



Canada Foundation for Innovation  
Fondation canadienne pour l'innovation

# Notes for a presentation to the House of Commons Standing Committee on Finance

**Dr. Gilles Patry, President and CEO**

**October 2010**

***Check against delivery***



*I want to thank the House of Commons Standing Committee on Finance for this opportunity. Today marks the 26<sup>th</sup> appearance by the Canada Foundation for Innovation before a Committee of Parliament since its creation in 1997. And it also marks my first opportunity to address you since becoming the CFI's President & CEO this past August.*

Budgets are about tough choices for government — everybody accepts that. They are about setting some clear national priorities and making sure that the impact of the investments being made will benefit all Canadians.

Today, I would like to share with you my vision of the CFI's role in meeting both the current and future challenges facing Canada — particularly when it comes to

- *strengthening* our capacity to conduct world-class research,
- *attracting* the best researchers from around the world and
- *translating* their research findings into tangible solutions.

As you know, the mission of the CFI is to invest in cutting-edge research infrastructure that strengthens the capacity of Canadian universities, colleges, research hospitals and non-profit research institutions to carry out world-class research and technology development that benefits Canadians. The CFI funds up to 40% of a project's infrastructure costs. Institutions then use this funding to attract the remainder from partners in the public, private and non-profit sectors.

The research enabled by these CFI investments supports the conditions necessary for sustainable, long-term economic growth, and helps inform the policy making process - leading to the creation and development of improved public policies and programs in areas such as natural resources, health and the environment, to name just a few.

Since its creation, the CFI has committed \$5.3 billion in support of 6,800 projects at 130 research institutions in 65 municipalities across Canada. These investments by the Government of Canada through the CFI have leveraged an additional \$7 billion in partnership funding across the country for a total of \$12 billion in just over a decade. Our funding decisions are based on a rigorous assessment of merit, using international standards to determine a project's potential to increase the capacity of Canadian institutions to compete internationally and produce knowledge that addresses pressing research issues. The overall economic impact from these infrastructure investments and their ongoing operation is an important part of the Canadian economy, given that it can be measured in the tens of billions of dollars.

The CFI exists thanks to the belief of successive governments that research and innovation underpins the competitiveness of our industries and can transform our economy. As one of my predecessors once said: the challenge of building a more

innovative economy is about more than a slab of concrete or a piece of equipment — it's about people; it's about supporting the best and the brightest by providing them with the environment they need to conduct world-class research. This, in turn, will create prosperity for Canadians.

### **Impacts & Outcomes**

Imagine for a moment your reaction if I had stood before you 10 years ago, and boldly declared that a decade from now,

- Saskatoon would be home to a state-of-the-art synchrotron, Canada's biggest science project in a generation;
- that Chicoutimi would be a world leader in developing de-icing technology for commercial airplanes and hydroelectric wires around the world;
- that British Columbia would be on the cutting edge of helping improve the quality of life for people with spinal cord injury;
- that Nova Scotia would be leading an 82-nation project to gauge and record the diversity, distribution and abundance of life in the world's oceans; or
- that Montreal would be internationally recognized for developing groundbreaking technologies that allow scientists to identify the genetic basis of human diseases.

You likely would have reacted with disbelief. Yet today as I stand here, *all* of these advances are a reality for Canada — in large part due to investments made by the CFI.

Investments like these are creating jobs and are leading to innovative breakthroughs in some of today's most important and exciting areas of investigation — from advanced materials to pharmaceuticals, renewable energy, high performance computing and early childhood education.

Consider a recent study on university research contracting ... it found that in 2008, companies, governments and non-profit organizations contracted almost *\$2 billion* worth of research from Canadian universities and affiliated teaching hospitals, up from \$1.15 billion in 2006. This is an 80% increase in two years. And 30 percent of that total came from outside Canada. Why? Because *Canada's best* is now becoming the *world's best*. Because more than a decade of investments in research infrastructure is allowing Canada to attract and retain the brightest minds in the world to institutions across the nation. They are here because Canada is giving them the tools they need to conduct research that matters. But we need to continue on this path even during difficult economic times.

In the knowledge-based and highly competitive international economy, we need to guarantee our competitive advantage as new middle-class consumer markets in

China, India, Brazil and other emerging economies drive up the demand for new ideas, products and services — and for the highly qualified personnel who produce them.

How will our nation of 33 million compete successfully in this environment? One solution is to ensure that the best and the brightest from around the world continue to see Canada as a destination of choice when it comes to research, development and innovation.

The Government of Canada's S&T Strategy says that to foster Canada's competitiveness, we must continue building a *knowledge* advantage based on the most advanced research, a *people* advantage based on training and skills development, and an *entrepreneurial* advantage based on innovation.

In 2010-11, the CFI will play its part in fostering these key areas by continuing to deliver core programs aimed at attracting and retaining top research talent from around the world, positioning Canada at the leading edge of scientific developments and promoting private sector innovation.

To ensure that the CFI continues to carry out its mandate of promoting research excellence, while continuing to improve Canada's long-term competitiveness and the quality of life of Canadians, we require continued support from the Government of Canada in four areas:

- first, to address the needs of our core LEF/NIF programs;
- secondly, to develop collaborative initiatives with other federal research agencies in order to focus Canada's research strengths on issues of national importance;
- thirdly, to ensure that Canada continues to play an active role in strategic international research activities and partnerships; and
- finally, to support national research platforms in areas such as high performance computing and other new initiatives.

It is critically important that Budget 2011 send a clear signal to Canada's research community — and to the world — that when it comes to science and technology, Canada will continue to invest in cutting-edge, world-class research infrastructure.

In closing, I want to thank you for providing me with this, my first opportunity to testify before Parliament at the helm of the CFI. I look forward to your questions.

Thank you.