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Chair: Mr. Lloyd Longfield

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● (1100)

[English]

The Chair (Mr. Lloyd Longfield (Guelph, Lib.)): Welcome to meeting number 78 of the House of Commons Standing Committee on Science and Research.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Therefore, members are attending in person in the room, but we also have some members as well as some witnesses appearing remotely by Zoom.

While speaking the official language of your choice, you can use the interpretation button at the bottom of your screen. If interpretation is lost, please let me know immediately, and we'll suspend until we regain interpretation.

Address questions through me, as you usually do. For members and witnesses attending in person, watch out that your earphones are away from your microphones so they don't cause feedback for our interpreters. We want to keep them safe throughout the meeting. Speak slowly and clearly, and when you're not speaking, keep your mic on mute, please.

With regard to a speaking list, the clerk and I will do our best to work our way through that. We'll have a list to work with that will change as we go.

Pursuant to Standing Order 108(3)(i) and the motions adopted by the committee on Tuesday, January 30, and on Thursday, February 15, 2024, the committee is commencing its study on the distribution of federal government funding among Canada's post-secondary institutions.

It's now my pleasure to welcome, from the Alliance of Canadian Comprehensive Research Universities, Dr. Nicole Vaugeois, associate vice-president, research and graduate studies. Dr. Chad Gaffield, CEO of the U15 Group of Canadian Research Universities, is appearing virtually. He is returning to our committee. We also have Philip Landon, the chief operating officer of Universities Canada.

Welcome to all. It's great to have you back at our committee. I'm looking forward to this study.

Thank you to Maxime Blanchette-Joncas for this study.

We'll get started with five minutes for each of our speakers, starting with Dr. Nicole Vaugeois.

Dr. Nicole Vaugeois (Associate Vice-President, Research and Graduate Studies, Vancouver Island University, and Co-chair,

Alliance of Canadian Comprehensive Research Universities): I'd like to thank the committee for this opportunity to hear the views of the members of the Alliance of Canadian Comprehensive Research Universities, otherwise known as ACCRU.

Our alliance represents 46 of 92—or 50%—of Canada's universities. Our members are small and mid-sized universities representing all 10 provinces and the Yukon.

While there is considerable diversity in our member institutions, some characteristics include world-class expertise in disciplines that are often closely aligned with the economic, social and environmental priorities in their regions. They provide a gateway to Canada's learners to access post-secondary education in their region and language of choice. They provide transformational training opportunities, often at the undergraduate level. They have strong ties to their regions, with established relationships with industry, community and indigenous partners. Several are quite new. They have small faculty complements, limited research infrastructure and under-resourced research administration teams.

We applaud this committee's initiative and hope that it sheds light on some of the historical and current realities of federal research funding distribution in Canada.

From our extensive analysis, key metrics from funding competition data show that the current distribution is heavily concentrated in institutions located in Canada's largest urban centres. For example, 79% of all federal funding goes to 15 of Canada's universities that represent 52% of Canadian researchers and 59% of grad students. Twenty per cent of the most financed researchers in Canada receive 77% of all funding, and the top 1% of them receive 23%.

Despite our members representing 50% of Canada's universities, we receive 12% of SSHRC's funding, 9% of NSERC's, 2% of CIHR's and 4.5% of CFI's. Canada has been aware of these inequities since 2001, and despite the recommendations in the 2002 study by the House of Commons Standing Committee on Industry, Science and Technology to address the problem, things have gotten worse

Research in Canada is not limited to a couple of postal codes. For example, our researchers are undertaking studies on a broad range of Canada's most pressing priorities in health and in natural and social sciences. These include discoveries in food security, wildfire mitigation, emergency management, rural health, homelessness, the toxic drug crisis, advancements in our resource sectors and more.

These universities punch above their weight in terms of ROI in research. A limited amount of funding can be transformational for them. They're also vulnerable to swings in research funding that would be inconsequential to some larger institutions.

We support many of the recommendations of the Bouchard report for additional funding to the councils; however, we strongly believe that this funding must be done in a much more equitable way. Currently, the distribution of funding in Canada is often biased because it's based on previous success rates: Success begets success. This limits the return on investment in research, known as the Matthew effect, and it widens the gap between the haves and the have-nots.

Changes to this distribution model are long overdue. Special programs are often launched in ways that preclude participation by small and mid-sized universities. One of the impacts is that 90% of funding that goes to student research is embedded in investigator-driven grants. Until funding support is bolstered for students in a way that's not tied to success and tri-agency funding, many of Canada's students will not have access to the funding they need to conduct research training unless they relocate to institutions with higher allocations.

Direct costs must be borne by institutions in order to administer research funding. The amount of money you get through the research support fund is also based on your previous success in triagency funding. This leads to small and medium-sized institutions having a very difficult time keeping up with the growing number of compliance requirements that are happening at universities, the most recent being research security.

As your committee undertakes this important work, we encourage you to ask, is the distribution of federal funding addressing the priorities and needs of all Canadians? Is it limiting our competitiveness and innovation potential? Is it meeting the training needs of all of our Canadian learners?

Canada does have the potential to leverage its considerable research talent to lead this critically important research, but this will be possible only if we recognize that we've designed a system that privileges some and disproportionately limits others.

• (1105)

If left unchecked, this gap will continue to widen and limit our research excellence.

The Chair: Thank you very much, Dr. Vaugeois, for getting us started here.

Now we'll go over to Dr. Chad Gaffield from U15 for five minutes, please.

[Translation]

Dr. Chad Gaffield (Chief Executive Officer, U15 Group of Canadian Research Universities): Thank you, Mr. Chair.

Good morning, everyone.

Thank you very much for the opportunity to appear before you today.

[English]

I want to, first of all, thank you again for all your work to enhance science and research in Canada.

My remarks today focus on the awarding of research funding by the federal granting agencies to Canada's post-secondary institutions. From time to time throughout the history of federal funding for research, this topic has arisen, characteristically when research support has not kept pace with growing expectations for Canada's research ecosystem.

As you know, U15 Canada is composed of the 15 leading research-intensive universities, which came together in 2012 to create an association dedicated to helping advance research and innovation policies and programs for the benefit of all Canadians. U15 Canada's focus on federal research-related activities complements the work of other associations and explains why we are pleased to be founding members of the Coalition for Canadian Research.

Canadians are rightly proud that we are home to world-class universities competing on the global stage. These universities act as domestic research hubs. They play leading roles in providing industry leaders, policy-makers and governments with access to the global pool of knowledge and to highly qualified, talented people who drive innovation across all sectors.

In many cases, research-intensive universities act as catalysts in Canada's entire diversified research ecosystem, which includes not only universities, but also research hospitals, colleges, polytechnics and other organizations.

For example, research projects funded by the Canada first research excellence fund in 2022 include 11 projects, with six involving U15 members collaborating with 18 additional institutions. Such collaborations are common in all granting programs, as illustrated by research on the environment. For example, a CFI-funded project now includes top researchers from the University of Waterloo, the University of Alberta and Université du Québec en Abitibi-Témiscamingue, who are studying contamination in waste management and hoping to devise cost-effective solutions.

In another example, the transforming climate action project is a major initiative led by Dalhousie University with Université du Québec à Rimouski, Université Laval and Memorial University.

It is essential to emphasize that the awarding of all research grants follows a rigorous, independent, non-partisan, merit review process involving scholars, scientists, engineers and other experts across campuses, industry and government. Canadians can be rightly proud that federal support for researchers is based on the individual merit of their work as determined by independent experts, with no preference based on the institution of the applicants. The rigorous merit review processes at the federal granting agencies have been continually updated to reflect insights and evidence about how best to make the difficult decisions to fund specific applications.

Canada is internationally recognized for its best practices in the assessment of scholarly and scientific research. Recently, the Bouchard report made recommendations for enhancing the awarding of interdisciplinary, international and mission-driven research grants. We look forward to the government's response.

The most important factor in our discussions today, however, is the increasing gap between the available funding and the growing expectations for and potential of Canada's research and innovation ecosystem. As a result, researchers from all institutions compete for insufficient funds. For this reason, U15 Canada enthusiastically supports the Bouchard report's recommendations to increase the annual core budgets of the granting councils, as well as to provide globally competitive support for graduate students and post-doctoral fellows.

A major federal investment in the research ecosystem would better support research activities in institutions of all sizes and mandates. For this reason, the current erosion of research funding will undoubtedly be a central focus of your current study, as well as your committee's continued advocacy ahead of the forthcoming federal budget.

[Translation]

Thank you very much.

[English]

I am looking forward to our discussion.

• (1110)

The Chair: Thank you very much, Dr. Gaffield.

Now, it's over to Philip Landon, from Universities Canada, for the last five minutes.

[Translation]

Mr. Philip Landon (Chief Operating Officer, Universities Canada): Good morning, members of the committee.

Thank you for inviting me to appear today to discuss the important issue of funding for Canadian educational institutions.

Universities Canada represents 97 institutions of all sizes, from research-intensive universities to comprehensive regional institutions to smaller focused institutions, all of which are part of our rich and varied research ecosystem.

[English]

As you know, our universities are pillars of their communities, working to solve the complex problems of today and tomorrow. Perhaps most importantly, they're training the highly qualified tal-

ent Canada needs, equipping over 1.4 million students with the skills needed to drive the success of the Canadian economy.

Academic research and development is a major driver of Canadian innovation and economic growth. Universities conduct more than 40% of Canada's R and D, producing over \$55 billion annually in economic activity, and supporting 680,000 direct and indirect jobs in communities of all sizes. When it comes to research funding, however, Canada is falling well behind our peers, who have made significant new investments to support advanced research training.

The number and dollar amount of Canada graduate scholarships have not kept pace with inflation or the growing graduate student population. It is estimated that each year thousands of recent Ph.D.s are leaving Canada to pursue careers abroad, representing an annual loss of \$740 million for Canada. This poses a serious problem for Canada's economy and future growth. Canada's universities are facing significant financial restraints, both in research funding and in other funding mechanisms.

While today's study is focused on the distribution of federal funding among Canadian universities, I want to caution the committee against approaching this with the mindset of needing to take away from one institution to support another, or redistributing a shrinking pie of research funds. An approach like this would set us even further behind our global competitors.

We urge the committee to focus instead on ways the government can ensure that sufficient funds are available to all universities and accessible to researchers at institutions of all sizes and that they have the opportunity to submit successful research grant applications

As a first step, this does require a significant investment in the research ecosystem. As I think this committee knows, we're calling for an increase in the core research funding streams of Canada's granting agencies by 10% annually over the next five years. These granting agencies are the heart of Canada's innovation economy and are key to creating a wide array of research training opportunities that cement the in-demand skill sets that Canada needs.

The government must also support research excellence and prevent a brain drain of top talent to other countries. We recommend doubling the number of Canada graduate scholarships, increasing their value by 50% and indexing them to inflation so that we're not having this conversation again in 10 years.

These recommendations were made by the government's own advisory panel in the Bouchard report, and in this committee as well, following the study on the Government of Canada's graduate scholarships and post-doctoral fellowship programs.

The government should work to reduce application barriers. Lead investigators are increasingly spending less time doing their research and more time doing the administrative work related to cumbersome funding application processes. This has an especially heavy impact on smaller teams that can't afford to have a single researcher pulled away from the research.

Recent research security measures illustrate this challenge well. Safeguarding our research from unwanted IP transfers is absolutely necessary, and Canadian universities have become world leaders in building capacity in this space. However, this also puts a significant administrative burden on universities. Smaller institutions receive much smaller sums, or sometimes are cut out completely from research support funds in research security areas, leaving individual researchers with limited supports.

• (1115)

[Translation]

The Bouchard report also recommends structural changes to the research ecosystem to make grants more accessible, including by building a single application point for grants. We support this recommendation.

[English]

It's important to note, though, that even with the removal of these barriers, immediate investment in research is critical for Canada's economic success and to rebuild Canada's research capacity, foster innovation, create jobs in towns and cities across the country and secure our nation's competitiveness in the 21st century.

