



Canadian Association  
for Graduate Studies

Association canadienne  
pour les études supérieures

## 2015 PRE-BUDGET CONSULTATION

[The Canadian Association for Graduate Studies](#) (CAGS) thanks the Minister of Finance and the House of Commons Standing Committee on Finance for this opportunity to express its views on what might be included in the 2016 Federal Budget and policies that will underpin it.

CAGS was founded in 1962 to promote graduate education. It does so through advocacy, information sharing, meetings and conferences. The association brings together 60 Canadian universities with graduate programs as well as other institutions and organization having an interest in graduate studies.

CAGS hopes that its comments will inform budget decisions for 2016 and beyond.

### Summary of Recommendations

- CAGS encourages the federal government to make a greater investment in the Mitacs internship program.
- CAGS requests that long term, sustained base funding be provided to the individual federal granting councils to ensure that they are able to adequately support the research pipeline, including graduate trainees, so critical to research and innovation for a global knowledge economy.
- CAGS requests that the federal government not only make an increased investment in research and development on behalf of Canadians but that it encourages the private sector to make increased investments as well.
- CAGS supports increased investment by the Canadian Foundation for Innovation in facilities and equipment, in universities, colleges, research hospitals and non-profit research institutions. This investment attracts and retains the world class talent required to train the next generation of researchers.
- CAGS urges the Government of Canada to support mobility for those who are accepted to study in Canada. It is important that student visas are accessible and can be obtained in timely fashion if Canada is to be a destination for top workforce talent.



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CAGS believes that Canada's future depends in large part on continued high quality education and increased levels of research and development. The following comments underscore the need for increased support for graduate education and research and development.

## **THE VALUE OF GRADUATE EDUCATION**

The return on investment provided by the contributions of graduate students supported by the Granting Councils to the global economy, society, and Canada's Innovation agenda is both exceptional and vital.

The earning capacity of university graduates, in particular those with graduate degrees (Master's and Doctoral), is nearly double that of those with lower levels of education. For example, PhDs in health and management related occupations have annual average earnings of over \$130,000. The level of income tax paid by these workers follows the same trend.

Nearly 75 per cent of Canadian graduate students will enter the workforce by filling demand for highly skilled workers in the public and private sectors. Monies that the Government of Canada invests in researchers and students through the Granting Councils are instrumental to advancing knowledge and technology as well as the development of productive, mobile, highly employable post graduates.

To quote the Conference Board of Canada,

“nearly 40 per cent of Canada's PhDs are employed in the post-secondary education (PSE) sector in some capacity.....Seventeen per cent hold positions in the natural and applied sciences; 11 per cent in health-related occupations; and another 11 per cent in law, social, community, and government services and education other than PSE. Many are employed as managers across the economy (9.5 per cent) or in other business, finance, and administrative occupations (5.3 per cent). And some work in art, culture, recreation, and sport (2.3 per cent), sales and service (2.6 per cent), and other occupations (1.4 per cent). Indeed, employment in diverse, non-academic careers is the norm, not the exception, for PhDs in Canada.” (Where Are Canada's PhDs Employed?, January 06, 2015, Dan Monroe, Conference Board of Canada).

The integration of doctoral graduates in all sectors provides intellectual infrastructure to advance cultural, social, technological and scientific knowledge, discovery and creativity.



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## **SUPPORT FOR INTERNSHIPS IN ALL DISCIPLINES**

It is well understood that a successful workforce requires a range of technical skills as well as soft skills. In recent years, universities and particularly those offering graduate education have been developing programs to assist graduate students develop the skills that employers seek and are simultaneously developing partnerships that provide experiential training.

CAGS values the expansion of the Mitacs internships through the ACCELERATE program to the social sciences and non-profits and welcomes further growth.

