

Association of Universities
and Colleges of Canada



Association des universités
et collèges du Canada

NOTES FOR A PRESENTATION TO THE HOUSE OF COMMONS STANDING

**COMMITTEE ON INDUSTRY,
SCIENCE AND TECHNOLOGY**

(check against delivery)

May 1, 2008

Robert Best, Vice-President
National Affairs

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Established in 1911, the Association of Universities and Colleges of Canada represents 92 Canadian public and private not-for-profit universities and university-degree level colleges. Our mandate is to foster and promote the interest of higher education, both within Canada and abroad.

Thank you for the opportunity to be here today, Mr. Chairman.

Canadians' standard of living depends increasingly on our competitiveness in the global knowledge economy. To maintain and enhance the standard of living Canadians currently enjoy, we must secure our position among the world leaders in research. Universities account for more than one-third of the national research effort in Canada – a higher proportion than in all other G-7 countries. University research is more geographically dispersed than private sector and government research in Canada, and consequently plays a critical role in the economic and social development of all regions of the country. Universities educate the highly qualified researchers who are increasingly in demand across the economy, and the university sector is the only sector that performs research for all others sectors.

University research is a Canadian success story, but this was not always the case. Investments over the past decade by successive federal and provincial governments of all stripes and by universities themselves have turned Canada from a country at risk of experiencing a major “brain drain” to one that is benefiting from a “brain gain”.

While significant, Canada's gains in university research over the past ten years remain fragile. Our competitors in the G-7 and newly emerging competitors like Russia, China and India are investing heavily in research – including university research – to increase their competitiveness in the global race to attract high-paying jobs, research talent and investment.

Mr. Chairman, the success of the federal S & T Strategy will depend most fundamentally on people – on the development, attraction and retention of talented individuals with the research skills so in demand in the knowledge economy. Over the next decade, we expect the knowledge economy to create significantly more jobs for advanced degree holders, and retirements of advanced degree holders in the labour market will generate large scale replacement demand.

Beyond people, a balanced approach to implementing the public/private and targeted/non-targeted dimensions of the Strategy will be very important. Significantly, the S & T Strategy reinforces the importance of federal support for discovery and creation, for developing, attracting and retaining research talent, for state-of-the-art infrastructure, and for the institutional costs of providing an excellent research environment. Increased and balanced investments in all four elements are essential to maintain and increase our competitiveness in university research. As the Strategy moves forward Mr. Chairman, I would draw particular attention to support for the institutional or so-called “indirect” costs of research. These include the costs of operating and maintaining research facilities; managing the research process, from preparation of proposals to accountability and reporting; complying with regulatory and safety requirements; and managing intellectual property and promoting knowledge transfer.

As well, the Strategy places considerable emphasis on developing private sector research and commercialization capacity while maintaining Canada's leadership in public R & D

performance, and on identifying research areas where Canada can be a world leader, while also acknowledging the need for broad strength in basic research. With regard to the private sector, it is worth noting that Canada is first in the G-7 for the share of private sector research investments going to universities and second in the G-7 for the share of university research funded by the private sector. Since 2001, the private sector has increased its investments in university research at a rate four times faster than investments in its own research.

Despite these improvements, more can be done to enhance university-private sector partnerships, as well as those with the public and not-for-profit sectors, particularly in relation to knowledge transfer. Universities play an increasingly key role as cross-sectoral platforms, both through their regular programs and their research in general, and also through centres, institutes, and research and innovation parks that bring university researchers together with researchers and applications-focused personnel from other sectors.

Finally Mr. Chairman, I would like to close with the subject of accountability. AUCC is committed to improving the visibility, accountability and transparency of federal investments in university research. In 2005, we released *Momentum*, our first periodic public report on the impacts of university research in Canada. We will be releasing a new edition of *Momentum* in October of this year, as one of our many ongoing efforts to communicate to decision makers and the general public the importance of university research and its contribution to Canada's economic and social well-being.

Thank you.