[Translation]

Thank you for the opportunity to speak today.

[English]

Thank you very much.

The Chair: Thank you.

Thank you all for being right on time with your presentations and giving us a few extra seconds.

I have a reminder before we get into the questioning round. We have some committee business at the end. Thanks to the members for adjusting their schedules for the 30 minutes of committee business that will follow our studies this morning.

We'll start off with our first questions from Ben Lobb from the Conservatives, for six minutes, please.

Mr. Ben Lobb (Huron-Bruce, CPC): Thank you, Mr. Chair.

My first question is for Nicole Vaugeois.

I noticed the list of schools that don't make the top cut. As far as I can see—I'm an Ontario member of Parliament—the University of Guelph, for example, isn't in the top level of research funding. When you look at the economy in Ontario—I know this is a Canadian Parliament, but certainly we're looking at this—agriculture and

agri-food are the leading driver in Ontario. Shouldn't there be another...?

I'm not trying to do Lloyd's bidding here, by the way.

Voices: Oh, oh!

The Chair: You're getting extra time on this one.

Mr. Ben Lobb: I'm in an agricultural riding. Shouldn't there be more dollars focused on that? That is definitely one of the country's priorities. Everything we can do helps to feed the rest of the world. What are your thoughts on that?

Dr. Nicole Vaugeois: I think that would be shared with a number of other ridings where agriculture is a real priority. I'm a coastal girl on the islands, so I would include aquaculture in there as well. Sometimes there have been boutique programs that have been done with different federal government ministries working with the triagencies that have been successful at that.

I would like to see more of those, because I think that would get at some of the regional differences that a researcher in a large metropolitan area isn't going to have the same access to. Guelph would be one of those, yes.

Mr. Ben Lobb: Another area of priority across the country, but specifically in Ontario, is energy. I know that McMaster does a lot of research in nuclear energy, but there's also the Ontario Tech University in Oshawa, and there are others.

Would it not make more sense to take a look at what we're doing across the board here and ask what our priorities are here? What is in the best interest of the nation? Then we can look at funding some of those schools so we can continue to graduate and educate people who can step right in and get great jobs in the economy.

(1120)

Dr. Nicole Vaugeois: I think there's room for.... There is the investigator-led—meaning a researcher comes up with their own questions and pursues knowledge there—and then there's the applied research. I don't see them as being on the continuum. I think there's a nice middle ground where the nation and regions themselves can identify the priorities here. Researchers could then be better positioned with the partners, the industry players, the actors and the context that would help them be more successful. That kind of research, in my experience, has much more impact in the region and stands to benefit more Canadians.

Mr. Ben Lobb: I'm not trying to pick a fight with any universities, because I've probably had friends through the years who have attended most of them.

Take, for example, the University of Toronto, the biggest one of all. They have \$3 billion in endowments. They have over \$100 million annually going into their investment income. They have over \$30 million a year in fees they pay these people to manage that large amount of money.

Should we not be asking the biggest universities to do more with their own dollars instead of coming to the government and crying poor? I mean, I'm not trying to pick a fight with the big ones, but is that a possibility that we should be looking at?

Dr. Nicole Vaugeois: I think we have to uncover every possibility, and that includes institutions' own resources, the government's resources and industry and community partner funds. It's a career-limiting move for me to sort of pick on any folks there, but I think we need to uncover every rock here.

Mr. Ben Lobb: The other point I want to touch on with you is that, obviously, it's not realistic for just a big tidal wave of money to hit the smaller universities for research dollars. What would be the right step, the practical step, for some of the mid-sized and smaller universities for research?

Dr. Nicole Vaugeois: I think I will use the word "redistribute". Going back to 2001 and 2002, we were saying that we were going to come up with some special programs to give some of these new, smaller universities a leg up to be able to compete, a redistribution of some of the bigger pots, particularly the ones that small institutions aren't even eligible for. Concerning all of the Canada excellence research chairs and the CFRE fund, small institutions aren't even eligible for those.

We continue to fund some at the expense of others. I do think there is redistribution potential, but we need some targeted small institution funding, yes.

Mr. Ben Lobb: Mr. Gaffield, it's good to see you here again, or to have you here virtually.

What are your thoughts on the idea of re-evaluating the pot of funds going out, the redistribution of dollars, and maybe asking some of the bigger universities that have huge endowments to do some of the heavy lifting so that others can be lifted up as well? Do you have any thoughts on that?

Dr. Chad Gaffield: Sure. Thank you very much for the question.

The discussion this morning is highlighting the difficulty I've experienced inside selection committees. One is faced with really compelling proposals, whether they're related to farming, agriculture, food or energy—they're right across the board—and one has to make exceedingly difficult decisions simply because it's a competition and there's a limited amount of funding.

I want to emphasize this, because there is no distribution happening. In fact, these are competitions, and some are deemed to be more worthy than others just by virtue of this independent, expert review, so I think that's important to keep in mind.

The second thing-

The Chair: That's great. Thank you. We'll have to save the second part for another answer.

Thank you, Mr. Lobb, for the series of questions.

Thank you, witnesses, for your answers.

We'll go over to Mr. Turnbull for six minutes, please.

Mr. Ryan Turnbull (Whitby, Lib.): Thank you very much.

Thanks to all the witnesses for being here today. I really appreciate the opportunity to have you here and to hear your various perspectives on this important matter.

Mr. Gaffield, maybe I'll start with you. You made some remarks in your opening statement that struck me: the word "catalyst" and how these research-intensive institutions that are larger could be playing a catalyst role. I found that interesting, because it gets to the heart of the issue.

I did a lot of work in the non-profit, charitable space for most of my career, and we found there's a lot of competition for limited resources, similar to what we're discussing here today. We found that organizations that can be competing for those resources can also overcome that by intentionally collaborating. We also found that some of the larger institutions in that space that have capacity can be treated as shared platforms. That was the term we were using back when I was doing work on this. They can utilize their administrative capacity, etc., to help smaller institutions do a lot of collaborative, in-depth work.

Ultimately, what are we all about and what are we trying to achieve? It's not institution building, really; it's about the research. It's about advancements in research and innovation.

How does U15 accomplish this, and is there more that U15 can do? Given this opportunity to talk this through together, is there a way that U15 can do even more in lending its capacity and its scale to float all boats, in a way?

• (1125)

Dr. Chad Gaffield: Exactly. I appreciate this question, for a variety of reasons.

One is that, first of all, I think it's really misleading to juxtapose little universities, middle universities, big universities and so on, because when we look at much of the research activity that happens, in fact, the large, urban universities, which are the research-intensive universities, often act as hubs. Whether it's on a regional basis, nationally or globally, they're bringing together talented researchers from whatever institutions might be relevant.

The examples I gave earlier—and there are many, many more—show that it's quite an intertwined ecosystem. Canada needs those global leaders at the same time as they need opportunities for talent to emerge from anywhere. You never know where the next great researcher might emerge from, and we want to be able to give them opportunities to become part of these major initiatives that address issues, whether they're in agriculture or energy, as we were talking about earlier.

I want to emphasize the importance of.... When we look at measures and percentages and so on, keep in mind that it is really the big, urban universities where the medical faculties are. For example, to include CIHR funding and then to assess that in terms of any so-called distribution is very misleading. Obviously, U15 institutions get the vast majority of CIHR funding, simply because they have the doctoral medical schools.

My sense is that when you look at it, it is a much more integrated system that, happily, we have in Canada, as in the U.S. and Great Britain and so on. Global institutions are playing that role in being a catalyst within their locations across Canada.

Mr. Ryan Turnbull: Okay, thank you.

My understanding, as well, is that the large majority of grants are awarded based on merit and it's a competitive process. There are some that are allocations depending on the size of the university, or how many research chair positions you have, or the success, as you said, of past years. However, there are also a large number that are collaborative, or large awards of collaborative proposals, so many institutions do collaborate.

Ms. Vaugeois, I'm wondering if there are evaluation criteria—and I just don't know this myself—in the tri-council for collaboration. In other words, is collaboration encouraged in the awarding of those grants? In essence, if there's more collaboration, you're more likely to be successful.

• (1130)

The Chair: Dr. Vaugeois, you have about a minute.

Dr. Nicole Vaugeois: I think it depends on the program, but that's not a standard metric. Because we keep talking about these being competitive awards, there is systemic bias in here. Reviewers are chosen from the pool of people who've had funds before. If you've had funds before, you get called as a reviewer. All of our institutions have examples where they've seen systemic bias against researchers from small universities with comments like, "I don't know how this person would do this, at this institution that doesn't have the infrastructure set up for that." A minor comment like that moves your proposal elsewhere.

On your question about collaboration, some of the programs do have that embedded, but it's not a common one for merit-based awards.

The Chair: Thank you very much.

[Translation]

Mr. Blanchette-Joncas, you have the floor for six minutes.

Mr. Maxime Blanchette-Joncas (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Thank you to the witnesses who are with us today for this important study.

Ms. Vaugeois, I'd like a clearer understanding of some of the stats you shared in your presentation. We've heard that, in the name of merit and excellence, 50% of universities in Canada receive only 7% of the total funding and the other 15—the largest—receive 74% of the funding.

Is that correct?

[English]

Dr. Nicole Vaugeois: It's 79%. I've seen different numbers. It's 78% to 79%, and the top 1% received 23% of Canadian funding.

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you for clarifying that.

Earlier, we heard about the importance of certain universities, some of which are located in urban areas and others in rural areas, that play different roles.

Can you tell us, based on your experience with universities that are smaller than those represented by the other witnesses, whether the fact that large universities in urban areas get most of the funding has an impact on students from and in rural areas? If so, how does it affect them?

[English]

Dr. Nicole Vaugeois: Yes, it definitely does.

Some of that is.... I'll focus on the students. Really, our goal here is to train Canada's next generation of researchers. One of the biggest impacts it has is for those learners to be able to make it to post-secondary. We know from studies that rural students are underrepresented in post-secondary institutions. For them, if they can't go somewhere local, they choose not to go. If they do go, it's a great financial burden to the family. They have to leave their community of residence. This is particularly important for indigenous students. For them, it's the added costs associated with their departure. That is one of the most impactful ones for us, where we play a role.

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you, Ms. Vaugeois.

From what I understand, neglecting smaller universities by concentrating funding in larger ones results in a vicious cycle. Small universities find it impossible to grow and achieve a status that would garner them better funding.

Can you tell us about the barriers that members of the Canadian Alliance of Comprehensive Research Universities face to accessing funding?

[English]

Dr. Nicole Vaugeois: Yes, that's well said. It's a bit of a hamster wheel. Some new universities, like Yukon University or Capilano, are really having trouble here because, in order to attract talent, you need to be able to show that you have some infrastructure to be able to do research, that you have time to do research and that you have grad programs and students who actually have funding to come to university. All of that creates a really challenging environment for them

In many ways, on the smaller administration teams, those few researchers don't have the cluster of people around them. They might be the only chemist who does stuff on tire toxins, and the other one who does that might be in another province. Some of those barriers, both for researchers and for the institutions, cause real problems.

The last one is that we typically have very small research teams, so for a short, last-minute announcement on a program or a call, we just don't have the ability to lobby and get everyone together in time. Sometimes it's because of proximity. I believe the U15 know about these calls well in advance. They have better research teams and staff to pull together a competitive proposal before we do.

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you very much.

Can you give us an example of how funding gets concentrated?

• (1135)

[English]

Dr. Nicole Vaugeois: Yes. Certainly, success begets success. I think some people in here are aware of the most recent research security one. People had to have \$2 million of research support funding coming to their institution as a cut-off to be able to get any, even though we all have to comply. I would argue that small institutions are the weakest link for research security in the country. I think one of our members got \$41 to actually account for.

That would be one example. The CRC program is another example. You get more CRCs when you get more funding. CRCs are the engines that drive this sort of system.

Those would be two examples of past funding.

