Western Economic Diversification de l'économie Diversification Canada de l'Ouest Canada

Western Economic Diversification Canada

Presentation to Saskatchewan Links to Learning forum

"Building on Resources"

September 26, 2018







#### Outline

- Regional Economic Development
- Departmental Overview
- WD Priorities & Roles
- Project Guidelines
- Project Examples
- Western Canada Growth Strategy



#### **Regional Development Agencies**

 Regional Development Agencies deliver regionally-specific economic development programming on behalf of the federal government across Canada. Through these Agencies, the Government makes strategic investments that build on competitive regional advantages.

#### • 6 Regional Agencies:

- Atlantic Canada Opportunities Agency
- Canadian Northern Economic
   Development Agency
- Canada Economic Development For Quebec Regions
- Federal Economic Development Agency For Southern Ontario
- Innovation, Science and Economic Development-Northern Ontario
- Western Economic Diversification







#### Western Economic Diversification (WD)



WD promotes the development and diversification of the economy in Western Canada. WD funds projects to develop and diversify Western Canada's economy

Promotes and coordinates federal economic development policies and programs in the West



## Western Economic Diversification (WD)

WD promotes the development and diversification of the economy in Western Canada, and advances the interests of the West in national economic policy, program, and project development and implementation



Helping western Canadian businesses to compete, export and innovate



Supporting the full inclusion of Indigenous peoples, women and youth in the western economy



Advocating for the interests of western Canada in the development of national economic policy



#### WD's Priorities

#### **Cluster Growth**

- WD recognizes the opportunities that innovation clusters present for developing and diversifying the western Canadian economy.
- WD will make strategic investments to advance selected key western Canadian clusters, and may include support to research organizations, industry groups, as well as technology commercialization and adoption

#### Inclusiveness

- WD's inclusiveness priority will focus on enhancing inclusiveness for three groups in particular: Indigenous peoples, women and youth.
- An inclusive approach to business growth through continued support of the Indigenous Business Services network and WD's Women's Enterprise Initiative.



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## Our path forward: Cluster Growth

## Priority western clusters: help them scale up and capture global







## Inclusiveness

Increase economic participation of Indigenous peoples, women, and youth



#### Canada

## To organizations looking to strengthen the economy of Western Canada. Funding to For-Profits

Funding for Not-for-Profits

#### • Repayable contributions

• To small and medium-sized enterprises (SMEs) looking for high-growth opportunities.

#### Western Canada Business Services Network (WCBSN)

 Funding to independent organizations who provide a range of services and/or funds to new and existing western Canadian entrepreneurs

#### Investor Western Canada Business Service

Non-repayable contributions

#### Advocate and Facilitator

• WD advocates for western interests and convenes stakeholders to respond to economic opportunities and challenges.

## WD's Roles





## WD Project Guidelines

#### Strong project proposals will demonstrate:

- Clear project objectives, rationale, and project plan.
- Alignment to one or more of WD's investment priorities.
- Significant market or industry demand.
- Clear, measurable economic results.
- Strong organizational governance and management capacity, and an organization's long-term financial viability.
- Leveraged funding from non-WD sources. Industry participation and/or support will typically further strengthen a project.





### WD Indigenous NFP Project Guidelines

## Projects must address one or more of the following objectives:

- Strengthen Indigenous business development or entrepreneurship;
- Increase Indigenous participation in natural resource development, tourism attraction, cluster growth, or other economic opportunities;
- Increase employment of Indigenous peoples, particularly in skilled occupations; or
- Promote opportunities for Indigenous-owned businesses to participate in the supply chains of western Canadian clusters.





### WD Indigenous NFP Project Guidelines

#### Examples of Projects that WD could support:

- Activities that encourage the formation of business partnerships between Indigenous communities and industry
- Initiatives that will encourage the creation and/or expansion of Indigenous businesses including incubators, co-operatives,
- Initiatives delivered by a regional, provincial, or national organization that increase capacity among Indigenous entrepreneurs
- Activities that will increase participation in supply chain opportunities (e.g., major resource projects, procurement) and/or development of, and access to, new markets
- Activities that support the Indigenous tourism sector
- Skills development training in high demand by industry, with a likelihood of employment, and the majority of participants are indigenous





#### Examples of Projects that WD will not fund:

- Feasibility studies, market demand or economic development studies
- Basic or general skills training that are eligible for other federal government funding programs
- Skills training that do not have an industry commitment to hire the trainees or respond to labour market skills gap
- Business advisory services that duplicate services provided by existing organizations
- For Indigenous commercial entities aactivities undertaken by a sole proprietorship, partnership or corporation where the profits only benefit a small, select number of owners (or shareholders) to advance their financial position



#### Eligible Costs

- All proposed costs must be incremental and essential to implementation of the project.
- Examples of eligible costs include:
  - Equipment purchase and lease;
  - Information management and information technology acquisitions;
  - Legal, administrative, accounting, licensing, permits;
  - Rents, leases, leasehold improvements;
  - Supplies, transportation;
  - Capital improvements related to projects;
  - Personnel: salary and benefits (must be incremental); and
  - Other costs that are reasonable, incremental and directly attributable to activities necessary to achieve desired results, as specified by the contract/agreement.





### Ineligible Costs

- Costs that are deemed unreasonable, not incremental, and/or not directly related to project activities;
- Operating costs related to an organization's daily operations;
- Allowance for interest on invested capital, bonds, debentures, other debt;
- Losses on investments, bad debts and associated expenses, other projects and contracts;
- Refinancing of existing debts;
- Amortization or depreciation of assets;
- Provisions for contingencies or commissions paid to consultants to secure funding;
- Lobbying activities;
- Donations, dues and membership fees;
- Entertainment expenses; and
- Land and new buildings.





### Ineligible Costs (continued)

- Market demand plans, business plans
- Hospitality and other related costs
- Sole sourced consultancy fees (consultants are eligible but only when hired following a competitive process)
- Fees related to advocacy work



## Examples of Projects that received WD funds:

- Pro Metal Industries Ltd.
- Village of lle a la Crosse
- Pinehouse Business North Development
- Flying Dust Market Garden, Ltd.
- Battlefords Agency Tribal Chiefs Inc.
- Cowessess First Nation
- Indigenous Tourism Association of Canada





## WHAT SUCCESS LOOKS LIKE



#### **Cluster Growth**

- ↑ GDP ↑ Export Sales
- † Business Sales
- ↑ High Quality Jobs
- ↑ Business R&D
- ↑ Foreign Direct Investment



#### Inclusiveness

† Indigenous, Women, and Youth-Owned
Businesses
† Employment for
Indigenous Peoples,
Women, and Youth





#### Western Canada Growth Strategy

- The federal government's whole of government strategy to position the West for success for years to come.
- A two-month long public engagement was launched on September 11<sup>th</sup>, which will help to develop the public record and identify the key priorities for the strategy to be announced in early 2019.
- Indigenous participation is critical to the engagement process.
- Access to the online forum and resources are available on WD Canada's website.
- https://www.wd-deo.gc.ca/eng/19700.asp





## Western Economic Diversification

We would like to hear your ideas and learn about economic development opportunities in your communities.

Contact us at our Saskatchewan Regional office: 306-975-4373 Toll Free: 1-888-338-WEST (9378) Wd.sk-sk.deo@canada.ca

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Follow us for information about future funding opportunities. <u>www.wd-deo.gc.ca</u> @WD Canada



# Canada