrage
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Objectives

Volet I has the following objectives:

- Support technology start-ups;
- Facilitate access to specialized support services provided by technology incubators for business.

Eligible Clientele

This component is aimed at technology companies created from the results of public or private research which are in the start-up phase.

The company must meet the following conditions:

- be less than 50% owned by other existing businesses and not have been created through a merger, restructuring, an extension of existing activities or resumption of such activities;
- have the rights to use intellectual property of its product or its process and not to have made sales;
- have devoted a substantial portion of its resources to the design and development of its product or its process;
- during the proof of concept phase, commercialization potential must have been demonstrated, the involvement of a venture capital fund or other private funding source should have been confirmed and the main promoter of the company must work full time on the project.

Eligible Projects

In the incubation phase, a number of support services are eligible:

- developing the business plan
- consolidation of the management team of the company,

⁶³ A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation http://www.mdeie.gouv.qc.ca/objectifs/financement/r-d-et-innovation/page/programmes-14653/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=27&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=8ed8a1c911ed3d2d898e46c124d126af&tx_igaffichagepages_pi1%5BparentPid%5D=14654

- consolidation of intellectual property,
- assistance in seeking funding and establishing a business network.

At the start-up phase, establishing the operational structure as well as financial and commercial business arrangements are eligible, including:

- hiring a management team;
- the location of the company in an office;
- the maintenance and strengthening of intellectual property rights;
- the preparation of a subsequent round of financing after start-up;
- any other activity related to the implementing an operational, financial and commercial structure for the business.

Eligible Expenses

The following expenses are eligible:

- For the projects of incubation, the professional fees incurred by the company for services rendered by an incubator for technology companies. The incubation period may extend over a maximum period of 36 months.
- For start-up projects, over a maximum period of 18 months:
 - costs associated with hiring and remuneration of the management team;
 - the rent for establishing the office of the company;
 - costs of protecting intellectual property;
 - Professional fees for consultants.

Exclusions

The following expenses are ineligible:

- expenses related to rental of office or laboratory, other than the rent for the location of the office of the company;
- expenses related to lease or purchase equipment

Financing Details

Financial assistance takes the form of a non-refundable contribution:

- for incubation projects, the support may reach 80% of eligible expenses up to a ceiling of \$40,000 per company over a period not exceeding 36 months;
- for start-up projects, the support may reach 50% of eligible expenses up to a ceiling of \$300,000 per company for a maximum period of 18 months.

16 QC	Program To Support Innovation (PAI) Volet II - Support For Technological Innovation In Enterprises⁶⁴	Programme d'appui à l'innovation (PAI) Volet II — Soutien à l'innovation technologique dans les entreprises
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Objectives

The program objectives are defined as follows:

- support companies in developing and marketing new products or innovative processes using technology;
- support the development and commercialization of processes and technologies that can mitigate and remedy the damage related to water, air and soil, or solve problems related to waste management.

Eligible Clientele

The program is aimed at businesses, including cooperatives and social economy enterprises, operating in Quebec. It targets, enterprises with 200 or fewer employees.

All economic sectors are eligible, with the exception of the following sectors:

- Primary;
- Wholesale trade (excluding distribution centers in value);
- Retail trade;
- Personal services;
- Accommodation and food services.

Eligible Projects

The project must include:

- development, demonstration or marketing a new product or process; or
- significant improvement of existing product or process.

The project must also:

- involve the innovative use of technology in a product or a process compared to previous processes or products;

⁶⁴ A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation
http://www.mdeie.gouv.qc.ca/objectifs/financement/r-d-et-innovation/page/programmes-14283/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=27&tx_igaffichagepages_pi1%5BcurrentCat%5D=&tx_igaffichagepages_pi1%5BparentPid%5D=14654&cHash=8ed8a1c911ed3d2d898e46c124d126af

- provide the company a clear technological and competitive advantage in its industry relative to its competitors;
- meet at least one of the following objectives:
 - replace products whose useful life has ended;
 - extend the product range;
 - maintain or increase market share;
 - open new markets;
 - enable increased productivity;
 - reduce environmental damage.

The project must consider environmental criteria throughout the process.

The funding will support the company in one or more stages of the implementation of its action plan, from project planning to product development and commercialization.

Financing Details

- Financial assistance takes the form of a non-repayable contribution of up to 40% of eligible expenses.
- The total financial assistance for a project is limited to a maximum of \$400,000; including a limit of \$ 100 000 to complete the studies necessary for project planning or development of a marketing plan.
- However, financial assistance for conducting a demonstration project for green technology in actual operation may reach \$ 1,000,000.

Eligible Expenditures

- professional fees for specialized services;
- the direct costs of labour assigned to the project;
- direct expenses such as:
 - equipment,
 - equipment and inventory,
 - movement;
- costs for obtaining intellectual property or rights to acquire or license intellectual property.

17 QC	Program To Support Research (PSR) ⁶⁵	Programme de soutien à la recherche (PSR)
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This program aims to support projects or initiatives in research and innovation, but is subject to funds available Eligible Businesses

The following are eligible:

- non-profit organizations involved in research, innovation, promotion and dissemination of science and technology;
- research institutions and networks of health and education;
- the public research institutions;
- companies, primarily those with fewer than 250 employees and with assets not exceeding \$ 50 million, participating in strategic alliances or international consortia of research and innovation are also eligible.

Volets

Volet I Program To Support Research (PSR) / Support for research projects or organizations and strategic groups research

- aims to promote the structuring initiatives to support the development of research.

Volet II Program To Support Research (PSR) / Support for research infrastructure funding

- aims at supporting the modernization, acquisition and development of research infrastructures.

Volet III Program To Support Research (PSR) / Support for international research initiatives and innovation (SIIRI)

- aims to increase the participation of companies and strategic alliances in international consortia of research and innovation.

⁶⁵ A Program of the Province of Quebec’s Ministry of Développement économique, Innovation et Exportation http://www.mdeie.gouv.qc.ca/objectifs/financement/r-d-et-innovation/page/programmes-9640/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=27&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=907a8b673bcc8f2abe3cbef78a3e0c7e

Program To Support Research (PSR)

Volet I - Support for research projects or organizations and strategic groups research⁶⁶

Eligible Projects

Structuring initiatives to support the development of research which, among other things:

- projects or activities aimed at promoting research in laboratories or centers within sectors, niches or sectors with high potential for economic, social and cultural development;
- projects to encourage the creation, development or strengthening of partnerships or research networks involving academic, institutional and industrial;
- projects or research activities involving major priority or, where applicable, the federal government or that of another province;
- support to research organizations or research funding.

Projects already supported by other Quebec granting agencies as part of their regular programs may not be eligible for this program component.

Eligible Expenses

Only eligible expenses directly related to the project or activities, in accordance with the grant agreement binding the applicant organization and MDEIE.

No expenditure may be eligible to the extent that it is reasonable in the circumstances. The applicant must provide all relevant information in the financial plan of the project or activity.

⁶⁶ A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation
http://www.mdeie.gouv.qc.ca/objectifs/financement/r-d-et-innovation/page/programmes-9640/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=27&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=907a8b673bcc8f2abe3cbef78a3e0c7e

**Program To Support Research (PSR)
Volet II - Support for research infrastructure funding⁶⁷**

Eligible Projects And Expenses

- The refurbishing, expansion, renovation and construction of infrastructure, the acquisition of an existing building and the acquisition of equipment necessary for research, innovation, and promotion and dissemination of research with eligible expenditure of at least \$100,000.

The Ministry of Economic Development, Innovation and Export Trade (MDEIE) require that all major construction projects and renovation comply with the standard of LEED Silver sustainable development.

- The incremental operating and maintenance directly related to the use of infrastructure has been the subject of financial assistance under this component.

To be eligible, costs must be necessary, reasonable, justifiable and directly attributable to the implementation of activities consistent with program objectives. The details of eligible expenses are determined by the Department in calculating the grant.

Once the project is completed, if the actual eligible expenditures are lower than anticipated, the Department will revise downward the amount of the grant announced, taking into account the percentage of the contribution determined at the time of the announcement Grant.

No cost overruns of approved projects will be accepted for additional financial assistance.

- Examples of eligible expenses: Cost of construction and renovation, purchase of premises, professional fees, preparatory studies, costs of preparing plans and specifications, financing fees and acquisition of equipment for research, operating costs and infrastructure maintenance.
- Examples of ineligible expenses: internal salaries, land purchase, operating costs and maintenance costs of equipment, purchase of office supplies, and expenses incurred before the signing of the agreement.

⁶⁷ A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation http://www.mdeie.gouv.qc.ca/objectifs/financement/r-d-et-innovation/page/programmes-9640/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=27&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=907a8b673bcc8f2abe3cbef78a3e0c7e

Financing Details

The assistance is in the form of a non-repayable contribution of up to 80% of eligible expenses. The Total government funding (federal, provincial and municipal) cannot exceed 80%. MDEIE requires the applicant to demonstrate that it has made efforts to obtain financing, not only with other government agencies, such as the Canada Foundation for Innovation, but also from private partners.

Program To Support Research (PSR)

Volet III - Support for international research initiatives and innovation (SIIRI) ⁶⁸

This program aims to increase international partnerships by supporting strategic research and innovation initiatives within the international research community.

It is designed for companies and nonprofit organizations working in different areas of research and innovation or the dissemination of science and technology as well as for public research institutions and international networks and consortia.

Call for Proposals

The core of the program uses the approach of a call for proposals comprising a two step process. The first step requires applicants to respond to the call, effectively outlining the project intent in a prescribed fashion. This is utilized to establish eligibility. If eligibility is established the applicant will be invited to provide added information as part of the second step.

Eligible Sectors

The sectors of the health sciences, natural sciences, engineering, social sciences and humanities and arts and humanities are eligible as part of the regular call for proposals.

Eligible Expenditures Financing Details

In general, financial aid varies depending on the type of project but does not exceed 50% of eligible expenses related to the activities of the Quebec portion of the project.

Depending on the type of project, eligible expenses may include:

- living expenses and travel abroad by Québec researchers;
- student scholarships;
- salary costs of staff engaged in research and development for the project;
- fees of consultants and subcontractors;
- the rental or purchase of new equipment useful to the project;
- costs associated with protection of intellectual property.

⁶⁸ A Program of the Province of Quebec's Ministry of Développement économique, Innovation et Exportation
http://www.mdeie.gouv.qc.ca/objectifs/financement/r-d-et-innovation/page/programmes-9640/?tx_igaffichagepages_pi1%5Bmode%5D=single&tx_igaffichagepages_pi1%5BbackPid%5D=27&tx_igaffichagepages_pi1%5BcurrentCat%5D=&cHash=907a8b673bcc8f2abe3cbef78a3e0c7e

18 QC	The SA²GE Project⁶⁹ (Systèmes Aéronautiques d'avant-Garde pour l'Environnement)
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Objective

The Coalition for Greener Aircraft is an association of specialists in the field of aeronautics who have come together with the common goal of designing environmentally-friendly parts and systems for the aviation industry. SA²GE was initially the brainchild of the strategic committee at CRIAQ (Consortium for Research and Innovation in Aerospace in Quebec), who then shared the idea with the center for innovation at Aero Montreal.

SA²GE brings together and mobilizes numerous enterprises and research units around the technologies which will drive the industries of the future.

