

**FEDERAL BUDGET 2021: INVESTMENTS IN TECHNOLOGY AND THE CANADIAN INNOVATION ECOSYSTEM**

By Colleen Spring Zimmerman and Catherine Hart

On April 19, 2021, the federal government released the 2021 Budget: [\*A Recovery Plan for Jobs, Growth, and Resilience\*](#). The Budget proposes significant spending measures to stimulate the economy, including more than \$101 billion over the next three years.

In this article, we highlight certain spending measures and new programs that the government has introduced for the purpose of encouraging innovation, sustainability and competition in the Canadian marketplace.

**Investing in Technology, Innovative Industries and Intellectual Property**

- \$7.2 billion over the next seven years for the Strategic Innovation Fund, which will encourage investment in the life sciences, automotive, aerospace and agriculture sectors (part of this funding will be allocated to the Net Zero Accelerator).
- \$443.8 million over ten years for the Pan-Canadian Artificial Intelligence Strategy, which will support the commercialization of artificial intelligence, encourage research and promote the development of standards related to artificial intelligence.
- \$90 million over two years to create ElevateIP, a program to help accelerators and incubators provide start-ups with access to expert intellectual property services.
- \$135 million over the next two to three years for the National Research Council's Industrial Research Assistance Program and the Innovation Superclusters Initiative, which support innovative and high-growth industries.

**Investing in Clean Technology**

- \$8 billion over seven years in the Net Zero Accelerator, a program designed to reduce pollution, encourage clean technology innovations and attract major investments.



[Colleen Spring Zimmerman](#)  
Partner

t: 416.941.8884

[cspringzimmerman@foglers.com](mailto:cspringzimmerman@foglers.com)



[Catherine Hart](#)  
Associate

t: 416.864.7612

[chart@foglers.com](mailto:chart@foglers.com)

- \$21.3 million over five years, and \$4.3 million per year ongoing, for the continuation of the International Business Development Strategy for Clean Technology.

### Encouraging the Adoption of Technology

- \$2.6 billion over four years to the Business Development Bank of Canada to help small and medium-sized businesses finance technology adoption.
- Amendments to the Canada Small Business Financing Program to expand loan class eligibility to include lending against intellectual property and start-up assets and expenses.
- Creation of the Canada Digital Adoption Program, a program that will support small to medium-sized businesses to take advantage of technology, become more efficient and integrate into the e-commerce market.

We encourage businesses to take advantage of these proposed spending measures and programs as they expand and enhance their products, services and business models.

Our firm has experience assisting clients with preparing government grant proposals, establishing appropriate business structures and commercializing intellectual property rights.

If you have questions, please reach out to the Fogler, Rubinoff LLP Intellectual Property Group.

*Colleen Spring Zimmerman is the head of the Intellectual Property Group and can be reached at [csgivingzimmerman@foglers.com](mailto:csgivingzimmerman@foglers.com).*

*Catherine Hart is an associate in the Intellectual Property Group and can be reached at [chart@foglers.com](mailto:chart@foglers.com).*