

Ontario Government Programs

The Reboot of the Hydrogen Sector in Canada
March 24, 2016

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Introduction to the Provincial Government

Ministry of Economic Development, Employment and Infrastructure

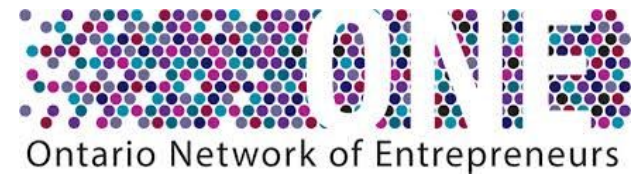
Ministry of Research and Innovation

Ministry of Citizenship, Immigration and International Trade



YOUR NEXT BIG IDEA

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Business Advisory Services

- 12 offices across the province can help you expand your business in Ontario and around the world. They offer:
 - access to government programs and events
 - market intelligence
 - market development support, including help with exporting
 - financial analysis and other benchmarking tools
 - access to financial assistance

Small Business Enterprise Centres

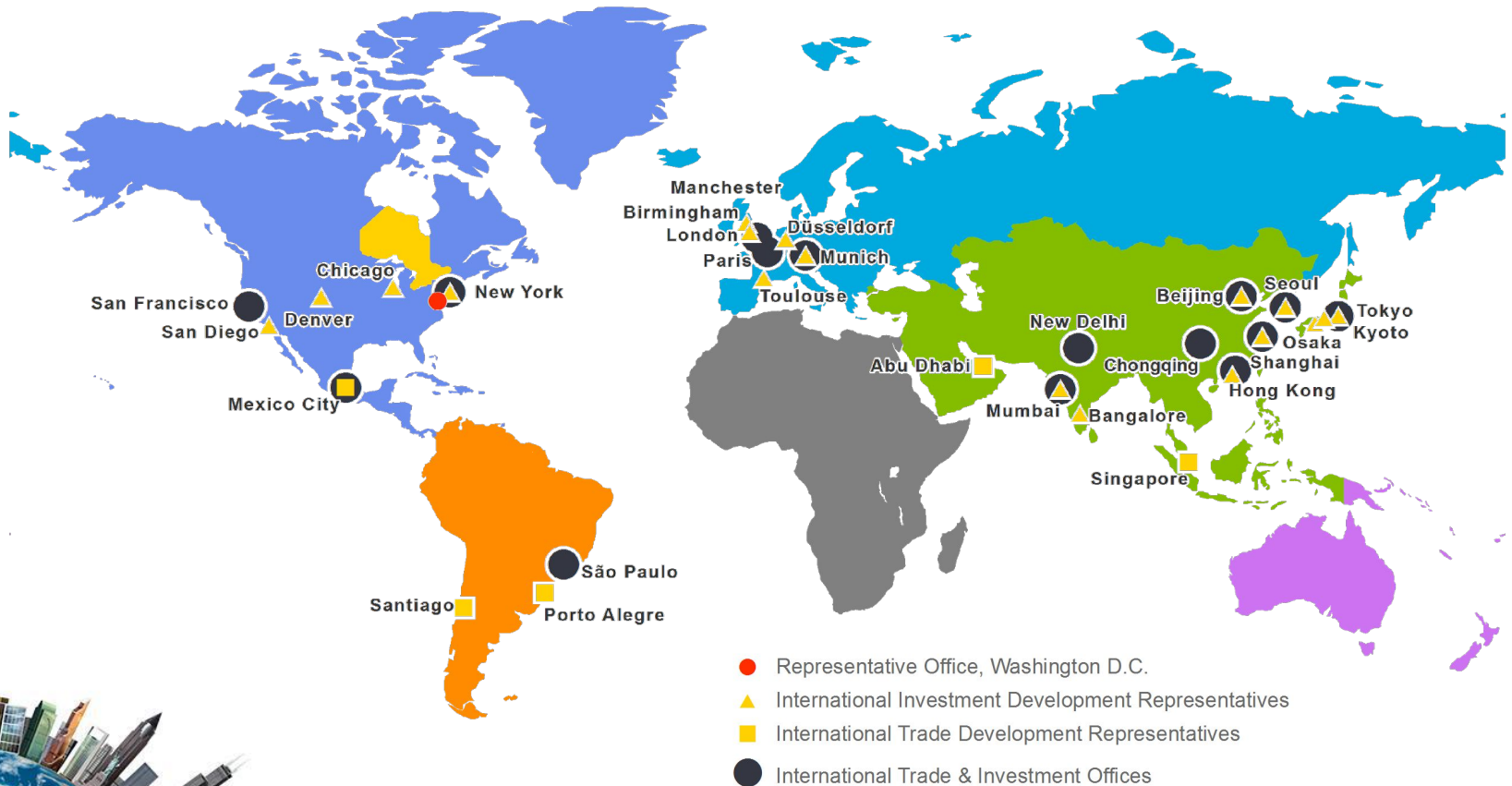
- Offer entrepreneurs tools to help grow their business
- <https://www.ontario.ca/business-and-economy/high-growth-firms-resources#section-4>