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you, Ms. Vaugeois. Your comments are very interesting and very germane.

Can you explain how the the way funding is distributed among universities right now affects members of your organization?

[English]

Dr. Nicole Vaugeois: Yes. Certainly, I think the biggest one for us is that we struggle to attract talent, talent being the researchers themselves and the grad students who go with that.

We have created a space where excellence is defined as being only certain institutions. If you're a researcher who wants to contribute in your career, you're making decisions based on how Canada has been defining research excellence. For us, it's hard to attract that talent and to hold them. Sometimes they get moved off to other institutions that can pay them more.

I think it has also meant that we have been unable to get those students. Students want to come; grad students make decisions on who they're going to research with. For us it's a perpetual circle.

The Chair: We're actually at time on that. Thank you.

We now go to Mr. Cannings for six minutes, please.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Thank you.

Thank you to all of you for being here. It's great to hear these important messages.

I'll start with you, Ms. Vaugeois. It's good to have someone from Vancouver Island University here. My son got his education degree there. My wife worked there back when it was Malaspina College. Just by happenstance, I realize that I am wearing my Memorial University tie this morning. I got my master's there many years ago. We're going from one side of the country to the other here in terms of these small and medium-sized institutions.

You went through a lot of percentages and data at the start. I guess the most concerning thing to me is that there is a disparity there, but it seems to be a growing disparity. It reminds me of the wealth disparity in general, in both Canada and the world, which is going in the wrong direction. I'm wondering if you could provide more details on that trend and what's driving it.

Dr. Nicole Vaugeois: We have started to really try to take a look. We always look at the competition data, but we have been looking through it over time. I mentioned earlier the 2001 report. At that point in time, when this was flagged as an issue for Canada, the U15 had 63% of funding. Twenty years later, and a few special programs to help smaller institutions, and they're now at 79%.

The problem is deepening. We know that from some of the different funding agencies in terms of trend lines.

Mr. Richard Cannings: Dr. Gaffield mentioned that some of that is driven by the infrastructure, whether you have a medical school and that type of thing. Is that part of the trend?

Dr. Nicole Vaugeois: Definitely. There is excellent research happening at the U15, definitely, and Canada needs that. To Chad's comment earlier, that's definitely there. But if you're able to get lots of money for infrastructure, and you're able to get 176 research chairs, who then apply for funding every year, and they get more of that money, and then they get more research chairs, and then they get more RSF.... That's what is going in the wrong direction.

Mr. Richard Cannings: That's kind of the Matthew effect you were talking about.

Dr. Nicole Vaugeois: Yes.

Mr. Richard Cannings: There is obviously wonderful research going on at these smaller, mid-sized universities. You mentioned wildfire research. I assume you're referring to Mike Flannigan at Thompson Rivers.

What does that trend look like when it comes to research output, not the dollars spent? I can see why it makes sense to concentrate infrastructure in bigger universities, but you can still do important research without.... Maybe \$41 is a bit low, but you can do important research at these places.

I'm just wondering what the trend looks like when you look at research output.

(1140)

Dr. Nicole Vaugeois: Certainly, there's an opportunity for us here to redefine not only what excellence looks like in research, but what outputs Canadians can expect from that research money. What are those outputs? Are they solely publications? Are they innovation translations into industry and the non-profit sector?

There has been a lively conversation about how to make sure that our funding is having an impact, which is the language we use.

Mr. Richard Cannings: I'm going to turn to Mr. Landon.

Your organization seems to bridge both ACCRU and the U15. Probably all the members of those are members of Universities Canada, pretty much. Can you comment on the problem of how much money you get from the CFI and how that drives this? What does your organization do to try to bridge that gap and keep things fair and growing?

The Chair: You have just over a minute.

Mr. Philip Landon: Thank you very much, Mr. Cannings.

Yes, in fact we represent universities from ACCRU, from U15 and another sort of mid-level layer as well.

Canada has a very well-respected research ecosystem, but it is just that—an ecosystem. We do need the research-intensive universities to be doing the excellent research, but we also need to recognize that excellent research is happening at the smaller institutions as well.

I think there are elements and principles that we want to hold on to. I do think that having merit-based, peer-reviewed competitions is extremely important to ensure that the best research, the right research is being funded. On the flip side of that, we need to help build the capacity in the smaller institutions so that they can put forward proposals that will be competitive.

I think it is a constant question of adjusting, managing and seeing, to make sure that our ecosystem remains strong.

The Chair: Great, thank you very much.

Now, for five minutes, we'll go over to Michelle Rempel Garner.

Hon. Michelle Rempel Garner (Calgary Nose Hill, CPC): Thank you, Chair.

Mr. Landon, your comments about Ph.D.s living in Canada really struck me, because I've seen a lot of articles like "Toronto's universities produce top talent—then its housing crisis casts them out". This was in The Globe and Mail very recently.

Recently, there was an article about Western University's food bank usage being up 600%. Another article here talks about a man named Matthew Berg, who completed his Ph.D. in biochemistry at Western. He wanted to pursue being a professor and knew he had to do a post-doc. He said that he looked at some Canadian universities and "knew that the cost of living was crazy", so he left the country.

I know the propensity among advocacy groups like all of yours here is to ask for increased funding from the federal government. I also want to note that the entire budget of CIHR is about a billion dollars. The same goes for NSERC. In the last eight years, we've seen consulting fees by the federal government increase by about \$10 billion, so when you think about that.... The WE Charity scandal was a billion dollars.

I'm just going to focus my questions on what policies you have advocated for within your institutions to reduce the input costs to operate your universities, and also to reduce the cost of living for research talent that you're asking for money to support.

I'll start with Mr. Gaffield.

Has your organization asked anything specifically of the federal government in terms of reducing inflationary pressures on students, like the carbon tax?

● (1145)

Dr. Chad Gaffield: Thank you very much for that question.

There's no doubt that one of the main concerns we have is, as you suggest, the fact that funding for graduate students has not kept pace with inflation. We've heard repeatedly that even our financial programs—

Hon. Michelle Rempel Garner: That's not the question I asked. I only have two minutes.

Have any of your member institutions or the U15 asked the government to do something, like stop the carbon tax or tie transfers for municipal government infrastructure to housing targets? Has the U15 advocated for any inflation-reducing policies specifically?

Dr. Chad Gaffield: Our mandate focuses on research-related issues with the federal government. We make recommendations in that regard.

Hon. Michelle Rempel Garner: Mr. Landon.

Mr. Philip Landon: What I would say is that our universities are producing the talent who are doing the important work of looking at inflationary pressures, the political science work and the economics work. The experts you hear on the radio every morning come from our universities.

Hon. Michelle Rempel Garner: Right, but you've just made the argument here, and it's in every newspaper, that these people are leaving Canada due to the cost of living. Your organizations come before our committee and ask us for a lot more money. You're asking us to put money into a system that trains talent to leave to go to other jurisdictions because of the cost of living. You see where I have a problem with that.

Do you believe that you, in that situation, or your organization has a role to play in advocating to the federal government for policies that would reduce the cost of living and, therefore, attract and keep talent in Canada?

Mr. Philip Landon: I think that's a bit broader than our mandate. Our mandate is around—

Hon. Michelle Rempel Garner: The answer would be no.

Mr. Philip Landon: My answer is that it's not really within our mandate, the Canadian economy.

Hon. Michelle Rempel Garner: Just to be clear, because I know we're all very curious about this going forward on this side of the table, the U15 and Universities Canada do not feel their role is to advocate for policies to reduce inflationary pressures or the cost of living, while simultaneously they come to ask the federal government for more money to keep pace with those pressures.

Mr. Philip Landon: I think we try to make sure that our role in advocacy, our lane in advocacy, is to help our universities.

Hon. Michelle Rempel Garner: Do you think it would help your universities, though, if they could lower the input costs of things like fuel or heating, or help their students find housing? Do you think that would be helpful, or is that a no, too?

Mr. Philip Landon: Every one of our universities is looking at those measures for housing and being more efficient at all times.

Hon. Michelle Rempel Garner: Okay, but are you advocating to the federal government for anything on those measures, or are you just asking for more money?

Mr. Philip Landon: At the moment, we are not advocating to the federal government on those measures.

Hon. Michelle Rempel Garner: Do you think perhaps you should?

Mr. Philip Landon: Perhaps, but I think it's important for us to—

Hon. Michelle Rempel Garner: Thank you.

Mr. Gaffield, do you think perhaps you should?

Dr. Chad Gaffield: I would like to say that our universities are exemplars of moving to green, for example, in reducing energy costs and so on—

Hon. Michelle Rempel Garner: That's what I thought.

I'm done. Thank you.

Dr. Chad Gaffield: —as well as finding ways to deal with housing and provide housing for students. I think it's a very encouraging situation

The Chair: Thank you both for your input on that.

Now we'll go over to Ms. Metlege Diab for five minutes, please.

Ms. Lena Metlege Diab (Halifax West, Lib.): Thank you, Chair.

Thank you very much to our witnesses for being with us here today as we begin day one of six days, 12 hours, of a study of the federal government funding among Canada's post-secondary institutions.

I think this is an important study. The perspective of our post-secondary institutions and our students is paramount. On Tuesday, I joined a press conference to add my voice to calling for more support for the graduate students and post-doctoral scholars. Today, of course, we're here to study how we can better support the small, medium and large institutions. All institutions are equally valued and equally important in our Canadian ecosystem.

Mr. Gaffield, let me start with you, simply because you represent one of the 15 universities in the Atlantic provinces, east of Montreal: Dalhousie. That is one of the institutions I'm an alumna of. Dalhousie, of course, has world-leading battery researchers. Just last week, it received a \$5-million federal grant to support the creation of a first-in-Canada university-based battery prototyping and production facility, which should open next year.

The federal government made an investment a number of years ago, and I was part of this a couple of years ago when I was in provincial.... Last year, there was a historic investment from the Canada first research excellence fund to embark on the most intensive investigation ever into the ocean's role in climate change. Of course, Nova Scotia is very much situated to be able to do that.

This is just a snapshot. There are many things happening in my backyard and in my province. I just want you to speak for a moment on how the funding Dalhousie receives shapes the institution's research output and input. How does it collaborate with other partners in the ecosystem, whether it's in Nova Scotia or anywhere else in the country, for that matter, or internationally?

● (1150)

Dr. Chad Gaffield: It's such a great question. Thank you.

Dalhousie is a great example of a university that is really embedded in its region, while at the same time contributing globally. Dalhousie's focus on oceans, for example, and the ocean's role in climate change—particularly in the transforming climate action project that you mentioned, working with other universities, such as Université du Québec à Rimouski, Laval, Memorial, and so on—shows a wonderful example of how federal funding, in that case the \$154 million for that project and all the partners, is then leveraged into almost \$400 million.

Earlier we were talking about the possibility of endowments and other sorts of funding and so on. What we find is that these projects can only work successfully in a very entrepreneurial way, by finding these other sources of funding. As you know, for the large, research-intensive universities, the research support fund, which helps out in terms of what we used to call the overhead cost of research, is structured so that it leaves the major universities with having significant gaps to fill—and they do that. Dalhousie, I think, has been a great example of how they really do work as a catalyst, as a leader, bringing in other partners, really affecting the region, but also doing it in a way that globally is going to have a huge positive impact on climate change—new technologies in terms of ocean carbon capture and new ways of helping coastal communities threatened by climate change.

I think Dalhousie is just a wonderful example, and frankly I think it should be celebrated.

The Chair: You have 30 seconds.

Ms. Lena Metlege Diab: I think you touched on my question. It was going to be on how different levels of government and other partners can contribute even more to make a larger difference with the federal funding that we're also seeing. I believe we do that quite well at Dalhousie, but also at Mount Saint Vincent and Saint Mary's. We have 10 post-secondary educational institutions in a smaller province like Nova Scotia, all of different sizes. I look forward to having some of them attend, actually, so we can learn more about them here in our committee.

Thank you very much.

