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The federal government adds \$500 million to its regional AI initiative, bringing it to \$700 million.

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Parliament Hill, Ottawa. [Photo: Aleksandr Galenko, Unsplash](#)

IN BRIEF

The federal government added \$500 million over five years on 13 October 2026, bringing the Regional Artificial Intelligence Initiative to \$700 million.

The Southern Ontario and Atlantic calls have different deadlines, and the sources give no detailed eligibility criteria for the wider initiative.

Check eligibility with your regional development agency and set the business case for any project before you apply.

What happened

On 13 October 2026 the Government of Canada announced an additional \$500 million over five years for the Regional Artificial Intelligence Initiative, bringing total federal funding for the initiative to \$700 million.

The release describes support for businesses and organizations adopting AI, Canadian AI companies commercializing and scaling, and regional organizations that connect businesses with AI support. Canada's regional development agencies deliver it. Its focus includes health and life sciences, energy and natural resources, transportation, agriculture, and manufacturing and robotics, along with other regional strengths and priorities.

The deadlines

The deadlines differ by region. In Southern Ontario, applications are accepted until 19 January 2027. Projects with eligible costs before 31 March 2027 must be submitted by 24 November 2026.

In Atlantic Canada, the Atlantic Canada Opportunities Agency announced a call of nearly \$40 million for eligible small and medium-sized businesses. It covers AI projects valued at \$1 million or more with measurable outcomes, and the call closes on 20 November 2026.

Why it matters

Public money changes the business case for an AI project a leader may already be weighing. It also puts a date on the decision, because two of the deadlines fall within six weeks of the announcement.

The release lists no detailed eligibility criteria. It directs businesses to connect with the regional development agency that serves them. Funding is not assured to anyone, so a project should still make sense on its own terms.

What this means for you

Three steps follow from the announcement:

- Contact your regional development agency to confirm whether your organization and project are eligible, and note the deadline that applies where you operate.
- Write down the problem the project solves, what it should cost and how you would measure the result before an application is drafted.
- Decide which projects are worth doing with or without public support.

Our technology strategy service helps leaders judge readiness, return and cost, and choose which projects to fund. If you would like to start, request a briefing.

SOURCES

Government of Canada [Government of Canada expands support to adopt and commercialize artificial intelligence 2026](#)

Government of Canada [Atlantic Canadian businesses to benefit from an additional \\$40 million in federal dollars for AI 2026](#)

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