**CAGS encourages the federal government to make a greater investment in Mitacs internship programs.**

25% of businesses participating through Mitacs created new positions to hire their intern post-graduation and 26% stated that the experience led them to hire other new employees. Job creation and hiring of highly trained personnel is valuable to Canada's economic agenda

## **FUNDS FOR THE GRANTING COUNCILS**

The Government of Canada's investment in research and scholarship through the granting councils is crucial for Canada's future contributing to knowledge creation and cutting-edge discoveries with regional, national and global impact and the development of productive, creative, highly employable graduates. Increased funding for the granting councils is necessary if Canada is to improve or even maintain its position among its peers in the OECD.

Success rates for the granting councils continue to fall as a result of decreased funding levels when adjusted for inflation. While investments have been and continue to be made in programs of excellence across the country, many research directives rated highly by international standards of excellence remain unfunded due to a lack of progressive research investment. For example:

- In 2014, approximately 20% of SSHRC researchers received a grant although another 40% of researchers proposed projects deemed eligible for funding by peer-review committees but lack of money precluded funding.
- Fewer than 15% of CIHR research applications are typically funded while selection committees deem about two-thirds worthy of funding. Investments in basic to population research will improve explorations of health, disease, illness and prevention, which is crucial as Canada's population ages and new pathogens impact our health.



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- Without adjustments for inflation, NSERC's Discovery grant program has been unable to support research programs at appropriate levels in recent years. This has negatively impacted the scope of research, but also the ability to train new researchers.

Additional burdens for the Councils are the new responsibilities around skills development, new clients (in terms of community colleges), and external communications. While these are important additions to the mandate, sufficient base funding should be provided to ensure Canada's prominence as a research generator and incubator for developing new research talent. Opportunities for graduate student mobility and internships to translate their knowledge would be a valuable addition. allow for the successful delivery of programs while maintaining appropriate intellectual rigor and stewardship of public funds.

**CAGS requests that long term, sustained, base funding be provided to the individual granting councils to ensure that they are able to carry out their mandates successfully and expand in response to the need for R&D and effective knowledge translation.**

## **SUPPORT FOR RESEARCH**

The support of science and technology in Canada in the public, private and education spheres is integral to the future success of Canada's economy and society. Fostering a science culture in Canada, as proposed by NSERC, is an important basis on which to continue to expand support for discovery research. It will help Canadians understand and value the role of science, scholarship and discovery and innovation to our economy and society.

According to the OECD, Research & Development expenditure in Canada in 2000 was 1.9% of GDP and in 2013 it was 1.6% and falling. It is critically important to Canada's economy, both today and in the future, that research and development investment, basic and applied, be seen as an essential investment for society and all sectors.

**CAGS requests that the federal government not only make an increased investment in research and development on behalf of Canadians but that it encourages the private sector to make increased investments as well.**

In order to create the necessary groundwork for the development of businesses, work opportunities, appropriate health care and community facilities, it is important that good data is available to enable both the public and private sectors to make decisions and investments.



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**CAGS is very pleased about the reinstatement of the long-form census. At the same time, we urge the development of more and better longitudinal data tools that can be used by public servants, private investors and researchers in many kinds of institutions.**

It is important that the federal government, through the Canadian Foundation for Innovation, continue to support the research enterprise across Canada by maintaining and developing support for research infrastructure.

**CAGS supports increased CFI investment in facilities and equipment, in universities, colleges, research hospitals and non-profit research institutions. This investment attracts and retains the world class talent required to train the next generation of researchers. As well, it supports innovation and job creation that contribute to the strengthening and advancement of the Canadian economy and society.**

## **SUPPORT FOR INTERNATIONAL EDUCATION**

Canada should carry through and enable its international education initiative by ensuring support for mobilizing Canadian students to study abroad and to facilitate entry of foreign students to study in Canada. International experience and international talent are fundamental to success and competitiveness in a global economy. Nearly 50% of PhD holders in Canada are immigrants and another 10% studied abroad – they are key to Canada's talent pool pipeline.

**CAGS urges the federal government to provide the funds to the Granting Councils to develop more robust programs that will assist students to study abroad.**

**CAGS urges the Government of Canada to ensure support mobility for those who are accepted to study in Canada. It is important that student visas are accessible and can be obtained in timely fashion if Canada is to be a destination for top workforce talent.**

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