Currently the SA²GE project is made up of 5 sub-projects involving 6 experts in the field of aviation:

Industrial leaders	Sub-projects
<ul style="list-style-type: none"> • Bell Helicopter Textron Canada • Bombardier • Esterline CMC Electronic • Heroux Devtek • Pratt Whitney Canada • Thales Canada 	<ul style="list-style-type: none"> Aircraft composite fuselage structures Integrated avionics for cockpit applications Landing gear of the future Next generation compressor Integrated modular avionics for critical systems

Eligibility

Major developmental projects are comprised of a number of results-oriented activities implemented by several partners (businesses, research centers, universities, etc.) yet led primarily by industry leaders and the users. Projects significantly benefit Quebec's economy, contributing to quality of life and developing a critical mass of world-class researchers and innovators. The objective is to bring the various players in the Quebec innovation system together, working synergistically on projects designed to spur the economic benefits of promising research.

Financing Details

- Budget: \$150 million (\$70 million comes from the provincial government and \$80 millions from the industry)

⁶⁹ <http://www.sa2ge.org/index.php/en/about-us/project>

New Brunswick

1 NB	Technology Adoption and Commercialization Program⁷⁰
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Objective

The Technology Adoption and Commercialization Program (TAC) is intended to encourage the adoption of improved technologies and processes by offsetting some of the direct costs associated with identifying and securing such technologies and processes.

Eligibility

Eligible sectors include:

- Manufacturing and processing
- information and communication technology (knowledge industry)
- Bio-science
- Other sectors with "first of its kind" exportable services may be considered

The project will be given priority if it falls under the following strategic priorities:

- Advanced learning
- Bio-science
- Health
- Energy
- Aerospace/defence/security

Financing Details

Get financial assistance up to a maximum of \$15,000 to address some of the direct costs associated with identifying and securing improved technologies and processes.

Assistance is available for up to 40% of eligible costs and other limitations apply. Assistance limited to up to 40% of eligible costs, to a maximum of \$15,000.

⁷⁰ <http://www.canadabusiness.ca/eng/program/2250/sgc-13/tof-186-180-183-182-185-184/>

2 NB	New Brunswick- Small Business Investor Tax Credit Program⁷¹
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Program Objective

- Provide an important source of capital by increasing access to equity financing for New Brunswick small businesses.
- Encourage investment by New Brunswick residents in New Brunswick small businesses.

Program Description

- The New Brunswick Small Business Investor Tax Credit provides a 30% non-refundable personal income tax credit of up to \$75,000 per year (for investments of up to \$250,000 per investor) to eligible investors who invest in eligible small businesses in the province.
- In the event that an investor cannot use the entire Small Business Investor Tax Credit amount in a given year, the tax credit can be carried forward seven years or back three years.

Eligibility

All business sectors in New Brunswick will be eligible to participate.

To register in the Small Business Investor Tax Credit program, the corporation must meet the following criteria:

- the corporation must be a private company incorporated or registered to carry on business in New Brunswick
- the corporation must have net tangible assets less than \$40 million
- all, or substantially all, of the corporation’s assets and income must be used to generate active business income in New Brunswick
- the corporation must pay, in each of the four years after the date of registration, at least 75% of its wages and salaries to individuals who are residents of New Brunswick
- The corporation will raise capital of not less than \$10,000
- The minimum number of investors is three

⁷¹<http://www.gnb.ca/0162/tax/sbitc/smallbusiness.asp>

Investor Eligibility

- The total investment by an investor shall be not less than \$1,000
- The maximum annual investment for which a tax credit certificate will be issued to an investor under this program is \$250,000

Financing Details

An investment may be made within the first 60 days of a calendar year and may be claimed as a tax credit in the prior taxation year.

The tax credit is 30% of the investment up to the maximum annual tax credit per investor of \$75,000.

The credit is not refundable but may be carried forward for seven years or carried back three years.

3 NB	Trade Assistance Program (TAP)⁷²
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Objective

The Trade Assistance Program supports New Brunswick companies in exporting and developing new export markets outside of the Maritime Provinces (NB, NS, PEI).

Eligibility

Activities funded under the program must be strategic to the development of the applicant’s exports, and will be evaluated for eligibility based on that (as well as other) criteria.

Companies must process, manufacture or produce an exportable product, service, technology or intellectual property of a business to business nature.

Costs associates with market reconnaissance, trade shows and business to business conferences, outbound missions, and after sales follow-up are eligible.

Financing Details

- Maximum assistance offered is \$5,000 CDN per project.
- Maximum assistance per company is \$5,000 CDN each fiscal year (April 1 - March 31). Special consideration for up to \$2,500 CDN in additional assistance may be given for activities outside North America.
- Companies will be eligible for two (2) TAPs within the same market area and same activity. Special consideration for one (1) additional TAP may be given for activities outside North America.
- Funding assistance will be to a maximum of 50% of eligible costs.
- Professional services must be arms’ length; in-house expertise is ineligible.
- Maximum number of per diem days is ten (10); travel days are ineligible.
- A per diem allowance to cover accommodations, in-market travel and meals expenses will apply.

⁷² http://www2.gnb.ca/content/gnb/en/services/services_renderer.10296.html

4 NB	NB Growth Program⁷³
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Objective

The objectives of the NB Growth Program (NBGP) are to create sustainable employment opportunities in New Brunswick by financially stimulating small businesses to pursue opportunities within targeted sectors of the economy and to stimulate capital investment for small business start-up, expansion, diversification, innovation, and productivity improvement.

Eligibility

Eligible businesses are those private sector businesses as listed below:

- manufacturing and processing industries
- information technology related industries
- full-time tourism activity/service operations offering services and/or activities specifically targeted at the tourism market which are consistent with the objectives of the Department of Culture, Tourism and Healthy Living (if seasonal, such businesses must operate full time throughout an annual operating season of not less than 90 consecutive days)
- commercial (i.e. business to business) service sector firms which are primarily engaged in export oriented or import replacement activity
- cultural enterprises, which for the purposes of this program are defined as film and video production, performing arts businesses, music and sound recording and production services, book and periodical publishing (excluding the publication of news periodicals), and craft production

To be eligible, businesses must:

- propose to operate on a full-time year-round basis (with the exception of seasonal tourism businesses which must operate full-time throughout an annual operating season of not less than 90 consecutive days)
- be ready to undertake commercial operations or be at an advanced stage of development
- be establishing, expanding, diversifying, or improving competitiveness with eligible capital costs of less than \$500,000 (In addition, the most recent annual sales levels of

⁷³ http://www2.gnb.ca/content/gnb/en/services/services_renderer.200534.html

existing businesses undertaking expansion, diversification or competitiveness projects must be less than \$5,000,000.)

Eligible Costs

- Eligible capital costs must be not less than \$5,000 and not more than \$500,000. Eligible capital costs are initial “one-time” licensing/franchise fees and capital costs associated with the establishment or expansion/diversification of those eligible businesses or related to improving the productivity or competitiveness of those businesses. Eligible capital costs exclude the purchase of land, motorized vehicles licensed for highway use, goodwill, contributed assets, or the portion of the cost of any asset that exceeds fair market value or relates to ineligible activities.
- Eligible salary costs are the initial year gross salaries of full-time (i.e. 35 hrs/week) positions which are newly created by eligible businesses and which relate solely to the activities of an eligible business. Note that the portion of any annual salary in excess of \$30,000 is ineligible for consideration, and therefore the maximum salary-based assistance level is \$15,000 per “year-round” position for start-up projects and \$9,000 per “year-round” position for expansion/ diversification projects. For eligible seasonal tourism operations, the position must provide at least 90 consecutive days of full-time employment and provide a monthly gross salary of at least \$1,600. For such positions, the portion of the monthly salary in excess of \$2,500 is ineligible for consideration. For all other eligible businesses, the position must provide at least 365 consecutive days of permanent employment and an annual gross salary of at least \$20,000.

Financing Details

Levels and Types of Assistance

- For establishment-non-repayable contributions of up to \$100,000 can be made relating to the establishment of “year-round” eligible businesses based on 50% of eligible costs, up to a maximum of \$15,000 per new full-time year-round job created.
- For expansion, diversification or productivity improvement-non-repayable contributions of up to \$60,000 can be made relating to the expansion, diversification, or improvement in the productivity or competitiveness of “year-round” eligible businesses, based on 30% of eligible costs.

5 NB	Financial Assistance to Industry Program (FAIP)⁷⁴
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Objective

The purpose of the assistance is to provide adequate funding for capital expenditures and working capital to enable the establishment, expansion, or maintenance of eligible industries. The assistance may be provided in the form of a loan guarantee or direct loan.

Eligibility

- Eligible industries include manufacturing and processing companies, selected commercial service firms (business to business with focus on export activity or import displacement), full-time tourism operations (consistent with the tourism strategy), and information technology companies (consistent with the information technology strategy).
- The operation must be located in New Brunswick.
Applicant must be able to provide a satisfactory level of equity.
Applicant must have attempted to obtain the required financing from conventional sources such as banks or financial institutions.
- Applicant must be able to provide adequate security, normally in the form of a first fixed charge on real property, machinery and equipment or an assignment of inventory and accounts receivable.

Financing Details

A direct loan or loan guarantee can benefit a business seeking to start-up operations in New Brunswick or expand an existing facility by enabling it to increase its borrowing capacity. Applicants seeking a loan will be required to demonstrate through submission of a comprehensive Business Plan, that the project is viable, will contribute to the economic growth of New Brunswick and that the company has the financial capacity to repay its loan according to the Terms and Conditions and within the prescribed time period. Additionally, the applicant will be required to demonstrate that the required funding would not otherwise be available on reasonable terms and conditions.

A guarantee is made on a loan or a portion of a loan that is made to a business by a financial institution. The lending institution administers the loan and holds the security. Loan guarantees

⁷⁴ http://www2.gnb.ca/content/gnb/en/services/services_renderer.200979.html

may generally be used for purposes of increasing working capital borrowing ability, but may also be used to secure term debt for working capital or capital expansion purposes.

6 NB	Small and Medium Industrial Program⁷⁵
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Objective

The Small and Medium Industrial Program⁷⁶ aims to assist eligible New Brunswick industrial organizations to improve their competitiveness, productivity, and environmental performance through the implementation of energy efficiency improvements.

Eligibility

The Program is generally open to organizations that operate an industrial facility in New Brunswick spends over \$300,000 on energy (all fuels) and uses at least 50% of it for processing operations.

Two main types of studies are supported by the Small and Medium Industrial Program:

- **Opportunity Identification Study:** An audit aimed at understanding energy usage and at identifying and determining the preliminary feasibility potential energy efficiency project opportunities within a facility
- **Business Case:** A detailed feasibility assessment undertaken to build an investment-grade business case for the implementation of energy efficiency capital projects

Capital projects are considered for eligibility if they result in the following types of benefits:

- Measurable, sustainable energy efficiency or fuel substitution performance improvement;
- Reduced energy intensity; and/or
- Decreased greenhouse gas (GHG) emissions

Financial Details

Efficiency NB provides financial incentives to assist Industry to identify and develop business cases for single or multiple Projects and to offset the capital costs of implementing Eligible Projects.

