

Notes for a presentation

to the

House of Commons
Standing Committee on Finance

On behalf of



Canada Foundation for Innovation
Fondation canadienne pour l'innovation



Canadian Institutes of
Health Research

Instituts de recherche en
santé du Canada

Natural Sciences and Engineering
Research Council of Canada

Conseil de recherches en sciences
naturelles et en génie du Canada

Social Sciences and Humanities
Research Council of Canada

Conseil de recherches en
sciences humaines du Canada

Check Against Delivery

Thank you for inviting us to speak before this committee...

On September 16th, at the opening of a world class research facility in Saskatchewan, the Prime Minister noted that “Our Government will continue to support science, technology and innovation — key drivers of economic productivity, competitiveness and growth.”

I am here with my colleagues from the federal research granting agencies to tell you how we will continue to support this agenda by enabling discovery research, training students in state-of-the-art research environments and making connections between academia and the private, public and non-profit sector. This is crucial to building innovative communities and driving the Canadian economy.

Together, our investments support Canada’s top research talent and state-of-the-art research infrastructure at universities, colleges and research hospitals across the country. There are three key points we would like to leave you with today, which were spelled out in the brief we submitted earlier this summer:

First off, we believe that investing in stronger partnerships will help close our innovation gap. Secondly, it is critical that we maintain Canada’s international competitiveness in research. And finally, we must uphold Canada’s reputation as a top destination for global research talent.

Governments everywhere are facing difficult financial decisions because of ongoing uncertainties in economies and markets around the world. At the same time, we are in the midst of a global innovation race — a race Canada cannot afford to lose.

A number of advanced economies are increasing their investments in research and innovation. They recognize that those nations that can balance the immediate priority of spending control with the long-term goals of boosting innovation will emerge from the economic downturn stronger, and will reap the greatest economic benefits moving forward. And emerging economies are not standing idly by. They also understand that innovation cannot be switched on and off. The R&D Panel Report, released earlier this week, underlines the importance of improving Canada’s innovative capacity.

Since the brain drain of the 1990s, Canada has made solid choices in building up its knowledge assets. Sustained investments by the Government of Canada have created a vibrant research ecosystem in this country. There have been new investments in top-notch research and innovative initiatives, including the creation of the Canada Foundation for Innovation, as well as programs like the Centres of Excellence for Commercialization and Research, the Business-led Networks of Centres of Excellence, the Canada Research Chairs, the Canada Excellence Research Chairs, the Vanier Scholarships and the Banting Postdoctoral Fellowships.

And today, these investments are paying off.

We are now attracting and retaining top researchers from around the world, and giving them the tools they need to think big. Only a few days ago, a respected global university survey ranked nine of Canada's universities in the top 200 in the world. Combine this with the fact that Canada is the lowest business tax jurisdiction among the G7 group of advanced economies, and it seems clear that the time is right for Canada to capitalize on its investments and become a global leader in innovation. We need to focus on these conditions to succeed.

The Canadian research ecosystem is producing the knowledge, the talented people and the facilities nations need to become more competitive. It has begun to connect researchers to the innovators and creators of products and services, and has great potential to prepare the next generation of innovators for the modern workforce. In the words of Minister Flaherty, and I quote: "Our greatest renewable national resource is our grey matter, and our Government has gone to great lengths to nurture it."

The CFI, CIHR, NSERC and SSHRC have played a vital role in establishing the winning conditions necessary for continued economic and social progress. Together, we enable research partnerships and the flow of knowledge across universities, colleges and the marketplace that enriches a culture of business and social innovation. Through our programs, we support collaboration between those who advance knowledge and those best suited to turn knowledge into benefits for Canadians.

Take the "Strategy for Patient-Oriented Research," for instance. Bringing together the CIHR and a coalition of national stakeholders, the strategy seeks to improve both health outcomes and cost-effectiveness of health services. The successful uptake of this strategy is seen in the CIHR-supported Alberta Hip and Knee Replacement project which is now being adopted in provinces across the country, and will save the national healthcare system more than \$225 million by ensuring patients have faster access to surgery, less pain and a better quality of life.

Our support of innovative technology — from concept to prototype to market readiness — is particularly impressive. Look at Future Vehicle Technologies of Maple Ridge, B.C. Last year, the company partnered with Simon Fraser University to explore ways to cool the battery in its high-performance electric sports car. This \$25,000 NSERC Engage Grant has turned into a \$1.38 million collaboration under the Government of Canada's Automotive Partnership program, to design a system that recycles waste battery heat for use in other applications.

As you know, innovation takes many forms. SSHRC funding is supporting a Queen's University project that is strengthening rural economies and creating new jobs. The program — considered "life-changing" for some of its participants — connects researchers, students and community organizations to address challenges, such as attracting immigrants to rural areas and "branding" communities for tourism.

State-of-the-art research infrastructure is the cornerstone of world-class research and

innovation. CFI-funded facilities at Université Laval, for example, have helped create a vibrant research cluster in the field of optics and photonics. Strong research collaborations across sectors have resulted in key advances in medical imaging, aerospace and telecommunications, but have also created over 40 companies and 2,500 jobs and generated \$350 million in annual revenue in the region. Canada's enviable research environment is based on measures introduced over several years, and on the strong signals that have been sent to the research community and the private sector, here and abroad, that *Canada means business*.

With Budget 2012, the Government of Canada has an opportunity to address the country's fiscal challenges. Canada's research community understands this need. And it also firmly believes that only through knowledge, research and innovation can we ensure a brighter future for Canadians.