

Building a prosperous Canada through our people, ideas and communities



**Universities
Canada.**

**Universities Canada's Submission to the
House of Commons Standing Committee on Finance**

CAIRNS COMPLEX





Universities Canada urges the federal government to:

Recommendation 1:

Attract, develop and retain talent:

- Attract, develop and retain highly skilled research talent by reinvesting in Canada's federal research ecosystem:
 - Expand core research funding through Canada's granting agencies by 10% annually over the next five years.
 - Increase the value of the Canada Graduate Scholarships program by 50% across all categories, double the number of awards and adjust award values regularly for inflation.
 - Fund 750 new Tier 2 Canada Research Chairs and associated research costs.
- Build the global skills of young Canadians—especially underrepresented students—by permanently expanding the Global Skills Opportunity program with an annual funding envelope of \$40 million.
- Increase the educational attainment rate of Indigenous students by renewing and expanding the Post-Secondary Student Support Program.
- Ease workforce integration for university graduates by continuing support for work-integrated learning opportunities through the Student Work Placement Program.

Recommendation 2:

Strengthen research excellence and competitiveness:

- Advance research and development in Canada by expanding opportunities for international collaboration through the New Frontiers in Research Fund.
- Promote secure international partnerships and prevent lost opportunities from administrative delays by doubling the number of full-time regional advisors in Canada's Research Security Centre.
- Address cybersecurity threats by providing direct support to universities.
- Support knowledge mobilization and commercialization by deepening connections between researchers, industry and civil society.

Recommendation 3:

Build healthy, green and accessible communities:

- Work towards Canada's net-zero goals with a renewed vision for federal infrastructure programming that includes Canadian universities.
- Develop low-cost financing options for student housing projects and enable universities to directly access funding as primary applicants through programs such as the Housing Accelerator Fund.
- Improve and expand stepped care approaches to mental health and well-being for students.



Introduction

Canada's future depends upon its people, its ideas and its communities. Society is experiencing transformative technological, social, economic and political changes. Across the country, Canadians are stepping up to solve the challenges of our increasingly competitive and complex world.

Canada's universities are leading this work. Institutions are training over 1.4 million students to build a highly skilled, diverse and adaptable workforce. They are anchors of communities and engines of prosperity across Canada, employing nearly 410,000 people and spearheading the research and development that facilitate innovation and economic growth.

As Canada transitions towards a net-zero economy, economists predict as many as 400,000 new jobs will be added in fields that demand enhanced skills. As early as 2025, the country could be short 27,000 environmental workers, including senior managers, engineers and physical scientists. Universities are key to delivering this talent.

1) Attracting, developing and retaining talent

Supporting Canada's future prosperity

In today's increasingly competitive landscape, Canada must ensure it nurtures a talent pipeline with the specialized knowledge and skills required to succeed. This begins with investing in a highly educated and work-ready population.

Universities applaud the Government of Canada's efforts to pursue an industrial strategy focused on building a domestic advantage within emerging net-zero supply chains.

As part of this important work, investments have been made in the workforce integration and earning potential of post-secondary students. Work-integrated learning initiatives—such as the Student Work Placement Program—provide critical opportunities for students to gain industry experience and connections.

However, Canada has not yet made adequate investments in developing and retaining the highly qualified personnel (HQP) necessary to achieve its new industrial goals. This was a central theme of the work undertaken by the Government of Canada's Advisory Panel on the Federal Research Support System. Though Canada ranks highly among peer countries for completion of post-secondary education overall, only 10% of Canadians have completed a master's or doctoral degree, below the OECD average of 15%. Further financial support for advanced graduate training is key to developing the talent pipeline Canada needs to meet its industrial goals.

To attract the talent necessary for a prosperous future, Canada must continue to improve its processing times for study permits.



Developing research talent for Canadian industry

Strong research capacity is essential for Canada to develop the next generation of HQP and become a leader in new and emerging sectors. However, Canada's support for research is lacking.

Core funding for Canada's research granting agencies and federal research support programming have not increased in the last two budget cycles and inflation has eaten away at the value of research grants and support for research infrastructure. The values of Canada's flagship graduate scholarship programs have remained stagnant since their creation in 2003. Significant increases to basic research grants and research talent programming through Canada's granting agencies is a critical step in developing the next generation of HQP for Canada.

Canada Research Chairs are leaders in their field, and the early career researchers they employ in their labs and projects are the next generation of talent both for Canadian science and Canadian industry. The program also plays a central role in attracting top researchers and contributing to the advancement of knowledge, innovation and economic growth in Canada. The Government of Canada should fulfill its commitment to investing in research talent by expanding the Canada Research Chairs program.

Building global skills

International learning experiences are important to prepare young people for the future workforce and strengthen Canada's international networks. An integral component of the Government of Canada's International Education Strategy, Global Skills Opportunity provides thousands of post-secondary students with international study and work experiences. The program is designed to encourage participation from students from low-income backgrounds, students with disabilities and Indigenous students.

Since being announced as a pilot in 2019, Global Skills Opportunity has delivered strong outcomes as Canada's national outbound student mobility program. The program has provided opportunities to more than 5,000 students from over 100 participating post-secondary institutions, and 75% of the program's current participants are from underrepresented groups. To build on the success of the pilot program and increase the number of students participating, we recommend the program be made permanent with an annual funding envelope of \$40 million.