- Funding is based upon predicted energy saved.
- \$20/GJ (\$0.07 per kWh) saved to a maximum of \$50,000

⁷⁵ <http://www.canadabusiness.ca/eng/program/2253/sgc-13/tof-186-180-183-182-185-184/>

⁷⁶ <http://www.energycynb.ca/industry/small-and-medium-industrial-program.html>

Nova Scotia

1 NS	Aerospace and Defence Loan Program⁷⁷
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Objectives

The province is supporting the Aerospace and Defence sector by providing repayable loans for non-recurring costs associated with attracting new contracts. The objectives of the Aerospace and Defence Loan Program are to:

- increase job opportunities;
- make Nova Scotia companies more globally competitive;
- develop new technologies and innovations;
- help Nova Scotia companies gain access to new markets;
- develop the aerospace and defence sector within Nova Scotia;
- foster and develop small suppliers;
- sustain current businesses located in Nova Scotia;
- maintain Nova Scotia's highly qualified workforce;
- support advanced training and workforce development;
- enhance the economic sustainability of the aerospace and defence sector; and
- expand aerospace and defence related supplier and service capacity into export markets.

Eligibility

This loan program is limited to aerospace and defence companies and their suppliers. The business must be a registered company in good standing under the Nova Scotia Corporations Act or the Canadian Business Corporations Act and must:

- demonstrate the management and financial capacity required to complete the project;
- demonstrate the ability and management capacity to execute its business/project plan; and
- contribute to the growth of the aerospace and defence sector through direct and indirect benefits.

The project must:

- represent additional or incremental work for the company; and
- generate incremental local employment and revenue.

⁷⁷ <http://www.gov.ns.ca/econ/aerospace-defence-loan-program/>

Eligible costs

- Engineering and design - engineering time costs, consulting, sub-contracts and third party consulting, program specific software, hardware;
- Program management - labour specialized services, travel and location costs;
- Qualifications and certifications - labour, training, third party program support, testing, validation, analysis and computational modelling;
- Research and development - intellectual property, costs associated with developing and proving products, prototypes, digital program costs; and
- Tooling, equipment and machinery - program specific capital expenditures deemed critical to the success of the project and not recurring.

Financing Details

Generally, projects should represent at least \$100,000 of the total investment. The fund provides support in the form of repayable, interest-bearing loans. The loan will be repaid based on the success of the program/project as the products are delivered to market. A provision of security will be obtained for each loan.

This is a one-time allocation of funds through the Industrial Expansion Fund. The province recently announced that a new modern fund will be created to replace it. During the transition period to the new fund, all investment proposals will continue to be considered on their merits.

2 NS	Productivity and Innovation Voucher Program⁷⁸
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Objective

A "productivity and innovation voucher" which is a credit note, can be used by small and medium-sized enterprises (SMEs) to acquire direct assistance from Nova Scotia Universities and Colleges to help make their business more innovative and productive.

Eligibility

All businesses currently operating in Nova Scotia provided:

- they are registered as a business to operate in Nova Scotia;
- part, or all, of the their workforce currently resides in Nova Scotia;
- they have less than 100 employees at the time of their application;
- the service they require is offered by at least one eligible service provider.

Projects must clearly demonstrate the potential to contribute to the development of a new, high value-added product, service or process.

Eligible Service areas include:

- applied research
- Industrial/process engineering services
- scientific/technology related advice and support
- proof of concept, field testing, product evaluation and certification
- prototyping
- product design
- feasibility studies necessary to help move a new, innovative product or service to market
- eco-efficiency audits

⁷⁸ <http://www.gov.ns.ca/econ/pnivouchers/>

3 NS	Nova Scotia Small Business Financing Program⁷⁹
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Objective

Through an exclusive partnership with the provincial government and the Nova Scotia Co-operative Council, credit unions can deliver better financial assistance to establish new business, grow existing business.

Eligibility

Residents of Nova Scotia who wish to start a small business and companies or co-operatives in the province who intend to grow their business. All types of business are eligible, except residential and commercial real estate, beverage rooms and taverns.

The program can cover loans for working capital or lines of credit. However, if there are any weaknesses in the business plan, the credit union may request a business mentor as a condition of the loan. The Nova Scotia Co-operative Council, will find a suitable mentor.

Financing Details

This program is available exclusively through credit unions in Nova Scotia. They will evaluate loan requests by following regular credit lending criteria. This will include an assessment of net worth. The maximum that can be borrowed is \$500,000.

If the application does not fit normal lending criteria, but the credit union feels the business has potential for success, the credit union can apply for a loan guarantee to offset their risk. The maximum amount of the loan guarantee in most cases will be 75 per cent of the loan value, up to \$500,000.

The terms and conditions of the loan will be negotiated with the credit union. The maximum term under this program is ten years.

⁷⁹ <https://www.cua.com/Home/ProductsAndServices/YourBusiness/SmallBusinessFinancingProgram/NS/>

4 NS	ExportAbility Program⁸⁰
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Objective

The ExportAbility Program is designed to provide funding to ensure that Nova Scotia small and medium-sized enterprises (SMEs) are equipped with the skills they need to become export savvy. The program supports continuing professional development in the practice of international trade.

Eligibility

Eligible projects should promote a practical understanding of the steps involved in international trade and focus on addressing the needs of working professionals.

Guidelines

- Applicants are to submit a letter of request to the program administrator.
- included in the letter should be: applicant contact information; a brief summary of the course or training program for which funding is being pursued; funding request; and a description of the course benefits and how it will support the exporting endeavours within your organization.
- A decision can normally be expected within 10 to 15 working days.
- All disbursements under the program are made on a reimbursement basis for direct costs incurred (advances are not provided). In addition to the claim form, the program administrator will require copies of a paid invoice and course certificate to process payment.
- Wherever possible, disbursements will be requisitioned within two weeks of receiving an acceptable claim.

⁸⁰ <http://www.gov.ns.ca/econ/trade/ExportAbility/>

5 NS	Go-Ahead Program (GAP)⁸¹
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Objective

The Go-Ahead Program (GAP) provides support to SMEs in Nova Scotia to develop export sales outside the Maritime Provinces. The program will help cover the costs of follow-up market visits to prospects identified or pursued during a previous provincial government or export agency initiative, including trade missions, shows or conferences.

GAP is a highly focused program that will help all new and existing SME exporters meet the specific challenges they face. The Program is funded by the Nova Scotia Department of Economic and Rural Development and administered by Nova Scotia Business Inc. It is supported by all provincial departments and agencies with a mandate for trade.

Eligibility

The Go-Ahead Program (GAP) is open to Nova Scotia-based companies and organizations including: incorporated businesses, partnerships, proprietorships, or educational institutions based in Nova Scotia.

To be eligible, applicants must clearly demonstrate:

- They possess, manufacture, or produce an authentic exportable product or service, technology, or intellectual property
- They have sufficient management and marketing capability to pursue the opportunity, as well as sufficient financial capacity to undertake the project
- They have participated in a provincial government sponsored trade mission, trade show, or conference within one year (12 months) of applying for funding and that the identified opportunity being pursued in the application is a result of participation in the government sponsored activity
- They have a trade strategy

Eligible Costs

- Return economy airfare or equivalent transportation to visit a client in another market or for a foreign client to visit the organization's Nova Scotia facilities;
- In-market ground transportation / car rental
- Standard-class accommodations;
- Services of translators or interpreters (if required);

⁸¹ <http://www.gov.ns.ca/econ/trade/GoAhead/>

- Costs to produce marketing materials and presentations specifically designed for this sales visit, including writing and design.

Financing Details

- Non-repayable contributions will not exceed 50 per cent of approved eligible costs, to a maximum contribution of \$5,000 per project application
- The maximum contribution is \$20,000 per fiscal year (April 1 - March 31)
- The minimum project cost that can be considered in any single application is \$500
- All disbursements under the program are made on a reimbursement basis for direct costs incurred (advances are not provided)
- A maximum of two follow-up visits per initiative.

6 NS	Nova Scotia Business Development Program⁸²
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Objective

The Nova Scotia Business Development Program will help small business get started and existing businesses expand. This program will encourage business start-ups and provide help through qualified consultants for business operators to review and assess their practices and develop new approaches to ensure success.

Eligibility

Through the Nova Scotia Business Development Program, assistance is provided for eligible business activity that increases productivity, explores product innovation, delivers strategic planning, implements operational efficiencies to improve competitiveness, and expands the international commerce participation of a business.

Financing Details

Support for approved services for start-ups and existing businesses will be made at 50% of total costs, to a maximum of \$10,000.

⁸² <http://www.gov.ns.ca/econ/nsbdp/>

7 NS	New Small Business Tax Deduction⁸³
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Objectives

This deduction effectively eliminates the Nova Scotia corporate income tax for the first 3 taxation years of a new small business after incorporation. The corporation must apply each year to the Nova Scotia Minister of Finance for a Nova Scotia Tax Deduction Eligibility Certificate.

Eligibility

All new businesses incorporated in Nova Scotia after April 18, 1986 that:

- Have at least two employees, one of whom must be full-time and unrelated to any shareholder, for the specified taxation year
- Are not associated with another corporation(s)
- Are not in a partnership or a joint venture with an ineligible corporation(s)
- Are not a beneficiary of a trust where any beneficiary is ineligible
- Are not a previous active business with essentially the same owner(s) or related owner(s)
- Are not a professional practice of an accountant, dentist, lawyer, medical doctor, veterinarian or chiropractor
- Are not a business carrying on the same, or substantially the same, business activity as was carried on as a sole proprietorship, partnership or corporation

The application form should be filed at the end of each of the corporation's first 3 taxation years.

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<http://www.novascotia.ca/finance/en/home/taxation/business/corporateincometax/newsmallbusinessstaxdeduction/default.aspx>

8 NS	Research and Development Tax Credit⁸⁴
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Objective

This credit offers tax relief to Nova Scotia corporations that incur qualified scientific research and experimental development (SR&ED) expenditures made in Nova Scotia, as defined by the federal Income Tax Act. The credit is administered by Canada Revenue Agency (CRA) and is claimed in conjunction with federal SR&ED tax credits.

The Nova Scotia credit should be claimed on Schedule 340 for taxation years 1998 and later. A 15 per cent rate is applicable to all corporations that incur SR&ED expenditures in Nova Scotia, regardless of size.

Eligibility

This credit is based on qualified expenditures eligible for the federal SR&ED tax credit.

Financing Details

Refunds are available to corporations that incur qualified SR&ED expenditures in Nova Scotia where the corporation has or would have taxable income allocated to the Province:

- Corporations that incur qualified SR&ED expenditures will be eligible for a refund of the tax credit where the tax credit exceeds Nova Scotia tax payable.
- The refund amount is equal to the amount of the credit in excess of tax otherwise payable under the Nova Scotia Income Tax Act.

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<http://www.novascotia.ca/finance/en/home/taxation/businessstax/corporateincometax/researchanddevelopmenttax.aspx>

9 NS	Capital Investment Incentive⁸⁵
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Objective

The Capital Investment Incentive (CII) is part of the Productivity Investment Program as outlined in the economic growth plan for Nova Scotia. The CII helps companies make investments in their future by offsetting the cost of incremental capital purchases. These are the kinds of purchases that would result in cost savings and productivity improvements, and increase competitiveness in international markets.