The Chair: Thank you.

We're at time now, so we're going over to Monsieur Blanchette-Joncas for two and a half minutes, please.

[Translation]

Mr. Maxime Blanchette-Joncas: Ms. Vaugeois, there's no denying that funding decisions go through the review committees within the three federal granting councils.

I'm trying to understand the situation. Can you tell us how small and medium-sized universities are represented on these funding bodies? Are they well represented on the review committees?

[English]

Dr. Nicole Vaugeois: I don't know the composition of those committees; I just know the practice of how reviewers are called. We would have some reviewers, obviously, who have had funding there in past, but I couldn't speak to the full composition of those committees.

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you, Ms. Vaugeois.

Mr. Landon, I salute your courage, because it's not easy being in your shoes today. You represent the giants that are the members of U15 Canada, and you also represent small and medium-sized universities. You're in a bit of a difficult position; you're kind of walking on eggshells.

I'd like you to explain something about Universities Canada to me. As Ms. Vaugeois explained earlier, the funding concentration problem is not new and has gotten worse in recent years. I have here the 10th report of the former science and research committee, the Standing Committee on Industry, Science and Technology, published in 2002. It's called "Canada's Innovation Strategy: Peer Review and the Allocation of Federal Research Funds". Even back then, there were recommendations about support for underdeveloped small institutions and regional institutions.

Your organization is aware that research funding is being concentrated and of the disastrous consequences of that. What have you done since then to address this inequity?

• (1155)

Mr. Philip Landon: Thank you for the question.

[English]

I'm not aware of the report from 2002, but I think the issue will continue to be the balance of funding and ensuring that the funding is getting to the right institutions and the right researchers across the country in a way that is fair and equitable. However, that cannot go against the principle of merit-based funding going to the most important researchers and the strongest researchers.

This is a question that we are going to be asking 20 years from now as well. It's not something that we will solve.

What I would say is that the granting councils, our universities and groups like ACCRU and U15, we talk about this all the time, about how we can ensure that the excellence across the country is well represented. This is something that will be ongoing.

The Chair: Thank you very much.

Mr. Cannings, we'll go to you for the last two and a half minutes, please.

Mr. Richard Cannings: Thank you.

I'm going to go back to Ms. Vaugeois.

Ms. Rempel Garner brought up some of the challenges faced by students in terms of the cost of living, in housing especially, and yet we fund the graduate students who do this research, for instance, largely through grants and scholarships that have stayed the same for the last 20 years. Conservatives don't seem to be interested in increasing that amount, but I don't know how you can expect a grad student or a master's student to live on \$10,000 a year and pay \$7,000 in tuition.

Most of those students don't get funding from that; they get funding through their principal investigators and researchers. Mr. Landon brought up the issue of increasing the overall grant funding. How do your grad students survive in that environment?

Dr. Nicole Vaugeois: Vancouver Island University, my own university, has over 1,000 grad students, and I think we get four master's scholarships. It's always a very interesting conversation about who gets funded and who doesn't, and there's more of a burden on the university to make sure they're finding funding for those students.

To the question, I think if we can help those students stay within their region, that helps their families with affordability. The mandate of a lot of these smaller institutions is to serve their regions.

Of that funding, 90% comes through grants, but there is an opportunity here to keep merit in mind. There are a number of these programs, like CRCs, grad scholarships and the RSF. These are allocation decisions that are based on funding. There is an opportunity to tweak this: Keep merit in mind, but look at the allocations and ways to better support universities.

Mr. Richard Cannings: There are about 30 seconds for Mr. Landon.

Again, the idea of housing was brought up. I know the colleges in my riding, Selkirk College and Okanagan College, are both very much involved in providing housing for their students, which would help the students, but also help take pressure off the communities.

Is that something that your members are doing across the board?

Mr. Philip Landon: Absolutely. Canada's universities provide housing or help students with housing. The big issue has been with huge numbers of students arriving in certain areas of the country. Some of the immigration measures have addressed that, but the challenge has been the perception that it has been a universities' issue. It hasn't been a universities' issue; it's been a private college issue, to a large extent.

The Chair: Thank you.

That brings us to the top of the hour. Thank you to the witnesses for being here and for great answers within our time limits, which we are always struggling with. If there's more information, you can always send it to the clerk if you weren't able to get everything out to us.

For now, I'll thank Dr. Nicole Vaugeois, Dr. Chad Gaffield and Philip Landon for their contributions to the start of our study and also an interesting discussion around the smaller universities.

Thanks to Mr. Lobb for the shout-out to the University of Guelph. They have Ridgetown Campus in Clinton, in his riding, so we both share some challenges. There's also the Ontario Tech University, if we're going around the table.

Thank you, members, for being part of this. Stay on Zoom if you're on Zoom. We'll start the next round in just a couple of minutes, once we have people in place.

• (1200)	(Pause)	

● (1200)

The Chair: Welcome back.

Pursuant to Standing Order 108(3)(i) and the motions adopted by the committee on Tuesday, January 30, and Thursday, February 15, 2024, the committee resumes its study on the distribution of federal government funding among Canada's post-secondary institutions.

It's my pleasure to welcome back two witnesses who are familiar with us, and we're familiar with them. First, from Colleges and Institutes Canada, we have Pari Johnston, president and CEO. From

Polytechnics Canada, we have Sarah Watts-Rynard, chief executive officer.

Welcome to our study, and thank you for preparing to talk to us.

We have five minutes for each of you.

We'll start off with Pari Johnston, please, from Colleges and Institutes Canada.

Ms. Pari Johnston (President & CEO, Colleges and Institutes Canada): Thank you, Mr. Chair.

Good afternoon, everyone. My name is Pari Johnston, president and CEO of Colleges and Institutes Canada, as of month three. I started in early December and I'm very pleased to be here.

I'm here to talk about how we can improve the impact of college research through investment at scale and a reimagined approach.

There are three unique aspects to college research. Research questions are determined by external partners, predominantly small Canadian businesses and non-profits, with practical implications in local enterprise. The research is conducted and applied efficiently. About 80% of all projects are complete in under a year, and any IP generated remains with the local partner, ensuring the research results flow to the Canadian economy, maximizing innovation and productivity gains.

I want to make three points today. First, colleges are driving massive research impacts in communities across Canada. However, we could be doing so much more if Canada stepped up and funded colleges like equal research partners.

Let's look at the facts. Colleges provide extensive research expertise to local entrepreneurs and social innovators, with over 8,100 projects in 2021-22. We integrate students within applied research. We had over 27,000 that same year, and they've helped create over 2,400 prototypes, over 1,800 new products, over 1,000 new process improvements and over 900 new service offerings for businesses and community organizations. When you invest in college research, you get tangible impact.

But here's the kicker. All of this was supported with just 2.9% of tri-council funding or about \$109 million across our entire college ecosystem in 2021.

• (1205)

[Translation]

My second point is that we need to reframe the role of colleges within the federal research and innovation ecosystem. Our sector has demonstrated expertise in driving impact, especially in translating research into innovation, but we do so much more than that. The sector is greatly under-supported by both federal and provincial governments. This must change.

I don't want to make make this an us versus them debate between colleges and universities. Both are critical partners in the research ecosystem, but we need different areas of expertise around the table to drive impact.

Colleges need more than a force fit into a university-oriented approach where colleges are also eligible.

We need to rethink federal research funding programs to make colleges full partners.

Eligibility requirements must appreciate institutional differences and take advantage of opportunities beyond the academic.

We need large-scale investment because, if we want to increase our impact and solve the major issues facing Canada, it's hard to imagine that 2.9% of federal research funding—funding spread across about 120 institutions—will allow colleges to fully contribute.

[English]

Colleges can play an even more significant role in challengedriven research. We specialize in addressing problems and can help conquer major challenges in Canada. Think housing. Think labour productivity. Think climate adaptation. We encourage the Government of Canada, in collaboration with other levels of government, to embrace a challenge-driven research approach that gives full standing to colleges, to define and fund the policy challenges, and to let colleges, universities, businesses and non-profits collaborate on system-level solutions. For example, we'd be keen to participate in a research challenge fund for housing innovation. This would make a real and tangible impact on one of the biggest issues facing Canadians.

[Translation]

The college research ecosystem is poised to make substantial contributions to the entire research community in Canada. Given what I've shared with you today, I encourage the committee to launch a study on the barriers to an expanded college role in research and the benefits a redefined and expanded role could accrue to Canada.

Canada's college research system is unique in the world. It is a true competitive advantage for our country, if adequately funded and integrated as a full partner in the broader research enterprise. [English]

Thank you for the opportunity to appear. I'd be happy to answer questions.

The Chair: Thank you very much. You are right on time.

Now we'll go to Sarah Watts-Rynard, for the next five minutes.

Ms. Sarah Watts-Rynard (Chief Executive Officer, Polytechnics Canada): Thank you, Mr. Chair. My thanks to the committee for the invitation to join you in the early stages of this study.

As Pari mentioned, the research capacity of the polytechnic and college sector is overlooked and under-resourced. This bears repeating. When we look at the total annual investment in academic research by the tri-councils, it was \$3.7 billion in the 2022-23 fiscal year. The Canada Foundation for Innovation distributed a further \$386 million. The college and community innovation program, the only purpose-driven program supporting polytechnic applied research, was valued at about \$108 million that year.

In other words, 119 eligible institutions shared 2.9% of the total investment in academic research. At the Canada Foundation for Innovation, there were 553 project awards in 2022-23. Only 17 landed in our sector, with total awards of \$15.5 million or about 4%. Given the impact of those investments, the disparities cannot really be justified.

Polytechnics Canada represents the 13 largest polytechnics, colleges and institutes of technology and about 50% of Canada's college population. Together, that network undertook 3,389 research projects in 2022-23. They engaged more than 21,000 students and co-developed 2,678 prototypes in collaboration with more than 2,600 business partners.

For every dollar invested by the federal government, polytechnics were able to leverage \$2.24 from other sources.

Even more compelling than the numbers are the stories behind them.

Over the last year, Polytechnics Canada has been undertaking research on the economic impact of applied research. We have spoken to primary investigators and their business partners to understand how their collaborations are driving results. They told us about the value of market-driven research. Every project is undertaken at the behest of a private company, a public body or a not-for-profit organization. They come to institutions with a challenge, an idea or an obstacle to their own growth. The partner defines the scope of the project and retains the intellectual property when the project is over.

For example, Sheridan is using artificial intelligence to drive solutions for the elderly. Kwantlen Polytechnic has developed a lightweight hyperbaric chamber to treat altitude sickness in hikers.

That market-driven character aligns with federal ambitions to accelerate innovation within Canadian industry. Partners, over 80% of which are small and mid-sized companies, co-fund activities and offer in-kind support. More than two-thirds say that research has helped them grow their businesses.

Students who participate have a front seat to addressing real-world challenges, both developing their problem-solving skills and providing invaluable connections to prospective employers. A full 15% of them are hired by the partner with whom they do the research.

In addition to creating new or improved products and services, partners say that their staff gain skills that enrich the business long after the project is complete. They tell us that projects stimulate further investments in R and D, a productivity measure on which Canada consistently lags.

In summary, I want to leave you with a few high-level takeaways that underline why polytechnic applied research warrants greater emphasis in Canada's innovation ecosystem.

First, as a country of small businesses, Canada needs better onramps to research and development activity in companies that simply cannot pursue that activity on their own. This is a sweet spot for polytechnic and college applied research.

Second, despite substantive investments in primary, investigatorled research, we do a poor job of translating those developments to the market. This is where polytechnics and colleges excel, but their capacity is under-utilized.

Finally, there is a funding disparity, but our research funding model also undervalues pragmatic approaches to common problems. We simply do not prize innovation that is incremental and applied. I think that is a mistake.

● (1210)

Thank you very much.

The Chair: Great. Thank you very much for your testimony.

We'll go to Corey Tochor for the first six minutes, please.

Mr. Corey Tochor (Saskatoon—University, CPC): Thank you to both of you for being here today.

