

#### A PLAN TO GROW OUR ECONOMY AND MAKE LIFE MORE AFFORDABLE

# **Budget 2022 Analysis**

Federal Budget 2022, *A Plan to Grow Our Economy and Make Life Affordable*, is a focused and strategic budget targeted in the support it provides to specific sectors and policy areas. While not a budget that emphasizes research, it does invest in some critical areas of health research and takes some important steps towards creating a better investment environment for health and biosciences companies.

Many health organizations have, however, argued that while Budget 2022 made important investments which will help to address some critical areas of health care, it falls short of making the strong commitments that are necessary to rebuild Canada's health care system (see: Canadian Medical Association). According to HealthCareCAN, "these steps don't go far enough to address the real desire of Canadians, which is to have a strong, sustainable health care system able to meet our evolving needs as a society."

Most notably missing from Budget 2022 are investments in fundamental science, long-term care, digital health care and support for next generation talent.

Read Research Canada's press release, Federal Budget 2022 focuses on translating research into new technologies and growth with enticements for private sector.

The full Budget 2022 document can be found online at: www.budget.gc.ca/2022/home-accueil-en.html.

#### In This Analysis:

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# **Investing in Health Research**

Budget 2022 makes a number of investments related to health research and its related innovations, including \$40 million to the Canadian Institutes of Health Research (CIHR) for two strategic research areas:

#### Researching the Long-Term Impacts of COVID-19

✓ Budget 2021 proposes to provide **\$20 million over five years**, starting in 2022-23, for the CIHR to support additional research on the long-term effects of COVID-19 infections on Canadians, as well as the wider impacts of COVID-19 on health and health care systems.

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# Improving Canada's Dementia and Brain Health Research

✓ Budget 2022 proposes to provide \$20 million over five years, starting in 2022-23, for the CIHR to ramp up efforts to learn more about dementia and brain health, to improve treatment and outcomes for persons living with dementia, and to evaluate and address mental health consequences for caregivers and different models of care.

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These investments, among others, address two critical areas of health research that need support—the long-term impacts of COVID-19 and dementia and brain health—but the challenge remains the dearth of any new funding in investigator-driven fundamental science, without which we cannot innovate, grow our economy or lead globally (see also: Evidence for Democracy).

Complementing the investment dedicated to learning more about dementia and brain health, Budget 2022 also committed to providing support for the Centre for Aging and Brain Health Innovation (CABHI), established in 2015 by Research Canada member, Baycrest Health Sciences:

# Supporting the Centre for Aging and Brain Health Innovation

✓ Budget 2022 proposes to provide \$30 million over three years, starting in 2022-23, to the Public Health Agency of Canada, for the Centre for Aging and Brain Health Innovation to help accelerate innovations in brain health and aging.

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**As CABHI points out**, "in a year when pandemic-related challenges have disproportionately and negatively impacted older adults' and caregivers' quality of life, the need to mobilize innovative

technologies, programs and services has never been greater." This funding commitment will allow CABHI to continue its work with innovators from across Canada and internationally.

Budget 2022 also makes a commitment to modernize the National Research Council to better invent, innovate and prosper and hints at a connection to the new innovation and investment agency announced in Chapter 2. Without any more details, however, it is still unclear what this relationship will actually look like.

# Leveraging the National Research Council

The National Research Council (NRC) provides a network of research and technical facilities across Canada, supporting business, government, and university collaborations.

Budget 2022 announces that the government will explore new ways to better integrate leading university researchers and business partners and further modernize the NRC to better invest, innovate and prosper.

Additional information will be forthcoming alongside further details on the establishment of the new innovation and investment agency.

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Budget 2022 also commits \$159.6 million to support the implementation of the National Security Guidelines for Research Partnerships, which will help to support and build capacity within Canadian institutions to identify, assess and mitigate potential risks to research security:

#### Securing Canada's Research from Foreign Threats

Canadian research and intellectual property can be an attractive target for foreign intelligence agencies looking to advance their own economic, military, or strategic interests. The National Security Guidelines for Research Partnerships, developed in collaboration with the Government of Canada-Universities Working Group in July 2021, help to protect federally funded research.

