Innovation, Science and Economic Development Canada

2019-20

Departmental Results Report

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Ministers' message

It is our pleasure to present the 2019–20 Departmental Results Report for Innovation, Science and Economic Development Canada (ISED).

As the Department continues to mobilize industry and the research community to confront the COVID-19 pandemic, the various organizations in the ISED Portfolio have coordinated their efforts to position Canada as a global innovation leader and shape an inclusive economy for all Canadians. Over the past year, our priorities were to support and develop the innovation ecosystem; strengthen science to support evidence-based decision-making; champion the tourism sector; and help small businesses start up, scale up, and access new markets.

The Department invested in new and existing initiatives and programs to better empower Canadian entrepreneurs from across the country and from diverse backgrounds to grow and reach new markets. We maintained targeted support in our innovation ecosystem, including investments in key sectors, increasing knowledge and skills for the jobs of tomorrow, and implementing coordinated strategies adapted to regional considerations.

In supporting and developing Canada's innovation ecosystem, ISED focused significant efforts on building a data-driven economy. In May 2019, it released the Digital Charter, which provides a foundation of trust on which the government will build a new digital and data strategy for Canada. Positioned as a central driver in this new economy, the Department continued to support the development of artificial intelligence (AI), including collaborating with international partners on the Global Partnership on AI and delivering the Pan-Canadian AI Strategy.

Through continued strategic investments in a suite of programs, such as the Strategic Innovation Fund and the Innovation Superclusters Initiative, ISED fostered the commercialization of innovative products, inspired the adoption of environmentally friendly technologies and increased access to opportunities to build relevant skills so that all Canadians benefit from digital transformation. Naturally, such a transformation must be inclusive. In June 2019, ISED announced High-Speed Access for All: Canada's Connectivity Strategy, Canada's first connectivity plan that will coordinate investments along with complementary measures to ensure all rural and remote communities can fully participate in the global economy and society.

In strengthening science, the Department continued to work with the Canada Foundation for Innovation in 2019–20 as it launched new competitions to address the infrastructure needs of Canadian researchers. Additionally, the Department renewed contributions with Genome Canada and the Stem Cell Network, and worked with Public Services and Procurement Canada to advance Phase 1 of a 25-year transformative initiative to revitalize the government's science facilities.

As a champion of the domestic tourism sector, ISED continued to work in collaboration with stakeholders across Canada. In May 2019, the Department successfully launched the Federal Tourism Growth Strategy, which aims to better align the tourism resources among federal departments and improve cross-government collaboration, while considering the unique context of regions. Work to implement the Strategy is ongoing, while adjusting where needed to address effects of the COVID-19 pandemic.

Finally, the Department made significant progress in 2019–20 in helping small businesses to grow, export and compete globally. Coordinated, targeted funding, and a whole-of-government approach to Canada's first-ever Women Entrepreneurship Strategy helped Canadian women to start and grow their businesses, further building Canada's future competitiveness and overall prosperity. Mechanisms were also created to leverage Canadian innovators' creativity and ingenuity to address the government's complex challenges, via the Innovative Solutions Canada program.

From a corporate perspective, in November 2019, ISED was recognized as one of Canada's Top 100 Employers of 2020, owing to the Department's continued promotion and implementation of initiatives focused on diversity and inclusion, workplace well-being, employment equity, and healthy working relationships that are free from harassment.

These are just a few examples of ISED's work on behalf of all Canadians of diverse backgrounds, including women, Indigenous peoples, racialized Canadians, and LGBTQ+ groups. We invite you to read this report to learn more about how we are building a strong culture of innovation to position Canada as a leader in the global economy.

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Results at a glance and operating context

Moving forward on making Canada an innovation leader

In 2019, ISED's efforts were coordinated around embracing an innovation culture and working towards creating a globally recognized, and competitive Canadian economy.

ISED continued to provide programming to equip Canadians with the tools, skills and experience they need to succeed in the new global economy. Programs like Digital Skills for Youth and funding invested in Mitacs Research Internships created work-integrated learning placement opportunities for young Canadians. Furthermore, ISED made strides in creating opportunities for Canadian students to increase their digital adeptness in preparation to participate in an innovative, high-growth economy. ISED maintained efforts to bridge the digital divide by creating opportunities for Canadians to access to high speed and modern digital infrastructure and digital services.

In 2019, ISED enabled business investments in research, in addition to supporting Canadian innovations through partnerships and shared opportunity seeking. The Department did so through strategic investments in key sectors of the Canadian economy such as the Innovation Superclusters Initiative that aims to drive commercialization of research and strengthen the economy. ISED encouraged business-led innovation, through programs like the Strategic Innovation Fund, and the Venture Capital Catalyst Initiative. The Department played a key role in whole-of-government efforts to better coordinate support for businesses' real-world challenges. Enhancements to the Innovation Canada platform enables Canadian businesses to get information on the most relevant programs and services across all levels of government.

ISED also supported Canadian businesses and researchers to maintain Canada's position in the global clean technology market, by rolling out the Clean Technology Data Strategy and maintaining funding via Sustainable Development Technology Canada.

Delivering on Canada's Science Vision

In this past fiscal year, ISED enabled strategic research and development collaborations to support fundamental science, experimentation, innovation and commercialization. ISED successfully advanced the Digital Research Infrastructure Strategy to deliver more open and equitable access to advanced research computing and big data resources to researchers across Canada.

Supporting Canadian small businesses and entrepreneurs

In 2019, ISED made significant efforts rolling-out programming to attract investments and support the growth of small, medium and large Canadian businesses. The Department supported the growth of firms with innovation potential to connect to new markets and funding opportunities, as well as helped make business easier for small and medium-sized enterprises (SME), with programs led by Innovation Canada and Regional Development Agencies (RDAs) among others. In 2019, ISED also rolled-out

the Women Entrepreneur Strategy, in addition to a number of programs supporting Indigenous entrepreneurs to work towards equal access to opportunities for all Canadian innovators and entrepreneurs.

Implementing a new federal tourism strategy

In 2019, saw the successful launch of the Federal Tourism Growth Strategy to grow Canada's tourism sector and leverage its full growth potential in support of Canadian families in regions across the country. In support of this important work, the creation of a Tourism Industry Economic Strategy Table was announced to provide a platform for government and industry leaders to collaborate on overcoming sector challenges.

Total actual spending for 2019–20	Total actual full-time equivalents for 2019–20
2,386,107,584	5,339

Operating Context

In 2019, Canada was in a global innovation race, competing with countries around the world for the most talented people, the newest technologies and the fastest growing companies. The global economy was in a slow-growth cycle and Canada could not rely as much as it had in the past on increased trade and high commodity prices. With an aging population and historically low unemployment rates, attracting the right talent to support our growing firms and innovation was a challenge. Additionally, climate change was an increasingly important driver shaping not only how Canada would meet its energy needs but also how it would pursue growth.

Digital transformation was changing business models and the nature of work. Changes in technology pushed for the digitization and automation of every aspect of our lives. Continuous advancements challenged existing and new industry. To respond to the face pace of technological change, Canadians needed to be open to adopting new technologies and learning the skills necessary to prepare for the jobs of the future.

In 2019–20, ISED continued work to advance Canada’s Innovation and Skills Plan, recognizing that innovation is fundamental to promoting sustainable and inclusive growth, and generating jobs that raise Canadians’ living standards. The Innovation and Skills Plan is a whole-of-government, multi-year approach designed to make Canada a global innovation leader. Developed in consultation with Canadians, the Innovation and Skills Plan focuses on four interconnected pillars to spark innovation through partnerships and targeted action, and provided the foundation for Departmental work throughout the year:

- People and skills: Ensuring businesses have the right pipeline of talent to succeed and equipping Canadians with the tools, skills and experience they need to succeed throughout their lifetimes.

- Building ecosystems – science, technology and superclusters: Building innovation ecosystems through new partnerships, bridging the gap from idea, to commercialization, to growing globally-minded firms.
- Investment, scale-up and growing companies: Attracting investment, supporting the growth of leading Canadian companies and start-ups, and exporting.
- Program simplification and reorganization: Offering a timely, client-centric single window in the delivery of business innovation programs in every region.

Through the Innovation and Skills Plan and the Department's suite of initiatives and programs, ISED helped Canadian businesses address key challenges to move along the innovation continuum and supported Canadians to adapt to and fully participate in the innovation economy.

At the close of 2019–20, the world was hit by the COVID-19 pandemic, which has an unprecedented impact on global health and economic well-being. The unforeseen and sudden use of lockdown measures and the shutdown of borders, intended to save lives, had immediate ramifications on workforce availability, supply chains, and trade. This led to a drastic slowdown of economic activity across Canada costing millions of Canadians their jobs while staving off the untampered spread of the disease. Following the declaration of the pandemic in March 2020 and moving into the following fiscal year, ISED swiftly adjusted its programming and re-aligned resources to support measures the Government of Canada's COVID-19 Economic Response Plan aimed at protecting the health of Canadians and stabilizing the Canadian economy.

For more information on the Innovation Science and Economic Development's plans, priorities and results achieved, see the "Results: what we achieved" section of this report.

Results: what we achieved

Core responsibility: People, Skills and Communities

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

Results

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

The People and Skills pillar of Canada's Innovation and Skills Plan supports both Canadians and industry. Canadians are supported throughout their lifetime, ensuring firms have the talent they need to grow. From inspiring youth to pursue careers in coding to helping them develop lifelong skills, ISED's interconnected suite of programs used partnerships to build a resilient and skilled workforce for the future. The Department contributed to the government's ongoing commitment to support the innovation ecosystems across the country, particularly those based on partnerships between businesses and post-secondary institutions that support skills development to better meet industry's talent needs.

ISED supported a number of skills and workforce development programs that contribute to the development of a highly capable workforce. For example, Mitacs, the Business Higher Education Roundtable (BHER), Digital Skills for Youth (DS4Y), CanCode, Let's Talk Science and the Futurepreneur program contributed to building a more resilient Canadian workforce. Additionally, to support the alignment of policy priorities with industry workforce needs, ISED established a new team to integrate industry and employer perspectives into a broader skills agenda within the Department, the ISED portfolio organizations and RDAs.

ISED played a key role in creating learning and training opportunities for Canadians, by supporting the delivery of Work-Integrated Learning (WIL) for employers across the country. In 2019–20, ISED's contributions to Mitacs supported just over 9,600 WIL placements. Mitacs is on track and likely to reach the planned target of 10,000 placements by 2021–22. ISED also supported the BHER with $17M in funding over three years, stemming from the federal government's $1.1B investment in WIL. The BHER creates unsubsidized WIL placements through industry engagement, strengthening industry-academic linkages to build a more industry-relevant workforce for employers throughout Canada.

The Department also worked to increase Canadians' exposure to digital skills, including through the provision of opportunities to build these skills for employment. In 2019–20, the DS4Y program continued to connect recent post-secondary graduates with small businesses or not-for-profit organizations to learn in-demand digital and soft skills through a work-integrated learning experience, which will better position them for career-oriented employment. During the past fiscal year, DS4Y supported nine delivery organizations that provided internship opportunities to 665 post-secondary graduates.

Digital Skills for Youth (DS4Y): Equipping all Canadians for a digital economy

Launched in 2018–19, DS4Y is a component of the interdepartmental Youth Employment and Skills Strategy, and aims to reach a larger range of youth. To better support vulnerable youth, the Youth Employment Strategy was modernized and renamed the Youth Employment and Skills Strategy.

As a result of this modernization, DS4Y received a further $1.5M to support 75 additional youth internships. This allowed the program to launch a second call for proposals in August 2019 for the last two years of funding.

During the past fiscal year, DS4Y supported nine delivery organizations that provided internship opportunities to 665 post-secondary graduates.

These work-integrated learning (WIL) placements interns supported a diverse group of Canadians: 49% were women, 29% were visible minorities, 3% were people with disabilities and 12% were Indigenous youth. Furthermore, the program implemented process enhancements, leading to improved quality of applications.

With its suite of programs, ISED supported Canadians most at risk of being left behind by the rapid advancement of digital technology and the increasing digital divide. In 2019–20, the Department helped Canadians to develop digital skills and digital literacy and improved digital access. For example, CanCode provided students from kindergarten to Grade 12, and their teachers, with coding and digital skills training. In 2019–20, CanCode supported 27 not-for-profit organizations, with 57,278 interactions with teachers and 1,355,727 interactions with students in CanCode activities, with representation from 47% girls, 6% Indigenous youth, 2% youth with disabilities, and 20% living in rural, remote or northern communities. A second phase of the program was approved in Budget 2019 for an additional $60M over two years starting in 2019–20.

Fundamental digital literacy training is supported through the Digital Literacy Exchange Program (DLEP). In 2019–20, DLEP continued to support 36 not-for-profit partner organizations to deliver initiatives that support fundamental digital literacy skills to underrepresented groups across Canada. Over 38,000 participants were reached in

2019–20 and the program remains on track to meet its target of reaching 100,000 Canadians by March 31, 2022.

In 2019–20, the Accessible Technology Program (ATP) launched two calls for proposals, resulting in the selection of an additional seven new technology development projects. Led by organizations across industry sectors, these projects notably develop affordable assistive and adaptive digital technologies that remove barriers to employment faced by Canadians with disabilities. The ATP was first launched in 2017–18, and by 2019–20 had 20 projects in development, and is on track to meet its target of 28 projects by March 31, 2022. In 2019–20, the ATP took a number of actions to improve the quantity and quality of applications, to educate project proponents on ISED's programs and to utilize contribution agreements.

Funding for Let's Talk Science increased youth exposure to STEM-based programs. The delivery of these programs to Canadian youth and educators helps to build students' problem-solving skills and offers them access to experiential and digital programs. Engaging youth in meaningful STEM learning opportunities helps them build the base they need for employment in the future. Since its inception in 1993, Let's Talk Science has had over 7.4 million interactions with youth, adults, volunteers, educators and members of the general public, covering every province and territory. The program has demonstrated its steady growth through increasing the number of Outreach sites, which provide training and increase youth understanding of science. In 2018–19, Let's Talk Science developed 50 Outreach sites and exceeded its target of reaching 48 sites by March 31, 2020. The program engaged with four million youth across Canada and is progressing well towards meeting its goal of five million youth interactions at the end of the Let's Talk Science's fiscal year (August 31, 2020). Additionally, Let's Talk Science surpassed its target of 70% by March 31, 2020 for improving educators' confidence in supporting youth engagement in STEM by 19%. Budget 2019 announced a renewed investment of $10M over two years starting in 2020–21 to promote youth STEM skills development, which will allow the organization to continue these activities.

To support a more entrepreneurial economy, Budget 2019 announced a renewed investment of $38M over five years to continue ISED's partnerships with Futurpreneur Canada. This organization helps youth access the skills, mentorship, financing and resources needed to support their entrepreneurial success. This investment also increases Futurpreneur's capacity to engage Indigenous youth in the development of entrepreneurial skills, ensuring that supports reach all segments of the Canadian population. In 2019–20, Futurpreneur was able to provide growth and support services to 2,810 youth recipients, of which 994 were new entrepreneurs accessing mentorship. Further, 794 loans were issued to young entrepreneurs, of which 374 (47%) were issued to young female entrepreneurs, and 36 (4.5%) were issued to Young Indigenous entrepreneurs.

