



Canada Foundation for Innovation
Fondation canadienne pour l'innovation

Notes for a presentation

by

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to the

**Standing Senate Committee on
Legal and Constitutional Affairs**

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Check Against Delivery

I want to thank the *Standing Senate Committee on Legal and Constitutional Affairs* for this opportunity to appear before you. This marks the 19th appearance by the CFI before a Committee of Parliament since its creation.

Nine years into its mandate, the CFI has committed \$3 billion in over 4,700 research infrastructure projects at 128 institutions in 62 municipalities across the country. These investments are made on the basis of a rigorous assessment of merit, using international standards to determine the potential of the project to increase the capacity of Canadian universities, colleges, research hospitals, and non-profit research institutions to compete internationally and enhance research productivity for the benefit of all Canadians.

The Canada Foundation for Innovation is committed to the principles of accountability and is comfortable with the broad objectives of the Accountability Act, and I would note that the CFI has always acted within the spirit of the legislation that the Act addresses.

By way of background, the CFI was created by an Act of Parliament in 1997 as an independent corporation. The Funding Agreement between the CFI and the Government of Canada, approved by Treasury Board, sets out the terms and conditions under which the CFI must operate. The CFI is governed by a Board of Directors that sets strategic objectives in the context of the funding agreement and makes the final decisions on projects to be funded based on rigorous merit review.

As such, our key concern will be to ensure that Bill C-2 does not inadvertently jeopardize the integrity of the merit-based awards system that is fundamental to CFI's mandate.

Our particular concern is the current wording of the Access Act to be amended pursuant to C-2, which will create difficulties in dealing with requests for access to the contents of applications and the review record.

The CFI has established a very highly respected international merit review process that relies on candid opinions from expert reviewers who understand that their identity will be protected. This process represents a time-honoured system in research, scholarship, and the evaluation and publication of original research.

The current privacy legislation exempts the disclosure of the identity of reviewers of grants made to *individuals*. However, the CFI's applicants are *institutions*, not individual researchers. Therefore, we would request that the relevant sections of Bill C-2 dealing with the Canada Foundation for Innovation be amended to include two simple words, individuals "or institutions".

The CFI has numerous accountability measures already in place and incorporates the principles of accountability into every facet of our operations. As such, the addition of the *Accountability Act* presents no substantial issues for the CFI at this time.

From its inception, the Board has taken prudent measures to ensure sound accountability and governance practices. We have implemented a strong internal control environment to carry out our activities. These controls are widely accepted in the business and public community and are

reviewed by external auditors. Moreover, independent audit firms conduct contribution audits of funded projects to ensure the proper use of public funds.

The CFI promotes an open and transparent approach to communications with a focus on information sharing while respecting the privacy of its client institutions and their researchers.

The key concern, from the perspective of our Board of Directors, is the need to ensure that Bill C-2 does not jeopardize the very nature of the Foundation and the principles on which it was created. The foundation governance model has allowed the CFI to be efficient, accountable, transparent, and flexible enough to adapt to emerging needs in a highly competitive global research environment.

Thank you.