- ✓ To implement these guidelines fully, Budget 2022 proposes to provide \$159.6 million, starting in 2022-23, and \$33.4 million ongoing, as follows:
  - \$125 million over five years, starting in 2022-23, and \$25 million ongoing, for the Research Support Fund to build capacity within post-secondary institutions to identify, assess, and mitigate potential risks to research security; and
  - \$34.6 million over five years, starting in 202-23, and \$8.4 million ongoing, to enhance Canada's ability to protect our research, and

to establish a Research Security Centre that will provide advice and guidance directly to research institutions.

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In discussion with several sectors within the Research Canada membership, the idea of such a centre was put forward to the government after the security guidelines came into place in support of research institutions. It does look like the government was listening in this regard. This commitment is definitely a step in the right direction in support of the academic sector.

# **Investing in People**

# **Hiring More Leading Researchers**

✓ Budget 2022 proposes to provide \$38.3 million over four years, starting in 2023-24, and \$12.7 million ongoing for the federal granting councils to add new, internationally recruited Canada Excellence Research Chairs in the fields of science, technology, engineering, and mathematics. This will support a further 12 to 25 new Canada Excellence Research Chairs reinforcing Canada's competitive advantage as a destination of choice for world-class researchers.

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The Canadian Association of University Teachers (CAUT) welcomed the government's allocation of targeted research investments through the Tri-Council agencies in the Canada Excellence Research Chairs program. However, in line with the recommendations of the Fundamental Science Review, renewed investments in investigator-led research are still required.

#### **Funding for Black Researchers**

✓ Budget 2022 proposes to provide \$40.9 million over five years, starting in 2022-23, and \$9.7 million ongoing to the federal granting councils to support targeted scholarships and fellowships for promising Black student researchers.

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Ensuring and advancing inclusion, diversity, equity and accessibility in health research and innovation is non-negotiable, so this funding is welcome news to Research Canada. The Canadian Black Scientists Network points out, however, that while this is "a critical part of

solving the complex barriers to Black inclusion and success [...] these measures will be most effective when woven into a robust Canadian science ecosystem."

# **Investing in Health Innovation**

#### Creating a Canadian Innovation and Investment Agency

✓ Budget 2022 announces the government's intention to create an operationally independent federal innovation and investment agency, and proposes \$1 billion over five years, starting in 2022-23, to support its initial operations. Final details on the agency's operating budget are to be determined following further consultation later this year.

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Though details are scarce, the commitment to establish a Canadian Innovation and Investment Agency acknowledges the need to stimulate private sector investment in research, development and the uptake of new technologies. If we want to realize the economic potential of Canadian innovations, create jobs and compete globally for R&D investment, we need market-oriented strategies to strengthen public-private partnerships and accelerate growth of an R&D-intensive health sector. Other organizations, such as **Colleges and Institutes Canada (CICan)**, agree: "Each year, thousands of businesses turn to their local college or institute to access research expertise. The creation of a new Canadian Innovation and Investment Agency is another encouraging measure that will help boost research across the country."

At the same time, we do need to better understand how this agency will fit into the myriad of other funding agencies we currently have at the federal level and those which have been proposed, like the Canada Advanced Research Projects Agency (CARPA) promised in the Liberal party's election platform. Alignment and a more integrated approach to the federal research funding system are called for in the recent ministerial Mandate Letters. Research Canada could not agree more!

## Review of Tax Support to R&D and Intellectual Property

The Scientific Research and Experimental Development (SR&ED) program provides tax incentives to encourage Canadian businesses of all sizes and in all sectors to conduct R&D. The SR&ED program has been a cornerstone of Canada's innovation strategy. The government intends to undertake a review of the program, first to ensure that it is effective in encouraging R&D that benefits Canada, and second to explore opportunities to modernize and simplify it. Specifically, the review will examine whether changes to eligibility criteria would be warranted to ensure adequacy of support and improve overall program efficiency.

As part of this review, the government will also consider whether the tax system can play a role in encouraging the development and retention of intellectual property stemming from R&D conducted in Canada. In particular, the government will consider, and seek views on, the suitability of adopting a patent box regime in order to meet these objectives.