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

Technology is accelerating change, transforming industries and business models across Canada and the world. Strong connectivity and access to high-speed Internet is necessary to live, study and work in today's digital society. Through various initiatives, ISED worked to bridge the digital divide and ensure that all Canadians have access to the infrastructure needed to participate in our digital economy.

In June 2019, the Minister of Rural of Economic Development announced the *High-Speed Access for All: Canada's Connectivity Strategy*[i], a plan to coordinate investments along with complementary measures to ensure a connected Canada. It leverages a range of tools so that all rural and remote communities can fully participate in the global economy and society. From this Strategy, Budget 2019 announced $1.7B in funding to top-up Connect to Innovate (CTI), create a new Universal Broadband Fund (UBF), and invest in Low Earth Orbit (LEO) satellite capacity, a Strategic Innovation Fund project. These investments are to roll out in coordination with other funding sources, including from Infrastructure Canada, the Canadian Radio-television and Telecommunications Commission (CRTC) and the Canada Infrastructure Bank. Furthermore, a Deputy Minister Strategy Table on Broadband Connectivity was established to help guide coordination efforts. To advance the provision of high-speed services in some of the most remote regions of Canada, the preliminary stages of a partnership with Telesat were made in July 2019, which led to plans to commit up to $600M to secure satellite capacity for Canadians via Telesat's satellite constellation.

ISED's Connect to Innovate (CTI) program continued to bring high-speed Internet services to some of Canada's most rural and remote communities. In 2019–20, as part of targeted investments included in Canada's Connectivity Strategy, the CTI program received an additional $85M to the existing planned investment of $500M to 2023. By March 31, 2023, CTI is expected to support 975 rural and remote communities to establish backbone infrastructure projects, more than tripling the original target of 300. So far, 211 established CTI projects have announced $522M in funding, and over 10 projects have completed construction. Program results indicate that, so far, CTI projects have reached nearly 50 communities. All CTI projects are targeted for completion by March 2023.

In December 2019, the Computers for Schools (CFS) program rebranded as the CFS+. Building on the success of CFS, CFS+ continues to serve communities across Canada to provide a wide range of computer equipment and other digital devices. In 2019–20, the program extended its target population from only schools to include libraries, not-for-profit organizations, Indigenous communities and eligible low-income Canadians, through the CFS+ Internship program (CFSI) and CFi. The CFS+ provided 69,276 digital devices to Canadians and employed 270 youth interns through CFSI, enhancing their employability and marketability through internships specifically targeted to develop expertise and skills needed to actively participate in the digital economy. In 2019, as a

result of the updated Youth Employment and Skills Strategy, the CFSI received an additional $1.125M to support 56 additional youth internships.

ISED continued efforts to connect low-income Canadians to the Internet and digital tools through a suite of programs. In 2019–20, an additional 34,255 Canadian families received $10 Internet through Connecting Families initiative (CFi). Engagement efforts were put forth to offer improved coverage for regions that remain underserved by the initiative, resulting in new Internet service providers participating in the program, providing more options for Canadian families. In addition, ISED's Computers for Schools Plus (CFS+) program was leveraged to refurbish up to 50,000 computers for eligible families in need. As of the end of fiscal year 2019–20, 33,100 refurbished computers were delivered to low-income families enrolled in CFi, 18,356 of which were provided in 2019–20.

In 2019, efforts continued to seek efficiencies in processes to ensure accessible programming that meets needs in a timely fashion. For example, to minimize delays, the CFS affiliates network pre-built the majority of the computers so they could be shipped more quickly to Canadian families. Additionally, ISED continues to diversify the devices that are refurbished to reflect changing technology. For example, in 2019–20, CFS+ recipients received new and more advanced disk wiping systems to speed up this critical step in the refurbishment of devices.

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

Canada's diversity is a strength in an increasingly interconnected global economy. ISED helps to promote diversity by ensuring support to entrepreneurs from underrepresented groups, including women and Indigenous peoples.

ISED plays a national coordination function in rolling out various aspects of the Women Entrepreneurship Strategy (WES). For the Women Entrepreneurship (WE) Fund and WES Ecosystem Fund, ISED coordinated with RDAs to ensure projects reflected Canada's demographic, sectoral, linguistic and geographic diversity, while simultaneously avoiding duplication in programming. This included ensuring that funding was available for women from Official Languages Minority Communities (OLMCs), youth and Indigenous organizations, among others. ISED also chairs a WES Steering Committee, coordinating the work of over 20 departments and agencies as it relates to women entrepreneurship.

ISED also awarded Ryerson University up to $8.62M to establish a Women Entrepreneurship Knowledge Hub (WEKH). The Hub serves as a one-stop source of knowledge, data and best practices and delivers activities to support the advancement of women entrepreneurs from diverse backgrounds. Through the WEKH website, users can browse an extensive library of research comprised of over 2,400 resources. The WEKH participated in, or co-sponsored, more than 363 events in 2019–20 attended by more than 23,000 participants. In addition, WEKH engaged more than 2,000

organizations on a range on initiatives, including over 300 women-centric business support organizations, 160 organizations serving Francophone women entrepreneurs and 295 organizations directly serving Indigenous women entrepreneurs.

Additionally, ISED supported the establishment of the WES Expert Panel to provide diverse expertise and perspectives, including exploring options to solve service gaps for Canadian women entrepreneurs. The Expert Panel fully delivered on its mandate to guide future efforts to support women entrepreneurship. The Expert Panel provided recommendations to the government on how best to continue supporting women entrepreneurs. ISED aims to ensure that government programs support the success of all entrepreneurs and help Canadian SMEs seeking to grow, scale up, and become more innovative. The Minister of Small Business and Export Promotion, supported by the Brookfield Institute for Innovation and Entrepreneurship, appointed Sheldon Levy as a Special Advisor in 2018 to engage with high-growth Canadian scale-ups to support them in their growth trajectories. The dialogue between the high-growth sector and government provided insights to inform ongoing policy development on innovation programming.

In 2019-2020, ISED continued its implementation of the Regional Economic Growth through Innovation (REGI) program delivered by the Federal Economic Development Initiative for Northern Ontario (FedNor) and other RDAs with the goals of advancing growth and innovation and diversifying economies to build stronger and more innovative communities across Canada. In 2019–20, FedNor made investments of $36.3M in 54 projects under the REGI program, which leveraged $60.4M. These projects support business productivity, scale-up and regional innovation ecosystems. In 2019–20, FedNor also invested $3.0M in seven projects under the Steel and Aluminum Initiative to support innovative projects that will enhance productivity and/or augment competitiveness of steel and aluminum users. FedNor also actively engaged with various stakeholders on a number of collaborative initiatives, to support innovation, growth and competitiveness in Northern Ontario.

Key Risks

In 2019-20, the global economy experienced slow economic growth. Additionally, as the Canadian population continued to age, fewer working-age people maintain Canada's workforce. There was a risk that Canada's productivity, connectivity and innovation capabilities could stall and SMEs, vulnerable people and communities could lag behind.

To mitigate this risk, ISED continued to connect Canadians in rural and remote communities to broadband through the Connect to Innovate program. ISED also maintained strong relationships with stakeholders to ensure that policies and programs were appropriately responsive to the needs of emerging industries and underrepresented groups. For example, as part of the work to deliver the Women's' Entrepreneurship Strategy (WES), ISED supported the WES Expert Panel to provide

expert advice from diverse viewpoints, including identifying and providing options to solve service gaps for Canadian women entrepreneurs.

Gender-based analysis plus (GBA+)

In an increasingly fast-paced digital environment, ISED remained committed to supporting all Canadians to participate in the global economy.

ISED supported the creation, transfer and diffusion of knowledge to ensure that Canadians, including underrepresented individuals (categories such as of gender, but also Indigenous, youth, Canadians with disabilities, LGBTQ+ groups, rural and remote communities and income) are equipped with the skills and tools to participate in an innovative, high-growth economy. ISED's work helps advance a culture of innovation where Canadians are motivated to address local, regional, national and/or global challenges. This work seeks for Canadians to benefit from the growth of the middle class across communities, and increased access to affordable broadband and mobile Internet, including in rural and remote regions. Additionally, that Canadian consumers are protected and informed.

ISED recognizes the impact that gender-based analysis plus (GBA+) has in the development and implementation of effective policies and programs that meet the needs of diverse groups of Canadians.

Work continues to further reduce inequitable gaps between women and men, and for historically underrepresented groups, such as Indigenous Peoples, visible minorities, persons with disabilities, and LGBTQ+ groups. The Department made progress to provide opportunities for Canadians in underrepresented groups through a range of programming.

For example, CanCode aims to equip Canadian youth, including traditionally underrepresented groups, with the skills they need to be prepared for further studies, including advanced digital skills and science, technology, engineering and math (STEM) courses, leading to the jobs of the future. Canada's success in the digital economy depends on leveraging our diverse talent and providing opportunity for all to participate. CanCode has a focus on reaching girls, Indigenous youth, youth with disabilities, and youth living in rural, remote and northern communities to increase their representation in science, technology, engineering and mathematics training.

Additionally, by ensuring that all CanCode programs are free to participants, CanCode helps to reduce income-based barriers to participation. To date, CanCode has succeeded in promoting participation of those traditionally underrepresented in science, technology, engineering and mathematics fields—including girls, Indigenous youth, at-risk youth, children with disabilities, and those in rural, remote and northern regions. In 2019–20, 57,278 teachers and 1,355,727 students participated in CanCode activities, with representation from 47% girls, 6% Indigenous youth, 2% youth with disabilities, and 20% living in rural, remote or northern communities.

The CTI program is bringing high-speed Internet to over 900 rural and remote communities in Canada, including 190 Indigenous communities. In these communities, challenging geography and smaller populations present barriers to private sector investment in building, operating and maintaining infrastructure. This program supports new “backbone” infrastructure to connect institutions like schools and hospitals with a portion of funding for upgrades and “last-mile” infrastructure to households and businesses. Canadians will have the opportunity to innovate and participate in our economy, democracy and way of life using new digital tools and cutting-edge services like tele-health and tele-learning.

The Accessible Technology Program is investing in hardware and software solutions that help Canadians with disabilities overcome barriers that come in the way of their full participation in the digital economy. The program co-funds innovative projects led by research institutes, private sector companies and not-for-profit organizations to develop innovative assistive and adaptive digital devices and technologies for persons with disabilities.

The Digital Literacy Exchange Program (DLEP) aims to facilitate and encourage the participation of underrepresented groups in the digital economy by investing in initiatives that provide them with the necessary digital tools, access and skills development opportunities. While 91% of Canadians use the Internet (based on the Canadian Internet Use Survey 2018), there are still groups who are newly involved with, or have not fully discovered the benefits of being online. It is important to support these groups to ensure no one is left behind in the digital economy. In 2019–20, the DLEP continued to support 36 not-for-profit partner organizations to deliver initiatives that support fundamental digital literacy skills to underrepresented groups across Canada. The program’s focus remains to reach Canadians at highest risk of being left behind by the rapid pace of digital technology adoption—including seniors, persons with disabilities, newcomers to Canada, low-income Canadians, language minority groups and Indigenous people. Over 38,000 participants were reached in 2019–20 and the program remains on track to meet its target of reaching 100,000 Canadians by March 31, 2022.

The CFi aims to help bridge the digital divide by connecting low-income Canadian families with participating Internet Service Providers (ISPs) offering low-cost home Internet services in their area. CFi also leverages the CFS program’s network of affiliates and its infrastructure to deliver up to 50,000 refurbished computers to eligible families at no cost. These efforts will ensure that more Canadian families and youth have access to the valuable resources available on the Internet and give them access to the tools they need to be successful and thrive.

Experimentation

ISED has continued to foster an environment of innovation and intelligent risk-taking. In 2019, ISED enforced the foundations for evidence-based experimentation with the launch of the Centre of Expertise on Experimentation (CoEE).

The CoEE supports the Department in its commitment to test new approaches through the adoption of rigorous methods to experimentation. The CoEE's focus for 2019-2020 was to increase awareness of methodological approaches for the administration and measurement of experiments, to equip the Department to identify experiments, to support the continued adoption of mindsets that foster experimentation, and to integrate experimentation as an essential tool for continuous innovation and problem-solving.

Results achieved

Departmental results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2018–19 Actual results	2019–20 Actual results
Canada has a highly skilled workforce that is equipped for jobs in an innovative and high-growth economy	Percentage of professional, science and technology-related jobs in Canada's economy	at least 40%	December 31, 2025†	34% (2017)	34% (2018)	35% (2019)
	Number of science, technology, engineering and mathematics graduates in Canada	at least 175,000	December 31, 2025	124,974 (2017)	2018 results to be available in Fall 2020	Results are reported by calendar year, with a one year lag.
	Number of Canadians that receive digital and coding skills training and development opportunities through ISED programs	at least 500,000 (Note 1)	December 31, 2019†	281,403	1,750,000	1,451,973 (2019) (Note 2)
Canadian communities are connected to and use digital infrastructure	Percentage of population with access to ultrafast broadband (Note 3)	1 Gbps: at least 80% 50/10 Mbps: 100%	December 31, 2020† December 31, 2030	1 Gbps: 50% (2017) 50/10 Mbps: 84% (2017)	1 Gbps: 65% (2018) 50/10 Mbps: 85.7% (2018)	Data is expected to be available by late Fall 2020 or early Winter 2021

	Percentage of households with an Internet connection (including across underserved individuals, such as low-income)	100%	December 31, 2025†	89% (2017)	94% (2018) (Note 4)	Data is expected to be available in 2021
Canada's entrepreneurs represent all segments of Canadian society	Percentage of small and medium-sized enterprises that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities	Women: at least 25% Indigenous peoples: at least 1.6% Youth: at least 17% Visible minorities: at least 14% Persons with disabilities: at least 0.6%	December 31, 2025†	Women: 15.6% Indigenous peoples: 1.4% Youth: 15.8% Visible minorities: 12.2% Persons with disabilities: 0.5% (Note 5)	Results expected to be available in 2021	Results expected to be available in 2021
	Number of small and medium-sized enterprises supported by ISED programs, including those that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities	Target not specified (Note 6)	Date not set	Statistics Canada data is expected to be available in Fall 2020	Statistics Canada data is expected to be available in Fall 2021	Total SMEs supported by ISED program: 11744 Majority-owned by women: 3709 Majority-owned by Indigenous peoples: 405 Majority-owned by youth: 1303

						Majority-owned by visible minorities: 1265 Majority-owned by persons with disabilities: 2 (Note 7)

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

Note 1: This target was set in alignment with the Innovation and Skills Plan and was based on data from the Technical Work Experience Program (TWEP). Starting in 2017-18, results were expanded to include ISED's other digital and coding skills training programs, including CanCode, Digital Skills for Youth (DS4Y), Digital Literacy Exchange Program (DLEP), and Computers for Schools Intern program (CFSI) (previously TWEP). As a result, ISED has significantly surpassed the original target. A new target was established in the 2020-21 Departmental Plan.

Note 2: Final reports from program recipients for DS4Y and CFSI have not yet been submitted, and data will be updated in Summer 2020. As a result, the Actual Result reported for 2019-20, is slightly lower than the anticipated total.