Expanding federal support for First Nations-led post-secondary education

Canada has a responsibility to affirm and uphold inherent and Treaty rights to education, and investments in First Nations, Inuit and Métis education are critical to advancing reconciliation. Investing in post-secondary education for Indigenous Peoples is also key to establishing an inclusive, dynamic and competitive workforce. According to the 2022 National Indigenous Economic Strategy, equal opportunity for Indigenous Peoples in higher education could generate an additional \$8.5 billion in annual income for Indigenous communities.

Budget 2019 announced \$327.5 million over five years for the Post-Secondary Student Support Program (PSSSP). Five years later, more Indigenous students are pursuing post-secondary education, but funding is not keeping pace with the growing number of students and the rising cost of living. As the government continues to work in partnership with First Nations to establish long-term strategies for First Nations-led post-secondary education, Universities Canada supports the Assembly of First Nations' urgent call for renewed and expanded investment in the PSSSP.

2) Strengthening research excellence and competitiveness

Securing and promoting research collaboration

Universities are key partners in efforts to safeguard Canada's research ecosystem from potential threats from malevolent actors, while also supporting open and collaborative international research for the benefit of all Canadians. Universities require additional resources to implement evolving security policies and ensure researchers' work is not hindered by undue administrative burdens. We encourage the government to direct more resources toward the newly established Research Security Centre to support institutions as they add to their internal processes and procedures to safeguard the research enterprise.

It is equally vital Canada take steps to avoid losing out on the advancement of knowledge where research activities are restricted. We urge the government to expand collaborative avenues for the secure advancement of knowledge like the New Frontiers in Research Fund International Stream.

A key requirement to further safeguard Canada's research ecosystem from malign threats is direct investment in the post-secondary sector's capacity to defend against cybersecurity threats. In collaboration with the post-secondary sector and cybersecurity stakeholders, the government should also enhance coordination of cybersecurity services across the country.



Translating research into impact

University research generates knowledge that transforms public policy, social services, business processes, healthcare practices and more. Investing in knowledge mobilization of all forms, including direct commercialization, is essential to support Canada's competitiveness and its communities.

Canada's graduate students, post-doctoral fellows and faculty need more resources to embed a culture of innovation and entrepreneurship into curricular graduate studies. Programs like the Government of Canada's new lab to market platform and NSERC's Idea to Innovation (I2I) are an excellent start. The government can build on this programming by creating new funding streams to help mobilize university research for the benefit of all Canadians.

3) Building healthy, green and accessible communities

Net-zero: A shared vision worth investing in

Universities are essential in helping Canada achieve its net-zero emissions goals. Across the country, universities are reducing their own emissions, conducting critical climate research, equipping students with green skills and partnering with their communities to address the challenges posed by climate change.

Canadian universities share the government's goal of achieving net-zero by 2050, and are actively working to retrofit and green their infrastructure to reduce emissions. However, universities are most often excluded from accessing federal infrastructure dollars. As the government reviews Canada's continued infrastructure needs following the Investing in Canada Infrastructure Program, it should ensure universities are eligible to act as primary applicants for new federal infrastructure programs.

Working together to ease pressures in housing markets across the country

Alongside many Canadians, university students have felt the impact of the housing crisis. Universities are willing partners to help students access safe and affordable rental accommodations and alleviate pressures on local housing markets.

Canadian universities provide over 130,000 beds to students on campuses across the country, and many are currently planning and building new residences. Universities are uniquely positioned to quickly deliver on housing projects, and are viable partners to the federal government, provinces, municipalities and private and not-for-profit housing providers to help increase the housing supply and address affordability issues.



However, existing mechanisms through the National Housing Strategy and programs delivered through the Canadian Mortgage and Housing Corporation can do more to leverage the strengths of Canadian universities. Developing low-cost financing options for post-secondary institutions through the National Housing Strategy would assist institutions to quickly deliver safe, affordable, accessible and purpose-built rental housing projects. Enabling universities to directly access funding as primary applicants through programs like the Housing Accelerator Fund and other housing initiatives would help reduce red tape and expedite work being done to address housing challenges in communities across the country.

Strengthening mental health and well-being

For many students, the pandemic created or exacerbated mental health challenges. Universities are strengthening mental health and well-being services, focusing on stepped care approaches that respond to individual student needs with targeted resources. However, universities need further support from the government to meet the increasing demand for student mental health care.

In 2021, universities welcomed the government's commitment to introduce a new fund for student mental health services at Canadian post-secondary institutions. Two years later, cohorts of university students directly impacted by the pandemic are graduating without that additional support. Now more than ever, students and universities are looking to the government to fulfill its promise to expand on-campus mental health services.

Conclusion

On behalf of Canada's universities, we thank the Standing Committee on Finance for the opportunity to share our recommendations for Budget 2024. Canada's universities are eager to work with the government to address today's most pressing challenges by investing in the people equipped to solve them.

About Universities Canada

Universities Canada is the voice of Canadian universities. We are a membership organization providing university presidents with a unified voice for higher education, research and innovation. Universities Canada advances the mission of our member institutions to transform lives, strengthen communities and find solutions to the world's most pressing challenges.