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**BIOTECanada:** "The establishment of the Canadian Innovation & Investment Agency and a commitment to review of tax support measures including the SR&ED tax credit and developing a patent box regime will enhance Canada's competitive position to attract the investment and talent needed to successfully commercialize innovation."

#### Better Supply Chain Infrastructure

- ✓ To help build more resilient and efficient supply chains, Budget 2022 proposes to provide \$603.2 million over five years, starting in 2022-23, to Transport Canada, including:
  - \$450 million over five years, starting in 2022-23, to support supply chain projects through the National Trade Corridors Fund, which will help ease the movement of goods across Canada's transportation networks. This is in addition to the \$4.2 billion that has been allocated to the fund since 2017. The Minister of Transport will rename the fund to reflect the government's focus on supply chains;
  - \$136.3 million over five years, starting in 2022-23, to develop industry-driven solutions to use data to make our supply chains more efficient, building on the success of initiatives like the West Coast Supply Chain Visibility Program. Of this amount, \$19 million will be sources from existing resources; and
  - \$16.9 million over five years, starting in 2022-23, to continue making Canada's supply chains more competitive by cutting needless red tape, including working to ensure that regulations across various modes of cargo transportation (e.g., ship, rail) work effectively together.

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#### Growing Canada's Health-Focused Small and Medium-Sized Businesses

The Coordinated Accessible National Health Network (CAN Health Network) brings together hospital networks and health authorities in nine provinces to procure innovative health care solutions, including investing in made-in-Canada technologies. This model shows potential to help deliver better care to Canadians, help our health technology businesses grow and create good

middle class jobs across the country.

✓ Budget 2022 proposes to provide \$30 million over four years, starting in 2022-23, to build upon the success of the CAN Health Network, and expand it nationally to Quebec, the territories, and Indigenous communities.

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#### **Supporting Canada's Innovation Clusters**

Since they were launched in 2017, Canada's innovation clusters have helped build successful and growing innovation ecosystems across the Canadian economy. These have included plant-based protein alternatives; ocean-based industries; advanced manufacturing; digital technologies; and artificial intelligence.

There is an opportunity now to build on the success of this model to strengthen networks between private sector, academia, and governments in ways that will promote innovation, help firms grow in Canada, and grow our economy.

✓ Budget 2022 proposes to provide \$750 million over six years, starting in 2022-23, to support the further growth and development of Canada's Global Innovation Clusters. Building on their success to date, these clusters will expand their national presence and will collaborate to deepen their impact, including through joint missions aligned with key government priorities, such as fighting climate change and addressing supply chain disruptions. To maximize the impact of this funding and to ensure it corresponds with industry and government needs, it will be allocated between the five clusters on a competitive basis.

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University Affairs responded to the announcement of additional funding for Canada's Global Innovation Clusters with a slightly mixed review: "The five networks are now called "global innovation clusters," and will receive \$750 million over six years, which is half of what they had reportedly asked for. Many universities and research institutions are members of the five clusters, which are meant to bring together government, academia, and industry to create new companies, jobs, intellectual property, and boost economic growth."

# **Building a World-Class Intellectual Property Regime**

✓ To build a world-class intellectual property regime, Budget 2022 proposes to build on previous investments and provide \$96.6 million

**over five years**, starting in 2022-23, and \$22.9 million ongoing, as follows:

- \$47.8 million over five years, starting in 2023-24, and \$20.1 million ongoing to Innovation, Science and Economic Development Canada to launch a new national lab-to-market platform to help graduate students and researchers take their work to market;
- \$35 million over five years, starting in 2022-23, to Global Affairs Canada for the CanExport program to help Canadian businesses secure their intellectual property in foreign markets;
- \$10.6 million over five years, starting in 2022-23, and \$2 million ongoing to Innovation, Science and Economic Development Canada to launch a survey to assess the government's previous investments in science and research, and how knowledge created at post-secondary institutions generates commercial outcomes;
- \$2.4 million over five years, starting in 2022-23, and \$0.6 million ongoing to Innovation, Science and Economic Development Canada to expand use of ExploreIP, Canada's intellectual property marketplace, so that more public sector intellectual property is put to use helping Canadian businesses; and
- \$0.8 million over five years, starting in 2022-23, and \$0.2 million ongoing to Innovation, Science and Economic Development Canada to expand the Intellectual Property Legal Clinics Program, which will make it easier to access basic intellectual property services.