Note 3: Data to support this indicator comes from the CRTC Communications Monitoring Report, which reports access to ultrafast broadband on a *household* basis. This will be addressed as part of ISED's review of its Departmental Results Framework (DRF).

Note 4: Results reported in 2017 were derived from the STC Survey of Household Spending and represent percentage of household with internet use from home, while 2018 results are from the STC Canadian Internet Use Survey and represent percent of Canadians aged 15 years and older who have access to the Internet at home. The STC Survey of Household Spending has moved to a biennial survey therefore 2018 data is not available. It should be noted that methodological differences between these two surveys may account for some of the perceived year-over-year growth and caution should be exercised in comparing the results.

Note 5: The 2017-18 data results for this indicator are provided from a survey conducted every three years. The last survey data was released in November 2018 and covers the year 2017. For the results on youth specifically, 1.7% of SMEs have primary decision makers younger than 30, and 14.1% have primary decision makers between 30 and 39 (Source: Survey on Financing and Growth of SMEs, 2017). The 2017-18 results presented in the table align with the Futurpreneur definition of youth, which is between 18 and 39.

Note 6: ISED is implementing an integrated data strategy, which will help address the gap for department-wide detailed program data. Baseline data and a target will be available in 2020-21.

Note 7: ISED is establishing a data agreement with Statistics Canada to report on this indicator, and data for 2019-20 is expected to be available for reporting in 2021-22. In the interim, ISED is reporting a roll-up of data from ISED's support to business programs. Figures for majority-owned businesses are a subset of

the total number of SMEs supported by ISED programs, and some data is incomplete as not all programs collect data on majority ownership.

Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2019–20 Total authorities available for use	2019–20 Actual spending (authorities used)	2019–20 Difference (Actual spending minus Planned spending)
453,557,392	453,557,392	535,403,025	332,829,790	(120,727,602)

The variance between 2019-2020 planned spending and 2019-2020 actual spending is primarily due to a reprofile of funds under the Connect to Innovate program.

Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2019–20 Actual full-time equivalents	2019–20 Difference (Actual full-time equivalents minus Planned full-time equivalents)
186	187	1

The variance between 2019-2020 planned and actual full-time equivalents is primarily due to a realignment of the Departmental Results Framework.

Financial, human resources and performance information for the Innovation Science and Economic Development's Program Inventory is available in GC InfoBase[ii].

Core responsibility: Science, Technology, Research and Commercialization

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

Results

Departmental Result: World-leading superclusters are grown in Canada

The Innovation and Skills Plan was a vehicle to foster new partnerships to leverage Canada's innovation strengths to bridge the gaps from science, to commercialization, to investment and scale up. To accomplish this, ISED supports the Innovation Superclusters Initiative (ISI) in growing clusters—dense areas of business activity containing large and small companies, as well as post-secondary and other research institutions—into business-led innovation superclusters.

In 2019–20, the superclusters gained momentum and advanced projects and activities to support their members and grow their ecosystems. To date, the program's collaborative model is showing signs of success. The superclusters led industry culture change by incentivizing organizations that would not have otherwise partnered on projects to work together, established strong memberships and project pipelines, and leveraged data and intellectual property (IP) for the benefit of their ecosystems. The superclusters also effectively pivoted to support industry members in rapidly responding to the COVID-19 crisis in the last month of the fiscal year.

Canada's superclusters bring together small, medium-sized and large companies, academic institutions, and not-for-profit organizations to serve as anchors of innovation, growth and job creation across the country. After successfully establishing operational foundations in previous years, the superclusters announced in 2019–20, 39 projects, for a total value of $217M, including projects in the Atlantic Canada–based Ocean Supercluster, Prairie-based Protein Industries Canada Supercluster, the British Columbia-based Digital Technology Supercluster, the Quebec-based AI-Powered Supply Chains Supercluster and the Ontario-based Next Generation Manufacturing Supercluster. As of March 2020, the superclusters had more than 1,800 member organizations and had announced a total of 46 projects since the start of the program, with a federal investment of $106M that has leveraged $145M from private industry and other partners. The projects are contributing to collaborative R&D benefits and support collaboration to address important industrial challenges and boost productivity and competitiveness.

Departmental Result: Canadian businesses invest more in research and development

Business expenditure on research and development (BERD) is a key indicator of private sector commitment to innovation. In recent years, Canada has fallen behind in annual rankings of BERD relative to other Organisation for Economic Co-operation and Development (OECD) countries and key trading partners, such as the United States and the European Union.

ISED supports collaborations between the private sector and post-secondary institutions to grow R&D in Canada. According to the OECD, 7.85% of the R&D that was performed by the higher education sector in 2017 was funded by businesses in Canada. Per the latest OECD report, Canada ranks higher than the average for OECD countries (6.0%) and is second to Germany among G7 countries in 2017.

Throughout 2019–20, ISED continued to foster collaboration and exchanges between the higher education sector and businesses as they advanced research and commercialization opportunities in key sectors in Canada. This included the monitoring and implementation of contributions to third-party science and research organizations that delivered on a wide range of innovative research activities across Canada. Additionally in 2019–20, the Department renewed contributions to Genome Canada and the Stem Cell Network for an additional five (2020–21 to 2024–25) and three years (2019–20 to 2021–22), respectively, as announced in Budget 2019.

Departmental Result: Canada has world-leading research capacity

The Government of Canada has invested more than $10B in science, research and infrastructure. This investment aim to drive innovation, competitiveness and economic growth for years to come and includes $195.9M to TRIUMF, Canada's particle accelerator centre, over five years, starting in 2020–21. Additionally, an investment of $100.5M to Genome Canada, over five years, starting in 2020–21 was provided through Budget 2019. It also includes the largest investment in fundamental research in Canadian history as part of Budget 2018. This funding allowed updated post-secondary labs and facilities to be state-of-the-art through the Post-Secondary Institutions Investment Fund announced in Budget 2016; investments of $763M over five years for the Canada Foundation for Innovation (CFI) beginning in 2018, followed by up to $462M per year ongoing for the CFI starting in 2023–24; and renewal of federal science labs. Investments included a focus on empowering more women, Indigenous peoples and those otherwise underrepresented in research to pursue a career in the sciences. In 2019, 58% of the 24 Canada 150 Research Chairs appointed by the Government of Canada were women.

The Office of the Chief Science Advisor (OCSA) grew more fully into its role, advancing a range of initiatives in all areas of its mandate. The OCSA accelerated operations in its policy work, its international engagements, its science advisory function, and in its support for federal research facilities and scientists.

One priority area of work involved the development and growth of the Departmental Science Advisor network. The network comprised of seven members met regularly to provide essential contributions on key files such as implementing departmental Scientific Integrity policies and in developing the Roadmap for Open Science. The model Scientific Integrity Policy was developed by OCSA in collaboration with the Treasury Board Secretariat (TBS) and the Professional Institute for the Public Service of Canada (PIPSC). The purpose of the policy was to ensure that federal scientists and researchers conduct themselves responsibly in their work, to encourage public dissemination of federal research, to affirm researchers' freedom to speak openly about their findings, and to shield that freedom from political, commercial, or stakeholder interference. In February 2020, the OCSA published the Roadmap for Open Science, whose objective is to guide timetable-driven efforts to make federal science and research more readily and easily available to Canadians.

As planned, ISED administered the contribution agreement implementing the Budget 2018 investment in the CFI. In 2019–20, the CFI launched new competitions that address the research infrastructure needs of Canadian researchers. The CFI provided close to $40M to support cutting-edge collaborative international research at seven research facilities across Canada. In spring 2019, the CFI launched the 2020 competition for the Innovation Fund, its flagship program for supporting major research infrastructure projects. For this competition, the CFI will invest up to $520M: up to $400M in research infrastructure funding and up to $120M for associated operating costs. The CFI also continued to run competitions under the John R. Evans Leaders Fund and the College-Industry Innovation Fund, both part of the CFI's suite of programs that support research infrastructure needs at universities, colleges and research hospitals across Canada.

To deliver world-class science, Canada's federal researchers need to be supported by state-of-the-art infrastructure that supports collaboration and inter-disciplinary research. In 2019–20, ISED continued to support Public Services and Procurement Canada (PSPC) to revitalize the government's science facilities on the Federal Science and Technology Infrastructure Initiative. To support PSPC in implementing this initiative, ISED has worked with TBS to add 10 questions for federal scientists to the annual Public Service Employee Survey. These provide a snapshot of the opinions of federal scientists on issues such as collaboration and barriers to completing their work. While not measuring the initiative per se, these questions will help to provide a baseline measure before the new laboratories are constructed.

ISED continued to implement measures that address the recommendations of the independent Panel on Canada's Fundamental Science Review by establishing the Canada Research Coordinating Committee (CRCC). ISED participated in a range of initiatives to support greater harmonization, integration and coordination of science and research-related programs and policies.

ISED officially created a new Council on Science and Innovation and is continuing to work through the next steps to operationalize it and empower it to inform the government's efforts to strengthen the science and research ecosystem and stimulate innovation.

Furthermore, ISED advanced the Digital Research Infrastructure (DRI) Strategy to deliver more open and equitable access to advanced research computing and big data resources to researchers across Canada. ISED negotiated contribution agreements to support the strategy, including the negotiation of a contribution agreement with the recipient of the new Digital Research Infrastructure Contribution Program which began administration and governance activities, including election of their inaugural board. This also encompassed an investment of $50M to support an immediate increase in computing capacity of 50%, including doubling the geographic processing capabilities required to support artificial intelligence (AI) and other data intensive research. Additionally, ISED finalized a new contribution agreement with CANARIE to maintain the research and education network that included dedicated funding for cybersecurity.

AI is an important field of research that has the potential to improve the life of every Canadian. To ensure that the benefits of AI are maximized and its risks mitigated, ISED continued to shape the AI policy landscape, supporting CIFAR, a Canadian-based global research organization, in delivering the Pan-Canadian AI Strategy. Of the 41 existing AI chairs, an additional 39 new chairs were announced, more than 650 interns, graduate students and post-docs were trained, and a number of collaboration and training activities were supported. Domestically, ISED established the Government of Canada Advisory Council on AI to provide advice on how Canada can leverage its existing leadership in AI innovation for the socio-economic benefit of all Canadians. The Council created two Working Groups: the Commercialization Working Group, which produced a report, and the Public Awareness Working Group, activities to be continued in 2020–21.

Similarly, on an international level, ISED continued to play an active leadership role in discussions on AI with international partners in the context of the G7, G20, OECD, Digital Nations, and Open Government Forum and Summit. ISED supported the establishment of the Global Partnership on AI (GPAI) in collaboration with international partners. To guide the responsible human-centric development and use of AI, ISED also contributed to AI-related discussions in international fora such as at the OECD and at ministerial-level G7 and G20 meetings.

Key Risks

Canada strives to achieve international success and "top of the podium" recognition in academia and research commercialization. Given the complexity of research-based investments, there was a risk that related projects might take several years to demonstrate their contributions in Canada and abroad.

To mitigate this risk, ISED actively maintained strong stakeholder relationships and monitored investment performance to ensure ISED remained on track to deliver results. ISED's efforts under the Innovation Superclusters Initiative (ISI) included successful collaborations between the private sector and post-secondary institutions in the selected Innovation Superclusters' sectors of economic strength and supported ISI strategic co-investments within industry. ISED also continued to coordinate and foster collaboration to deliver more open, streamlined, and equitable access to advanced computing and big data resources by supporting stakeholder and research needs through the Digital Research Infrastructure (DRI) Strategy.

Gender-based analysis plus (GBA+)

The Innovation and Skills Plan was a vehicle to foster new partnerships to leverage Canada's innovation strengths to bridge the gaps from science, to commercialization, to investment and scale up. ISED considers GBA+ to be an important tool that supports the development of these new partnerships. In 2019–20, the Department continued to encourage programs to consider how to better adapt programming to diverse groups across Canada. Investments have included a focus on empowering more women, Indigenous peoples and those otherwise underrepresented in research to pursue a career in the sciences. In 2019, 58% of the Canada 150 Research Chairs appointed by the Government of Canada are women.

Other examples can be found in the Innovation Superclusters Initiative that is investing up to $950M to support industry-led superclusters with the intention of energizing the economy and encouraging business and ecosystem growth. Contribution agreements contain commitments by the superclusters to ensure that their boards reflect Canada's diversity, including achieving gender parity. Project selection criteria encourages diversity and inclusion among ultimate funding recipients and the superclusters are required to demonstrate how projects will benefit women and other underrepresented groups.

Additionally, the Strategic Innovation Fund (SIF) supports innovation projects in Canada, while also ensuring that the funded projects generate not only innovation and economic benefits, but also social ones. Contribution agreements contain commitments by recipients to develop and implement gender and diversity plans that reflect the specific context of projects and companies. SIF tracks the progress against these commitments including through its Annual Projects Benefits Report.

Innovative Solutions Canada is a new program with over $100M dedicated to supporting the scale up and growth of Canada's innovators and entrepreneurs by having the federal government act as a first customer. Twenty participating federal departments and agencies will set aside a portion of funding to support the creation of innovative solutions by Canadian small businesses. One of its objectives is to encourage procurement from companies led by underrepresented groups, such as women, Indigenous peoples, youth, and others.

Another example is the Women Entrepreneurship Strategy (WES), a whole-of-government approach to help women grow their businesses through access to financing, talent, networks and expertise. Through over 20 different federal government departments, agencies and crown corporations, the WES provides nationally coordinated, regionally tailored investments to help women entrepreneurs and support regional innovation ecosystems. ISED is responsible for two program streams: the Women Entrepreneurship (WE) Fund is a $30M program that invests directly in women-owned or women-led businesses to help them grow and reach new markets. The WES Ecosystem Fund is an $85M investment to help non-profit, third party organizations deliver support for women entrepreneurs and address gaps in the ecosystem. ISED also provided up to $8.6M in funding for the creation of a Women Entrepreneurship Knowledge Hub (WEKH), a one-stop source for knowledge, data and best practices for women entrepreneurs.

Additionally, the Venture Capital Catalyst Initiative (VCCI), a specialized type of private equity financing that takes educated risks on high growth-potential companies is supporting GBA+. Venture Capital (VC) is often an essential element in helping Canadian companies scale. To support the Canadian VC ecosystem, the Government of Canada introduced the $450M Venture Capital Catalyst Initiative (VCCI), which is being delivered by the Business Development Bank of Canada (BDC). VCCI Stream 1 invested in large funds-of-funds that will support Canadian VC fund managers, while VCCI Stream 2 invested in emerging and diverse managers, underserved regions and sectors, and alternative fund structures. VCCI Stream 3 invested in VC funds investing primarily in clean technology firms. One of the objectives of VCCI is to improve gender balance among Canadian VC fund managers and companies. As part of their submissions, applicants under all streams were required to submit gender balance strategies demonstrating how they will enhance diversity and increase the participation of women across the VC ecosystem. All recipients will be required to report on statistics relating to the number of women fund managers and entrepreneurs supported.

Experimentation

ISED has continued to foster an environment of innovation and intelligent risk-taking. In 2019, ISED enforced the foundations for evidence-based experimentation with the launch of the Centre of Expertise on Experimentation (CoEE).