Regional Innovation Centres

- 17 offices across the province that advise technology start-ups, share entrepreneurship programs, develop business contacts, facilitate access to investment capital and create new opportunities in target markets.



Government of Ontario's Presence Abroad



YOUR NEXT BIG IDEA

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Early Stage Exporters



EARLY STAGE
EXPORTERS

Assists Ontario small to medium-sized enterprises to develop and grow their export markets, obtain new sources of capitalization/funding, and increase export sales of Ontario goods and services.

- Eligibility:
 - 3 or more employees
 - Annual sales between \$300,000 and \$500,000

The costs of eligible activities are shared 50/50 between the applicant and the Ontario Chamber of Commerce. Non-repayable contributions generally range from a minimum of \$5,000 to a maximum of \$30,000 (Market Research: \$5,000 maximum). Applicants are allowed three events per application.

There are four categories of eligible activities:

- Direct contacts
- Marketing tools
- Market research
- Foreign bidding projects

The Early Stage Exporters fund is administered by the Ontario Chamber of Commerce with support and funding from the Ontario government. www.occ.ca/programs/early-stage-exporters/



YOUR NEXT BIG IDEA

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Global Growth Fund

Export Market Access: A Global Expansion Program



- For small to medium size organizations (SMEs) to access and expand their growth in foreign markets.
- Eligibility:
 - 5 or more employees
 - Minimum annual sales of \$500,000
- Program will cover up to 50% of eligible costs incurred to develop export sales.

There are four categories of eligible activities:

- Direct contacts
- Marketing tools
- Market research
- Foreign bidding projects

Export Market Access is an initiative of the Ontario Chamber of Commerce, with support and funding from the Government of Ontario and the Government of Canada. <http://exportaccess.ca/en/home>



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Global Growth Fund

Ontario Exporters Fund



The Ontario Exporters Fund is intended to:

- Help small to medium size organizations (SMEs) better understand their export capacity and thereby improve their ability to access foreign markets
- Encourage SMEs to develop focused export market access strategies
- Assist businesses realize their export sales objective

Funding will allow SME to hire an Export Manager

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

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

- Have total annual sales between \$1 million and \$20 million
- Have exports sales ranging from 10% to 50% of total annual sales <http://www.ontarioexporters.ca/home/>



Regional Funds

Southwestern & Eastern Ontario Development Fund

Supports regional projects that:

- Create jobs
- Encourage innovation, collaboration and cluster development
- Attract private sector investment

To be eligible for the business stream, businesses need to:

- Employ at least 10 people
- Commit to creating at least 10 new jobs
- Be able to provide 3 years of operations/financial statements
- Be located in, or plan to locate in, a community in southwestern/eastern Ontario
- Invest at least \$500,000 in their project

Funding amount: Up to 15% of eligible project costs to a maximum grant of \$1.5M

Investments of more than \$10 million that also create more than 50 new jobs may be eligible for a loan of up to \$5 million.