The Strategic Intellectual Property Program Review announced in Budget 2021 is underway. Where appropriate the federal government intends to strengthen intellectual property conditions to promote the growth of intellectual property and maintain it in Canada.

(Pg. 75-76, Chapter 2)

# **Investing in Health and Health Care**

#### **Support for Canada's Health Care Workforce**

# Supporting Foreign Credential Recognition in the Health Sector

The Foreign Credential Recognition Program helps skilled newcomers secure meaningful, well-paying jobs by funding provinces, territories, and organizations to improve foreign credential recognition processes and by providing direct support for skilled newcomers. This support includes mentoring, job placements, and financial assistance for exams and classes.

✓ Budget 2022 proposes to provide \$115 million over five years, with \$30 million ongoing, to expand the Foreign Credential Recognition Program to help up to 11,000 internationally trained health care professionals per year get their credentials recognized and find work in their field. It will also support projects—including standardized national exams, easier access to information, faster timelines, and less red tape—that will reduce barriers to foreign credential recognition for health care professionals.

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### Improving the Temporary Foreign Worker Program

Budget 2022 proposes a number of measures to increase protections for workers, to reduce administrative burdens for trusted repeat employers, and to ensure employers can quickly bring in workers to fill short-term labour market gaps. These include:

- √ \$29.3 million over three years to introduce a Trusted Employer Model
  that reduces red tape for repeat employers who meet the highest
  standards for working and living conditions, protections, and wages in
  high-demand fields. Further details on this program will be announced
  in the coming year.
- √ \$64.6 million over three years to increase capacity to process employer applications within established service standards.

(Pg. 125, Chapter 4)

**HealthCare***CAN*: "Canada's overwhelmed health care workforce urgently needs shoring up, so we are pleased to see the budget include some federal investment aimed at getting more workers into the system through streamlined immigration processes. But these steps don't go far enough to address the real desire of Canadians, which is to have a strong, sustainable health care system able to meet our evolving needs as a society."

March of Dimes Canada: "Two years into a pandemic, Canada continues to deal with a crisis in health human resources, which has impacted seniors and people with disabilities who require personal support workers to remain independent and safe in their own homes. March of Dimes Canada is disappointed in the absence of expected federal investment to work with the provinces and territories to train 50,000 new PSWs and raise their minimum wage to \$25 per hour."

# Increasing Loan Forgiveness for Doctors and Nurses in Rural and Remote Communities

- ✓ To help bring more health care workers to the communities that need them most, Budget 2022 proposes to provide \$26.2 million over four years, starting in 2023-24, and \$7 million ongoing, to increase the maximum amount of forgivable Canada Student Loans by 50 per cent. This will mean up to \$30,000 in loan forgiveness for nurses and up to \$60,000 in loan forgiveness for doctors working in underserved rural or remote communities.
- ✓ In addition, the federal government will expand the current list of eligible professionals under the program, with details to be announced in the coming year. The government is also undertaking a review to ensure that the definition of rural communities under the program does not leave out certain communities in need.

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This is welcome news for rural and remote communities that have limited availability and accessibility of health care services, but once again, governments at all levels will need to do more to support health care workers and address ongoing labour shortages in the sector.

#### **Global Health and COVID-19**

#### Leading in the Global Fight Against COVID-19

Since February 2020, Canada has committed more than \$2.7 billion in international assistance to fight the pandemic, including a contribution of more than \$1.3 billion to the Access to COVID-19 Tools Accelerator (ACT-A)—a global effort to improve equitable access to COVID-19 vaccines, tests, and treatments.