The CoEE supports the Department in its commitment to test new approaches through the adoption of rigorous methods to experimentation. The CoEE's focus for 2019-2020 was to increase awareness of methodological approaches for the administration and measurement of experiments, to equip the Department to identify experiments, to support the continued adoption of mindsets that foster experimentation, and to integrate experimentation as an essential tool for continuous innovation and problem-solving.

Results achieved

Departmental results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2018–19 Actual results	2019–20 Actual results
World-leading superclusters are grown in Canada	Number of new firms created (in targeted areas)	Target not specified (Note 1)	March 31, 2023	New program – data not available to report results	New program – data not available to report results	Data is expected to be available in Fall 2020
	Number of anchor firms (in targeted areas)	Target not specified (Note 2)	March 31, 2023	New program – data not available to report results	New program – data not available to report results	137 (Note 3)
	Value of investments leveraged to develop clusters as a result of ISED program funding (per dollar invested)	at least $1.20 (Note 4)	March 31, 2023	New program – data not available to report results	New program – data not available to report results	Data is expected to be available in Fall 2020
Canadian businesses invest more in research and development (R&D)	Business Expenditure in Research and Development in dollars	at least $30 Billion (Note 5)	December 31, 2025†	$18.7 Billion (2017)	2018 data is expected to be available in Fall 2020, but may be delayed due to COVID-related delays	2019 data will be reported in 2020-21

	Percentage of companies engaged in collaborations with higher education institutions	at least 6%	December 31, 2025†	3.2% (2015-2017)	Data is expected to be available in Fall 2020	2019 data will be reported in 2020-21
	Value of Business Expenditure in Research and Development by firms receiving ISED program funding (in dollars)	Target not specified (Note 6)	Date not set	Data is expected to be available in Fall 2020	Data is expected to be available in 2021	2019 data is expected to be available in 2022
Canada has world leading-research capacity	Canada's rank among Organisation for Economic Co-operation and Development nations on the citation score of science research publications	in the top 10 (Note 5)	December 31, 2025†	16th (2017)	18th (2018)	2019 data is expected to be available by January 2021
	Number of co-authored publications between federal and non-federal scientists	at least 2479	December 31, 2020	2395 (2017)	2444 (2018)	2019 data is expected to be available by December 2020

	Value of investments leveraged in science and research infrastructure as a result of ISED program funding (per dollar invested)	at least $1.00	March 31, 2020	$1.50 (This result is for PSI-SIF only)	$1.60 (This result is for PSI-SIF only)	$1.50 (This result is for PSI-SIF only)

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

Note 1: The objective is for the growth rate of new firms in the targeted areas to be equal, or greater than, the average rate of firm creation experienced across the economy at the national level; a target was set in the 2020-21 Departmental Plan.

Note 2: The objective is a 10% increase in the number of anchor firms by March 31, 2023; a target was set in the 2020-21 Departmental Plan.

Note 3: A target of 100 was set in the 2020-21 Departmental Plan. Since then, the program has experienced significantly more uptake than anticipated. The target will be adjusted to reflect this in future ISED reports.

Note 4: Due to delays in establishing the contribution agreements and delays related to COVID-19, the requirement to meet the industry match ratio has been revised to 1:1 and has been extended to March 31, 2021. This change will be reflected in future ISED reports.

Note 5: Statistical revisions are carried out regularly in the data source for this indicator. Therefore, in this table, past years' values may differ from those published in previous ISED reports.

Note 6: ISED is implementing an integrated data strategy, which will help address the gap for department-wide detailed program data. Baseline data and a target will be available in 2020-21.

Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2019–20 Total authorities available for use	2019–20 Actual spending (authorities used)	2019–20 Difference (Actual spending minus Planned spending)
935,768,418	935,768,418	956,275,566	813,170,459	(122,597,959)

The variance between 2019-2020 planned and actual spending is primarily due to a reprofile of unused funds under the Innovation Superclusters Initiative and the Digital Research Infrastructure Strategy.

Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2019–20 Actual full-time equivalents	2019–20 Difference (Actual full-time equivalents minus Planned full-time equivalents)
110	127	17

The variance between 2019-2020 planned and actual full-time equivalents is primarily due realignments in order to comply with the guidelines for reporting of internal services functions.

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

Core responsibility: Companies, Investment and Growth

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

Results

Departmental Result: Canada becomes a global leader in clean technologies

ISED is supporting government-wide efforts to make Canada a global leader in the growing clean technology market, which will promote the creation of good middle-class jobs for Canadians while protecting the environment. To accomplish this, ISED has deepened federal, provincial, and territorial (FPT) collaboration on clean technology through its programming and contribution to crosscutting initiatives.

The Clean Growth Hub continued to deliver on its mandate as the federal clean technology focal point by helping stakeholders navigate federal programs and supports that are the most relevant to their needs. In 2019–20, the Hub supported 532 new clients through a unique whole-of-government service delivery model, which enhances collaboration across federal organizations to offer clean technology companies real-time information sharing and problem solving. The Hub has supported 1,719 clients since its inception in January 2018.

The Clean Technology Data Strategy continues to improve clean technology data in three separate components. The first is improving the federal capacity to track clean technology outcomes by ensuring consistency and quality of data collected by federal programs. This work is supported by the Clean Growth Hub. The second component relates to providing authoritative statistics on clean technologies and environmental goods and services in the Canadian economy, such as their contribution to GDP, exports, jobs, and sub-sectors. This second component, supported by ISED and Natural Resources Canada (NRCan) advanced Statistics Canada’s Environmental and Clean Technology Products Economic Account (ECTPEA) data release in February 2020, and the results from the Survey of Environmental Goods and Services (SEGS) in May 2020. These data included for the first time, detailed information for provinces, as well as a more refined taxonomy on the subset of clean technology activity. NRCan led the third component of the strategy and released the first set of industry statistics in March 2020.

In 2019–20, the Sustainable Development Technology Canada (SDTC) invested $156M in 53 new projects across Canada. This included 34 start-up and scale-up projects, and 19 firms approved through a seed fund pilot launched last fiscal year. The seed fund expands SDTC's reach by partnering with accelerators across Canada to provide grants of $50,000 to $100,000 through a streamlined application and approval process that provides companies with the funds they need in eight weeks. SDTC has continued to help Canadian companies develop and deploy globally competitive clean technology solutions that address environmental challenges related to climate change, clean air, clean water and clean soil. Following investments in 2019–20, SDTC supported companies have the capacity to deliver an estimated 19.3 megatons CO2e of annual greenhouse gas (GHG) emission reductions, representing an increase in GHG emissions reductions by 1.2 megatons CO2e over 2018–19. SDTC continues to work closely with a network of federal and regional partners to help strengthen entrepreneurial ecosystems and provide streamlined, one-window support to Canadian clean tech companies from seed to success. Through close collaboration with Export Development Canada (EDC) and Business Development Bank of Canada (BDC), SDTC supported clean tech firms have received $243.4M in follow-on support in 2019.

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

ISED continued work to support Canada's strongest industries to increase productivity and innovation, especially through the transition to a low-carbon economy, to increase productivity and innovation for Canadian business to be competitive globally and grow. Within a dynamic economic context, ISED has continued to support businesses in key sectors of Canada's economy.

The Strategic Innovation Fund (SIF) has continued to support investments that accelerate business innovation across the country in all economic sectors. In 2019–20, SIF announced 28 new projects with $982M in federal government contributions, and securing over $33B in total project investment in Canada from all partners. These project agreements include legally binding commitments that require supported companies to create and maintain 12,600 jobs bringing total job commitments through SIF supported projects to over 67,000. SIF projects build on strengths all sectors of the Canadian economy, including projects in clean technology, artificial intelligence, food processing, chemical manufacturing, automotive manufacturing, telecommunications, oil and gas, steel and aluminum, and aerospace. SIF announced four successful applicants selected from a competition process, pledging $178M in contributions and leveraging a total of $444M in to support collaborative technology development in two important areas: Data Application in the Health and Biosciences sector, and Automation and Digital Technologies for the Agriculture and Agri-food sector.

The federal government has committed to invest more than $2.2B through SIF since the program's launch in 2017, securing over $44B in total investment in Canada from all project partners. Projects announced to date include legally binding commitments for

funding recipients to create and maintain of more than 67,000 jobs, invest more than $9B in R&D, and fill more than 10,000 four-month co-op student positions across Canada. New agreements signed in 2019–20 include commitments to create and maintain 12,600 jobs, invest over $2B in R&D, and hire more than 1,400 co-op students.

Strategic Innovation Fund (SIF): Supporting Canada's Key Industries

SIF investments support Canadian key sectors in a fast-paced, changing and globalized economy.

In 2019–20, SIF concluded efforts to bolster the steel and aluminum industry in response to US tariffs, with eight newly announced projects, totaling $154M in contributions, and supporting the creation and maintenance of more than 6,500 jobs across Canada. These projects bring SIF support for steel and aluminum to 11 agreements, for a total contribution of $274M, supporting the creation and maintenance of over 18,000 jobs.

SIF also launched a new stream to support national innovation ecosystems, providing a new approach to enable disruptive innovation and growth in key sectors in Canada. A number of ecosystem projects are continuing to advance, including the Clean Resource Innovation Network, initially announced in Budget 2019.

ISED has also advanced environmental priorities through agreements to invest $962M in 28 SIF clean technology projects since 2017, including agreements to invest $418M in 10 projects starting in 2019–20. These projects secure a variety of environmental benefits including the reduction of GHG emissions.

As the single-largest purchaser of goods and services, the federal government is also using its procurement power in a new way to help Canadian small businesses commercialize their ideas. Launched in December 2017, the Innovative Solutions Canada (ISC) program is Canada's response to harnessing the R&D procurement power of the federal government to support Canadian SMEs to grow, scale, and compete globally. ISC consists of a Challenge stream focused on early stage R&D and a Testing stream that focuses on late stage R&D, representing the former Build in Canada Innovation Program (BCIP).

Under the Challenge stream, 20 mandated departments and agencies have the opportunity to issue R&D challenges to address market gaps, or seek innovative solutions based on desired outcomes rather than known products or process. The Challenge stream is open to Canadian businesses with fewer than 500 employees and the associated 2019–20 budget was approximately $113.8M.

In 2019–20, the first iteration of the ISC program begun to consolidate the BCIP, formerly under PSPC, as ISC's new Testing Stream. The Testing Stream supports the commercialization of late-stage R&D by purchasing and facilitating Government of Canada testing of a wide variety of innovative prototypes developed by Canadian firms of all sizes. The 2019–20 budget for the Testing Stream was $33.5M. A consolidated ISC offers innovative Canadian companies streamlined single-window access to Government of Canada procurement, funding and testing of their R&D. The Challenge stream launched 26 challenges, which represents an increased spend of $35M and the Testing stream awarded 93 contracts valued at over $43M. Both streams were actively involved in the planning and development of challenges and a themed Call for Proposals (CFP) to support the government's response efforts to COVID-19; three challenges and the Testing stream for these CFPs were both officially launched in April 2020.

During 2019–20, ISED completed the application and selection process for Stream 3 of VCCI, which invested $50M into three VC fund managers focusing on the clean technology sector. Recipients (Renewal Funds, Cycle Capital Management, ArcTern Ventures) from the selection process were announced on June 5, 2019. BDC has negotiated agreements with four funds-of-funds managers and eight VC fund managers selected across all three streams of VCCI, who have collectively raised more than $1.7B to date and have begun making investments into companies.

In addition, ISED continued to enhance the Accelerated Growth Service (AGS), a collaborative cross-government client service model to ensure Canadian firms with high growth potential are provided with advice and guidance to readily access the most relevant programs to help them innovate and grow based on identified challenges. In 2019–20, the AGS supported 130 new firms exceeding its target of on-boarding 117 new clients. AGS implemented process improvements with the addition of new Innovation Advisors, and leveraging new and existing partnerships across all levels of government and non-governmental organizations to further expand the AGS' offering. Furthermore, Innovation Advisors helped over 2,000 early stage innovators and, helping them navigate and access supports as part of the expanded AGS.

ISED worked closely with interdepartmental partners to track and support the implementation of Economic Strategy Tables (EST) recommendations, including standing up a Centre for Regulatory Innovation, expanding WIL opportunities, delivering universal high-speed internet for Canadians and supporting high-growth firms via the SIF. Preparations for upcoming Table meetings helped situate ISED's response to the impacts of COVID-19, including the announcement of the Industry Strategy Council and subsequent second phase of the ESTs anticipated for Fall 2020.

ISED has also contributed supporting the growth of Canadian businesses by helping to address barriers, including building cyber resilience. Launched in August 2019, Canada's National Cyber Security Strategy supported small business growth, in collaboration with Communications Security Establishment and the Standards Council

of Canada, by beginning to implement a five-year, $28.4M cyber certification program to help small- and medium-sized enterprises (SME) protect themselves against cyber threats: CyberSecure Canada. In its pilot phase, the program has certified two Canadian SMEs in 2019–20, and entered nine in the certification process.

ISED continues to use the Industrial and Technological Benefits (ITB) Policy to leverage economic benefits through defence and major Canadian Coast Guard procurements to create jobs and economic growth for Canadians. The ITB Policy is aligned with the needs of the Canadian defence industry by supporting the growth of prime contractors and suppliers in Canada. In 2019–20, 11 new projects were added to the ITB portfolio generating $2.3B in new ITB obligations. As of March 31, 2020, ISI and VSY had identified $16.54M and $5.20M in National Shipbuilding Strategy Value Proposition investment projects, respectively.

Furthermore, ISED maintains efforts to simplify how Canadian businesses interact with federal programs. For example, as part of continuous enhancement of the ITB Policy, ISED updated the ITB model Terms & Conditions with several new additions, including support for skills development and training for Indigenous Peoples or majority Indigenous-controlled educational or training facilities. ISED continues to advance efforts in creating a new online application that will allow companies to digitally report on their ITB obligations.

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

ISED continued to support government-wide efforts to attract foreign direct investments that enhance Canada's competitiveness and economic strength, through efforts led by Invest in Canada. As part of these efforts, ISED collaborated with NRCan to connect with a range of stakeholders and make strides on understanding the battery manufacturing ecosystem in Canada and globally. ISED continued to work closely with Global Affairs Canada to ensure Canada’s negotiating positions were reflective of and supportive of Canadian industry.

The Department continued to administer the *Investment Canada Act*, monitoring and reviewing in-bound foreign investments into Canada. In 2019-2020, ISED continued the timely processing of foreign investment notifications and applications for review under the Investment Canada Act. Measures implemented aim to ensure that investors from the United States and Mexico would continue to benefit from the more advantageous trade agreement threshold in anticipation of the coming into force of Canada-United States-Mexico Agreement (CUSMA). Further more, ISED provided amendments to the Copyright Act and Trademarks Act included in the CUSMA Implementation Act (Bill C-4). Measures implemented aim to ensure that investors from the United States and Mexico would continue to benefit from the more advantageous trade agreement threshold in anticipation of the coming into force of Canada–United States–Mexico Agreement (CUSMA). Furthermore, ISED provided amendments to the *Copyright Act*

and *Trademarks Act* included in the *CUSMA Implementation Act* (Bill C-4). ISED provided advice and subject matter expertise on trade agreements to ensure preferential market access for Canadian firms. ISED provided strategic advice to the Government of Canada in several key areas, notably the automotive industry, digital trade, competition and intellectual property, for a number of negotiations including with trade blocs such as Mercosur and the Pacific Alliance. It also supported the implementation of the Canada–US–Mexico Agreement by overseeing the legislative amendments and regulatory changes falling within its mandate. ISED analysis explored new market opportunities by sector.