Eligibility

The CII is limited to corporations in the following industries:

- Advanced manufacturing and processing
- Development of non-traditional sources of energy
- Life-sciences
- Aerospace and defence
- Information and communication technology (ICT)
- Ocean technology
- Professional, Scientific and Technical Services excluding the following: Legal Services; Accounting, Tax Preparation, Bookkeeping and Payroll Services; Advertising and Related Services; Photographic Services; Veterinary Services; Translation and Interpretation Services

CII gives preference to corporations that export outside of Nova Scotia. Consideration will be given to non-exporting corporations if a compelling case can be presented.

Financing Details

This incentive can contribute up to 20% toward the cost of technologically-advanced machinery, clean technology, equipment, software and hardware with preference given to exporters in qualified industries.

If deemed eligible under the guidelines of the incentive, companies can receive reimbursement of 20% of the cost of its equipment, up to a maximum of \$1 million. Acquisitions less than \$25,000 will not be considered.

⁸⁵ <http://www.gov.ns.ca/econ/pip/cii/>

10 NS	Service Export Program (SEP)⁸⁶
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Objective

Service exporters ready to finalize an export deal may be eligible for reimbursement of up to 50% of eligible costs through SEP.

Eligibility

Nova Scotia service companies attending client meetings with prospects in their respective markets, or the cost of their travel to visit operations in Nova Scotia may be eligible for funding through the Service Export Program. Business deals must be in the later stages of the sales cycle.

Typical activities that qualify for funding include:

- In-market meetings;
- Translation or interpreter fees;
- In-bound visits by potential clients.

An SEP panel meets on scheduled dates and review program applications.

⁸⁶ <http://www.novascotiabusiness.com/en/home/Grow/exportandtrade/ServiceExportProgram.aspx>

11 NS	Nova Scotia Business Inc.⁸⁷
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Objective

Nova Scotia Business Inc. (NSBI) works directly with companies to deliver business solutions that result in strong, sustainable economic growth and prosperity. NSBI's primary goal is to expand business activity in Nova Scotia. NSBI was created in 2001 as Nova Scotia's business development agency led by a private-sector board of directors.

NSBI is the first point of contact for local companies that want to grow in Nova Scotia, and for international companies. It promotes competitive advantages through four business units: trade development, business financing, venture capital and investment attraction. Defence, security and aerospace⁸⁸ is one of Nova Scotia's fastest growing industries that generates \$600 million in annual revenues and has a workforce of more than 6,000.

Financing Details⁸⁹

NSBI provides loans with repayment periods designed to meet needs. They also can provide loan guarantees. Projects can include:

- Purchase of land and improvements to land;
- Purchase or construction of buildings and other structures, expansions or renovations to existing buildings and other structures where these structures are used in businesses;
- Construction or purchase of equipment, furnishings, and other fixed assets;
- Provision of working capital-based financing in certain limited and well-defined circumstances.

⁸⁷ <http://www.novascotiabusiness.com/site-nsbi/media/NovaScotiaBusinessInc/Business%20Plan%202012-2013.pdf>

⁸⁸ http://www.novascotiabusiness.com/en/home/locate/sectorinfo/defence_aerospace/default.aspx

⁸⁹ <http://www.novascotiabusiness.com/en/home/Grow/businessfinancing/debtfinancing.aspx>

Prince Edward Island

1 PE	Entrepreneur Loan Program⁹⁰
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Objective

To stimulate small business activity through the province, Prince Edward Island Business Development provides guaranteed on traditionally-financed loans for use as an investment in eligible new and expanding business.

Eligibility

The applicant must be a resident of the Province of Prince Edward Island, be 18 years of age or older (except in the case of students), and be owner/operator of the business. Student applicants must be enrolled in a high school, college or university program and intend to return to school in the fall. Students under 18 years of age may apply with an adult co-signor.

Eligible businesses include those involved in manufacturing, processing, services, wholesale, retail, franchise and resource-based industries that, with exception of tourism businesses, operate on a full-time basis (minimum of six months of operation).

Financing Details

This program provides entrepreneurs with up to \$50,000 for use as an investment in eligible new and expanding businesses. Loans are to be sourced through participating financial institutions and are fully guaranteed by Prince Edward Island Business Development for the life of the loan, to a maximum of five years. Interest is charged at a floating rate of prime plus two percent. In the case of students starting their own business for the summer months, assistance will be in the form of a \$3,000 loan guarantee that must be repaid by October 31 of the year in which the loan is made.

Working capital/cash flow financing will not exceed \$25,000. Loan proceeds cannot be used to purchase an existing business on an ongoing basis, finance transactions between related businesses or individuals, or pay existing debts.

⁹⁰<http://www.gov.pe.ca/infopei/index.php3?number=20051>

2 PE	Aerospace Tax Holiday⁹¹
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Objective

A Tax Rebate Incentive Program for all eligible aviation-related companies provides a full rebate annually on all corporate income tax paid to the province for operations conducted in Prince Edward Island. There's also a full rebate annually of all sales tax paid to the government attributed to the purchase of goods and services, and a full rebate annually of all real property tax attributable to ownership or rental of facilities in Prince Edward Island.

Eligibility

- New Aerospace firms to Prince Edward Island
- Existing firms already operating in the Province of Prince Edward Island
- Aerospace companies in eligible activities that have 20 or more employees or a payroll in excess of \$500,000
- Companies engaged in eligible activities that categorize them in the "Aerospace" sector as defined by the Province of Prince Edward Island

A 20 year tax rebate incentive program took effect on January 1, 1993 and applies to eligible companies which establish operations at Slemon Park, Prince Edward Island. Eligible companies are defined as those engaged in aviation or aerospace-related businesses, which may include, but is certainly not limited to, original equipment manufacturers, strip and paint shops, repair and overhaul operations, training and various aviation support businesses.

Slemon Park is a 1,500 acre business park located just outside of Summerside, Prince Edward Island which includes an airport with two runways and numerous well maintained hangars ranging in size from 25,000 to 300,000 square feet. Slemon Park is the only aerospace business park in Canada that offers on-site training. Holland College's Aerospace Technology Centre has been an asset in the development of the aerospace industry with its ability to tailor training programs to meet existing tenants' needs or the specific requirements of new tenants.

⁹¹ [http://www.innovationpei.com/photos/sites/innovationpei/file/Aerospace%20Tax%20Holiday\(1\).pdf](http://www.innovationpei.com/photos/sites/innovationpei/file/Aerospace%20Tax%20Holiday(1).pdf)

3 PE	Capital Acquisition Program⁹²
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Objective

The Capital Acquisition Support Program provides financial assistance to Prince Edward Island businesses in acquiring the infrastructure needed to develop from start-up through to international exporting. Through this program, business and government work together, with government providing financial assistance at those times when the business is most exposed to financial risk during the start-up period and during expansion of product lines or production of new products. Applicants engaged in retailing and services (to business or consumers) are ineligible for assistance. Services to primary industries will be eligible for assistance for expansions only, provided the activity clearly contributes to import replacement.

Eligibility

Eligible applicants to this program are manufacturers, processors and providers of exportable services. Applicants must be sole proprietorships, partnerships, cooperatives or limited liability companies with well developed business and marketing plans. Applicants engaged in retailing and services (to businesses or consumers) are ineligible for assistance.

Eligible sectors include manufacturers, processors and providers of exportable services in the following sectors:

- food development
- advanced manufacturing
- information technology
- bioscience
- first-of-its-kind exportable services may be considered in other sectors

In order for a project to be eligible for assistance, it must provide economic benefit to the province and similar businesses cannot be jeopardized as a result of the proposed project.

Eligible activities include capital acquisition: Machinery, renovations, leasehold improvements

⁹² [http://www.innovationpei.com/photos/sites/innovationpei/file/Capital%20Acquisition%20Program\(1\).pdf](http://www.innovationpei.com/photos/sites/innovationpei/file/Capital%20Acquisition%20Program(1).pdf)

4 PE	Marketing Support Program⁹³
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Objective

The Marketing Support Program provides financial assistance to Prince Edward Island businesses for marketing costs from start-up through to international exporting. Through this program, government will provide assistance to a business to implement its marketing plan in areas of research, market investigation, advertising and promotion.

Eligibility

Eligible applicants to this program are manufacturers, processors and providers of exportable services. Applicants must be sole proprietorships, partnerships, cooperatives or limited liability companies with well developed business and marketing plans. Applicants engaged in retailing and services (to businesses or consumers) are ineligible for assistance.

Eligible sectors include manufacturers, processors and providers of exportable services in the following sectors:

- food development, diversified manufacturing, bioscience, information technology, craft/giftware
- first of its kind exportable services may be considered in other sectors

In order for a project to be eligible for assistance, it must provide economic benefit to the province and similar businesses cannot be jeopardized as a result of the proposed project.

Eligible Activities

Research:

- primary, qualitative or quantitative research identified in the marketing plan

Advertising and Promotion:

- design/development of advertisements and promotional materials
- placement of advertisements in appropriate media
- exhibiting at appropriate trade shows

⁹³ [http://www.innovationpei.com/photos/sites/innovationpei/file/Marketing%20Support%20Program\(1\).pdf](http://www.innovationpei.com/photos/sites/innovationpei/file/Marketing%20Support%20Program(1).pdf)

Market Investigation:

- attendance at appropriate trade shows, market visits, incoming buyers' missions

Financing Details

- Up to 40 percent of the costs associated with the execution of market research studies
- Up to 40 percent of the costs associated with the design, development of advertising
- Up to 40 percent of the costs associated with the placement of advertisements
- Up to 40 percent of the costs associated with exhibiting at appropriate trade shows.
- Up to 25 percent of the costs associated with exhibiting at consumer shows.
- Applicants will be limited to three trade or consumer shows per year.
- Up to 25 percent of the costs associated with attending trade shows, visits to new geographic market areas and/or incoming buyer's missions.

5 PE	Productivity Improvement Program⁹⁴
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Objective

The Productivity Improvement Program enables Island companies to enhance their capabilities to pursue trade and export opportunities by improving their competitiveness in a global marketplace.

This program provides financial assistance to Prince Edward Island businesses to acquire professional expertise in the area of Productivity Improvement. Professionals will work with local companies to provide in-house personnel with productivity knowledge and training. This may consist of developing customized productivity related education and training programs, the development and implementation of a productivity improvement plan and the cost of ongoing expertise during implementation.

Eligibility

- Eligible applicants are manufacturers, processors and providers of exportable services.
- sole proprietorships, partnerships, cooperatives or limited liability companies.
- Applicants engaged in retailing and services (to businesses or consumers) are ineligible.

Eligible sectors include manufacturers, processors and providers of exportable services in the following sectors:

- Information and communication technology
- Bioscience
- Manufacturing
- First-of-its-kind exportable services may be considered in other sectors
- Food development

In order for a project to be eligible for assistance, it must be expected to provide economic benefit to the province and similar businesses cannot be jeopardized as a result.

⁹⁴<http://www.innovationpei.com/photos/sites/innovationpei/file/Productivity%20Improvement%20Support%20Program.pdf>

Eligible activities include:

- The hiring of expertise to develop and implement a productivity improvement plan.
- Industry knowledge networking events and seminars and
- the development of customized, productivity improvement education, training and lean implementation programs.