Ms. Rynard, you talked about research into common problems. What are the common things that you think Canadians are facing right now that your research matches up?

• (1215)

Ms. Sarah Watts-Rynard: The research that the institutions are doing is really based on what the partners bring to them. It's common to the business partners. They're looking at housing. They're looking at the transition to net zero. They're looking at productivity lags and getting products to market.

Mr. Corey Tochor: It's interesting that you bring up the cost of living. It's very timely. There are national news stories out right now about food bank usage being up 600%. That compounds the cost of living crisis, from housing to feeding yourself.

Do you feel that technical colleges would be able to address some of those more real-world concerns that Canadians are having right now versus, say, 10 years ago, when the concerns and common problems that our country was facing might have been better researched at universities? On the current issues that are facing Canadians, do you feel that your institutions would have, or should have, a leg-up on universities on some of that research?

Ms. Sarah Watts-Rynard: I believe they do. Now, it's really in the last 10 or 20 years that the capacity has even been developed within the college system. I think one of the reasons it has been underfunded and overlooked in the past is that it's a relatively new ability. The kinds of problems that are occurring today are probably the same kinds of problems that, if this capacity had existed in the same way a decade ago, would have been able to be addressed then.

They're very responsive to today's problems. Today's problems are the ones that we have today, but they're also the ones that we had five years ago and the ones that we'll have five years from now.

Mr. Corey Tochor: Have you heard directly from students attending your facilities about the cost of living crisis?

Ms. Sarah Watts-Rynard: In general, we find that the students who come to the college and polytechnic sector are coming because it's cheaper to study there. They're still getting excellent education and they're looking for that link to the job market. That's not to say that they're not struggling. We certainly see students who are coming to the school for help with food insecurity and help with housing insecurity.

In general, I would say that it's less expensive to attend a polytechnic or a college than it is to attend a university.

Mr. Corey Tochor: With record prices on everything right now, everyone is looking for a little bit of a break. Thank you for representing colleges that are hopefully giving value to these students during this trying time period.

Ms. Johnston, you wrote a letter in January to Minister Miller about the international students cap. I understand that your organization hasn't written that many open letters in the past. I could only find a handful. I'm assuming that you guys put only the most significant concerns in an open letter. Am I correct?

Ms. Pari Johnston: I've been in this position at Colleges and Institutes Canada for the last three months. Certainly, in the context of my role there, that's the first open letter I've had to address. It was because of a major public policy challenge that our sector was facing as a result of the implementation of the federal cap in a very short time frame.

Mr. Corey Tochor: Do you think the federal Liberal cap on international students is hurting your members?

Ms. Pari Johnston: I would say that the chronic public underinvestment in post-secondary institutions is the underlying driver of why we are in this situation today. The cap implementation has been exceptionally challenging in terms of the implementation in a short time period. We are competing for talent from around the world. The challenge we have found is the need to ensure the student integrity of the program. We all want that.

To make reference to the open letter, our concern in the letter was with respect to the moratorium on processing, which cut off the tap for international students. A market signal like that globally can be very challenging.

Mr. Corey Tochor: It was irresponsible. I agree.

Did the minister phone you after the letter was published? How did that dialogue go?

Ms. Pari Johnston: We had an opportunity to have and continue to have important dialogue with the minister and his staff and officials at Immigration. They now hold regular town halls with the community to try to address the implementation issues.

We did meet with the minister with our board vice-chair in collaboration with Universities Canada.

(1220)

Mr. Corey Tochor: You're only a few months into this position, but you have met personally with him.

Ms. Pari Johnston: Yes, I have.

Mr. Corey Tochor: Was it on this issue?

Ms. Pari Johnston: Yes.

Mr. Corey Tochor: Just switching gears a little bit, on what you're facing, you brought up the percentage of funding. What do you think is a fair percentage split between the two? If 2% is too low, what is the number that you think would be justifiable?

The Chair: Answer very briefly, if you can.

Ms. Pari Johnston: We've been thinking about this ourselves.

I think, for us, the issue is, first of all, how do you look at it in the context of an ecosystem approach? How do we look at both existing programs? As Sarah and I have both noted, the college and polytechnic institutions, which have a lot to bring to bear, are not even eligible for some of the federal granting agency programs as they exist now.

Part of it is looking at eligibility—

The Chair: We're over time. Maybe you can respond in writing if you can't work it into another answer.

Thank you for the questions.

We go to Valerie Bradford now for six minutes, please.

Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.): Thank you, Mr. Chair.

Thank you to both of our witnesses. Your opening statements were so comprehensive that they answered a lot of the questions I had for you, so thank you so much.

I think there's no question that we need both the applied research that the colleges specialize in and the theoretical research that the universities do, so I don't think it's one versus the other. We need both, and we need to try to get fair and adequate funding for both.

Ms. Watts-Rynard, you were here in May 2022 and, at that point, you raised the issue of the criteria for allocating federal funding with the committee. This is what you said at the time:

while the college sector is technically eligible under the Canadian research chair program, allocations are based on funding received from tri-councils in the previous year. The college and community innovation program, which is the major and often only source of federal research funding, is excluded from this calculation

Could you elaborate on the way the criteria the granting agencies use to award research funding apply to colleges and polytechnics, and what are the consequences of using those criteria?

Ms. Sarah Watts-Rynard: I think this is something that was raised in the previous panel as well. There's a sense that if you don't already have the funding, then you are ineligible for some of the allocations in the way that they're made.

My point there stands. If the college and community innovation program is ineligible to be considered as a part of the allocations, it doesn't matter how much they get within that college program; that program is ineligible, and therefore the institutions are never going to be able to get a leg-up.

Maybe I'd just circle back to a comment in the previous panel around this idea that allocations are made, things like the research support fund, that.... Again, CCIP is not considered eligible, so it continues to push aside the research that is happening there for these other allocations. One of our sector's big pushes is that you have to make us more universally eligible if you want to take advantage of the ability of the sector to translate what is happening in primary, investigator-led research into the market.

I think this is something that we hear more and more from government, but the point is that you can't overlook or somehow ringfence the institutions off to the side and say, "Well, that's not really the same. That's not really eligible", and then expect them to be maximizing their results.

Ms. Valerie Bradford: What specific improvements to the process that the federal government uses to allocate would you like to see, and what programs in particular would be most impacted if they were to make these changes?

Ms. Sarah Watts-Rynard: One of the things I would say is that the college and community innovation program was developed roughly 20 years ago with the idea that we were going to build capacity within the sector so the sector has capacity. Now the problem is that you're not using the capacity that they've built. The institutions continue to be put aside into "This is where you're going to get your money from", and they're not more broadly eligible.

If they were more broadly eligible, we would still have some difficulty with the fact that publication is not something that college researchers are trying to accomplish. They're trying to accomplish these short, focused, industry-driven projects.

I would like to see broader eligibility, but I'd like to see that eligibility come with an understanding that the success metrics for research need to change as well.

• (1225)

Ms. Valerie Bradford: Okay, great.

In 2022-23, the three granting agencies awarded approximately \$2.6 billion in grants and scholarships. The same year, the main federal funding program for colleges, the college and community innovation program, had a budget of \$96.3 million.

Budget 2023 proposed to provide \$108.6 million over three years, starting in 2023-24, to expand the college and community innovation program. How does the federal government plan to expand the CCI program? Have any consultations been held on the issues with the college community?

Ms. Sarah Watts-Rynard: Consultations do occur. That's the reason for our organizations to exist. If the consultations aren't occurring, then we want to push to have them occur.

The one thing I will say about the investment in the last budget to the college and community innovation program is that it's three years of funding diminishing over those three years. In the fourth year, there's a complete cliff back down to the prior funding level. You can imagine that five-year funding grants could not be effected by a three-year funding. The first year it's \$39 million, then it's \$36 million, and then it's \$33 million. With the diminishing returns here, you're not growing a program that you're actually taking money out of in each subsequent year.

There was no ability to address longer-term funding grants that gave some stability to the sector. There was no ability for NSERC to address that in the program.

Ms. Valerie Bradford: Just to clarify, it is the increase that's decreasing, not the actual base funding. Plus, I would think front-loading the increase would be to your advantage, as opposed to the other way.

Ms. Sarah Watts-Rynard: Front-loading the increase is necessary, but we're talking about a program that is under a lot of stress all the time, so the sector has more capacity than it has funding. Obviously, diminishing is not growing.

The Chair: Thank you for giving the additional details to us. [*Translation*]

Mr. Blanchette-Joncas, you have the floor for six minutes.

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

Ms. Johnston, thank you for being with us today. Your testimony is very important to this study.

Initially, the study focused mainly on universities, but my colleagues were open to extending it to CEGEPs, colleges and polytechnics as well.

I want to assure you that we are listening, but I understand that there are many problems and challenges. Many of the things we talked about resonated with me, including how research in polytechnics and universities, as well as in CEGEPs and colleges, is undervalued. We also talked about underfunding, eligibility and, of course, the disparity in funding.

Today, I'd like to focus on the disparity in funding for your institutions. I want to hear your thoughts on the place of colleges and CEGEPs in this debate. We often talk about university research, so pure research, but we tend to forget that the educational institutions you represent also do important research.

Can you tell us more about that? Is there a latent and chronic funding disparity or underfunding within the membership of your organization?

Ms. Pari Johnston: Thank you for the question.

As I said in my opening remarks, our main observation is that, if 120 institutions share an investment program, but that program gets only 2.9% of the funding from the granting councils, that's not enough. As Ms. Watts-Rynard just said, the program that's earmarked for colleges is highly sought after, but there aren't enough resources to meet the needs. We believe it's time to reassess and rethink how colleges and polytechnics can contribute to the goals of other programs in the granting council system.

We also talked about challenges related to housing, the green economy and the cost of living for vulnerable people. For us to play a role in those areas, colleges and policies need to be seen as key, core partners.

That said, there is a funding disparity. Those investments need to be recalibrated. As Ms. Watts-Rynard said, if the government creates new programs, it can no longer ignore colleges. They need to be key partners. It's time for a rethink.

We encourage an ecosystem-based position. Current granting council programs are defined from an academic perspective.

Our system has matured over the past 20 years, so our programs need to be reassessed because we want to see the impact of our investments.

● (1230)

Mr. Maxime Blanchette-Joncas: I understand.

Thank you for clarifying, Ms. Johnston. We have a little bit of data, including the data you sent us earlier. You said that your organization represents the 13 largest polytechnic institutions, which account up 50% of the population of all your organizations combined.

Do you have more specific data on the concentration of funding in some of the larger institutions, as opposed to smaller or mediumsized institutions? Earlier, the first group of witnesses talked a lot about concentration in large universities.

Is this happening in CEGEPs, colleges and polytechnics, too? [English]

Ms. Sarah Watts-Rynard: It is not quite the same. Certainly the bigger institutions have a larger footprint when it comes to their facilities, their equipment and their capacity, but there are a number of smaller institutions—CEGEPs and more regional colleges—that do, in fact, have a substantive applied research footprint. The concentration is not quite the same.

[Translation]

Mr. Maxime Blanchette-Joncas: Do you have any recommendations to help and support small or medium-sized institutions, as compared to large institutions?

We understand that funding and eligibility are key factors, but it must be even tougher for small and medium-sized institutions to qualify for these programs. It's also tough for them to grow and develop if nothing is done to support their development.

What are your thoughts on that?

Ms. Pari Johnston: I think it's an ecosystem issue. We just brought all of our institutions together for the national applied research symposium. I believe you were at that event. About 100 community colleges and polytechnics from across Canada were in attendance.

That tells me that applied research, even in small institutions, is part of their mandate and mission, because they want to meet needs in their region and their community.

Existing programs need funding to shore up smaller institutions' resources.

We also need the programs to leverage existing community college networks to include others that may have fewer resources but have a contribution to make.