ISED is supporting Canada's Export Diversification Strategy and Invest in Canada initiatives, including the government's objective to make Canada a more globally connected economy and increase Canada's overseas exports by 50% by 2025. It is hoped that this initiative will help Canadian exporters take greater advantage of Canada's trade agreements that are in force. In 2019–20, ISED will launch the $10M Mobilizing SMEs to Export initiative announced in the 2018 Fall Economic Statement to help Canadian SMEs access new markets abroad and realize their export potential. The initiative provides export readiness and export capacity building support targeted to businesses that have a high potential to export products and services in markets where Canada has gained a competitive advantage under recently implemented free trade agreements. ISED will fund Trade Accelerator Program delivery agents to expand the number of sessions offered to SMEs across Canada.

In May 2019, Creating Middle Class Jobs: A Federal Tourism Growth Strategy was announced. The Strategy included the Canadian Experiences Fund, a $58.5M initiative over two years, delivered by the RDAs, with more than 280 projects receiving ministerial approval in 2019–20. As part of the Strategy, ISED, along with Destination Canada, the RDAs, and other government departments, is also working to establish a Tourism Investment Group (TIG) in each region of the country, to better align the tourism resources among federal departments and improve cross-government collaboration. In addition, the government committed to establishing a Tourism Economic Strategy Table (Tourism EST) to raise the profile of the tourism sector, identify policy solutions to overcome long-term barriers to growth, and address long-term challenges. The Tourism EST's Chair was announced in December 2019, and the Table is expected to launch in 2020.

Canada is in a global innovation race with many countries seeking to unlock the potential of a digital and data-driven world. ISED recognizes that digital transformation is essential to remain globally competitive and continue to grow Canada's economy, attract investment, and create middle-class jobs for Canadians. In May 2019, Minister Bains announced the release of the new Digital Charter, the foundation of trust on which the government will build a new Digital and Data Strategy for Canada. Canada's Digital Charter is composed of 10 principles—from universal access to transparency and

personal control—that reflect Canadians' values and the priorities that were communicated during the Digital and Data Consultations.

With the launch of the Government's Digital Charter, ISED released a discussion document proposing a range of reforms to the *Personal Information Protection and Electronic Documents Act* (PIPEDA) to address many of the issues above. The paper proposes changes in three broad categories; enhancing individuals' control (e.g. enhanced consent, and data mobility), enabling responsible innovation (e.g. alternatives to consent, enable codes, standards for certainty and clarity, and special rules for de-identified information); and enhancing enforcement and oversight (e.g. order-making powers, increased penalties).

IP is integral to growing firms and fuelling innovation in today's technology-driven economy. In 2019–20, the Department continued to deliver key elements of Canada's Intellectual Property Strategy. ISED conducted consultations on new regulations to establish time limits in relation to matters before the Copyright Board. ISED continued the engagement of Indigenous peoples on intellectual property and traditional knowledge and cultural expressions, notably through a regional gathering for countries from the Arctic region held in Iqaluit jointly with the World Intellectual Property Organization.

Based on recommendations from the National Intellectual Property Strategy, ISED launched ExploreIP: Canada's IP Marketplace in August 2019. ExploreIP is an online marketplace tool providing businesses and entrepreneurs easy access to public sector patents, to explore private-public collaborations and turn good ideas into business opportunities. In 2019–20 ExploreIP on-boarded 35 public sector organizations, (including universities, federal government departments, research institutes, etc.) and more than 2,700 patent families representing over 10,000 patent applications/patents. Between the launch in August and December 2019, the tool had more than 34,000 page views and 194 contact requests between parties interested in collaborating and/or licensing a patent and the patent owners.

The IP Centre of Expertise (IP CoE) has successfully delivered on key aspects of its mandate to provide strategic IP advice to federal officials on program design, policy and implementation. In 2019–20, the IP CoE provided tailored IP advice on business innovation programming aiming to maximize the IP benefits realized, to over five federal organizations and multiple programs, focusing on Innovation Canada and the SIF. The IP CoE also worked with key federal innovation program stakeholders, such as the Department of National Defence, NRCan, Agriculture and Agri-Food Canada and the Canadian Space Agency, to better understand and respond to their IP needs, and to prioritize the development of new IP products and services

Additionally, ISED deployed targeted grants to develop and grow IP legal clinics and support Indigenous organizations. In 2019–20, the Canadian Intellectual Property Office expanded the digital offerings of its IP Awareness and Education Program. The Office

also co-developed new resources with partners on advanced topics to better support high growth and high potential SMEs in Canada's key growth sectors to leverage IP in order to expand and succeed in domestic and foreign markets. Key priorities included access to IP information and continue to provide businesses and innovators with IP resources to better acquire, manage and leverage their IP assets through a combination of training and tools, including fact sheets, checklists, web content and e-learning modules.

Five years ago, Canada began the process of acceding to five international IP treaties to connect Canada's IP system to the world. In 2019–20, CIPO implemented four of these treaties, namely the Madrid Protocol, the Singapore Treaty, the Nice Agreement, and the Patent Law Treaty (PLT). In June 2019, Canada ratified the Madrid Protocol and the Singapore Treaty, ensuring Canada's compliance with the requirements of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) agreement and allowing Canadian businesses to apply for trademark protection in up to 120 countries with a single application filed through the World Intellectual Property Organization. The successful implementation of all treaty IP requirements aim to strengthen Canada's innovation strategy and benefit Canadians through developing strong and diverse economic ties in more than 10 international markets. The amended Patent Act and the new Patent Rules came into force in October 2019, allowing Canada to ratify the Patent Law Treaty. Through these legislative amendments, patent applicants will find the application process simpler and more efficient. By harmonizing Canada's patent regime with international norms, the new Rules ensure that Canada's patent regime is responsive to the needs of inventors, businesses and the public. These amendments also modernize Canada's patent regime by updating, clarifying, codifying and improving aspects of the regulatory framework.

ISED has a key regulatory role in today's digital economy. The Department is notably responsible for managing radiofrequency in Canada through collaboration with the International Telecommunication Union in order to maximize its economic and social benefits for all Canadians, including those in rural and remote regions. In 2019–20, ISED took actions to ensure there was adequate supply of spectrum in order to meet spectrum demand. This included both demand for existing services and demand for the next generation of 5G wireless services. The 600 MHz auction concluded April 4, 2019, and the Department announced the rules for the 3500 MHz spectrum auction band on March 5, 2020. In the auction design, special consideration was given to crafting rules that supported greater competition in the wireless sector. ISED continued its work on the development of the 3800 MHz and millimetre wave spectrum auction. Further to this, ISED advanced Canadian spectrum management interests in international fora. Finally, ISED also worked with its public and private sector partners to ensure the resiliency of telecommunications infrastructure in Canada.

In 2019–20, the Communications Research Centre's (CRC) applied research continued to focus on supporting sustainable spectrum management so that Canadians will have

timely and reliable access to spectrum for their wireless needs. The CRC used data science including high-performance cloud computing and machine learning to demonstrate automated dynamic spectrum access (DSA). A framework and testbed were developed to support the Department's spectrum management modernization efforts, and are accessible to academic and industry collaborators to help accelerate innovation in spectrum management. Work on engineering millimetre-wave wireless coverage using CRC-developed Engineered Surfaces supports the deployment of 5G networks in this spectrum band. The CRC developed geospatial analytic tools that were instrumental for the planning of new Tier 5 spectrum licensing boundaries, and are currently being applied to improve efficiencies in the soon to be launched Universal Broadband Fund (UBF). These tools will facilitate the technical evaluation of applications for funding under UBF and will help establish eligibility to meet the government broadband targets, such as the 50/10 Mbps speed target. The CRC continues to work with other government departments, the academic community and industry to share and advance its R&D. In addition, the CRC makes the results of its research publicly available, which in turn contributes to Canada's wireless telecommunications knowledge and expertise.

Jointly with the Department of Canadian Heritage, ISED continued to provide secretariat support to the expert Panel reviewing the *Broadcasting Act*, *Telecommunications Act* and *Radiocommunication Act*. The Broadcasting and Telecommunications Review Panel met with almost 150 stakeholders in 11 cities across the country and received approximately 2,000 letters and written submissions to inform its "What We Heard Report", issued in June 2019. The Panel also commissioned 15 research papers and hired 7 external specialized experts to inform its Final Report, "Canada's communications future: Time to act", which was issued in January 2020 and outlines 97 recommendations. Through the Competition Bureau, ISED contributes to the prosperity of Canada by ensuring that markets are fair, open and competitive for businesses and consumers. In 2019–20, the Bureau continued to take a proactive approach to competition enforcement and advocacy with a goal to help Canadian consumers and businesses reap the benefits of competition in the digital economy—namely, lower prices, more choice and increased innovation.

Having a strong telecommunications sector is key to a thriving the digital economy and in 2019–20, the Bureau completed comprehensive studies into the wireless and broadband industries. In August 2019, the Bureau published its Broadband Market Study, to better understand Canadians' Internet habits and gain a deeper understanding of their experiences with different providers. The Bureau also participated in proceedings and consultations at the federal and provincial levels on device financing and cellphone bill transparency. In May 2019 and November, the Bureau provided detailed submissions to the CRTC on how to encourage competition in the wireless sector in Canada. The Bureau's goal throughout was to provide objective, evidence-based advice, guided by the principle that effective, sustainable competition is the best way to lower prices, improve choice and deliver high-quality networks to Canadians.

In 2019–20, the Bureau also took a number of enforcement actions in the online world. The case against Ticketmaster for allegations of misleading pricing claims led to a settlement that included a $4.5M payment. The investigation found that the prices advertised were unattainable because Ticketmaster added mandatory fees in the later stages of the purchasing process. In addition, the Bureau negotiated its first temporary consent agreement, which stopped travel retailer FlightHub from using false or misleading marketing practices in online flight sales while its investigation continues. The investigation is looking into hidden fees that were associated with seat selection and flight cancellations, which appears to have helped FlightHub generate millions of dollars in revenue. Through actions like these, the Bureau continued to send a strong message of deterrence against false or misleading claims online and to promote consumer trust in the digital economy.

In July 2019, the Bureau announced the appointment of its first Chief Digital Enforcement Officer (CDEO). The CDEO helped to advance initiatives to modernize processes, be digital-by-design, and identify and evaluate new investigative techniques. The Bureau also stepped-up its proactive intelligence gathering efforts by expanding the role of our Merger Notification Unit to detect non-notifiable mergers that could raise competition concerns.

In addition, through the Office of Consumer Affairs (OCA), ISED serves as a hub for consumer issues, undertaking research and policy analysis and providing relevant consumer information and navigational support to Canadians to help them make informed decisions in the marketplace, in collaboration with partners across the federal government, as well as provincial and territorial consumer protection authorities, where appropriate. Through a call for proposals for its Contributions Program, in 2019–20 and 2020–21, the OCA supported 13 research projects to nine recipients that touch on a number on priority areas identified in collaboration with key federal partners. This funded research addresses emerging consumer trends and issues in communications and technology; finance; disruptive technologies (AI, Internet of Things, sharing economy); deceptive advertising; privacy and protection; and redress.

Through Measurement Canada (MC), ISED is responsible for ensuring the integrity and accuracy of trade measurement in the Canadian marketplace. MC has established a core group of regulatory experts to research and analyse its legislative frameworks. MC participated in several legislative and regulatory initiatives led by the Treasury Board Secretariat, including contributions to the Annual Regulatory Modernization Bill and the clean technology and the digitalization regulatory reviews.

In 2019–20, through the Office of the Superintendent of Bankruptcy (OSB), ISED took actions to enhance its capacity to ensure the effective, efficient, and modern enforcement of Canada’s insolvency system. It reviewed compliance programs and commenced the implementation of meaningful enhancements. It engaged with its partners on the debt advisory marketplace with a view to improving the integrity of the insolvency system and made new tools and information available to help Canadians in

serious financial distress find the right debt solution. Stakeholders were consulted on opportunities to reduce administrative burden as a preliminary step in a more comprehensive regulatory review.

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

By leveraging provincial and territorial collaborations, ISED is making significant progress on initiatives that will help align business support programs across governments and support economic growth.

The Innovation Canada Platform continued to play a key role as a single window for business-facing government programs. This platform allows Canadian businesses to discover the most relevant programs and services to help them grow, from across all levels of government. In 2019–20, ISED rolled out enhancements to the platform to enable businesses to receive updates on new funding and opportunities based on their needs and interests, and create better connections between programs and prospective applicants.

Furthermore, foundational work was completed to create a portal for program owners to utilize the Innovation Canada platform to better connect with the target population that the programs aim to support. This platform played a key role to help business owners find support relevant to their business in a time of great need. It was linked to from the main Emergency Response Plan managed by Finance Canada. In 2019–20, the Innovation Canada Platform developed an improved model to improve matching programs to businesses. The model has been completed and will be integrated into the site in 2020–21.

The Canada Business App was developed to meet the growing service expectations of Canadian entrepreneurs who want their government services to be as easy to use and as accessible as other modern services are. Since the launch of the Canada Business App in June 2019, thousands of Canadian businesses have used it and provided feedback. We have taken that feedback and incorporated it into the design of the Canada Business App 2.0. This updated version offers improved navigation, increased search capabilities, improved favouriting and enhanced notifications, as well as greater accessibility to government programs. It is a powerful business tool that is helping Canadian business owners through the pandemic and into the future.

In 2019–20, the SIF further streamlined communication with businesses through the implementation of new Statement of Interest (SOI) forms. The new forms will support improved service to businesses by providing stronger signals of program priorities and enhancing applicants' opportunity to describe their projects effectively. The new SOI will enable faster decision-making and more efficient communication of project information. SIF also continues to provide a single, simplified source of funding support for firms from any sector of the economy. Applications and funding allocations continue to

represent a much broader selection of industries than were funded under SIF's predecessor programs, which focused on automotive and aerospace manufacturers.

Corporations Canada made progress on digitally connecting all of Canada's business registries with Multi-jurisdictional Registry Access Service (MRAS). MRAS is a digital service aimed at creating interoperability to offer—for the first time and on a real-time basis—searches of businesses across multiple registries, data exchanges between registries to streamline extra-provincial registration, and notifications of changes between registries to ensure data integrity.

In June 2020, British Columbia, Alberta, Saskatchewan and Manitoba were the first jurisdictions to adopt the MRAS digital solution to connect their business registries and exchange information, making it easier for businesses to register in those provinces. The adoption of MRAS by the western provinces is an extension of the MRAS-enabled Canada's Business Registries[iv], a free online search platform of Canadian businesses launched in 2018 that provides the public with information on over 94% of business corporations in Canada.