✓ Budget 2022 proposes to provide \$732 million in 2022-23 to Global Affairs Canada to further support the efforts of the Access to COVID-19 Tools Accelerator and to ensure that Canada continues to provide its fair share to global efforts to improve access to vaccines, therapeutics, and other tools to fight COVID-19. This will bring Canada' total contribution to the Access to COVID-19 Tools Accelerator to more than \$2 billion since the start of the pandemic.

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## Strengthening Global Health Security

✓ Budget 2022 proposes to provide an additional \$296 million over four years, starting in 2023-24, and \$74 million ongoing, to Global Affairs Canada to help support efforts to address global health security priorities, such as infectious disease prevention and response.

(Pg. 144, Chapter 5)

#### **Getting Canadians the Health Care They Need**

# **Dental Care for Canadians**

✓ Budget 2022 proposes to provide funding of \$5.2 billion over five years, starting in 2022-23, and \$1.7 billion ongoing, to Health Canada to provide dental care for Canadians. This will start with under 12-year-olds in 2022, and then expand to under 18-year-olds, seniors, and persons living with a disability in 2023, with full implementation by 2025. The program would be restricted to families with an income of less than \$90,000 annually, with no co-pays for those under \$70,000 annually in income.

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#### Reducing the Backlogs of Surgeries and Procedures

As hospitals did everything they could to response to surges in COVID-19 cases, Health Canada estimates that nearly 700,000 medical procedures were cancelled or delayed.

On March 25, 2022, the federal government announced its intention to provide provinces and territories with an additional \$2 billion through a top-up to the Canada Health Transfer to address these backlogs. This will build on the \$4 billion in support provided in 2020-21 as provinces and territories work towards eliminating the backlogs in surgeries and procedures, and on providing the health care that Canadians deserve.

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#### **Supporting Our Seniors**

✓ Budget 2022 proposes the creation of an expert panel to study the idea of an Aging at Home Benefit. The panel will report to the Minister of Seniors and the Minister of Health. More details will be provided in the months to come. ✓ Budget 2022 proposes **\$20 million over two years**, beginning in 2022-23, for an expanded New Horizons for Seniors Program to support more projects that improve the quality of life for seniors and help them continue to fully participate in their communities.

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#### **Mental Health and Addictions**

# Supporting Mental Health Well-Being with the Wellness Together Canada Portal

The federal government launched the Wellness Together Canada portal in April 2020 in response to the unprecedented rise in levels of stress, anxiety, and depression associated with the pandemic. Since then, more than two million people across Canada have accessed free information and support through the portal. Children and young people make up almost 50 per cent of users, and 42 per cent of texting users have identified themselves as LGBTQ2.

✓ Budget 2022 proposes to provide **\$140 million over two years**, starting in 2022-23, to Health Canada for the Wellness Together Canada portal so it can continue to provide Canadians with tools and services to support their mental health and well-being.

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#### Addressing the Opioid Crisis

✓ Budget 2022 proposes to provide \$100 million over three years, starting in 2022-23 to Health Canada for the Substance Use and Addictions Program to support harm reduction, treatment, and prevention at the community level.

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This expanded funding for mental health care and addictions supports, along with the investments made to help create new affordable housing are welcome and much-needed. According to the Canadian Mental Health Association, however, a number of key investments and commitments are missing that are critical to being able to effectively overhaul how mental health services and funded and delivered across Canada, including a clear timeline to roll out the promised Canada Mental Health Transfer.

#### **National Pharmacare**

While no new funding was announced in Budget 2022 to support the implementation of national pharmacare, it did reaffirm the government's intentions to do so:

#### A Stronger Health Care System

To ensure that no Canadian has to choose between the prescription drugs they need and putting food on the table, the federal government will also continue its ongoing work towards a universal national pharmacare program. This will include tabling a Canada Pharmacare bill and working to have it passed by the end of 2023, and then tasking the Canadian Drug Agency to develop a national formulary of essential medicines and bulk purchasing plan.

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**Innovative Medicines Canada**: "It is critical for any pharmacare program to build on the strengths of our current dual-payer model, while focusing on improving access for the uninsured and underinsured."