For example, there is a network called the Southern Ontario Network for Advanced Manufacturing Innovation, or SONAMI. It was led by Niagara College Canada, but it included other colleges. It has even invited universities to join the network, because it wants to meet regional needs. It wants to include institutions from across Canada.

Mr. Maxime Blanchette-Joncas: Thank you very much.

[English]

The Chair: I know that this manufacturing network is doing a great job. I'd love to jump in, but it's not my turn.

It is Richard Cannings' turn for six minutes.

Go ahead, please.

Mr. Richard Cannings: Thank you.

Thank you both for being here. It's good to see you again.

I'll start with you, Ms. Johnston. You mentioned, at some point in your remarks, the steady decline in overall government funding for both universities and colleges. I imagine that has a more direct impact on smaller institutions, such as colleges.

Over the last 30 years, that decline in funding has driven increases in tuition, so students are having a harder time. It's driven colleges and universities to look for other sources of income, so we've seen an increase in international students. I was surprised to learn that last year, students from India put more into the Ontario post-secondary education system than did the Province of Ontario. That's unbelievable.

I am just wondering if you could comment on this, I think, insidious trend of governments of all levels in Canada causing a decline in funding for post-secondary education, when that is what is going to drive our economy in the future and help us face the challenges. Maybe both of you can comment on the effect of that on colleges and institutes.

• (1235)

Ms. Pari Johnston: Thanks very much, Richard, for the question.

I actually put out a public op-ed about this at the time of the international student cap, and I thought that we should be having a national conversation about the chronic public underinvestment in our post-secondary institutions, for the reasons that you cited—labour market, workforce development, economic growth, and encouraging responsiveness to the social polarization that we're seeing. Our colleges and polytechnics respond to those challenges every day, and they do it in a way that is defined by their partners on the ground.

You alluded to the particular challenges in Ontario, which were captured well in the recommendations of the blue ribbon report. There was some funding put back into that, but it was not to the extent that was really needed. We would have much preferred a national conversation on this kind of issue, and we would like to use this opportunity today to stimulate that kind of conversation rather than the international student cap.

I want to say that, absolutely, international students make a huge contribution to our country. We are a country that must be connected globally. We are an open-trade country, a country of many different populations, and we need to ensure that international students are seen as part of the solution. They were blamed, in my view, for a public underinvestment challenge. There's an opportunity for us to look afresh at the Canada social transfer and how it has stayed stagnant for many years. That is one of the federal levers for investing in post-secondary education.

Then, at the provincial level, certainly, we're working with our provincial and regional college associations every day to continue to make the public interest argument that investment in post-secondary education, at the college and institute level particularly, is an investment in Canada's future.

Ms. Sarah Watts-Rynard: The only thing I would perhaps add to that is thinking about the investment and recognizing that the federal investment that flows through to the provinces is trying to cover both education and health. These are competing demands. What we've seen is an emphasis on health care, which is another piece that Canadians highly value, and, in response, a message going to the institutions saying to be more entrepreneurial. I have no problem with entrepreneurship and, clearly, neither do my member institutions. They're bringing in huge amounts of money from partners, from the private sector and through philanthropic foundations.

Then, on top of that, international students were another piece of the financial puzzle. It did not stop costing good money to deliver post-secondary education, but choices were made at different levels of government. I would say that the one thing we've really seen from our sector is a huge move to being much more entrepreneurial about where those funds come from, and businesses that believe in the value of education are stepping up to the table. What we'd really like to see is a bigger, broader conversation about how governments can also do that.

Mr. Richard Cannings: I have one minute.

You mentioned entrepreneurship, and you both mentioned how colleges and technical institutes work with private sector partners to do research on demand, and yet I think we've heard before in this committee how the funding models provided by governments don't really match up with that, and that there needs to be more flexibility, for instance, in the timing. If a company comes to your college saying that they want to get some research done on this topic, and you have to wait six months for the funding window to open, it doesn't really fit with their timeline.

I'm just wondering if there's something the government could do in that regard.

• (1240)

The Chair: We're actually going to have to circle back on that one, because we're at time—but let's hold that thought.

Now we'll go to Gerald Soroka for five minutes, please.

Mr. Gerald Soroka (Yellowhead, CPC): Thank you, Mr. Chair.

I'm going to ask this question of both witnesses.

You've talked about partner funding. I was just wondering if you have a percentage of how much comes from the partners or private

funding versus federal or provincial funding. I don't think you'd have those numbers off the top of your head.

Ms. Sarah Watts-Rynard: It very much depends on the project and on the partner. I would say that in some cases, when we look at examples from across our membership, we would see that if it was a fairly large private sector partner, they would provide the majority of the funding. Then the funding that's available through the government would be more likely to get used on not-for-profits, indigenous communities and others who don't have the resources.

One of the things we really like about the college and community innovation program is the speed at which funding is delivered. If you are going to do research for the private sector, you can't wait around for six months while the funding agency is deciding whether or not it's something they want to fund. There's a lot of effort being made to streamline those approval processes.

While I wouldn't be able to give you a precise match, when we look at the funding our members get from the federal government and the funding they're able to bring in overall, as I mentioned in my remarks, for every dollar that the federal government invests, \$2.24 is being invested by others.

Ms. Pari Johnston: Maybe I could also answer and build on Sarah's answer, which is exactly the case. At Colleges and Institutes Canada, we host a survey of applied research every year. The data we have from 2021-22 does signal that close to 60% of the partners for applied research come from Canadian small and medium-sized enterprises, first of all.

In terms of the leveraging effect that they themselves bring to the table, it's almost \$140 million in private sector contributions to the applied research enterprise, which is a very important amount related to the government contribution. It's almost the same. Plus, not-for-profits also bring money to the table, as well as municipalities. It is, as Sarah has noted, an important leveraging effect, and they're bringing their own funding to the table to help solve the problems that they see the colleges and institutes can help solve.

Mr. Gerald Soroka: With any of the co-funding projects with these private industries, do you have any patent rights, like a percentage or anything, or is this strictly just a "cash in, cash out, and thanks for your service" and that's it? I was thinking of long-term, more sustainable funding for you guys if some type of patent program were available that way.

Ms. Sarah Watts-Rynard: For the most part, our members would say that they have no interest in the IP, and that's actually one of the selling features with small businesses that come to the institutions for support. They like the fact that we're not going to keep their IP, and they can turn that into the growth of their organization. They can turn that into commercialization activity, which we don't want to stand in the way of.

If I was to say what the real value proposition is for the institutions, it's that they're bringing faculty and students into those projects. Those are opportunities for employment for the graduates. It's also an opportunity for faculty to understand and have a frontrow view of the problems and the challenges that small business owners are having—or business owners writ large, not necessarily just small ones—and to understand the challenges they are undertaking.

That's folded back into the curriculum. These aren't researchers who are separate from instructors. These are the instructors who are being freed up to work on real projects and real challenges, and who are then turning that around both in terms of work-integrated learning opportunities for the students and also in terms of informing a curriculum that's trying to stay on top of a very fast-moving labour market.

(1245)

Ms. Pari Johnston: If I could add one other point to the IP question, because I think that's really key, it's that almost 100% of the partnerships led by Colleges and Institutes Canada in relation to applied research are with Canadian companies. In other words, the IP is staying in the Canadian economy. I think that's a really important point as we think about the overall impact of federal investments.

Mr. Gerald Soroka: I wasn't really thinking about a 100% patent. I was talking about maybe 5% or something, just as a continual means of getting a little bit of money back over the long range. That's all I was thinking of.

The Chair: Okay, we're actually at time.

Mr. Gerald Soroka: I'm not done asking the question, though.

The Chair: I wish I could keep the clock going, but we're fighting against that right now.

Mr. Turnbull, you have five minutes.

Mr. Ryan Turnbull: Thanks very much, and thanks to both of you for being here.

Ms. Johnston, it's nice to see you in that role at CICan.

I'm a big fan of my local college, which is Durham College. They have a lot of infrastructure, actually, in our community across Durham region. They have an EV innovation hub. They have the centre for food and they have the skilled trades innovation centre. They have a social innovation hub and an AI hub. They're doing just incredible things. I see them as a real asset to our innovation ecosystem, and I think all colleges and polytechnics are assets in that innovation ecosystem.

One thing that I know impacts this is that years ago there was a stream of funding for infrastructure for post-secondary institutions that helped colleges develop these kinds of really innovative facilities and purchase the technology, install the equipment, etc. I feel

like that investment needs to now get leveraged. It goes back to something that was being talked about earlier.

I wanted to know whether you've done any assessment as to how not having applied research funding may lessen your ability to leverage those infrastructure investments from past years. Do you have any comments on that?

Ms. Pari Johnston: Certainly, our applied research survey includes a look at research infrastructure, and I think you're exactly right. This is one of the really important dimensions of the locally embedded applied research hubs within communities. Our small and medium-sized enterprises—you cited what's going on at Durham College and it's a great example—are coming to use these facilities. They're coming to be part of defining a problem and then working with a local college or polytechnic to address it. I've been visiting many of my member campuses over the last couple of months and have certainly come to understand how much they are trying to leverage these facilities for other uses by their SME partners.

These facilities continue to need upgrades. They continue to need ongoing maintenance, and this is where some of the challenge is. Again, it goes back to the sort of limited opportunities for them through the CFI program, for example. It's only \$15 million. It's a small program for research infrastructure. We are of the view, as we've said throughout this session, that the maturity of the sector demands a reimagining of the programs, because there is need.

I would say as well that the opportunity to leverage some of the other infrastructure programs that exist through, say, the strategic innovation fund and others through ISED.... They are not proving themselves to be very open to post-secondary eligibility, and that's also a challenge.

Mr. Ryan Turnbull: I was going to ask you about that as well. You mentioned the two other things. On this reimagining that you say is necessary, I wonder if part of that is a broad analysis of all the tri-council funding streams and the eligibility and ability for colleges and polytechnics and CEGEPs to leverage those effectively. Would you say that that's one of the recommendations we should consider?

Ms. Pari Johnston: I think that would be excellent. Certainly, Sarah and I both hope to have some very important conversations with the Canada research coordinating committee across the research granting councils, the National Research Council and CFI. I think that is certainly some of the bold, ambitious thinking that we're hoping to help them think about, because I think there's a misunderstanding and a lack of awareness of the strength, the relevance, the impact and the reach of the college and polytechnic applied research system.

Mr. Ryan Turnbull: I agree. Applied research is very different from pure research at universities. I've worked at universities and colleges, and I've worked in five different post-secondary institutions in my previous career, so I know the differences. In terms of applied research, there is some going on at universities—don't get me wrong—but it seems like there's a lot of concentration in colleges, and it has unique value. It also has a unique structure, those industry partnerships that you talked about and the ability to leverage private sector funding.

How do we incorporate that into some of the grant streams within the tri-council, which may not have contemplated that at their outset when they were designed many years ago?

(1250)

Ms. Pari Johnston: I think Sarah talked about merit review and the success metrics, the indirect costs of research and the limitations that we have. The other one I would add is course release. The faculty at our colleges who are doing the research are also the ones who are doing the teaching, and the granting council programs right now do not allow supports within their programming for faculty course release. That's a huge barrier, and that is something that could be addressed.

Mr. Ryan Turnbull: Okay. Great.

What about—

The Chair: Thank you. We're getting a lot of ground covered. Sorry, Ryan.

It's over to Monsieur Blanchette-Joncas for two and a half minutes, please.

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

Ms. Johnston, I'd like to talk about funding eligibility and allocation with respect to a program your members use.

I'm talking about the technology access centre grants. In Quebec, we refer to these centres as college centres for technology transfer. These grants are provided through the college and community innovation program. The maximum amount is \$350,000 per year for five years. However, in Quebec, the federal government has capped the grants at \$100,000 a year, which is a bit strange.

Ms. Johnston, why is the federal government's cap for Quebec institutions lower? How do you explain that?

Ms. Pari Johnston: That's a good question.