More business registries are expected to use MRAS to expand streamlined business registration across Canada, including Corporations Canada (federal) in Fall 2020. The implementation of MRAS creates an environment conducive to future agreements between the federal government, provinces and territories that could potentially reduce or eliminate other barriers for Canadian businesses.

The BizPaL service aims to make it easier for Canadians to find the information they need to start and grow their business by providing information on licence and permit requirements from all levels of government through an online service. In 2019–20, BizPaL launched a new website design to improve search results, simplify permit and licence queries, and load all search results and to support entrepreneurs that have slower connections.

ISED has continued to support the adoption of CRA's Business Number (BN) as a standard identifier for services to businesses across the Government of Canada. Using the BN government-wide will allow real improvements in how we serve the business community and simplify clients' interactions with the government. As of March 2020, 39 Government of Canada departments and agencies, including ISED, have signed agreements to access BN information from CRA, with 32 departments and agencies and 3 provinces having made a system-to-system connection. In addition, 13 departments are using ISED's BN Validation Look-up Tool to validate Business Numbers. Finally, ISED has made a suite of easy to understand tools available online to allow adopters to self-serve, whether their questions are technical or policy related, as part of an effort to support wider adoption.

ISED continues to work with various levels of government in developing principles and standards to facilitate alignment, interoperability and confidence for the use of digital identities across jurisdictional boundaries that support more effective and efficient

services to business. ISED, in collaboration with provinces and territories, has identified a common approach to mutually accept digital identities for verified organizations that has been successfully integrated into the Discussion Draft of Pan-Canadian Trust Framework Public Sector Profile, published on June 6, 2020, for public consultation.

Key Risks

Given the fast-paced technological changes and geo-political factors affecting the marketplace, there is a risk that ISED might not be able influence the modernization of domestic and international legislation and regulatory instruments at a pace that will provide on-going favorable economic conditions in Canada.

To mitigate this risk, ISED continued to strengthen its data and business intelligence capacities and influence the modernization of legislative and regulatory frameworks. For instance, ISED continued the work to modernize of the *Telecommunications Act* for next generation telecommunication that supports competition, consumer privacy, trust, and business confidence in Canadian marketplace. ISED contributed to the successful ratification of the Canada-United States-Mexico Agreement (CUSMA) and advocated for favorable conditions for Canadian SMEs. ISED also continued working with provincial and territorial (PT) partnersto digitally link Canada's thirteen PT business registries and federal corporate regulators with a multi-jurisdictional registry access service, which implemented a "tell us once" approach to businesses' extra-provincial registration process.

Gender-based analysis plus (GBA+)

ISED encourages using a GBA+ lens in all stages of policy and program development and implementation as we work towards providing support to help grow small, medium and large Canadian businesses into globally competitive, high-impact firms. Through programming and polices we work to ensure that all Canadians have access to this support. In addition, GBA+ is a tool that is used to ensure a fair and competitive marketplace that works for all Canadians, that promotes the conditions that support competitive prices and product choices, including access to the Internet across the country, putting in place the right conditions for market-driven innovation and promoting inclusive growth and an economy that works for everyone.

For example, after the *Creating Middle Class Jobs: A Federal Tourism Growth Strategy* was announced in May 2019, ISED started laying the foundations to roll out a strategy that works for all Canadians. ISED reached out to Canadians across the country through engagement with stakeholders, provincial and territorial and various level of government, Indigenous stakeholders and LGBTQ+ groups to support projects that create, improve or enhance tourism products, tourism facilities and experiences across Canada.

Another example includes Innovative Solutions Canada that is a new program with over $100M dedicated to supporting the scale up and growth of Canada's innovators and

entrepreneurs by having the federal government act as a first customer. Twenty participating federal departments and agencies will set aside a portion of funding to support the creation of innovative solutions by Canadian small businesses. One of its objectives is to encourage procurement from companies led by underrepresented groups, such as women, Indigenous people, youth, persons with disabilities, LGBTQ+, among others.

Experimentation

ISED has continued to foster an environment of innovation and intelligent risk-taking. In 2019, ISED enforced the foundations for evidence-based experimentation with the launch of the Centre of Expertise on Experimentation (CoEE).

The CoEE supports the Department in its commitment to test new approaches through the adoption of rigorous methods to experimentation. The CoEE's focus for 2019-2020 was to increase awareness of methodological approaches for the administration and measurement of experiments, to equip the Department to identify experiments, to support the continued adoption of mindsets that foster experimentation, and to integrate experimentation as an essential tool for continuous innovation and problem-solving.

Results achieved

Departmental results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2018–19 Actual results	2019–20 Actual results
Canada becomes a global leader in clean technologies	Value of Canada's exports of clean technologies (in dollars)	at least $15.6 billion (Note 1)	December 31, 2025†	$9.0 billion (2017)	$6.21 billion (2018) (Note 2)	Data is expected to be available in February 2021
	Clean technology employment in Canada (in numbers)	at least 190,000 (Note 3)	December 31, 2025†	183,265 (2017)	194,862 (2018)	Data is expected to be available in February 2021
	Value of investments leveraged in clean technologies as a result of ISED program funding (per dollar invested)	at least $2.00	March 31, 2020	$2.80 (as of March 31, 2017)	$2.60 (as of March 31, 2018)	Data is expected to be available in August 2020

Canadian companies are globally competitive and achieve high growth	Number of high-growth firms	at least 28,000	December 31, 2025†	11,090 (2017)	Not available	Not available
	Value of Canada's goods and services exports (in dollars)	at least $820 billion (Note 1)	December 31, 2025†	$673 billion (2017)	$713 billion (2018)	$729 billion (2019)
	Revenue growth rate of firms supported by ISED programs	ISED-supported firms grow faster than the national average (Note 4)	March 31, 2020	Data is expected to be available later in 2020	Data is expected to be available in 2021	Data is expected to be available in 2022
Canada is a location and destination of choice for investment, growth and tourism	Total Business Investment in Canada (in dollars)	at least $260 billion (Note 5)	December 31, 2025†	$217 billion (2017)	$221 billion (2018) (Note 3)	$220 billion (2019) (Note 6)
	Spending by international visitors to Canada (in dollars)	at least $25 billion	December 31, 2021	$21.5 billion (2017)	$22.2 billion (2018)	23.092 billion (2019)
	Number of international overnight visitors to Canada	at least 25,973,234	December 31, 2021	20,883,200 (2017)	21,134,000 (2018) (Note 3)	22,145,400 (2019)
	Turn-around times for patent applications filed in Canada, with a request for examination (in months)	at most 31.6 months	March 31, 2020	33.6 months	32 months	31.1 months
Canadian innovators have simplified access to tools and support	Canada's ranking on the World Bank's Ease of Doing Business Index	in the top 10	December 31, 2025	18th (2017)	22nd (2018)	23rd (2019)

	Percentage of ISED priority services that meet published service standards (Note 7)	at least 90%	December 31, 2020	66%	81%	Data has been delayed due to COVID-19 and is expected to be available by Winter 2020

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

Note 1: Statistical revisions are carried out regularly in the data source for this indicator. Therefore, in this table, past years' values may differ from those published in previous ISED reports (Departmental Plan, Departmental Results Report). Figures are presented in 2012 dollars, to account for inflation.

Note 2: Excluded from this subset are clean technology primary and waste and scrap goods (both of which were included in the previous estimates). As a result, results will be lower than what was reported in previous years.

Note 3: Statistical revisions are carried out regularly in the data source for this indicator. As a result, the target and results are subject to adjustments, and past years' values may differ from those published in previous ISED reports. For the most recent information, please consult the Innovation and Skills Plan Tracker.

Note 4: ISED is implementing an integrated data strategy with Statistics Canada, which will help address the gap for department-wide detailed program data. Baseline data and a target will be available in 2020-21.

Note 5: This indicator measures the "non-residential structures, machinery and equipment" and "intellectual property products", both of which fall under the "Business gross fixed capital formation" of Statistics Canada's Gross Domestic Product (GDP) (expenditure-based). Statistical revisions are carried out regularly in the Canadian System of Macroeconomic Accounts (CSMA) in order to incorporate the most current information from censuses, annual surveys, administrative statistics, public accounts, etc. Effective October 2018, GDP at basic prices uses 2012 instead of 2007 as the reference year for its real estimates (adjusted for inflation). Therefore, in this table, past years' values may differ from those published in previous ISED reports (Departmental Plan, Departmental Results Report).

Note 6: The slight decrease from 2018 to 2019 is due to a decrease in investments in intellectual property.

Note 7: ISED's list of priority services is revised annually and this indicator is therefore subject to fluctuating results, making year-over-year comparisons challenging.

Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2019–20 Total authorities available for use	2019–20 Actual spending (authorities used)	2019–20 Difference (Actual spending minus Planned spending)
1,262,721,251	1,262,721,251	1,466,709,274	1,066,852,443	(195,868,808)

The variance between 2019-2020 planned and actual spending is primarily due to a reprofile of unused funding under the Strategic Innovation Fund, and new funding received under the Sustainable Development Technology Fund.

Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2019–20 Actual full-time equivalents	2019–20 Difference (Actual full-time equivalents minus Planned full-time equivalents)
3,395	3,471	76

The variance between 2019-2020 planned and actual full-time equivalents is primarily due to the ramp-up of Preparing for a new generation of wireless technology, and to realignments in order to comply with the guidelines for reporting of internal services functions.

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

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are:

- Acquisition Management Services
- Communication Services
- Financial Management Services
- Human Resources Management Services
- Information Management Services
- Information Technology Services
- Legal Services
- Material Management Services
- Management and Oversight Services
- Real Property Management Services

Results

ISED has maintained ongoing efforts to advance Beyond 2020, the strategic direction for the Canadian public service renewal agenda. ISED has done so through its adoption of tailored outcomes under the banner of its ISED Renewal initiative. These outcomes include being Inclusive and Healthy, Agile and Purpose-driven, and Equipped and Capable. The Department's actions focused efforts in three priorities: inclusive in developing our ideas and making decisions; agile in delivering results; and equipped to be effective. This aligns with the key areas identified by the Clerk of the Privy Council in his Twenty-Fifth Annual Report to the Prime Minister on the Public Service of Canada.

Inclusive and Healthy

Named one of Canada's Top Employers and one of the Best Diversity Employers of 2020, ISED is committed to creating a work environment that is diverse, safe, respectful, healthy and inclusive for all employees. In 2019–20, ISED continued promoting and implementing initiatives focused on diversity and inclusion, workplace well-being, employment equity, and healthy working relationships that are free from harassment. Under the accountability of the Ombudsman for Mental Health and Employee Well-Being, the Canadian Innovation Centre for Mental Health in the Workplace delivered 23 workshops and 84 wellness activities during its second year to more than 18,000 federal public service employees from across the federal government

in 2019–20. Many participants found what they learned to be practical and aligned with the goal of an agile, equipped and inclusive workforce.

ISED is an interdepartmental leader when it comes to diversity and inclusion, continuously seeking to support communications promoting related activities, events and initiatives, organized both at the corporate and sector levels. ISED launched new mandatory training for all employees and executives to help them acknowledge and challenge their unconscious biases. In 2019–20, ISED continued to participate in training and mentorship program to develop Indigenous employees and access the Federal Internship for Newcomers Program, and partner with LiveWorkPlay to hire employees with intellectual disabilities. Over the past three years, ISED has hired a number of LiveWorkPlay employees and has collaborated to promote the program to other government departments. In addition, ISED continued its efforts to promote Positive Space Training by providing in-house training and adopted Positive Space Ambassadors. ISED now has more than 150 volunteer Positive Space Ambassadors supporting their peers across Canada.

The annual Public Service Employee Survey (PSES) is a key tool that the Department uses in its continuous commitment to achieving excellence. In February 2020, ISED launched a new self-serve analytical tool on the ISED Intranet to enable employees to access PSES results by theme or any of the 13 psychological factors. These functionalities enable all ISED employees to better understand the well-being of their organizational units and provides insights needed to spark important conversations.

The Department also worked to embed a culture of employee engagement. To this end, in 2019-20 ISED involved its employees in the design of ISED Renewal priorities. The Department engage its employees across the country through various activities such as pulse surveys, and design jams.

Student employment remained important mechanism to foster an inclusive and diverse work environment. Students bring innovative ideas and different perspectives to the table. They often embrace uncertainty and thrive in an environment where they learn through experimentation. Hiring managers at ISED are encouraged to leverage talent from the student population by bridging students who have completed a placement into permanent positions following graduation. By investing in student mentorship and development, ISED is regularly acquiring new talent. In 2019–20, 704 students were hired in at ISED.

ISED continued to play a leadership role in supporting employees affected by pay issues. In April 2019, ISED launched its Pay Hub pilot to provide enhanced client service support to ISED employees planning to take maternity, parental or care of immediate family leave. In 2019–20, ISED also undertook efforts to improve the timeliness of pay transactions affecting Phoenix pay system. These efforts have since positioned ISED as a leader in timeliness of pay transactions. ISED remains committed to focus its efforts on ensuring pay continuity and accuracy for its employees.

Agile and Purpose-driven

In 2019–20, ISED moved forward on a phased implementation of its departmental Integrated Data Strategy, aimed at leveraging the power of data to foster a growing, competitive and knowledge-based economy. ISED's Strategy is aligned with the Government's Data Strategy, a whole-of-government approach that leverages data as a strategic asset to help make informed decisions that ultimately lead to better outcomes and services to Canadians. After a departmental data maturity assessment, the Strategy was finalized in September 2019. In support of the Strategy goals, six pillars we established: data governance, data access, data framework, talent, innovation and technology. Key accomplishments to date include the launch of a departmental Data Catalogue; the conduct of a departmental Data Literacy Assessment; creation of Learning Events to increase overarching data knowledge; the conduct of Data Hackathons; and an approach to streamlined Governance.

In 2019–20, ISED made progress towards the implementation of standardization of job descriptions, including the adoption of a department-wide Office/Program Support Assistant position. Working in collaboration with Global Affairs Canada, ISED developed an interdepartmental Administrative Services (AS) standardized job descriptions suite for use in the Department. The implementation of standardized job descriptions (SJDs) aims to improve the quality and consistency of classification decisions in ISED and across the government. It will also reduce the number of job descriptions in our department and make the creation and update of positions simpler, faster and less burdensome. Optimizing classification processes can provide more flexibility, support faster staffing of positions, and create capacity to provide organizational design services.

In 2019–20, ISED became the fourth home department for Canada's Free Agents (CFA) Program. CFA is a new workforce mobilization model supporting managers that are looking to rapidly and easily acquire talent with emerging and core skills to support their short-term needs. At ISED, this means improved departmental agility by adopting new models of talent management and workforce mobilization.

In July 2019, ISED updated its Integrated Risk Management Framework introducing a policy and tools to support the consistent and effective identification, assessment, mitigation and monitoring of risks across the Department. This risk intelligence supports senior management to make risk-informed decisions and develop appropriate responses.

At the end of the fiscal year, with the declaration of the COVID-19 pandemic, ISED quickly adopted a virtual work posture and implemented measures to ensure an appropriate and timely response in the face of uncertainty and change. While the majority of actions took place in 2020-21, in March ISED created a cross-functional COVID-19 Tiger Team composed of various departmental corporate subject-matter experts (i.e., IT, Human Resources, Security, Facilities, Communications, Corporate

Planning, Mental Health, Occupational Health and Safety) to collectively manage departmental COVID-related risks, initiatives, and response activities to enable the Department to continue to deliver results to Canadians during the pandemic. The Tiger Team received questions and provided direction to employees. As direction was established, information was shared through the department and a dedicated departmental COVID-19 intranet site was rolled-out.

