Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Canadian Association for Graduate Studies (CAGS)

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

It is imperative that the Federal Government continue not only to invest in graduate education, but to increase its investment so that Canada can meet the demand for the highly qualified personnel required to contribute to our economic growth, and so that we are prepared to take advantage of the inevitable economic turnaround. Investing in graduate education is not an end in itself. The education of highly skilled Canadians- and increasing numbers of them – both in the STEM disciplines and the social sciences and humanities – is necessary to meet the needs of increasingly complex public and private spheres. The monies that the Government of Canada delivers to researchers and students through the granting councils is a crucial investment in the development of productive, highly employable post graduates and a crucial investment in Canada's future. The contribution that these individuals will contribute to the economy, society, and Canada's innovation agenda will more than pay back this contribution. As quoted in a recent paper prepared for CAGS and SSHRC by Professor Marilyn Rose; Postgraduates are highly employable and: * enjoy better employment prospects than undergraduates * are more likely to be in employment six months after graduating than undergraduates * are more likely in the longer term to be in the highest-earning three occupational categories than undergraduates * those with a Masters degree earn, on average, 15 per cent more over a lifetime than those with an undergraduate qualification alone * those with a research degree earn, on average, 23 per cent more over a lifetime than those with an undergraduate qualification alone. (Professor Adrian Smith et al One Step Beyond: Making the Most of Postgraduate Education, March 2010). CAGS RECCOMMENDS THAT THE GOVERNMENT OF CANADA INCREASE FUNDING TO THE FEDERAL RESEARCH-GRANTING COUNCILS. ESPECIALLY THE SUPPORT OF GRADUATE STUDENTS AS THIS IS AN INVESTMENT IN CANADIANS AND THE FUTURE OF OUR INNOVATIVE CANADIAN ECONOMY.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

There is increasing demand for skilled workers in all areas of the economy. This includes the demand for workers with graduate education – the number of jobs for those with graduate degrees rose by 33% to over 1.3 million between 2004 and 2010. As the population grows and as day-to-day living becomes ever more technologically complex so do social and economic issues that require the specialized training and advanced skills that graduate education provides. Everything from developing the Canadarm to cancer research, negotiating trade deals to developing improved approaches for caring for a growing elderly population benefit from the investment that is made in graduate education. There is no doubt that training university graduates at the masters and doctoral level has a cost. It is an investment that the students, their families, and Canadian society share. However, this cost has a significant return to the student and the economy, estimated at about \$3 for every \$1 invested. Indeed, the economic

rationale for investment in higher education is strong. The earning capacity of university graduates, in particular those with graduate degrees (Master's and doctoral), is higher than those with a bachelor's and has trended to nearly double that of those with lower levels of education. From a revenue viewpoint, the level of income tax paid by these workers follows the same trend, making them a value for Canada. University graduates pay 44% of the taxes collected by governments. As well, the incidence of unemployment in these cohorts is also considerably lower than in other educational cohorts.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

Ensuring that research continues within universities to permit the education and training of successive generations of workers is crucial if Canada is going to meet the challenges posed by generational change. This is especially so as Canada finds itself in a situation of having to compete for high quality graduate students with other countries. It is important that the quality of Canadian universities be maintained and increased. Although there have been significant increases in graduate enrolment (at both the Master's and doctoral level) in Canada, Canada has been unable to meet the demand for graduate degrees. As a result, Canada has turned to the international market to meet its demand and is benefitting from the injection of new minds and different ways of thinking. In 2010 there were four times as many full-time Masters students and four and a half times the number of full time PhD students, respectively, as in 1980. There are two points to be made here: - Canada needs to do more to attract the very best graduates from around the world. The competition for top graduate students worldwide is very stiff, especially as other advanced and emerging countries are developing and marketing their own graduate education systems. CAGS URGES THE GOVERNMENT OF CANADA TO INCREASE ITS ASSISTANCE IN MARKETING CANADIAN UNIVERSITIES ABROAD AS IT DID WITH THE VERY SUCCESSFUL TRIP THIS SPRING (2012) TO BRAZIL LED BY THE GOVERNOR GENERAL. - The availability of high quality graduate students - who might remain in Canada - and of highly educated and trained workers cannot be taken for granted. Canada has slipped in the OECD rankings of post graduates from the top to close to the bottom of the pack. Canada must ensure that it maintains high quality programs within our universities that produce the graduates necessary to fill the economic and social needs of the future. CAGS LOOKS FORWARD TO THE REPORT ON THE ADVISORY PANEL ON INTERNATIONAL EDUCATION STRATEGY AND RECOMMENDATIONS THAT WILL FURTHER SPUR THE MAINTENANCE AND DEVLOPMENT OF THE HIGHEST QUALITY PROGRAMS WITHIN CANADIAN UNIVERSITIES.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

It is important to leverage academic research strengths to boost industrial productivity and innovation. This approach will also necessitate the increased production of highly skilled students from graduate schools and ensuring that they have these future innovators with the tools and experience to engage broadly in the Canadian economy. We know that the demand for workers with graduate education is rising. As mentioned above, the number of jobs for those with graduate degrees rose by 33% to over 1.3 million between 2004 and 2010. Universities from coast to coast are imbedding skills development courses for graduate students to ensure that they are 'job ready'. Organizations like Mitacs are actively developing mentoring and internship programs that will benefit students — and the companies that they interact with. As the population grows and as day-to-day living becomes ever more technologically complex so do social and economic issues that require the specialized training and advanced skills that

graduate education provides. Ensuring that research continues within universities to permit the education and training of successive generations of workers is crucial if Canada is going to meet the challenges posed by generational change.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

It is recognized within the university community that there is a need to add to the range of skills that graduates bring to the workplace. As stated by Professor Douglas Peers, then Associate Vice President (Graduate) and Dean of Graduate Studies at York University (in his keynote address at a conference entitled Navigating Your Path: Exploring and Supporting Teaching Assistant and Graduate Student Development, held at the Ontario Institute for Studies in Education in Toronto in May 2011), concerning the need for skills training: ... it is essential that our institutions prepare and graduate students who are flexible, adaptable, and (to put it bluntly) more immediately employable than may have been the case in the past. ... our students need to profit from our willingness to put our time and resources into supplementing their core education with skills training that will help them to forge pathways into the world of work such that they will have the opportunity to realize their potential for contribution to the wider world in varied ways. CAGS REQUESTS THAT THE FEDERAL GOVERNMENT INVEST IN INNOVATIVE SKILLS TRAINING FOR GRADUATE STUDENTS IN ALL DISCIPLINES THAT WILL COMPLEMENT THEIR ACADEMIC SKILLS AND MAKE THEM BOTH MORE COMPETITIVE AND MORE WORK PLACE READY.