# **Investing in Canada's Emergency Preparedness**

# Strengthening Canada's Ability to Detect and Respond to Public Health Events and Emergencies

✓ To ensure Canada is better prepared to detect and act on public health threats, Budget 2022 proposes to provide \$436.2 million over five years, starting in 2022-23, with \$15.5 million in remaining amortization, to the Public Health Agency of Canada, to strengthen key surveillance and risk assessment capacities within the Agency. This will include supporting the real-time tracking of the evolution of viruses, monitoring the longer-term health impacts of COVID-19, and expanding risk assessment capacity and research networks for new strains of flue, emerging respiratory infections, and vaccine safety and effectiveness.

(Pg. 158, Chapter 6)

#### Maintaining the National Emergency Strategic Stockpile

✓ Budget 2022 proposes to provide \$50 million in 2022-23 to the Public Health Agency of Canada to support the operations of the National Emergency Strategic Stockpile. Funding will be used to maintain and diversify key medical supply holdings, including personal protective equipment, to ensure that Canada can continue to quickly respond to

The government acknowledges in the text of Budget 2022 that we need to take stock of lessons learned throughout the pandemic, but there are many key areas where Canada fell behind when it came to dealing with the pandemic that were left out, such as data collection and sharing, virtual and digital health care, and domestic production of vaccines.

# **Moving Forward on Reconciliation with Indigenous Peoples**

### Addressing the Shameful Legacy of Residential Schools

- ✓ Budget 2022 proposes to provide \$209.8 million over five years, starting in 2022-23, to Crown-Indigenous Relations and Northern Affairs Canada to increase the support provided to communities to document, locate, and memorialize burial sites at former residential schools; to support the operations of and a new building for the National Centre for Truth and Reconciliation; and to ensure the complete disclosure of federal documents related to residential schools.
- ✓ Budget 2022 also proposes \$10.4 million over two years, starting in 2022-23, to Justice Canada to support the appointment of a Special Interlocutor who will work collaboratively with Indigenous peoples and make recommendations for changes to strengthen federal laws an practices to protect and preserve unmarked burial sites.
- ✓ Budget 2022 also proposes \$5.1 million over five years, starting in 2022-23, to Public Safety Canada to ensure the Royal Canadian Mounted Police can support community-led responses to unmarked burial sites.
- ✓ Budget 2022 also proposes \$25 million over three years, starting in 2022-23, to Library and Archives Canada to support the digitization of millions of documents relating to the federal Indian Day School System, which will ensure survivors and all Canadians have meaningful access to them.
- ✓ Budget 2022 also proposes to provide \$25 million over three years, starting in 2022-23, to Parks Canada to support the commemoration and memorialization of former residential school sites.

(Pg. 170, Chapter 7)

#### **Improving Health Outcomes in Indigenous Communities**

- ✓ Budget 2022 proposes to invest **\$268 million in 2022-23** to continue to provide high-quality health care in remote and isolated First Nations communities on-reserve.
- ✓ Indigenous communities continue to face unique challenges in responding to COVID-19. Budget 2022 proposes to invest an additional \$190.5 million in 2022-23 to Indigenous Services Canada for the Indigenous Community Support Fund to help Indigenous communities and organizations mitigate the ongoing impacts of COVID-19.

(Pg. 171, Chapter 7)

#### **Distinctions-based Mental Health and Wellness**

✓ Budget 2022 proposes to provide \$227.6 million over two years, starting in 2022-23, to maintain trauma-informed, culturally-appropriate, Indigenous-led services to improve mental wellness, and to support efforts initiated through Budget 2021 to co-develop distinctions-based mental health and wellness strategies.

(Pg. 172, Chapter 7)

# Implementing the United Nations Declaration on the Rights of Indigenous Peoples Act

The coming into force of the *United Nations Declaration on the Rights of Indigenous Peoples Act* marked a historic milestone in Canada's collective journey towards reconciliation—one rooted in the recognition of rights, respect, cooperation, and partnership. The federal government remains committed to the Act's full and effective implementation, in partnership with Indigenous peoples.