Financing Details

- Up to 40 percent of the cost of engaging outside expertise associated for the design, development and implementation of plans aimed at improving productivity
- Up to 40 percent of the purchase cost and/or the registration costs for certified productivity education programs, networking or seminars for management or key supervisory employees
- Maximum allowable assistance per project is \$16,000.

6 PE	Information Technology Planning Program⁹⁵
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Objective

The Information Technology Planning Program is designed to assist new and existing Prince Edward Island small businesses acquire the technical advisory support and guidance required to assess the appropriate information technologies for their enterprise so as to increase their productivity, profitability and competitiveness.

Eligibility

Eligible applicants to this program will be Island based non-IT businesses. Applicants must be sole proprietorships, partnerships, cooperatives or limited liability companies with well-developed export oriented business and marketing plans. Those activities that lead to incremental wealth creation in priority sectors will be favourably considered for financial assistance.

Eligible activities include, but are not limited to:

- Evaluation of the potential for improvement in productivity, by way of information Technology
- Identification of electronic tools for communications, transactions, operations and management
- Development of an implementation strategy to integrate the information technologies into the business plan

Financing Details

Innovation PEI assistance will be in the form of a non-repayable contribution towards the cost of retaining an independent, arms-length Prince Edward Island based information technology consultant.

Up to 50 per cent of eligible consultant costs. Eligible project expenses will not exceed \$5,000.

⁹⁵<http://www.innovationpei.com/photos/sites/innovationpei/file/Information%20Technology%20Planning%20Program.pdf>

7 PE	Information Technology Implementation Program⁹⁶
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Objective

The Information Technology Implementation Program is designed to assist new and existing Prince Edward Island export oriented businesses implement Information Technology solutions and strategies that are new to the enterprise so as to increase their productivity, profitability and competitiveness.

Eligibility

Eligible applicants to this program will be Island based non-IT companies. Applicants must be sole proprietorships, partnerships, cooperatives or limited liability companies with well-developed export oriented business and marketing plans. Those activities that lead to incremental wealth creation in priority sectors will be favourably considered for financial assistance.

Eligible activities include:

- Hardware and Software Acquisition
 - Computer, Network and Peripheral Equipment
 - Commercial off-the-shelf or custom software
- Commerce / E-Business Solutions Development
- Project Management and Systems Integration Services

Financing Details

Innovation PEI assistance will be in the form of a non-repayable contribution towards the cost of eligible expenses associated with the implementation of information technology solutions and strategies as developed under the Technology Planning.

Up to 40 per cent of eligible costs directly associated with the IT implementation project. Eligible project expenses will not exceed \$40,000.

⁹⁶<http://www.innovationpei.com/photos/sites/innovationpei/file/Information%20Technology%20Implementation%20Program.pdf>

8 PE	Quality Improvement Support Program⁹⁷
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Objective

The Quality Improvement Support Program enables Prince Edward Island companies to enhance their capabilities to pursue trade and export opportunities to improve their competitiveness in a global marketplace.

This program provides financial assistance to Prince Edward Island businesses to acquire the professional expertise that will provide quality assurance documentation, auditing, registration, certification leading to the creation or enhancement of a Quality Improvement Program or a certified Quality Education Program for management and employees. Innovation PEI encourages eligible Prince Edward Island manufacturers, processors and providers of exportable services to undertake quality initiatives while offsetting some of the costs with developing and implementing excellent improvement programs.

Eligibility

Eligible applicants to this program are manufacturers, processors and providers of exportable services. Applicants must be sole proprietorships, partnerships, cooperatives or limited liability companies with well-developed business and marketing plans.

Eligible sectors include manufacturers, processors and providers of exportable services in the following sectors:

- Food Development
- Information and Communications Technology
- Bioscience
- Manufacturing
- First-of-its-kind exportable services may be considered in other sectors

Eligible activities include:

- hiring expertise to develop and implement a productivity or quality improvement plan.
- the establishment of a quality assurance/quality control program and the cost of technical equipment required for improved quality and productivity.

⁹⁷[http://www.innovationpei.com/photos/sites/innovationpei/file/Quality%20Improvement%20Support%20Program\(1\).pdf](http://www.innovationpei.com/photos/sites/innovationpei/file/Quality%20Improvement%20Support%20Program(1).pdf)

9 PE	Export Help! Program⁹⁸
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Objective

Under this program, export ready companies on Prince Edward Island are given access to a pool of qualified consultants who provide assistance tailored to their specific export-related needs. This is a program developed as part of Trade Team PEI and includes Atlantic Opportunities Agency, and other federal departments.

Consultants can assist with:

- International Market Entry Strategy
- Global Supply Chain management
- Export Marketing Plans
- E-Commerce Strategies
- Documentation of International Trade
- International Trade Research.

Eligibility

Registered commercial enterprises in Prince Edward Island are eligible applicants under the program. Most sectors are eligible; however enterprises must be able to demonstrate that they are export ready.

Financing Details

Export Help will provide a non-repayable contribution of 90 per cent of the costs to hire a consultant for up to a maximum of 40 hours or \$5,000. The company will be responsible for paying their portion (10 per cent) of the project cost at the signing of the contract with Trade Team PEI and the consultant.

⁹⁸ http://www.tradeteampe.com/photos/original/export_help.pdf

10 PE	Human Resources Planning Program⁹⁹
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Objective

The Human Resources Planning Program is designed to assist new and existing small businesses in Prince Edward Island to acquire the technical advisory support and guidance required to assess the company's current human resource program and make prioritized recommendations that will allow the company to develop long-term human resource policies for the recruitment and retention of employees.

Eligibility

Eligible applicants include Prince Edward Island businesses that do not have a formal human resource policy and businesses that believe their current policies do not meet the needs of the business or its employees. Applicants must be sole proprietorship, partnerships, cooperatives or limited liability companies.

Eligible activities include engaging of qualified professionals to:

- Assess the company's existing human resource policies
- Develop a Human Resource Action Plan

Financing Details

Up to 50 per cent of the cost of engaging outside human resource expertise to assess the company's existing human resource policies and develop a human resource action plan. The maximum allowable assistance per business is \$1,000.

⁹⁹ http://www.gov.pe.ca/photos/original/inpei_hrplaning.pdf

11 PE	Innovation & Development Labour Rebate¹⁰⁰
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Objective

The Innovation and Development Labour Rebate (IDLR) is a refundable labour rebate which may apply to projects in support of the development and/or commercialization of new products, processes and services that will be sold primarily beyond the borders of PEI. A new product, process or service is one that has not previously been successfully developed in Prince Edward Island for commercial production or sale.

Eligibility

Companies eligible to apply for the Innovation and Development Labour Rebate have a permanent establishment in Prince Edward Island and carry on the development of new or innovative products, processes or services within a strategic industrial sector. Strategic sectors include: aerospace; biosciences; export-focused manufacturing and processing; financial services; information and communications technology; and renewable energy.

Projects are expected to be short term;

- The IDLR is applied to a maximum of one year of eligible labour expenses.
- The project may exceed one year, but only one year’s expenditures will be used to calculate the IDLR.
- Innovation PEI may agree to pro-rate the eligible rebate, with partial payments over several years (maximum ten years).

Financing Details

The IDLR provides a rebate equal to 37.5 per cent of eligible salaries and wages. Eligible salaries and wages are paid to PEI residents for incremental, full time positions (1850 hours), and each position must have a gross wage of at least \$30,000 per annum. Any individuals maintaining ownership in the company are not eligible.

¹⁰⁰[http://www.innovationpei.com/photos/sites/innovationpei/file/Innovation%20and%20Development%20Labour%20Rebate\(2\).pdf](http://www.innovationpei.com/photos/sites/innovationpei/file/Innovation%20and%20Development%20Labour%20Rebate(2).pdf)

12 PE	Professional Services Assistance Program¹⁰¹
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Objective

The intent of the Professional Service Assistance Program is to cost share the services of an outside professional to finalize the business/marketing plan and assemble the information in a clear and professional format. The Professional Service Assistance Program provides a non-repayable contribution to Prince Edward Island small business owners requiring professional advisory support. Innovation PEI's assistance will be in the form of a 50 per cent cost-shared contribution to offset the cost of retaining professional services.

Eligibility

Those activities which lead to incremental wealth creation in priority sectors will be favourably considered for financial assistance.

Financing Details

For business and market planning Innovation PEI representatives will provide guidance and offer suggestions in starting the process and researching the opportunity. The contribution from Innovation PEI will not exceed \$1,000 per small business.

Innovation PEI will provide financial assistance for management skills training in specialized areas. The contribution from Innovation PEI will not exceed \$500 per small business.

Examples of business development skills considered eligible include, but are not limited to:

- bookkeeping
- market planning
- personnel management
- quality control
- advertising and promotion
- franchising
- financial analysis

¹⁰¹ http://www.gov.pe.ca/photos/original/psap_form.pdf

Newfoundland and Labrador

1 NL	Aerospace and Defence Development Fund (ADDF)¹⁰²
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Objective

The overall objectives of the ADDF are to:

- build capacity in the local Aerospace and Defence industry;
- expand aerospace and defence related supply and service capability into export markets;
- support commercialization and the introduction of new technologies and processes;
- enhance the economic sustainability of the aerospace and defence sector in Newfoundland and Labrador;
- encourage export investment in Aerospace and Defence industry;
- increase job opportunities and economic growth within the Aerospace and Defence sector through the development of new or expansion of existing capabilities; and,
- diversify capabilities in the sector to provide opportunities for clustering.

The Province of Newfoundland and Labrador has committed \$2 million in 2009/10 for the ADDF. Applications for funding under the program will be subject to assessment by the Department of Business and will not necessarily be accepted or approved.

Eligibility

Eligibility is limited to aerospace and defence companies. The business must, to the satisfaction of the Department:

- be duly registered company under the Newfoundland and Labrador Corporations Act or the Canada Business Corporations Act and legally entitled to conduct business in the Province;
- have operations situated in the province;
- demonstrate status as Tier 1 or Tier 2 firm in the Aerospace and Defence industry;
- demonstrate its ability to access the financial capital required to complete the project;
- demonstrate the ability to execute its business plan;
- contribute to the growth of the aerospace and defence sector through direct and indirect benefits;
- be able to demonstrate the managerial and financial capacity and commitment to undertake the work identified in the project proposal; and,
- be in good standing with the Province of Newfoundland and Labrador.

¹⁰² <http://www.business.gov.nl.ca/business/addf.html>

The project must:

- have a minimum total project investment of \$1,000,000; and,
- generate incremental local employment benefits and revenue.

Funding priority will be placed on projects that diversify and enhance capabilities within the local Aerospace and Defence industry; have advanced technology transfer potential that enhance export capability in the sector; position the company to be a qualified supplier with a national/international Aerospace and Defence company; support export-related commercialization, expand export market opportunities and create economic growth and employment in the Province's Aerospace and Defence industry.

Financing Details

- up to 50% of total eligible project costs in a non-repayable contribution.
- up to 75% of eligible costs may be considered for projects which are outside of the Northeast Avalon region.

Eligible expenses include capital expenditures, arms length labour, professional fees and any other expenses specific to the project, deemed critical to a project's success and demonstrated as directly related to development and the export capability of the company's products and services.