<https://www.ontario.ca/business-and-economy/southwestern-ontario-development-fund>



Jobs and Prosperity Fund



ONTARIO'S JOBS AND PROSPERITY FUND
WILL INVEST IN **JOB-CREATING INNOVATION,
PRODUCTIVITY AND EXPORTS**

New Economy Stream

- Provides funding for private sector organizations to:
 - build innovation capacity
 - improve productivity, performance and competitiveness
 - increase access to global markets
- This stream is available for projects with at least \$10 million in eligible costs

Strategic Partnerships Stream

- Provides funding for industry partners that develop enabling technologies for Ontario's priority sectors.
 - This stream is available for partnerships with at least \$10 million in eligible costs. It focuses on technologies with the potential to transform multiple industries across Ontario.

<https://www.ontario.ca/business-and-economy/jobs-and-prosperity-fund>



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Research & Development

Ontario Centres of Excellence

- Connects industry to academia
- OCE has invested approximately \$37M since 2005 in developing clean energy technologies
- Industry co-investment in these research and development projects totals over \$65M
- A \$10M investment to further solar, hydrogen and conservation and demand management technologies was made through OCE's Special Energy Fund (SEF) since 2008
- <http://www.oce-ontario.org/about-us/focus-on-sectors/energy-and-environment>

After-Tax Cost of \$100 R&D Expenditure *Small and Medium Sized Manufacturers*

	R&D Expenditure <i>(general)</i>	R&D Expenditure <i>(at eligible Ontario research institutes)</i>
Gross expenditure	\$100.00	\$100.00
Actual after-tax expenditure	\$54.79	\$42.62

Note: based on information as of December 19, 2014

Sources: Ontario Ministry of Finance and Canada Revenue Agency



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Programs for Youth Employment

- **Youth Employment Fund**

- Employers can receive up to \$6,800 to offset training and wage costs linked with a job placement of a youth (up to age 30).
- <http://www.tcu.gov.on.ca/eng/employmentontario/youthfund/#display>

- **Co-operative Education Tax Credit**

- The tax credit is based on salaries and wages paid to a student in a co-operative education work placement. Corporations can claim 25% of eligible expenditures (30% for small businesses). The maximum credit for each work placement is \$3,000. Most work placements are for a minimum employment period of 10 weeks up to a maximum of four months.
- <http://www.fin.gov.on.ca/en/credit/cetc/>



Apprenticeship Programs

• Employer Signing Bonus

- Employers can receive a \$2,000 Employment Signing Bonus that encourages employers in the trades to register new apprentices. This initiative will assist employers to hire and register apprentices who have left school and require upgrading to meet the registration standards for apprenticeship training.
- http://www.tcu.gov.on.ca/eng/employers/emp_bonus.html

• Apprenticeship Completion Employer Bonus

- A taxable \$1000 maximum cash grant to Employers for each apprentice they hire and train that has completed his or her apprenticeship and received a Certificate of Apprenticeship and, where applicable, a Certificate of Qualification.
- <http://www.tcu.gov.on.ca/eng/employmentontario/training/financial.html>

• Apprenticeship Training Tax Credit

- The tax credit is based on salaries and wages paid to an apprentice. Qualifying businesses can claim 25 per cent of eligible expenditures (30 per cent for small businesses) made during the first 36 months of an apprenticeship program. The maximum credit for each apprenticeship is \$5,000 per year. The maximum credit over the first 36-month period of the apprenticeship is \$15,000.

<http://www.fin.gov.on.ca/en/credit/atcc/>



New Programs in Ontario

• Green Investment Fund

- Ontario will invest \$74 million in a cleantech innovation initiative, which will help reduce greenhouse gas pollution by encouraging large industrial plants to adopt leading-edge technologies, while supporting entrepreneurs in developing creative solutions.
- Ontario is also investing \$25 million in a Green Smart energy efficiency program to help small and medium-sized businesses reduce emissions and become more energy efficient.

Both of the above initiatives will draw from the \$325 million Green Investment Fund.

• Cleantech Venture Capital

The recent Ontario budget commits \$55 million for cleantech venture capital support, to develop new approaches to make investments in exchange for equity in clean tech firms. The Province is currently developing options to implement this new commitment.

• Business Growth Initiative

Two days ago, the government announced initiatives such as a five-year, \$35-million investment in the Advanced Manufacturing Consortium; and a 10-year, \$5-million investment to establish the Trillium Network for Advanced Manufacturing. These funds are allocated under the province's \$400 million Business Growth Initiative.



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