



Budget 2017 Consultations
Submission to the House of Commons Standing
Committee on Finance

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Research and innovation drive inclusive economic growth

Research plays a key role in supporting a diverse, innovative and inclusive economy, and the Government of Canada has recently taken commendable steps to bolster Canada's research capabilities, including expanding funding for research grants and infrastructure, committing to appointing a Chief Science Officer, and launching national reviews focusing on fundamental science and innovation.

The Federation for the Humanities and Social Sciences welcomes the opportunity to help strengthen Canada's education and research capabilities. The Federation is the national platform and voice for more than 160 universities and scholarly associations representing a diverse community of 91,000 researchers and graduate students in the humanities and social sciences across Canada. We believe that by strengthening Canada's research and education system, we can support the efforts of Canadians, businesses and communities to innovate and achieve inclusive economic growth. This will require meeting three key challenges:

- i. Ensure a high performing and globally connected Canadian research ecosystem
- ii. Ensure Canadians have the knowledge and skills necessary to fully participate in a dynamic economy
- iii. Ensure meaningful access to post-secondary institutions for Indigenous students and faculty

To help meet these challenges, the Federation makes the following recommendations:

Recommendation 1: Continue to grow strong investments in un-earmarked research

The Government of Canada should provide a predictable, multi-year framework for increasing funding for un-earmarked discovery research through Canada's research granting agencies (the Social Sciences and Humanities Research Council, the Natural Sciences and Engineering Research Council and the Canadian Institutes of Health Research). The framework should aim to initially raise Canada to a fifth-place position among OECD nations in spending on higher-education R&D as a proportion of GDP, and to ultimately return Canada to its historic third-place ranking. New research funding should also help improve the balance of funding between the research agencies to ensure more equitable support for research disciplines focused on human thought and behaviour. Predictable multi-year funding for the Canada Foundation for Innovation will also be required to ensure that research infrastructure can meet new requirements, particularly for computing and to support multi-sectoral collaboration.



Recommendation 2: Foster skills development through experiential learning

Experiential learning opportunities for students – such as co-op placements, internships and international experiences – are a widely supported method for providing young and new Canadians with the skills they need in a rapidly changing economy. We recommend that the Government of Canada strengthen its support for programs that help the higher-education sector expand these opportunities. Specifically, we recommend that the Post-Secondary Industry Partnership and Cooperative Placement Initiative be expanded to welcome students in all disciplines. We also recommend increased support for international placement opportunities, both for Canadian students to study abroad and to bring international students to Canada.

Recommendation 3: Invest in Indigenous students and researchers

The Truth and Reconciliation Commission's (TRC) calls to action describe the important role the higher-education sector must play to support reconciliation in Canada. While universities are currently working to welcome more Indigenous students and scholars, significant barriers remain. To meet the TRC's calls to actions, Canada should increase both the number of Indigenous post-secondary graduates and the number of Indigenous scholars. This will require increased funding to allow more Indigenous students to attend undergraduate programs and increased financial assistance for Indigenous students at the graduate and post-graduate level.



1. Ensure a high performing and globally connected Canadian research ecosystem

RECOMMENDATION: Continue to grow strong investments in un-earmarked research

The Government of Canada should provide a predictable, multi-year framework for increasing funding for un-earmarked discovery research through Canada's research granting agencies (the Social Sciences and Humanities Research Council, the Natural Sciences and Engineering Research Council and the Canadian Institutes of Health Research). The framework should aim to initially raise Canada to a fifth-place position among OECD nations in spending on higher-education R&D as a proportion of GDP, and to ultimately return Canada to its historic third-place ranking. New research funding should also help improve the balance of funding between the research agencies to ensure more equitable support for research disciplines focused on human thought and behaviour. Predictable multi-year funding for the Canada Foundation for Innovation will also be required to ensure that research infrastructure can meet new requirements, particularly for computing and to support multi-sectoral collaboration.

Rationale

The Government of Canada has demonstrated an understanding that our ability to secure a prosperous and equitable economy in the 21st Century depends on our capacity to innovate – and that innovation depends in part on the generation of new knowledge through fundamental research. Unfortunately, Canada's capacity to produce new knowledge has not kept up to that of peer countries.

While Canadian researchers continue to rank highly in international comparisons of research quality, total research spending has not kept pace. In 2006 Canada ranked third among OECD countries in terms of its spending on higher-education R&D (HERD) as a proportion of GDP. By 2014, we had fallen to seventh place. The Government should pursue a research funding program focused on the three research granting agencies with a short-term goal of raising Canada to a fifth-place HERD ranking, and ultimately returning the country to its historic third-place ranking.

This new funding plan should also rebalance funding between the agencies, ensuring that a more effective share of total research funding goes to support people-centred research disciplines. More than half of Canada's post-secondary students and full-time faculty work in social sciences and humanities disciplines, but they receive only 15 percent of federal grant dollars. This imbalance is at odds with a Canadian economy that has become increasingly service oriented (service industries now account for 70 percent of Canada's GDP). Canada's economy is becoming increasingly human-focused, but Canada's research landscape has not kept pace. Budget 2016 began to correct this imbalance, a process that should be accelerated.