2 NL	Small and Medium-sized Enterprise Fund¹⁰³
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Objective

The Small and Medium-sized Enterprise Fund provides term loans and equity investments to small and medium-sized businesses in strategic growth sectors with special emphasis on value-added manufacturing, information technology, aquaculture, bio-technology, marine services, agrifoods and tourism, where local competitive impact is not an issue. The fund also targets businesses which have export potential and need assistance to enter or expand in external markets.

Funds are provided to complement funding from conventional sources where a need has been demonstrated.

Eligibility

Funding is available for start-up, modernization and expansion of a business venture and may include:

- Purchasing of fixed assets, including land, building and equipment, excluding on-road vehicles, snowmobiles and ATV's.
- Constructing, expanding and/or renovating of building(s), including leasehold improvements.
- Working capital for growth.
- Purchasing intangible assets where such assets form an integral part of a business venture (e.g. patents, technology rights).

Applicants must demonstrate leveraged funding including client commitment; market potential; strong, experienced management; net economic benefit/job creation; and potential for viability, sustainability and growth. The applicant must also demonstrate that it is unable to obtain sufficient funding under reasonable terms and conditions from conventional sources and that the funding support is essential to the success of the business.

Financing Details

Term Loan: Up to \$500,000 per project is available at the department's base rate plus 3% interest with an applicant investment of up to 20% of project costs.

¹⁰³ <http://www.ibrd.gov.nl.ca/starting/generalsupport/smef.html>

3 NL	Business and Market Development Program¹⁰⁴
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Purpose

The Business and Market Development Program provides new entrepreneurs and expanding small businesses with funding to help them acquire the necessary expertise to pursue new business ideas and new markets for their products or services. The program supports new growth opportunities in the economy, such as value-added manufacturing activities and export-oriented opportunities.

Eligibility

Small businesses (those with less than 50 employees and less than \$5 million in annual sales) located and operating in Newfoundland and Labrador, including corporations, cooperatives and other similar structures, are eligible to apply. The applicant must demonstrate that it has the appropriate financial structure and management ability to carry out the project.

Applications will be considered for the following projects:

- Developing new markets or researching new product development opportunities.
- Technical feasibility research relating to potential new business opportunities.
- Acquiring external expertise on production processes, marketing, financial management or other internal company needs for growth and expansion.

Projects that are not eligible for funding include pre-commercial industrial research and development activities and generic business plans for new business start-ups or expansions, unless extenuating circumstances exist.

Financing Details

The program will provide assistance of up to \$25,000 in the form of a non-repayable contribution. These funds must be matched on an equal basis by the applicant.

¹⁰⁴ <http://www.ibrd.gov.nl.ca/starting/generalsupport/BusinessMarketInsert.pdf>

4 NL	Business Networks Program ¹⁰⁵
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Objective

The Business Networks Program enables Newfoundland and Labrador companies to work together cooperatively to enhance their export potential and to accomplish what an individual business may not do alone. Financial assistance is available to create new business networks or

Eligibility

Applications will be considered for the following projects:

- Network development activities designed to create export focused business networks. This includes seminars, round tables, training and the services of professional facilitators and consultants.
- Export development activities designed to enhance export skills, capabilities, knowledge and experience. This includes international trade training, information seminars, export diagnostics, lean manufacturing, pre-export planning, one-to-one counselling and international product development.
- Market development activities aimed at exploring and developing international markets. This includes trade missions, opportunity identification, market research and intelligence, in-bound buyer’s missions and trade shows.
- Commercial activities that contribute to export business growth, diversification and long-term job creation.
- Initiatives incremental to the existing activities of particular companies.
- Cooperative initiatives in strategic areas including, but not limited to, opportunity identification, market and/or product development, transportation, manufacturing, research and development, technology commercialization and training.

Eligible Applicants

A business network comprising three or more small and medium-sized incorporated companies or firms of professionals based in Newfoundland and Labrador, which represent the majority of participants in the network, are eligible to apply.

Companies outside of Newfoundland and Labrador, foreign companies, as well as not-for-profit organizations, non-commercial organizations, universities, research institutions, and community colleges, with a mandate that includes international business development and/or

¹⁰⁵ <http://www.ibrd.gov.nl.ca/starting/fundingincentive/businessnetworks.html>

technology development, are eligible network partners, but are not considered core members of the business network for funding approval purposes.

Financing Details

Up to 50 per cent of eligible costs to a maximum of \$50,000 and in exceptional cases funding levels exceeding 50 per cent may be available. This program will support only to the extent that assistance is not eligible through other federal and provincial programs and activities.

5 NL	Commercialization Program¹⁰⁶
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Objective

The Commercialization Program provides financial assistance for activities leading to the development of innovative, market-ready products, services and processes. The program assists businesses by supporting pre-commercial activities related to product development and second-generation product development that enable continuous innovation and improved productivity. The program bridges an identified funding and investment gap between product research and market introduction.

Eligibility

Projects must be based in Newfoundland and Labrador and in a post-research stage of product development. The following are eligible expenses for funding:

- Working capital
- Fixed assets (typically not land and structures)
- Technical expertise and support, including subcontracting
- Intellectual property protection requirements
- Prototype development in the pre-commercial phase including post research up to and including final stage prototyping
- Product and standards testing
- Market research including:
 - Gathering market and customer information
 - Events that support product development

Financial assistance is available to applicants that are incorporated under the laws of the Province of Newfoundland and Labrador with the majority shareholder located in the province. The applicant must be in good financial standing with federal and provincial governments.

Financing Details

The program provides a direct equity investment or a conditionally repayable contribution of up to 75 per cent of total project costs, to a maximum value of \$500,000 per project.

¹⁰⁶ <http://www.ibrd.gov.nl.ca/innovation/cp.html>

6 NL	Economic Diversification and Growth Enterprises (EDGE)¹⁰⁷
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Objective

The Economic Diversification and Growth Enterprises (EDGE) Program provides incentives to encourage significant new business investment in the province to help diversify the economy and stimulate new private sector job creation, particularly in rural areas.

Eligibility

A new business or an existing business interested in expanding in the province may apply for EDGE status if there is the potential to create and maintain 10 new permanent jobs in the province; it is prepared to make a minimum capital investment of \$300,000 or generate incremental annual sales of \$500,000; it would not establish or expand in the province in the absence of the EDGE incentives; the EDGE incentives will not give it a direct competitive advantage over other existing businesses in the province; and the new business activity will have a substantial net economic benefit to the province.

Financing Details

Companies approved for EDGE status are eligible for the following incentives and benefits:

- A 100 per cent rebate on provincial corporate income tax and the provincial health and post-secondary education (payroll) tax for a period of 10 years if the business is established within the northeast Avalon area, or for 15 years if it is established outside the northeast Avalon area.
- A 50 per cent rebate on federal corporate income tax for the periods referenced above.
- A further five-year period of partial rebates on the provincial and federal taxes referenced above, declining by 20 per cent in each year of this phase-out period.
- A 100 per cent rebate on municipal property and/or municipal business taxes for 10 or 15 years, followed by a five-year phase-out of such rebates, where individual municipalities elect to participate in the EDGE program.

¹⁰⁷ http://www.ibrd.gov.nl.ca/programs/edge_page.html

7 NL	Workplace Skills Enhancement Program¹⁰⁸
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Objective

To help businesses in strategic sectors train employees to improve productivity and/or global competitiveness.

Eligibility

Eligible applicants are businesses in strategic sectors including corporations, partnerships, sole proprietorships, co-operatives, social enterprises and business networks. It may also include not-for-profit organizations on behalf of businesses. Strategic sectors include:

- Advanced Technologies
- Aerospace
- Agri-foods, Food & Beverage
- Aquaculture
- Biotechnology & Life Sciences
- Energy
- Environmental Industries
- Forest Products
- Manufacturing
- Marine & Ocean Technology
- Mineral Resources, Natural Stone
- Tourism & Cultural Industries

Financing Details

The program may provide:

- a non-repayable contribution for skills development of existing employees for up to 75% of eligible costs to an average of \$10,000 per employee. This may include advanced skills training, technical skill development, on-the-job training, workplace-specific skills upgrading or industry-recognized certification. Eligible participants include relatively low-skilled employees, in particular those who do not have the certification(s) or skills required to meet the operational needs of the employer.
- a non-repayable contribution of up to \$5,000 for an initiative that strengthens human resource planning and development capacity among businesses and partners in an economic zone.

¹⁰⁸ <http://www.ibrd.gov.nl.ca/programs/WSEP.html>

8 NL	Regional/Sectoral Diversification Fund¹⁰⁹
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Objective

The Regional/Sectoral Diversification Fund provides non-repayable contributions to eligible organizations for the development and implementation of economic initiatives that address regional and sectoral development.

Eligibility

Funding is available to non-commercial, not-for-profit organizations, including regional economic development boards, municipalities, industry/sector groups, educational institutions and any other community-based organization involved in economic development. Federal and provincial government departments and agencies are not eligible for funding.

Applications will be considered for the following projects:

- Completing strategies to enhance development and implementation of key sectors.
- Creating an environment for business development.
- Conducting studies and feasibility analyses.
- Bringing projects to the level of commercialization.
- Developing infrastructure which demonstrates economic benefit for the regions and province.

Consideration will be given to initiatives which are linked to sectors identified as priorities, build upon innovation and technology, focus on small business growth and expansion, focus on industrial diversification and assist with the removal of barriers to business development and growth.

Financing Details

The program will provide assistance of up to 25 per cent of total eligible project costs. Applicants should consider all potential funding sources. The availability of alternative sources of financing will be a factor in the assessment of applications.

¹⁰⁹ <http://www.ibrd.gov.nl.ca/regionaldev/rsdf.html>

9 NL	Business Attraction Fund¹¹⁰
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Objective

The Business Attraction Fund provides for large-scale, strategic investments in business ventures and infrastructure for the purpose of attracting business to Newfoundland and Labrador. Through this fund, the Department of Business will be able to provide loans and equity investments to companies interested in establishing operations and conducting business in the province.

Eligibility¹¹¹

To be eligible for funding, the business must:

- be a duly registered company or commit to taking the necessary steps to become a registered company under the Newfoundland and Labrador Corporations Act and/or the Canada Business Corporations Act and legally entitled to conduct business in the Province,
- have or commit to have operations situated in the Province,
- be a result of inward investment, and
- be in good standing with the Province.

The business plan must also demonstrate that the project:

- is necessary to attract an identified investment opportunity,
- has the potential for long term sustainability, will create employment, and can bring economic benefit to the Province considering funding provided to the investor from all provincial government sources.

Financing Details

The fund provides equity or loans to inward investors in support of start up or business expansion. The Fund consists of \$25 million for loans, advances or investments as well as \$4 million for non-repayable contributions towards strategic investments in infrastructure support costs, human resource costs or other costs, which would promote a business friendly environment and improve the ability to attract inward investment to the Province.

¹¹⁰ <http://www.business.gov.nl.ca/business/baf.html>

¹¹¹ <http://www.business.gov.nl.ca/business/BusinessGuidelines.pdf>

10 NL	Small Business Tax Credit¹¹²
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Eligibility

The reduced tax rate for small business is available to corporations that qualify for the federal Small Business Deduction (SBD). To qualify for the SBD, the taxpayer must be a Canadian controlled private corporation (CCPC) throughout the tax year, and have income from an active business carried on in Canada.