I'll start by pointing out that Quebec colleges are really ahead of the curve when it comes to research. That's what I've learned over the past three months visiting our CEGEP campuses. I've seen how much more involved the CEGEPs are in this field. They're subsidized because the province is willing to make that investment, which is excellent.

The challenge, as I understand it, is that the college and community innovation program has allocated different amounts to Quebec institutions because the province has also invested. Ms. Watts-Rynard may be able to tell you more about that.

Mr. Maxime Blanchette-Joncas: We're being penalized because we invest more.

What do the members you represent think about that, Ms. Johnston? It's a serious inequity. People are being penalized because their work is further ahead. Their funding is being capped. That means eligibility for funding is not the same in Quebec as in the rest of Canada.

Would you please comment on that? People have gotten extremely upset over much less than that.

Ms. Pari Johnston: We've recommended that the program be expanded so everyone gets the same funding. That's our position.

Mr. Maxime Blanchette-Joncas: Thank you.

[English]

The Chair: Thank you.

I was reflecting on that as we were talking. Sometimes when you find other sources, you get overlooked by the federal government. It's good to bring that forward. Thank you.

Mr. Cannings, you have two and a half minutes, please.

Mr. Richard Cannings: Thank you.

Ms. Watts-Rynard or Ms. Johnston, I don't know if you remember my question, which I rambled on about, but perhaps you want to comment on it. In the near term, are there any things the federal government could do to make it easier to access research funding for colleges and institutes?

Ms. Sarah Watts-Rynard: I think that something we've spoken about is thinking about the totality of the existing investment in research, thinking about the colleges and polytechnics as an integrated part of the ecosystem and then trying to transition some of those review processes that very much push towards publications and prior funding. Something like the research support fund is available to the bigger institutions. That gives them the capacity to write more proposals.

It's not just a matter of the review processes themselves having a bias. It's the fact that the institutions that have the funding have more funding, and the more funding you have, the more resources you have. When we start thinking about how to better use polytechnic and college applied research, what we're talking about is reimagining the entirety of the pot, thinking about where the ecosystem can benefit from primary research, and then thinking about translating that for the market, which is actually the place where our institutions really excel.

It means throwing out the traditional sense of how you decide what is merit. Merit has largely been about previous funding and publications. Those things don't make sense in our world, and yet that is the reason these institutions are very good at the work they do.

• (1255)

Ms. Pari Johnston: I would agree with exactly what Sarah said.

On the point of the research support fund, to ensure the capacity to be able to be responsive.... The research that we have seen shows that the.... Right now, within the CCI program, if you get a grant, you have to pay for your indirect costs. The research support within that grant is capped at 20%, and the indirect costs are higher than that. It also means that it's taking away from the research grant itself. That is not the same for the universities.

These are examples of definitions, terms and conditions that have been defined and have not kept up with the evolution of the sector's capacity or its contribution, as Sarah has noted, to the broader ecosystem. We're really interested in making sure there is a reimagined look at where our research sector is now, to meet Canada's biggest challenges.

The Chair: Thank you to the witnesses for being here today and for your responses.

I have a comment.

I was at Our Lady of Lourdes Catholic High School in Guelph last week. They were building robots. I used to build robots. I did that because of my college background at Red River College. They were all thinking of university. I said, "Do you know what? The college network is a very good place to learn how to build robots." They won a global competition last year in Texas at the high school level. We need to support this kind of innovation.

Thank you for your testimony.

Thank you to the committee for giving me a minute and 28 seconds to indulge. I love this stuff. I really appreciate the passion that you bring and that the committee members have brought to this discussion so far. If there are additional comments, please send them to the clerk. I know we had to interrupt you a few times. We thank you for being here today.

Now we're going to move into committee business.

We have Michelle Rempel Garner with her hand up.

Hon. Michelle Rempel Garner: Thank you, Chair.

I have a motion that I would like to move:

Given that,

(a) 40% of Western University students are experiencing food insecurity and require assistance:

(b) The Western University Student Council's food center reports a 600% year-to-year increase in Western students requiring their assistance;

(c) The Liberal Government's 23% carbon tax increase will make food more expensive for students at Western and across Canada;

And in order to help students feed themselves, the committee call on the Liberal Prime Minister to immediately cancel his 23% carbon tax increase and report this recommendation to the House.

Chair, in the testimony that we heard today from many university groups, they talked about how Ph.D.s and others people who are involved in Canada's research enterprise were leaving the country. I do think it is incumbent upon us as a committee, when we're tasked over and over again with looking at funding recommendations related to students involved in research in Canada's universities, to admit the fact that the inflationary pressure on Canadian students is huge.

The genesis of this motion came from a story about the Western University Students' Council food centre reporting a 600% year-to-year increase. Since the story came out, it has been corrected. It's actually 40% of all Canadian students who are experiencing food insecurity.

A lot of that is attributed to increased housing costs, but also increased food costs. On the increased cost of food, we've heard many stories in the House of Commons and in various committees about how agricultural producers' costs of production have increased significantly.

What happens is that food costs increase because of the carbon tax on grain drying, for example. We also heard about the mushroom farmer here in the south end of town. The carbon tax increases the cost of food, and then there are fuel surcharges and whatnot, so it costs more to get the food to the grocery store. Then the grocery store has to pay carbon tax on keeping the heat and the lights on. Increasing the cost at this point in time is really problematic for food insecurity. That is justification number one.

One of the other points that I want to make for the committee is that the carbon tax isn't working. Recent reports have shown that Canada is still going to miss its 2030 emissions target by over 50%.

There are some other interesting stats that don't really get talked about, such as that 70% of Canadians are worried about climate change, myself included, but support for keeping the Prime Minister's carbon tax policy registers with only 18% of Canadians. I think the reason for that delta is that they understand that in Canada there aren't substitute goods for high-carbon products. What's happening is that we have this carbon tax increasing and increasing, which is supposed to transition consumer choices to lower-carbon goods and services, but those goods and services don't exist.

We haven't seen major transit infrastructure projects built. I have one in my city for which the funding was allocated in 2015, and it hasn't been built. We aren't seeing major investments or build-out in Canada's electricity grid. We're seeing the electricity grid in my province, for example, burn out, and people driving electric cars are being told not to plug in their cars on cold days in winter.

This is not to say that we shouldn't be looking for solutions to climate change. That's absolutely necessary, but all of the evidence shows that, as Canada is a cold, natural resource-based economy and we have to drive, the carbon tax as it's structured by the Liberals is not actually reducing greenhouse gas emissions. However, it is creating food insecurity for students and, in turn, creating problems for Canada's research enterprise, and it is certainly a pressure on grocery prices, so increasing it right now would not be great for Canada.

• (1300)

Mr. Chair, I do want to draw your attention to the fact that people will say, "Oh, well, there's a rebate with the carbon tax." The Parliamentary Budget Officer has actually done a significant analysis on the carbon tax. In Ontario, as of this year, the carbon tax still costs an average Ontario family \$500, and that cost is scheduled to triple or quadruple by 2030, so I don't understand where a student right now, who already has to go to the food bank, can come up with this extra money.

If it's not working to reduce greenhouse gas emissions, if it's causing food insecurity, if the rebates aren't covering the cost of the carbon tax, and everybody knows it, why would we keep it?

That's a question that you don't have to take my word for or the word of literally millions of Canadians who have shown through polling that this tax is highly unpopular. You can also look at Liberal premiers across the country and Liberal opposition leaders. I'll note that, in Ontario, the Liberal opposition leader herself has voiced opposition to the carbon tax. The Liberal premier of Newfoundland has voiced opposition. NDP leadership candidates in Alberta have voiced opposition to the carbon tax. Why? It's a policy that doesn't work. It makes life more expensive.

The last thing I'll say, Chair, is that I do believe that the climate emergency needs to be addressed with policy that works, and if the Liberals and the NDP continue a dogmatic adherence to a policy that is not reducing Canada's greenhouse gas emissions, while further driving up the price of goods and, at the same time, in the context of this motion, driving Canada's talent out of Canada, we're never going to be able to address greenhouse gas emissions reductions. That dogmatic adherence to a policy that does not work is highly problematic.

Again, I would hope that colleagues on this committee would understand that they have tried this out, and it's clearly not working. It's clearly detrimental to folks across the country, and it's time to go back to the drawing board. Going back to the drawing board means getting rid of this tax and, at the very least, in the meantime ensuring that the increase that is scheduled to happen on April 1 doesn't happen—if for nobody else, then for the students at Western University.

Thank you.

• (1305)

The Chair: Thank you for putting the motion on the table and for your comments on it.

For the committee's info, we have extended support services until 1:30 if we're going to vote on this today, just to give you that framework.

We have a speaking list that has Mr. Tochor, Mr. Turnbull, Mr. Blanchette-Joncas, Mr. Cannings and Mr. Soroka on it.

If we can get to the vote today, it would be wonderful, but of course, it's up to the committee.

Mr. Tochor, you have the floor.

Mr. Corey Tochor: Thank you, Chair.

I'd like to thank my honourable colleague for her remarks. If she was the good cop, I'll be the bad cop.

This policy stinks, and government stinks right now. You guys are not listening. To all members of Parliament, next week we are not sitting. We will have a full week, and I would encourage you to talk to your constituents about this motion we have put forward. Really, do more than talk. Listen. Listen to Canadians. Canadians are suffering, and if you think that's not tied to your dramatic drop in the polls, get off your arse and start returning calls, and start—

The Chair: Watch your language, and go through the chair, please.

Mr. Corey Tochor: Chair, I would say to all members, next week go and knock on a hundred doors. Go listen to regular Canadians and hear first-hand how this policy is devastating Canada.

The motion here today is based upon a reliable news story that shows how our students are suffering. There is a 600% increase in food bank usage. What if that was your child? What if that was your family? What if that was your constituent? It is your constituent, guys. Everyone in this room is reflected in the numbers of food bank usage because of the policies of this Liberal government. From the article that this motion is based upon and the research that was conducted, 40% of all university students, not just Western University students, are experiencing food insecurity that requires assistance.

This government consistently takes away people's ability and opportunity to provide for their families and replaces that with the government, making more people reliant every day on the government to survive instead of opening up the opportunities for Canadians to achieve their true potential.

This is why the carbon tax is such a devastating policy and why on April 1, April Fool's Day, Canadians will be played like fools again. Once again, we're increasing the carbon tax by 23%.

I go back to our role as parliamentarians, which is, to the best of our abilities, to represent the views of Canadians—the Canadians we represent in our ridings who send us here to share their views, to the best of our abilities, and vote accordingly.

I challenge Liberal and NDP members. Next week, we're not sitting. There's a great opportunity. Your inboxes are full of emails. There are probably calls from people wanting to talk to you about how much pain they are in because of the policies of this government. It is a dangerous thing when governments stop listening, because citizens don't stop. It doesn't stop their pain and it doesn't stop them wanting you to hear how poorly this policy has affected Canadians' ability to provide for themselves—to feed, heat and house their families.

I hear the argument that there's this rebate, that the rebate makes up for all this extra tax. Chair, I would submit that for many Canadians, if not the vast majority, there's more month left than money left in their paycheque every month. It is getting worse and worse. I've heard first-hand from families that are having trouble with the carbon tax increases. It's also troubling for business operations in our ridings. More and more business owners have communicated to me how much of a difficult situation they are in because of the carbon tax. There are swaths of companies on the verge of bankruptcy. We're jacking up taxes by 23%. Wow. Where does this end?

One of the arguments around the carbon tax is that it's a few cents on the litre and it's not a big deal. Those people haven't paused and thought about all the inputs that go into everything that Canadians pay the carbon tax on and what we buy as consumers. I have an example. This is timely because earlier this week I was talking to a colleague from Quebec. I have a lot of respect for him. He made the comment that they don't pay the carbon tax. I said that they do. If you buy anything from across Canada, you're paying the carbon tax for those goods.