ISED created working groups comprised of organizations of the ISED Portfolio to ensure a coordinated response to the pandemic across the Portfolio. Furthermore, ISED made arrangements to ensure that Business Continuity Plans were updated and exercised to ensure preparedness in the continuity of critical services to Canadians. The plans allowed the Department to continue to deliver all critical and non-critical services.

At this same time, ISED began developing a process and response for a common reporting across the organization to track the rationales for specific COVID-related decisions, to ensure that the circumstances, rationale and process for decision-making were documented.

Equipped and Capable

In support of the Clerk's Beyond2020 vision, ISED's Digital Office initiative aims to modernize ISED's workplace and deliver new innovative capabilities. As employees increasingly use social media, mobile and digital platforms to manage their daily lives, they expect a richer array of tools to engage Canadians and deliver services. The department-wide initiative includes training to help employees stay connected and make their work accessible from anywhere, in real-time across the country.

Key results achieved by the Digital Office include the successful migration of 8,831 devices to Windows 10. ISED deployed MS Teams, OneDrive, OneNote and Planner to 6,700 users and modernized 98 boardrooms to include Surface Hub technology, thereby enhancing collaboration countrywide. ISED has completed a department-wide enterprise mobile device migration of 3,480 modern smartphones and the deployment of 187 digital communication screens across Canada. This deployment equipped more than 50% of the workforce with a modern smartphone, leveraging capabilities that enable employees to be effective and better connected.

As of March 31, 2020, over 85% of the department is equipped with a tablet or laptop, effectively enabling a mobile workforce at ISED. Over the past couple of years, the Digital Office initiative has laid the foundation for enabling mobility, collaboration, and teleworking. Fortunately, with the investments made in tools such as MS Teams, equipping users for mobility, and ensuring sufficient bandwidth, ISED was well positioned to quickly respond to overnight shift to a virtual posture resulting from COVID-19, allowing the majority of the ISED workforce to transition to telework.

In 2019–20, the Corporate Facilities Directorate developed the ISED's Office Fit-up Standard, which aligns with the Government of Canada's GC Workplace Fit-up

standards that apply to all federal departments and agencies. ISED's Office Fit-up standards ensure a consistent implementation of workplace modernization projects while also standardizing office accommodations for each project.

Subsequently, ISED completed 26 Workplace Modernization Projects. The overall goal of Workplace Modernization projects is to modernize ISED's office spaces to the Government of Canada's and ISED's fit-up standards in addition to addressing space pressures and ensuring consistency in office accommodations across ISED's National Portfolio. These modernized spaces provide employees with flexible work, meeting and collaboration areas that promotes collaboration, mental health well-being, thus enhancing enhance productivity in delivering programs and services to Canadians.

Lastly, a five-year project plan was established to identify the remaining ISED workplaces to be modernized as Workplace Modernization Projects. For some locations, projects will be coordinated with PSPC in order to leverage Occupancy Instrument expiries and space optimization exercises. This will also ensure consistency in office accommodations across ISED's National Portfolio and inform PSPC of ISED's alignment with the Government of Canada's national portfolio investment plan.

Budgetary financial resources (dollars)

2019–20 Main Estimates	2019–20 Planned spending	2019–20 Total authorities available for use	2019–20 Actual spending (authorities used)*	2019–20 Difference (Actual spending minus Planned spending)
162,424,330	162,424,330	178,744,260	173,254,892	10,830,562

The variance between 2019-2020 planned and actual spending is primarily due to additional funding received for core human resource activities, essential IT projects and Workplace Modernization project, as well as realignments in order to comply with the guidelines for reporting of internal services functions.

Human resources (full-time equivalents)

2019–20 Planned full-time equivalents	2019–20 Actual full-time equivalents	2019–20 Difference (Actual full-time equivalents minus Planned full-time equivalents)
1,604	1,554	(50)

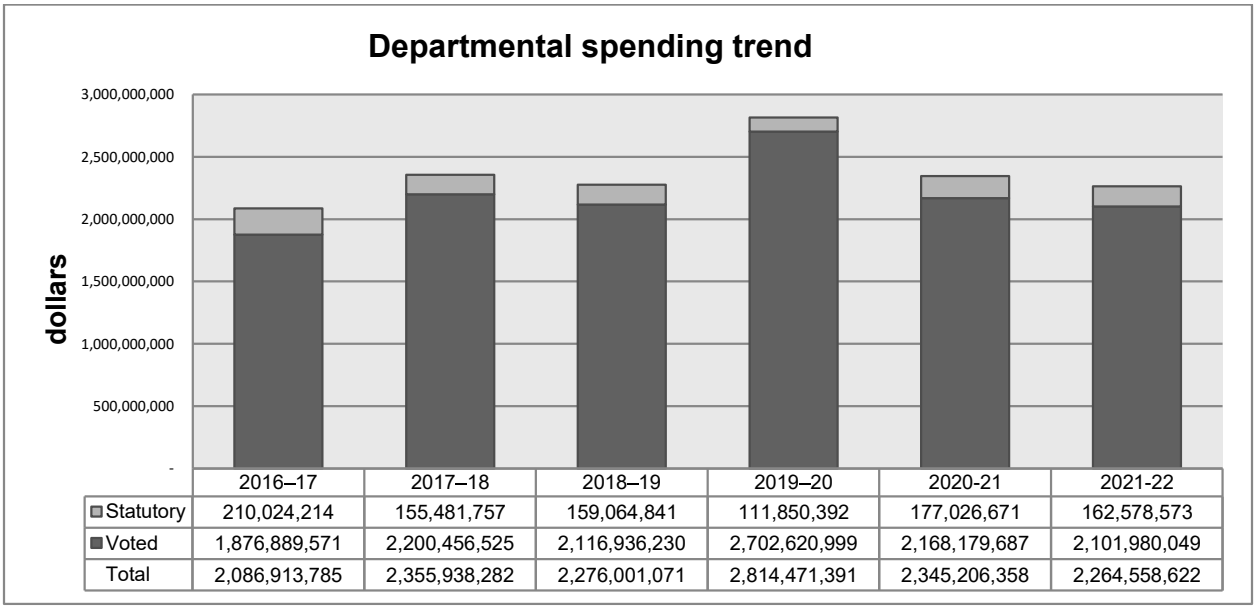
The variance between 2019-2020 planned and actual full-time equivalents is primarily due to realignments in order to comply with the guidelines for reporting of internal services functions.

Analysis of trends in spending and human resources

Actual expenditures

Departmental spending trend graph

The following graph presents planned (voted and statutory spending) over time.



	2016–17	2017–18	2018–19	2019–20	2020-21	2021-22
Statutory	210,024,214	155,481,757	159,064,841	111,850,392	177,026,671	162,578,573
Voted	1,876,889,571	2,200,456,525	2,116,936,230	2,702,620,999	2,168,179,687	2,101,980,049
Total	2,086,913,785	2,355,938,282	2,276,001,071	2,814,471,391	2,345,206,358	2,264,558,622

The variance in future years is primarily related to the variance in cashflow profiles of Grants and Contributions.

Budgetary performance summary for Core Responsibilities and Internal Services* (dollars)

Core responsibilities and Internal Services	2019–20 Main Estimates	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending	2019–20 Total authorities available for use	2017–18 Actual spending (authorities used)	2018–19 Actual spending (authorities used)
People Skills and Communities	453,557,392	453,557,392	470,190,113	268,232,397	535,403,025	246,923,115	280,092,604
Science, Technology, Research and Commercialization	935,768,418	935,768,418	968,026,763	1,139,899,233	956,275,566	1,105,279,517	882,662,747
Companies, Investment and Growth	1,262,721,251	1,262,721,251	1,448,751,618	1,109,662,640	1,466,709,274	822,745,924	929,710,535
Subtotal	2,654,047,061	2,652,047,061	2,886,968,494	2,517,794,270	2,958,387,864	2,174,948,556	2,092,465,886
Internal Services	162,424,330	162,424,330	163,177,119	162,481,046	178,744,260	180,989,726	183,535,185
Budget Implementation vote – unallocated authorities	Not applicable	Not applicable	Not applicable	Not applicable	9,516,560	Not applicable	Not applicable
Total	2,814,471,391	2,814,471,391	3,050,145,613	2,680,275,316	3,146,648,685	2,355,938,282	2,276,001,071

2019–20 Budgetary actual gross spending summary (dollars)

Core responsibilities and Internal Services	2019–20 Actual gross spending*	2019–20 Actual gross spending for specified purpose accounts	2019–20 Actual revenues netted against expenditures	2019–20 Actual net spending (authorities used)
People Skills and Communities	332,829,790	0	0	332,829,790
Science, Technology, Research and Commercialization	813,170,459	0	0	813,170,459
Companies, Investment and Growth	1,312,864,620	980,043	246,992,220	1,066,852,443
Subtotal	2,458,864,869	980,043	246,992,220	2,212,852,692
Internal Services	205,906,181	0	32,651,289	173,254,892
Total	2,664,771,050	980,043	279,643,509	2,386,107,584

Actual human resources

Human resources summary for core responsibilities and Internal Services

Core responsibilities and Internal Services	2017–18 Actual full-time equivalents	2018–19 Actual full-time equivalents	2019–20 Planned full-time equivalents	2019–20 Actual full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
People Skills and Communities	150	171	186	187	188	187
Science, Technology, Research and Commercialization	106	117	110	127	121	121
Companies, Investment and Growth	3,192	3,301	3,395	3,471	3,476	3,497
Subtotal	3,448	3,589	3,691	3,784	3,785	3,805
Internal Services	1,462	1,543	1,604	1,554	1,566	1,566
Total	4,910	5,132	5,295	5,339	5,351	5,371

Expenditures by vote

For information on Innovation, Science and Economic Development Canada's organizational voted and statutory expenditures, consult the Public Accounts of Canada 2019–2020.[vi]

Government of Canada spending and activities

Information on the alignment of Innovation, Science and Economic Development Canada's spending with the Government of Canada's spending and activities is available in GC InfoBase.[vii]

Financial statements and financial statements highlights

Financial statements

The Innovation, Science and Economic Development Canada's financial statements (unaudited) for the year ended March 31, 2020, are available on the departmental website[viii].

Financial statement highlights

The financial highlights presented within this DRR are intended to serve as a general overview of ISED's financial position and operations and should be read in conjunction with the 2019–20 Departmental Financial Statements, which can be found on the ISED website[ix].

The financial results are shaped by the Department's programs and internal services that aim to help make Canada a world-leading centre for innovation, to help create better jobs, to strengthen and grow the middle class and to provide better opportunities for all Canadians.

Planned Results

The $14.1 million variance between the 2019–20 Planned Results and the 2019–20 actuals is primarily due to differences in planned revenues. While total expenses were similar, ISED transferred some funding to future years via a reprofiling request for existing Grants and Contribution (G&C) programs; in particular, the Strategic Innovation Fund (SIF), Connect to Innovate, the Canada Foundation for Innovation, and Superclusters. These reductions in actual expenses against the planned results are offset by an increase to the provision for loan guarantees, under the Canada Small Business Financing Act.

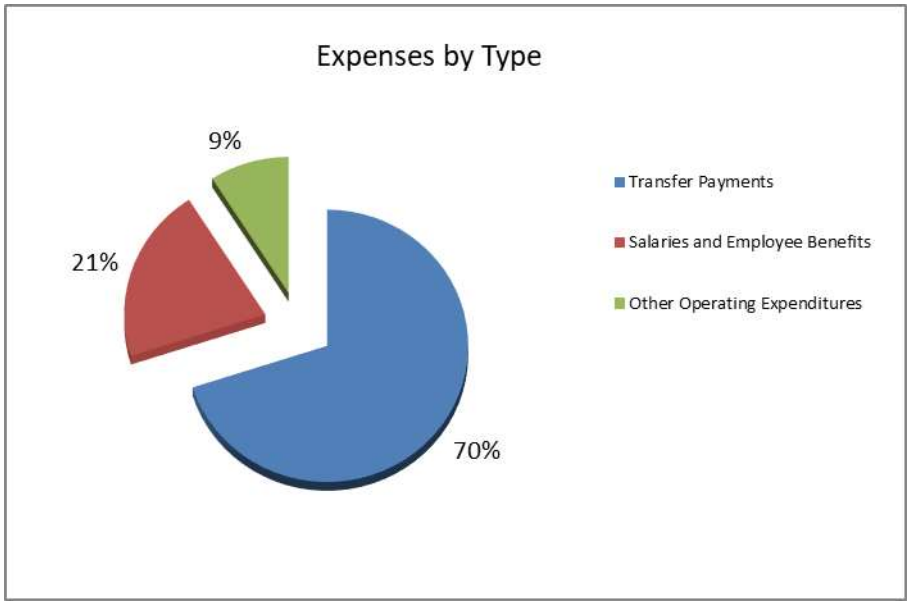
The variance in total net revenues is attributable to lower fine revenue than planned. Fine revenues are planned in the Future-oriented Statement of Operations using prior year averages.

Condensed Statement of Operations (unaudited) for the year ended March 31, 2020 (dollars)

Financial information	2019–20 Planned results*	2019–20 Actual results	2018–19 Actual results	Difference (2019–20 Actual results minus 2019–20 Planned results)	Difference (2019–20 Actual results minus 2018–19 Actual results)
Total expenses	2,960,350,193	2,954,528,195	2,330,786,710	(5,821,998)	623,741,485
Total revenues	247,979,459	228,048,716	234,481,444	(19,930,743)	(6,432,728)
Net cost of operations before government funding and transfers	2,712,370,734	2,726,479,479	2,096,305,266	14,108,745	630,174,213

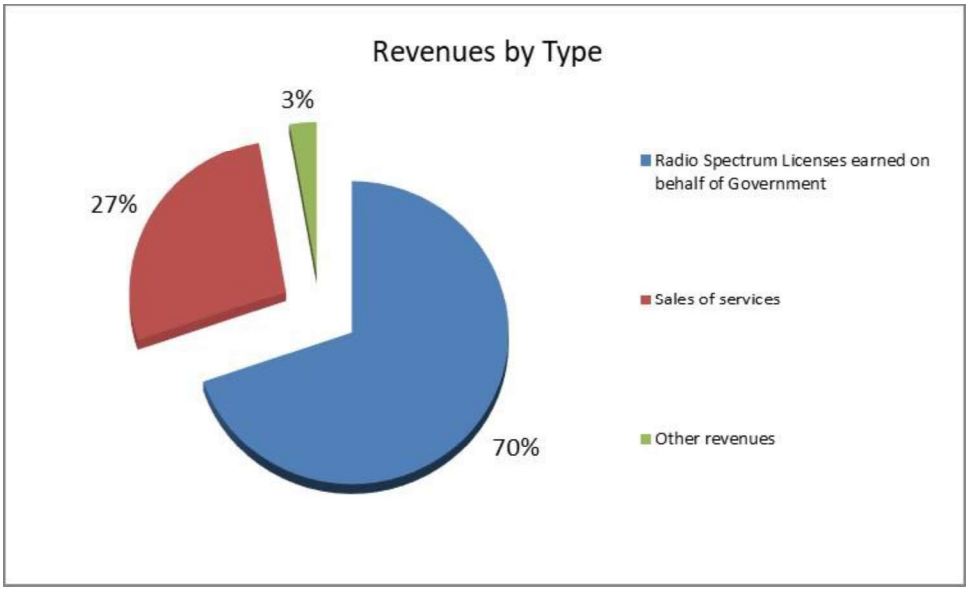
*2019-20 Future-Oriented Statement of Operations

Expenses



Total expenses were $2.95 billion in 2019–20, an increase of $623.7 million from 2018–19. This increase is mainly attributable to higher spending for transfer payment programs such as the SIF, Superclusters, and the Sustainable Development Technology Fund, as well as the increase in loan provision. Operating expenses increased in salaries and professional services, representing funding received for new programs such as the Built in Canada Innovation Program.