Financing Details

The general corporate income tax rate is 14%. However, for small businesses a lower tax rate applies. For fiscal periods beginning on or after April 1, 2010, the small business income tax rate is reduced from 5% to 4%.

For the taxation years in 2002 and prior, small businesses were eligible for the 5% tax rate on the first \$200,000 of active business income. However, beginning in 2003 the small business threshold increased as follows:

Year	Small Business Deduction
2003	\$225,000
2004	\$250,000
2005	\$300,000
2006	\$300,000
2007	\$400,000
2008	\$400,000
2009	\$500,000
2010	\$500,000
2011	\$500,000

Effective January 1, 2009, the corporate income tax small business threshold increased from \$400,000 to \$500,000.

¹¹² http://www.fin.gov.nl.ca/fin/tax_programs_incentives/business/smallbusinessrate.html

11 NL	Manufacturing and Processing Profits Tax Credit¹¹³
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Eligibility

This credit applies to corporations that carry out manufacturing and processing from a permanent establishment located in Newfoundland and Labrador. To obtain this credit, corporations should complete a Schedule 300 with their annual income tax return.

Financing Details

The credit allows a deduction from Newfoundland Corporate Income Tax (CIT) payable of 9% on Taxable Canadian Manufacturing and Processing Profits. This results in an effective CIT rate of 5% for manufacturing and processing profits. The Manufacturing and Processing Credit is provided under Section 41 of the Income Tax Act.

¹¹³ http://www.fin.gov.nl.ca/fin/tax_programs_incentives/business/manandprocessrate.html

12 NL	Technology Utilization Program¹¹⁴
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Objective

The Technology Utilization Program assists Newfoundland and Labrador businesses with increasing its technology capacity to improve business process innovation, product quality, efficiency and competitiveness. The program also enables businesses to utilize technology to become energy efficient and reduce its emissions.

Eligibility

Financial assistance is available to Newfoundland and Labrador based corporations, partnerships, sole proprietorships, co-operatives and business networks. The applicant must be in good financial standing with federal and provincial governments.

Eligible activities include:

- The introduction, modification or replacement of technology (including machinery and equipment and software) that provides significant benefit to a business’s operation
- Installation and operational layout
- Introducing technology to help establish or promote a green business
- Technology transfer, including technical training, travel related expenses and professional expertise

Financing Details

The program provides non-repayable contributions normally up to 80% of the project’s total eligible costs to a maximum of \$100,000 per project.

¹¹⁴ <http://www.ibrd.gov.nl.ca/innovation/tup.html>

13 NL	Innovate and Demonstrate Program¹¹⁵
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Objective

This program provides Newfoundland and Labrador companies with the opportunity to demonstrate their new, innovative products, services or technologies in a public sector setting. Businesses will be able to showcase their innovative solutions with public sector entities such as government departments and agencies, crown corporations, municipalities, academic institutions, school boards and health care facilities. Businesses will receive feedback on whether the public sector could be a potential market for the demonstrated solution.

Eligibility

Eligible applicants are businesses located and operating in Newfoundland and Labrador including corporations, partnerships and sole proprietorships.

Eligible participants are public sector entities, including government departments and agencies, crown corporations, municipalities, academic institutions, school boards and health care facilities.

Eligible expenses include:

- Fair market value for the product, service or technology to cover the loss of use to the business during the demonstration period
- Limited production costs for the purpose of the demonstration
- Travel costs related to the project
- Training led by the business to the public sector entity that may be required in order for the product or service to be demonstrated

Financing Details

The program provides a non-repayable contribution to eligible applicants up to a maximum of \$50,000 per project. Each project will take the form of a demonstration in a public sector environment.

¹¹⁵ <http://www.ibrd.gov.nl.ca/innovation/iadp.html>

Nunavut

1 NU	Small Business Support Program Guidelines - ¹¹⁶ Small Business Opportunities Fund
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Objective

The Small Business Opportunities Fund is to help new and expanding businesses that lack the financial capital they require to take full advantage of these opportunities. The fund will also assist businesses that are facing challenges to develop a recovery plan or to recover assets in the process of a business wind down.

Eligibility

Businesses which comply with the legal requirements to carry on business in Nunavut, and have at least 51% ownership by Nunavut residents are eligible. The business must also:

- Maintain a registered office in Nunavut on an annual basis for the primary purpose of operating the subject business;
- Maintain a Resident Manager within Nunavut; and
- Undertake the majority of its day-to-day operations within Nunavut

Eligible Activities

The following activities may qualify for funding:

- Business planning, feasibility and engineering studies, legal and regulatory costs, and other pre-establishment or pre-expansion development costs.
- Demonstration or pilot projects to test the application of new technology such as the purchase of equipment and materials, leasing of equipment and/or facilities, and contracted costs of technical support. Acquisition or development of capital assets such as buildings and land, equipment, leasehold improvements, and site development costs.
- Working capital for small businesses during start-up or major expansions.
- Market development and product launch into new markets, including support for trade show participation and developing/maintaining contacts in local and export markets.
- Professional services to identify problems prior to developing a recovery plan or to develop a recovery plan.

¹¹⁶ [http://www.edt.gov.nu.ca/apps/UPLOADS/fck/file/sbsp%20Guidelines\(1\).pdf](http://www.edt.gov.nu.ca/apps/UPLOADS/fck/file/sbsp%20Guidelines(1).pdf)

Eligible Costs

The following costs may be eligible for re-imbusement under the Small Business Support Program Policy:

- Professional, technical, analytical support and training;
- Capital items or capital expenditures such as buildings or other structures
- Transportation, accommodation and meals at same rates as set by the Government of Nunavut for duty travel for its employees;
- Registration fees, course materials and speaker fees;
- Consultant fees, development and design of brochures and other communications materials and resources, participation in marketing tradeshow, and other costs associated with market development;
- Supplies and resources needed for research activities

Financing Details

Applicants may be eligible for the following maximum levels of funding determined on a project-by-project basis

- Business Planning; Feasibility/Engineering Study; 75% of eligible costs
- Demonstration or pilot projects; 80% of eligible costs
- Acquisition of Capital Assets (building, land, etc); 50% of eligible costs
- Working Capital for Start up or Expansions Maximum Assistance; \$50,000.00
- Market Development/Trade Show Participation; 70% of eligible costs
- Professional Services to develop recovery plan Maximum Assistance of; \$25,000.00

2 NU	Strategic Investments Program Guidelines¹¹⁷ Nunavut Equity Investments Fund
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Objective

The Nunavut Equity Investments Fund (NEIF) is to encourage private investment in new or expanding Nunavut businesses as a means of creating new jobs and diversifying the economy. The objective of the NEIF is to diversify and enhance the economies of Nunavut communities. NEIF capitalizes on the opportunities and strengths that exist in communities to:

- develop competitive, productive, strategic industry sectors;
- strengthen community infrastructure in communities; and,
- invest in projects that enhance a business' capacity to overcome financing challenges and take advantage of their strengths, assets and opportunities presented.

Eligibility

Applicants must be a "Nunavut Business" carrying on business or otherwise conducting operations in Nunavut that is registered under Section 23 of *Nunavummi Nangminiqagtunik Ikajuuti (NNI) Policy* with the legal requirements to carry on business in the Nunavut.

Assistance is available for:

- the construction or acquisition of a building;
- machinery and equipment needed for the project;
- working capital requirements related to an establishment or expansion project;
- site improvements required for the project;
- leasehold improvements required for the project;
- intangible assets such as patents, trademarks and licenses; and
- start-up costs such as insurance and interest capitalized during construction.

Financing Details

The minimum assistance available is a \$100,000 contribution towards equity investment that must be matched by the applicant with their own equity.

¹¹⁷ http://www.edt.gov.nu.ca/apps/UPLOADS/fck/file/neif_guide%5B1%5D.pdf

3 NU	Aviation Career Development Program¹¹⁸
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Objective

The Department of Economic Development & Transportation has four scholarships to award to people pursuing an aviation-related career. The studies can be related to airline or airport operations or management, aircraft maintenance, and pilot training.

Eligibility

Qualifications required include:

- resident of Nunavut (living in Nunavut for the last two years)
- pursuing full-time training for an aviation-related career
- planning to work in the North after completion of the training

Financing Details

The scholarships are worth \$5000 each.

¹¹⁸ http://www.edt.gov.nu.ca/apps/Authoring/dspPage.aspx?page=aviation_cdp

Objective

Canadian banks across the country, and particularly in Nunavut, generally shy away from providing lending services for start-ups or companies without a solid history of successful operation. This underscores the ongoing need for alternative financing institutions in Nunavut such as NBCC and its strategic partners.

Eligibility

The types of projects that NBCC considers from small and medium sized businesses include:

- Purchase of fixed assets;
- Leasehold improvements;
- Consolidation of debt;
- Bid bond security for contractors;
- Providing working capital for inventory acquisition; and
- Interim or bridge financing.

There are two mandatory requirements in applying for a loan from NBCC:

- Your business must maintain an office in Nunavut.
- You must be prepared to provide security on your loan.

You need to provide evidence that your business is, or would likely be, unable to obtain a loan from a financial institution on reasonable terms and conditions.

Financing Details

All business sectors in Nunavut are supported by NBCC. At any given time, NBCC has from 50 to 70 loans with Nunavut businesses, and a total portfolio of \$16 to \$18 million.

NBCC lends money within the following parameters:

- Maximum level of support to any one enterprise is \$1 million;
- Maximum term for credit facilities is five years and amortization is generally 25 years.
- Competitive interest rates.

¹¹⁹ <http://www.nbcc.nu.ca/english/help.html>

Northwest Territories

1 NT	Support for Entrepreneurs and Economic Development (SEED) Policy¹²⁰
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Objective

The Department of Industry, Tourism, and Investment (ITI) is focused on promoting economic diversification in the NWT while stimulating and supporting development opportunities in a communities. The SEED Policy provides financial support for entrepreneurs looking to start a business or improve their capacity or skills as well as small communities seeking to expand their local economies.

Eligibility

All NWT registered businesses are eligible for assistance under the Entrepreneur Support category. Applicants will be required to demonstrate need and financial sustainability. Equity requirements may be waived in the case of business relief.

The following costs are eligible:

- Start-up funding
- Capital Assistance (only in communities without well developed infrastructure)
- Operational support
- Market and product development

Funding Details

- Businesses can apply for up to \$15,000 in funding
- Business Associations can apply for up to \$25,000

¹²⁰ <http://www.iti.gov.nt.ca/businesseconomicdevelopment/seed.shtml>

2 NT	Business Development and Investment Corporation¹²¹
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Objective

The Business Development and Investment Corporation (BDIC) is an independent Crown Corporation. The BDIC's mandate is to support the economic objectives of the Government of the Northwest Territories in a manner that benefit the people and the economy of the Northwest Territories by:

- encouraging the creation and development of business enterprises;
- providing financial assistance to business enterprises, either on its own or as a complement to private sector or other financing;
- directly investing in business enterprises; and
- providing information to business enterprises and members of the public respecting
 - the establishment and operation of businesses, and
 - other business matters.

The BDIC offers loans, standby letters of credit, investments and contributions. The BDIC Act enables the BDIC to be flexible in developing and delivering business programs to meet its mandate.

Eligibility

The BDIC's programs and services are available to businesses in the Northwest Territories.

