

Budget Day – Backgrounder

Innovation Saskatchewan:

As the Government of Saskatchewan's central agency supporting innovation in the province, Innovation Saskatchewan works directly with industry and external stakeholders to encourage the commercialization of research and technology and to grow the province's technology sector.

IS's funding responsibilities include research institutes such as the Canadian Light Source (CLS), Saskatchewan Health Research Foundation (SHRF), Petroleum Technology Research Centre (PTRC), International Minerals Innovation Institute (IMII), Sylvia Fedoruk Canadian Centre for Nuclear Innovation (Fedoruk Centre), Vaccine and Infectious Disease Organization (VIDO). It supports Saskatchewan's growing technology sector through various funding initiatives including Co.Labs, and programs such as the Saskatchewan Advantage Innovation Fund (SAIF), Agtech Growth Fund (AGF), Innovation and Science Fund (ISF), Saskatchewan Tax Start-up Incentive (STSI), and Made-in-Saskatchewan-Technology (MIST).

Saskatchewan Opportunities Corporation (SOCO)

Saskatchewan Opportunities Corporation (SOCO), also known as Innovation Place, is a Crown Corporation that operates the research parks at the University of Regina and Saskatchewan and provides support to start ups and early-stage technology companies. Moving SOCO from a commercial Crown Corporation under Crown Investments Corporation to the authority of Innovation Saskatchewan into a single agency integrates programming and infrastructure with a focus on investment attraction and enhancing technology and research supports to grow Saskatchewan's technology sector.

With Saskatchewan's future economic growth increasingly dependent on innovation, IS will continue to build capacity and support strategic growth that aligns with provincial priorities through its initiatives.

STSI Tax Credit Cap Increase:

The STSI offers a non-refundable 45 percent tax credit to individuals, corporations, and venture capital (VC) firms that invest in eligible companies to encourage investment in early-stage technology startups. Since the launch of the program in 2018, Saskatchewan has had an increase in VC activity. Saskatchewan is currently having a record year for VC investment, reporting \$200M of VC investment in the first three quarters of 2021.

Increasing the annual STSI tax credit cap from \$2.5M to \$3.5M as part of 2022-23 budget will ensure this investment momentum continues. Since relaunching on June 1, 2021, there has been significant demand for the program:

- \$8.5M of investment has been submitted for approval, representing a 50 percent increase from the previous fiscal year.
- Over \$45M of investment has been attracted to early-stage companies.