Revenues

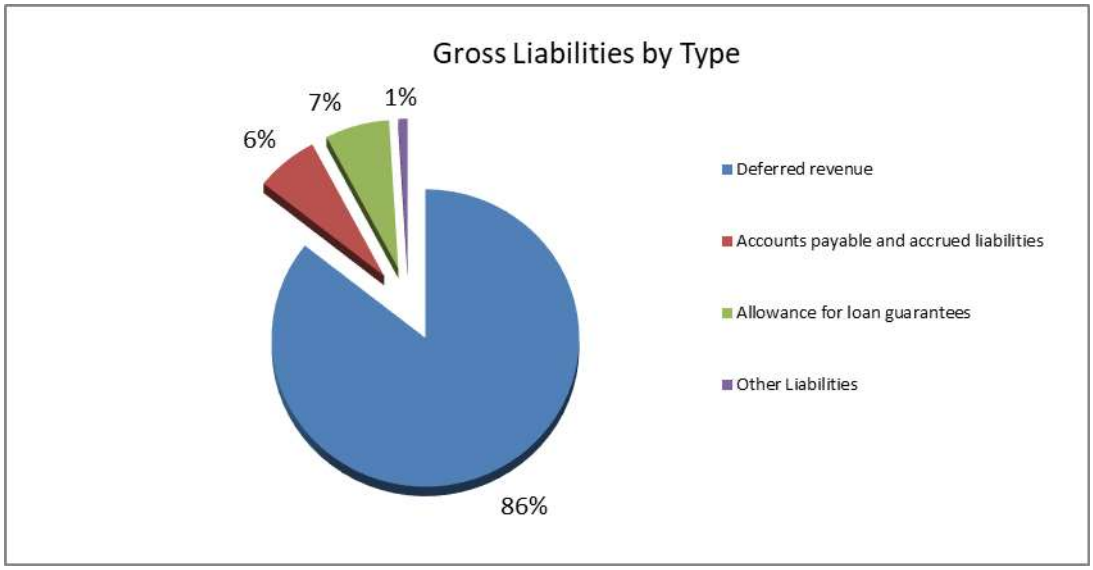


Total gross revenues were $1.2 billion in 2019–20, a decrease of $172 million compared to 2018–19, while net revenues of $228 million in 2019–20 decreased by $6 million compared to the previous fiscal year. A decrease in revenue from Radio spectrum licences, which represent the majority of gross reported revenue in the Departmental Financial Statements, accounts for the majority of the variance and is due to the expiration of some long-term spectrum licences. These were partially offset by new long-term spectrum licences in the 600 MHz range. Those revenues are reported as revenues earned on behalf of Government, as they cannot be accessed by the Department.

Condensed Statement of Financial Position (unaudited) as of March 31, 2020 (dollars)

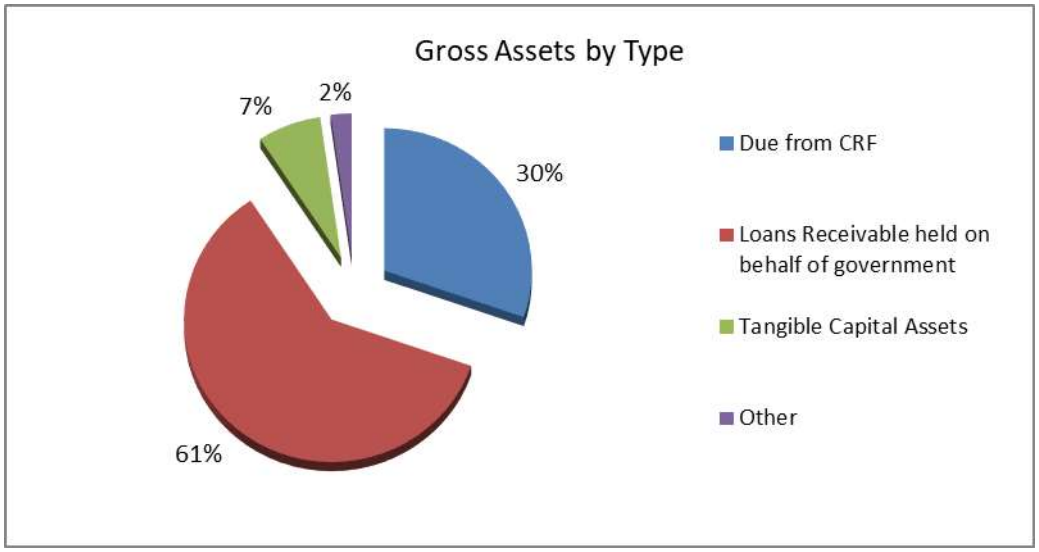
Financial information	2019–20	2018–19	Difference (2019–20 minus 2018–19)
Total net liabilities	1,664,913,611	1,210,482,531	454,431,080
Total net financial assets	711,556,498	733,878,249	(22,321,751)
Departmental net debt	953,357,113	476,604,282	476,752,831
Total non-financial assets	159,238,593	155,444,160	3,794,433
Departmental net financial position	(794,118,520)	(321,160,122)	(472,958,398)

Liabilities



Total gross liabilities were $11 billion for 2019–20, an increase of $3.3 billion year-over-year, while net liabilities were $1.7 billion, an increase of $454 million compared to 2018–19. The increase in gross liabilities is mainly attributable to an increase in deferred revenues related to the spectrum auctions in the 600 MHz range. An increase in the provision for loan guarantees also contributed to this increase and is the main factor for the increase in net liabilities. As spectrum revenues are earned on behalf of government, the associated deferred revenues are removed from the gross liabilities of the department.

Assets



Total gross financial assets amounted to $2.1 billion for 2019–20, an increase of $95 million from 2018–19, while net financial assets were $712 million, a decrease of $22 million year-over-year. Gross financial assets include loans made by the department, which increased year-over-year by $120 million. Loan revenues are not respendable by the department and so are held on behalf of Government. The decrease in net financial assets is primarily due to lower amounts due from the consolidated revenue fund, an account representing charges to the appropriation which have not been paid yet (accounts payable).

Additional information

Organizational profile

Minister of Innovation, Science and Economic Development:

The Honourable Navdeep Bains, P.C., M.P.

Minister of Tourism, Official Languages and Official Languages

The Honourable Mélanie Joly, P.C., M.P.

Minister of Women and Gender Equality and Rural Economic Development

The Honourable Maryam Monsef, P.C., M.P.

Minister of Small Business, Export Promotion and International Trade

The Honourable Mary Ng, P.C., M.P.

Institutional head:

Simon Kennedy

Ministerial portfolio:

Innovation, Science and Economic Development

Enabling instrument:

Innovation, Science and Economic Development Canada's founding legislation is the Department of Industry Act, S.C. 1995, c.1.

Year of incorporation:

1892

Raison d'être, mandate and role: who we are and what we do

"Raison d'être, mandate and role: who we are and what we do" is available on the Innovation, Science and Economic Development Canada's website[x].

For more information on the Department's organizational mandate letter commitments, see the Ministers' mandate letters[xi].

Reporting framework

Innovation, Science and Economic Development Canada's Departmental Results Framework and Program Inventory of record for 2019–20 are shown below.

Core Responsibilities	People, Skills and Communities	Science, Technology, Research and Commercialization	Companies, Investment and Growth
Results and Result Indicators	**Canada has a highly skilled workforce that is equipped for jobs in an innovative and high-growth economy** • Percentage of professional, science and technology related jobs in Canada's economy • Number of STEM graduates in Canada • Number of Canadians that are equipped with digital and coding skills training and development opportunities through ISED programs **Canadian communities are connected to and use digital infrastructure** • Percentage of population with access to ultrafast broadband	**World-leading superclusters are grown in Canada** • Number of new firms created (including in targeted areas) • Number of anchor firms (in targeted areas) • Value of investments leveraged to develop clusters as a result of ISED program funding (per dollar invested) **Canadian businesses invest more in research and development (R&D)** • Business Expenditure in Research and Development (BERD) in dollars • Percentage of companies engaged in collaborations	**Canada becomes a global leader in clean technologies** • Value of Canada's exports of clean technologies (in dollars) • Clean technology employment in Canada (in numbers) • Value of investments leveraged in clean technologies as a result of ISED program funding (per dollar invested) **Canadian companies are globally competitive and achieve high growth** • Number of high-growth firms • Value of Canada's goods and services exports (in dollars) • Revenue growth rate of firms supported by ISED programs **Canada is a location and destination of choice for investment, growth and tourism**

Core Responsibilities	People, Skills and Communities	Science, Technology, Research and Commercialization	Companies, Investment and Growth
	• Percentage of households with an Internet connection (including across underserved individuals, such as low-income) **Canada's entrepreneurs represent all segments of Canadian society** • Percentage of SMEs that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities. • Number of SMEs supported by ISED programs, including those that are majority-owned by women, Indigenous people, youth, visible minorities and persons with disabilities	with higher education institutions • Value of BERD by firms receiving ISED program funding (in dollars) **Canada has world leading-research capacity** • Canada's rank among OECD nations on the citation score of science research publications • Number of co-authored publications between federal and non-federal scientists • Value of investments leveraged in science and research infrastructure as a result of ISED program funding (per dollar invested)	• Total Business Investment in Canada (in dollars) • Spending by international visitors to Canada (in dollars) • Number of international overnight visitors to Canada • Turn-around times for patent applications filed in Canada, with a request for examination **Canadian innovators have simplified access to tools and support** • Canada's ranking on the World Bank's Ease of Doing Business Index • Percentage of ISED's priority services that meet published service standards
Programs	1. Talent Development	6. Higher Education	10. Innovation in Business

Core Responsibilities	People, Skills and Communities	Science, Technology, Research and Commercialization	Companies, Investment and Growth
	2. Entrepreneurship Policy 3. Bridging Digital Divides 4. Economic Development in Northern Ontario 5. Consumer Affairs	Sector Science and Research 7. Horizontal Science, Research and Technology Policy 8. Innovation Superclusters Initiative 9. Support to External Advisors	11. Support and Financing for Small Business 12. Business Policy and Analysis 13. Economic Outcomes from Procurement 14. Digital Service 15. Spectrum and Telecommunications 16. Clean Technology and Clean Growth 17. Communication Technologies, Research and Innovation 18. Business Conditions Policy 19. Insolvency 20. Intellectual Property 21. Competition Law Enforcement and Promotion 22. Federal Incorporation 23. Investment Review 24. Trade Measurement 25. Tourism Policy

Supporting information on the program inventory

Financial, human resources and performance information for Innovation, Science and Economic Development Canada's Program Inventory is available in GC InfoBase.[xii]

Supplementary information tables

The following supplementary information tables are available on Innovation, Science and Economic Development Canada's website[xiii]:

- Departmental Sustainable Development Strategy

- Details on transfer payment programs of $5 million or more
- Gender-based analysis plus
- Up-front multi-year funding

Federal tax expenditures

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

Organizational contact information

Corporate Management Sector
Innovation, Science and Economic Development Canada
235 Queen Street
2nd Floor, East Tower
Ottawa ON K1A 0H5

Fax: 613-954-2340
Email: mailto:cms.cpg-sgi.prm@canada.ca
Web address: http://www.ic.gc.ca/eic/site/icgc.nsf/eng/home

Appendix: definitions

appropriation (crédit)

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

budgetary expenditures (dépenses budgétaires)

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

core responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a 3-year period. Departmental Plans are usually tabled in Parliament each spring.

departmental priority (priorité)

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

departmental result (résultat ministériel)

A consequence or outcome that a department seeks to achieve. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)

A quantitative measure of progress on a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

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

experimentation (expérimentation)

The conducting of activities that seek to first explore, then test and compare the effects and impacts of policies and interventions in order to inform evidence-based decision-

making, and improve outcomes for Canadians, by learning what works, for whom and in what circumstances. Experimentation is related to, but distinct from innovation (the trying of new things), because it involves a rigorous comparison of results. For example, using a new website to communicate with Canadians can be an innovation; systematically testing the new website against existing outreach tools or an old website to see which one leads to more engagement, is experimentation.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. For a particular position, the full-time equivalent figure is the ratio of number of hours the person actually works divided by the standard number of hours set out in the person's collective agreement.

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

An analytical process used to assess how diverse groups of women, men and gender-diverse people experience policies, programs and services based on multiple factors including race ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2019–20 Departmental Results Report, those high-level themes outlining the government's agenda in the 2019 Speech from the Throne, namely: Fighting climate change; Strengthening the Middle Class; Walking the road of reconciliation; Keeping Canadians safe and healthy; and Positioning Canada for success in an uncertain world.

horizontal initiative (initiative horizontale)

An initiative where two or more federal organizations are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

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

performance (rendement)

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

performance indicator (indicateur de rendement)

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

performance reporting (production de rapports sur le rendement)

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

plan (plan)

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

planned spending (dépenses prévues)

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

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

program (programme)

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

program inventory (répertoire des programmes)

Identifies all the department's programs and describes how resources are organized to contribute to the department's core responsibilities and results.

result (résultat)

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

statutory expenditures (dépenses législatives)

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

target (cible)

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

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an appropriation act. The vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

[i] High-Speed Access for All: Canada's Connectivity Strategy, https://www.ic.gc.ca/eic/site/139.nsf/eng/h_00002.html
[ii] GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
[iii] GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
[iv] Canada's Business Registries, https://beta.canadasbusinessregistries.ca/search/results?search=%7Binc%7D&location=AB&status=Active
[v] GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
[vi] Public Accounts of Canada, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html
[vii] GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
[viii] 2019–20 Departmental Financial Statements, https://www.ic.gc.ca/eic/site/017.nsf/eng/07638.html
[ix.] 2019–20 Departmental Financial Statements, https://www.ic.gc.ca/eic/site/017.nsf/eng/07638.html
[x] ISED's Raison d'être, mandate and role: who we are and what we do, http://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_00018.html
[xi] Ministers' Mandate Letters, https://pm.gc.ca/en/mandate-letters
[xii] GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
[xiii] Supplementary Tables Information, https://www.ic.gc.ca/eic/site/017.nsf/eng/07640.html
[xiv] Report on Federal Tax Expenditures, http://www.fin.gc.ca/purl/taxexp-eng.asp