The BDIC offers a choice of fixed or variable interest rates. Variable rate loans¹²² can be converted to a fixed rate at anytime you choose; however, fixed rate loans may only be converted to a variable rate on the renewal date.

If the business is located in a community with no all-season road access, it can apply for Winter/Summer Re-supply Financing, which is a short-term loan that will allow it to take advantage of the most cost-effective way to re-supply inventory (by winter road or summer barge). Winter/Summer Re-supply Loans are repayable within one year.

¹²¹ <http://www.bdic.ca/>

¹²² <http://www.bdic.ca/financial-programs/term-loans/>

Financing Details

Credit Facilities

The Credit Facilities program is a debt-financing program. The BDIC lends to northern businesses where conventional lending institutions are not prepared to participate and also lends to businesses in communities where commercial banks are not operating. The terms can be flexible to meet the needs of individual clients.

The BDIC also provides Standby Letters of Credit for contract security and to support businesses in obtaining credit from their suppliers.

At the end of 2010/2011 the BDIC's Credit Facilities program portfolio was approximately \$51 million.

Subsidiary Companies

The BDIC owns subsidiary companies and provides them with operating funds or capital funds for new facilities or equipment. This funding is provided so the subsidiary can create and maintain employment within the community. Where necessary, the BDIC also provides a range of support services to its subsidiaries including accounting, marketing, and general operational support.

Funding from the Subsidiary program is tied to the number of jobs to be created and maintained by the business.

In 2010/2011, the BDIC had six operating subsidiaries five of which maintained the equivalent of 22.5 direct positions. The Yellowknife subsidiary is operated by the BDIC headquarters. In addition to the approximate 1 million annual subsidy, the BDIC's Subsidiary program investment is approximately \$4.2 million.

Funding Available

The funding available from the BDIC differs by program, as follows:

- Credit Facilities program
 - A maximum of \$2 million in combined loan and venture investment funding is available to a business or group of related businesses.
 - Funding over these limits is available with Financial Management Board approval.

- Subsidiary program
 - A maximum of \$100,000 per job created or maintained is available as an initial investment.
 - A maximum of \$25,000 per job created or maintained is available as an annual operating subsidy.
 - A maximum of \$250,000 or 25% of the amount initially invested, whichever is lower, is available as a subsequent investment in the same business enterprise.
 - Funding over these limits is available with Financial Management Board approval.

3 NT	Aviation Career Development Program (ACDP)¹²³
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Objective

In 2000, the Airports Division of the GNWT Department of Transportation joined with the Northern Air Transport Association (NATA) to establish and manage a scholarship fund under the name Aviation Career Development Program (ACDP). Scholarships given out under the Program assist students resident in the Northwest Territories who are enrolled in full-time professional or technical aviation-related studies. In 2007, Adlair Aviation and Discovery Air joined ACDP as funding partners. In 2011, the Government of Nunavut (four scholarships) and Keewatin Air (one scholarship) joined. In 2012, North-Wright Airways and First Air joined. A total of fifteen scholarships of \$5,000 are available in 2012-2013.

ACDP provides assistance to students working toward an aviation-related career in the North in the private or public sectors. Any full-time training from a recognized training institution related to an aviation career is eligible for consideration

Eligibility

Any NWT or Nunavut resident who is enrolled in full-time aviation-related secondary studies is eligible for consideration if they meet the required qualifications and selection criteria. The scholarships are awarded through a formal awarding process that assesses the student's likelihood of success, clarity of career goals, and commitment to the training.

To be eligible for the award, applicants must meet the following criteria:

- be a resident of the Northwest Territories and/or Nunavut for a minimum of the previous two (2) years;
- demonstrate an intention to return to work in the north after studies are completed;
- provide an essay expressing why they wish to pursue an aviation career in the North;
- provide two (2) references who have known the applicant for at least two years;
- provide academic transcripts.

Financing Details

Successful applicants can receive one of 15 scholarships valued at \$5,000 each.

¹²³ http://www.dot.gov.nt.ca/_live/pages/wpPages/ACDP_Detail.aspx

Yukon Territories

1 YT	Enterprise Trade Fund¹²⁴
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Objective

The Enterprise Trade Fund (ETF) stimulates and supports the growth of Yukon business activity through market penetration and expansion and business development.

Eligibility

The Enterprise Trade Fund (ETF) is available to all Yukon businesses, proprietorships, partnerships, corporations, and not-for-profit business-related organizations and associations.

Assistance may be available for activities that include:

- Marketing, market research and analysis, involvement in trade and investment missions, business conventions, conferences, and other similar events.
- Marketing and promotional initiatives that may include material and activities such as banners, brochures, website design, and trade show participation
- Business development strategies such as marketing plans, business plans, investment plans, feasibility studies and other related business development strategies.
- Business skills and entrepreneurship development training programs, workshops, seminars and conferences.

Financing Details

The maximum eligible ETF funding for any application is:

- 75 per cent of eligible costs for marketing and business development activities to a maximum of \$50,000.
- 50 per cent of eligible costs for business plans and 75 per cent of business skills training projects to a maximum of \$10,000.
- For-profit organizations must contribute at least 25 per cent of the total project costs and this financial contribution must be in the form of cash.
- Funding from other government programs must not result in the applicant’s cash equity being reduced below 25 per cent of eligible expenses for Yukon businesses.

¹²⁴ <http://www.economicdevelopment.gov.yk.ca/etf/index.html>

2 YT	Regional Economic Development Fund (REDF)¹²⁵
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Objective

The primary objectives of the REDF are to promote organizational capacity development and facilitate regional economic development.

Eligibility

The following types of businesses and organizations are eligible to apply to the REDF:

- Municipal and First Nations governments.
- Yukon First Nations Development Agencies.
- Community associations.
- Local governing bodies.
- Area advisory committees.
- Yukon businesses.
- Business-related organizations either for profit or not for profit in good standing.

Assistance under the REDF is available for the following types of projects or activities:

- Activities related to regional economic development, including:
 - Assistance in developing regional economic development plans.
 - Participation in regional economic development planning processes.
 - Opportunity identification.
 - Related research.
- Activities related to capacity development, including:
 - Needs assessments.
 - Training plans.
 - Corporate organizational capacity training for business and economic development organizations.

Financing Details

Maximum eligible funding for any single applicant is \$50,000. The total contribution from all Yukon government sources for the same project may not equal more than 75% of the total project costs. The proponent's own financial contribution to the project must be at least 15% of the total project costs.

¹²⁵ <http://www.economicdevelopment.gov.yk.ca/pdf/redf.pdf>

3 YT	Strategic Industries Development Fund¹²⁶
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Objective

The Strategic Industries Development Fund (SIDF) is designed to help support strategic development projects and the growth of Yukon’s key industries. The objectives of the SIDF are to:

- Identify, pursue and facilitate the development of strategic industries, projects and economic infrastructure.
- Facilitate the maximization of secondary benefits from strategic projects.
- Increase awareness of and investment in strategic industries and strategic projects.

Eligibility

Listed below are examples of eligible and ineligible activities under the SIDF:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Preliminary Stage <ul style="list-style-type: none"> ○ Research to identify emerging opportunities. ○ Concept development and scoping of project. ○ Pre-feasibility studies. ○ Business planning. ○ Economic impact analysis. ○ Business scanning for secondary benefits. • Development Stage <ul style="list-style-type: none"> ○ Marketing plans. ○ Feasibility studies. ○ Investment attraction. ○ Financial planning. ○ Development planning and project management. | <ul style="list-style-type: none"> • Implementation Stage <ul style="list-style-type: none"> ○ Project management and implementation support. ○ Operational plans. ○ Organizational development. ○ Updating of business plans and financial projections. ○ Product testing. ○ Project analysis. • Ineligible Activities <ul style="list-style-type: none"> ○ Activities/costs normally associated with construction. ○ Purchase of capital assets. ○ Leasehold improvements. ○ Ongoing operation and maintenance. ○ Activities/costs that are related to the owner/promoter or his/her immediate family. ○ Certain administration costs. |
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¹²⁶ <http://www.economicdevelopment.gov.yk.ca/pdf/sidf.pdf>

Financing Details

Funding may be available for up to 50% (in certain cases up to 75%) of total project cost. Funding from the SIDF over the life of a project is up to the maximum following amounts and is subject to appropriation of funds:

- Tier I – up to \$100,000.
- Tier II – up to \$500,000.

4 YT	Yukon Venture Loan Guarantee Program¹²⁷
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This program is an initiative between the Government of Yukon and:

- Bank of Montreal
- Bank of Nova Scotia
- Business Development Bank of Canada
- Canadian Imperial Bank of Commerce
- Dāna Nāye Ventures
- Royal Bank of Canada
- Toronto Dominion Bank

The program is administered by the Department of Economic Development, but businesses do not need to contact the Government to use the program. See the information below.

Eligibility

The program is restricted to those businesses registered in Yukon and that pay Yukon corporate taxes. New business start-ups or expansions of businesses in the Yukon that have or project to have less than \$5,000,000 in gross revenues and less than 100 employees.

Eligible activities include businesses involved in the development and distribution of new products or services, the export of goods or services, import substitution, high technology and information services.

Ineligible activities include retail operations, refinancing of existing debt, speculative real estate transactions, changes in ownership and transactions involving withdrawal of shareholder loans.

The program will be primarily focused on new or expanded activities which will have the potential to expand the Yukon economy and create new jobs.

Guarantee Amounts and Level

- Minimum \$10,000; maximum \$100,000 guarantee
- Guarantee level is 65% of venture loan, principle only, and based on the net loss of the loan.
- Maximum six-year repayment term.
- Interest-only payments are permitted in the first year.

¹²⁷ <http://www.economicdevelopment.gov.yk.ca/yvlgp.html>

5 YT	Yukon Small Business Investment Tax Credit¹²⁸
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Objective

The Yukon Small Business Investment Tax Credit (YSBITC) is intended to create jobs and promote economic growth and expansion in Yukon by reducing financial risk for investors in Yukon companies. It may also repatriate some of the substantial capital Yukon people have invested in southern companies through their Registered Retirement Savings Plans (RRSPs).

Eligibility

In order to claim the YSBITC an investor must:

- be a Yukon resident on December 31st of the year in which they claim their YSBITC; and
- be 19 years of age or older

Investors must invest in an eligible small business corporation in order to claim the credit. In order to be considered an eligible small business corporation a company must:

- be incorporated;
- be a private corporation (Note: Registrar's Order 99/38 exempts a YSBITC corporation from some registration & filing requirements of the Securities Act. This exemption essentially allows the corporation to publicly advertize for investors.
- maintain a permanent establishment in Yukon;
- have at least 50 per cent of its assets (plant, property, and equipment) located in Yukon;
- pay at least 50 per cent of its salaries and wages to Yukon residents; and not exceed \$25 million in total capitalization.

Financing Details

- Eligible investors claim 25 per cent of their investment as a credit on their individual income tax returns.
- The credit is calculated at 25 per cent of the value of an investment. Investors are permitted to claim a credit to a maximum of \$25,000 per year. They may carry forward unused credits for seven years, or carry them back three years.
- The Minister of Economic Development can issue a total of \$1 million in credits per year.

¹²⁸ <http://www.economicdevelopment.gov.yk.ca/general/sbitc.html>