- ✓ To this end, Budget 2022 proposes to provide \$65.8 million over five years, starting in 2022-23, and \$11 million ongoing, to Justice Canada and Natural Resources Canada to accelerate work to meet legislated requirements, including the co-development of an action plan with Indigenous partners.
- ✓ To complement this work, Budget 2022 also proposes \$9.5 million over five years, starting in 2022-23, to the Department of National Defence to align its operations and engagement with Indigenous peoples with the Act.

(Pg. 175, Chapter 7)

### Legislative Changes to Support Self-Determination

- ✓ Budget 2022 announces the government's intention to replace the *First Nations Land Management Act*—which empowers First Nations to opt out of *Indian Act* provisions related to land management and replace them with their own laws—with the Framework Agreement on First Nation Land Management Act. This shorter, simpler legislation will continue to advance the First Nations Land Management Regime by giving force of law to the nation-to-nation Framework Agreement on First Nation Land Management.
- ✓ Budget 2022 also announces the government's intention to enact the Anishinabek Nation Governance Agreement Act, which will create the Anishinabek Nation Government and community-level governments for participating First Nations, marking the first core self-governance agreement in Ontario.

(Pg. 175, Chapter 7)

#### **Indigenous Climate Leadership**

Climate change has exacerbated existing vulnerabilities for Indigenous peoples, including flooding, wildfires, permafrost thaw, and threats to local food sources. As Indigenous peoples and their ancestors have long been the stewards and managers of the lands and waters that make-up Canada's ecosystem, Indigenous peoples are critical partners to conversations about addressing climate change at all levels of Canadian Society.

✓ As announced in the 2030 Emissions Reduction Plan, Budget 2022 proposes to provide \$29.6 million over three years, starting in 2022-23, to Crown-Indigenous Relations and Northern Affairs Canada to support the co-development of an Indigenous Climate Leadership Agenda to support self-determined action in addressing Indigenous peoples' climate priorities. The funding will also support the phased implementation of distinctions-based climate strategies.

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#### Investments in the Charitable Sector

# Stronger Partnerships in the Charitable Sector

✓ To ensure sufficient flexibility for charities to carry out their work, Budget 2022 proposes to amend the *Income Tax Act* to allow a charity to provide its resources to organizations that are not qualified donees, provided that the charity meets certain requirements designed to ensure accountability. This is intended to implement the spirit of Bill S-216, the *Effective and Accountable Charities Act*, which is currently being considered by Parliament.

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# **Boosting Charitable Spending in Our Communities**

✓ Following consultations with the charitable sector in 2021, Budget 2022 proposes to introduce a new graduated disbursement quota rate for charities. For investment assets exceeding \$1 million, the rate of the disbursement quota will be increased from 3.5 per cent to 5 per cent.

This new, higher rate will boost support for the charitable sector while being set at a level that is sustainable, ensuring the continued availability of funding over the longer term.

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These investments will help to support hospital foundations, but not independent health charities, many of which continue to struggle financially as a result of the pandemic.

# **Official Responses from Research Canada's Partners**

BIOTECanada: BIOTECanada Welcomes Federal Budget's Commitment to Canadian Biotech Industry

Canadian Association of University Teachers: Federal Budget 2022: No major investments in PSE

Canadian Black Scientists Network: The Canadian Black Scientists Network applauds the Federal Government's commitment to Black Researchers

Canadian Medical Association: Federal budget 2022: Steps to address urgent health care system crisis modest, much more needed

Canadian Mental Health Association: CMHA welcomes investments in social determinants of health in Budget 2022

Centre for Aging and Brain Health Innovation: Budget 2022 Commits Funding for the Centre for Aging + Brain Health Innovation (CABHI) To Accelerate Innovations in Aging and Brain Health

Colleges and Institutes Canada: Colleges and institutes react to Budget 2022

Conference Board of Canada: Big Returns, Big Spend

Evidence for Democracy: Investments in innovation outpace support for science

HealthCareCAN: Response to 2022 Federal Budget

Innovative Medicines Canada: Statement on Federal Budget 2022

March of Dimes Canada: Federal Budget 2022: Some Wins, Some Missed Opportunities

University Affairs: Federal budget prioritizes innovation, but the postsecondary sector's role is unclear