Increased funding for fundamental research should be accompanied by increased funding for research infrastructure, particularly for computing and to support multi-sectoral collaboration. We recommend



multi-year funding increases for the Canadian Foundation for Innovation to ensure that necessary research infrastructure is available for both large and small projects. Through these investments, Canada will be better placed to compete successfully in the global marketplace for ideas and drive the innovation needed for an adaptive, growing economy.

2. Ensure that Canadians have the knowledge and skills necessary to fully participate in a dynamic economy

RECOMMENDATION: Foster skills development through experiential learning

Experiential learning opportunities for students – such as co-op placements, internships and international experiences – are a widely supported method for providing young and new Canadians with the skills they need in a rapidly changing economy. We recommend that the Government of Canada strengthen its support for programs that help the higher-education sector expand these opportunities. Specifically, we recommend that the Post-Secondary Industry Partnership and Cooperative Placement Initiative be expanded to welcome students in all disciplines. We also recommend increased support for international placement opportunities, both for Canadian students to study abroad and to bring international students to Canada.

Rationale

The ability of new workers to acquire new skills is becoming increasingly crucial in an ever-changing knowledge economy. Experiential learning opportunities for students – such as co-ops, internships and international experiences – are widely recognized as effective approaches for maximizing relevant skill development for new workers. This year the Business Council of Canada's Business/Higher Education Roundtable recommended that all Canadian post-secondary students benefit from some form of meaningful work-integrated learning before graduation.

Universities have made significant progress in recent years to provide experiential learning opportunities to more students. However, the demand for such opportunities continues to outpace supply. By expanding direct support to universities and students the Government of Canada can help ensure that more students are able to access high-quality experiential learning opportunities in diverse settings, including with non-profits and small businesses.

Budget 2016 introduced the Post-Secondary Industry Partnership and Cooperative Placement Initiative. We recommend that this program be expanded and made fully available to students of all research disciplines. Canada's humanities and social science students are a significant part of Canada's future workforce, accounting for more than half of the total post-secondary student population. The Government of Canada can help to significantly enhance their future potential by expanding their access to experiential learning opportunities.



International experience is another key learning opportunity, one that is often only available to people in their student years. Increased federal investments in programs that enable international experiences for students, such as the Queen Elizabeth Scholars Program, will provide more opportunities for Canadian students to study abroad and for international students to study in Canada. These international experiences help deepen the global reach that Canada needs in an increasingly connected world economy and encourage cultural understanding that supports a well-functioning multi-cultural society.

3. Ensure meaningful access to post-secondary institutions for Indigenous students and faculty

RECOMMENDATION: Invest in Indigenous students and researchers

The Truth and Reconciliation Commission's calls to action describe the important role the higher-education sector must play to support reconciliation in Canada. While universities are currently working to welcome more Indigenous students and scholars, significant barriers remain. To meet the TRC's calls to actions, Canada should increase both the number of Indigenous post-secondary graduates and the number of Indigenous scholars. This will require increased funding to allow more Indigenous students to attend undergraduate programs and increased financial assistance for Indigenous students at the graduate and post-graduate level.

Rationale

Improving access to higher education has the potential to significantly improve the socio-economic conditions of Indigenous people, and it is a crucial component of the reconciliation process.

Today, there is a rapidly growing number of Indigenous students willing and able to pursue post-secondary careers and a strong demand in Aboriginal communities for skilled Indigenous professionals to support community development. Universities across the country are responding with ambitious programs to improve opportunities for Indigenous students and scholars. However, these efforts require significant support if they are to have their intended impact. The Federation recommends that the Government of Canada increase its support for Indigenous researchers at various stages in their careers.

This begins with investments in the K-12 education system in Indigenous communities to ensure Indigenous students have an equitable opportunity to access post-secondary education. We also recommend significant funding increases to the Post-Secondary Student Support Program, which plays a vital role in ensuring university access for Indigenous students. Furthermore, we recommend significant financial support targeted at Indigenous students at the graduate and post-graduate levels to ensure the development of new Indigenous scholars. Finally, we encourage the Government of Canada to work



with the granting councils to identify ways to enhance the career opportunities of Indigenous researchers.

Conclusion

The higher education sector has an important role to play to help Canada succeed in a fast-changing and highly competitive global economy. World-leading research is required to produce the new knowledge that drives innovation. High-quality and widespread experiential learning opportunities are needed to help our students prepare for the challenging and exciting career paths ahead. And there remains a pressing need to expand access to higher education for Indigenous communities, both to support the economic development of communities and individuals, and to advance the process of reconciliation.

The Federation for the Humanities and Social Sciences concludes that Federal investments in research, experiential learning, and PSE access for Indigenous peoples will help Canada achieve the strong and inclusive economic growth it needs to thrive in today's dynamic global knowledge economy.



The **Federation for the Humanities and Social Sciences** promotes research and teaching for the advancement of an inclusive, democratic and prosperous society. With a membership now comprising over 160 universities, colleges and scholarly associations, the Federation represents a diverse community of 91,000 researchers and graduate students across Canada.

The Federation:

- Organizes Canada's largest annual gathering of academic researchers, the [Congress of the Humanities and Social Sciences](#)
- Brings leading scholars to Parliament Hill to discuss public policy and public relevance in our [Big Thinking](#) lecture series
- Supports the publication and sharing of new ideas through our [Awards to Scholarly Publications Program](#)

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