(1310)

The example I shared was about a bottle of beer. As Canadians, we like to indulge in a beer from time to time. Hopefully, it's a beer brewed in Canada. Chances are that if it's brewed in Canada, Saskatchewan is in that bottle. If it's the barley that we grow out on the prairies, that producer, before he plants that crop, will pay for diesel in the shipping of that seed to the farm. During seeding, the diesel that inputs that crop is also hit with the carbon tax. Any inputs that are put onto that crop also get hit. Ultimately, in the harvest of barley out of Saskatchewan, you pay the carbon tax. If it's a wet year, you have to pay the carbon tax on the drying of said grains. You then have to transport that crop to a buyer. That all gets built into the costs for that producer.

For the most part, we sell our grains on the world market, where we can't charge a premium because they have a carbon tax on them. If it's cheaper for countries to get those inputs from the States or Brazil, they will, because they don't have the carbon tax.

Going back to that bottle of beer we were talking about being brewed for Canadians, the cost is also going up on April 1. Congratulations. It's going up. The price of beer is going up. Going back to that bushel of barley, before it gets shipped to that brewery, it will also pay a carbon tax. The brewery, if it's located outside of Quebec, will pay a carbon tax. Ultimately, it will be shipped to Quebec for my colleague to enjoy, and he believes he doesn't pay the carbon tax. I'm sorry, but he does.

We pay the carbon tax in so many ways in Canada. The only way we don't pay it is if we import that good—not from other parts of Canada, but from other parts of the world—which disadvantages our country. This is such a terrible policy for our economy, for our country and for our citizens.

I am very happy to support my colleague's motion, which I believe is timely and warranted in this climate.

Thank you, Chair.

The Chair: Thank you.

When you mentioned the motion to me, you were hoping to see a vote today. I hope we can see a vote today.

We have a speaking list. I have Mr. Turnbull, Mr. Blanchette-Joncas and Mr. Cannings.

Mr. Ryan Turnbull: Mr. Chair, thank you for the opportunity to speak to this.

Obviously, I'm ideologically opposed to what the Conservatives here are suggesting and implying. Unlike them, I'm looking at the facts and the evidence, which are very clear. The International Monetary Fund has said that carbon pricing is actually the most cost-effective way to reduce emissions. The IMF has said that for many years. There are jurisdictions around the world that have followed suit, and Canada is one of them.

We also know that economists, like Trevor Tombe from the University of Calgary, have estimated that carbon pricing adds about 0.15% to general inflation. If you think about it, that would be about 15¢ on a \$100 grocery bill. When traced through the supply chains, he estimates that it would probably have about 0.33% on the cost of food, so that's 33¢ on a \$100 grocery bill.

We also know that the majority of emissions on farms are already exempt from the price on pollution. I know that Ben Lobb put forward Bill C-234, which was stuck in the Senate. I don't know what stage that is at right now, but I know that I disagreed with that strongly because I don't believe in eroding the price signal, and I believe that there are opportunities for farmers to continue to green their operations. That's not to imply, as some have said in the past, that I'm saying that they're not already making efforts to do so. I think farmers are very responsible actors and take care of the land, steward the land, but there are ways that farming can be done that are studied at the University of Guelph.

I'm sure the chair knows this very well, with the Guelph statement and all the work we did on the agriculture and agri-food committee leading up to the new sustainable agricultural partnership agreement, and the additional funding and resources that the government has put forward to ensure that farmers can adopt some of those best practices in sustainable agriculture. I'm very passionate about that.

I also want to mention one thing that bothers me about what the Conservatives keep claiming, which I think is just wrong; it's just false. The European Central Bank, not so long ago, suggested that climate change itself will have an effect on food prices of up to 3% per year—an impact on inflation and food prices that is about 30 times greater than the price on pollution, which is really interesting. The Conservatives keep trying to pit the price on pollution against the affordability challenges that Canadians are experiencing, which we all admit are real. They're not due to the price on pollution, mind you, as they keep claiming.

They never talk about the rebate. I'm surprised that they were courageous enough to bring it up for the first time in this committee, because they seem to deny that rebates exist in almost all of their interventions. Individuals who have done the actual research on this—including the Parliamentary Budget Officer, whom we regularly cite—have said that eight out of 10 families get more back. We also know that it's the low end or middle-income families that tend to get more back. Trevor Tombe also estimated in a recent article that it was about \$300, on average, that families net in their pockets in comparison to what they pay in carbon pricing. As a moral argument, I think you're going to lose this battle on every level.

Who should pay for the pollution that's going into our atmosphere? When I ask people at the doors in my riding, they all say the same thing: Industry should pay for the pollution that it creates. That's exactly what the price on pollution does. It ensures that industry, which is creating the pollution, is paying for it. Industry often hands that price down to the consumer, and so consumers are impacted by this, but that's why the rebate is in place.

• (1315)

It's also been estimated recently that one-third of the emissions reduction that Canada can project based on the current policies and regulations that have been put in place will come from the price on pollution. That's just out in The Globe and Mail. Rick Smith from the Canadian Climate Institute put that out. I think that's a significant result for a market-based mechanism.

It was originally proposed by Conservatives, who you would think would be supportive of this, considering they all got elected in the last election based on a platform that included a version of carbon pricing—even though, I would say, our version of it is much more robust and doesn't have some of the drawbacks that their design had in their last election platform.

When we think about this, we should consider that there is really significant scientific research on the fact that human beings are the cause of climate change. The emissions we put in the atmosphere are causing climate change, and the damage to our economy and the amount of money we are paying for that damage are just exponentially increasing.

The Canadian Climate Institute recently produced a report called "Damage Control", and I've read it from cover to cover multiple times, because it provides a really significant set of data and modelling that's very sophisticated. It looks at the cost of climate change.

Again, the Conservatives are the first ones when there's a flood or a drought in the Prairies to whine and complain, wanting us to bail out everybody and wanting the federal government to step in and resource all of the farmers who experienced losses, which is our business risk management program. It is a really big program that's increasing all the time, and we're getting pressure to increase those programs. Well, what about preventing climate change from happening and dealing with the root causes of it? They don't acknowledge, ever, the cost of climate change on the economy.

Climate change is going to threaten the very prosperity of our economy and destabilize the world economy. It already is. This is a quote from the Canadian Climate Institute report: "Climate change is a macroeconomic risk that threatens to significantly undermine future prosperity". I think that's a significant statement.

The modelling they have done suggests that, by 2025, which is next year, we'll experience losses of \$25 billion, which is 50% of projected GDP growth in this country. Just think about that for a second. It's 50% of GDP growth. If we want to grow our economy, just think about how we'll be falling behind and how Canada's prosperity as an economy will be compromised by not addressing climate change if the Conservatives have their way.

By mid-century, by 2050, they say that it will be \$78 billion to \$101 billion. That is three to four times greater than what it will be in 2025, so, in 25 years, the multiplier effect of the damage to the economy from climate change will be three to four times greater than what it is essentially today. By the end of the century, they estimate that it will be \$391 billion to \$865 billion. That's getting close to a trillion dollars by the end of the century if we don't address climate change.

I don't know why, but the Conservatives just never seem to acknowledge that climate change is having more impact on household budgets and inflation and is compromising the economic prosperity of our economy. I can't understand it. I can only assume that it's because they're stuck in the past, and they just don't want to admit that climate change is real, which is very consistent with what we heard coming out of their convention before, when they had a resolution on the floor, and they couldn't get agreement on even acknowledging that climate change is real.

(1320)

We had the chief science adviser here. I asked her, is there any doubt in your mind that climate change is real? She said absolutely not, that the scientific evidence is sound and clear. If you go and look at the Intergovernmental Panel on Climate Change, that panel has produced 4,000-page reports documenting, with the most significant amount of evidence and data, that climate change is real.

However, the Conservatives would scrap the price on pollution, which is literally the most effective, cost-neutral, revenue-neutral mechanism, with all the proceeds returned to Canadians. They would scrap the most effective market-based mechanism that they proposed to address climate change.

• (1325)

The Chair: For the interpreters, please keep your voice down.

Mr. Ryan Turnbull: I'm sorry about that. I got a little overanimated.

I don't know if the Conservatives are just doing this to grand-stand today, or whether they want to actually study this in the 11 or 12 meetings that we already have scheduled. We have five meetings on the U15 study. We have six meetings on the Arctic research study. I think we have about 15 or 16 meetings left. Maybe they want to study this further down the road when it's their turn, but I'm not really sure why we should spend more time debating this today, given the fact that their turn doesn't come up for at least another 11 or 12 meetings from now.

Perhaps I'll end there, Mr. Chair.

The Chair: We're getting close to time.

We have Mr. Blanchette-Joncas next, and then Mr. Cannings. [*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair. I will try to be concise and specific.

I love live performances, and we're being treated to quite a spectacle today. Quite a few things about this spectacle surprise me. We just saw my Liberal colleague get all worked up about the importance of climate change, yet his is the party that bought a \$34-billion pipeline to produce and export more oil. This government is the one trying to convince us that it sees climate change as a priority.

I don't really see vegetarians owning butcher shops. But that is how this government operates. It says it's green. It says it's fighting climate change. Then it goes and spends our money, our taxes, on a \$34-billion pipeline to produce more oil, pollute more and export that oil outside Canada.

Both parties are engaging in some very partisan speechifying. They're politicizing this committee, and that makes me sad.

My Conservative colleagues seem to be concerned about students' cost of living. On Tuesday, March 19, 2024, there was a multi-party press conference about increasing federal student funding. That funding hasn't gone up at all in 20 years.

The Bloc Québécois, the Liberal Party and the New Democratic Party were at that press conference. We were there, along with the Union étudiante du Québec, the Canadian Alliance of Student Associations, the Canadian Association of Postdoctoral Scholars, Support Our Science and the Ottawa Science Policy Network.

The only party not there was the Conservative Party of Canada. They want power, but they don't think it's important to increase scholarship amounts at all, even though that funding has been stagnant for 20 years. If anyone understands the importance of taxes, it's the Conservatives, but they also need to understand what inflation is. They don't care that this funding hasn't gone up in 20 years.

Here they are, tying themselves in knots to convince us that they care about food insecurity and the cost of living for students, all the

while blaming the carbon tax. They're contradicting themselves, and they cannot be trusted to support scientific research. They most certainly cannot be trusted to support students whose scholarships, as I said, have not increased at all in the past 20 years.

That's all I have to say, Mr. Chair.

[English]

The Chair: Thank you.

The clerk tells me we have about four minutes because of the adjournment, so Mr. Cannings, if you want to intervene, you can. If you'd like to move to adjourn, you can try to do that and see whether the committee allows it.

Mr. Richard Cannings: I will just be very brief.

I would say that we're all concerned about the cost of living crisis that Canadians and students are facing. I would suggest that the biggest part of that is in the housing department. With students, we also have tuition. Because of the decline in federal and provincial funding for post-secondary education, which I talked about earlier, we've seen a rise in tuition. Tuition is about 10 times what it was when I was in university. Food has been going up too.

However, when we talk about the carbon tax, the big increase in fuel prices.... Gas has gone up by about one dollar a litre in British Columbia over the last three years. The carbon tax has gone up seven cents. Over 90% of that increase that farmers and everybody are facing is because of excess profits in the oil and gas sector. The Conservatives never mention their friends in the oil and gas sector and all the money they're making now. The same goes for the big players in the grocery sector and the excess profits there. That's what's driving that inflation, so that covers that.

Should we be studying this in this committee or should we even be talking about it in this committee? No. I think we should suggest to our colleagues in the finance committee or the environment committee that this would be a great study. I'd like to get all the facts, because I think the Conservatives wouldn't be happy with the facts.

I will just leave it there. I would just say let's vote on this.

• (1330)

The Chair: Do you want to vote on it?

Mr. Richard Cannings: Call the question.

The Chair: Let's call the question on the vote, then.

(Motion negatived: nays 7; yeas 4)

The Chair: Thank you, everyone, for having a chance to speak.

Do I see a motion to adjourn?

An hon. member: Yes.

The Chair: The meeting is adjourned.

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