

2023-07-27

Standing Committee on Science and Research Sixth Floor, 131 Queen Street House of Commons Ottawa, Ontario K1A oA6 Sent via email to: SRSR@parl.gc.ca

Dear Committee Members,

Thank you for the opportunity to submit a brief on Canada's non-indexation of graduate scholarships and post-doctoral fellowships. As Vice-President Research and International at the University of Waterloo - one of Canada's top research-intensive universities - I view addressing this issue as an urgent priority.

Canada has a well-documented productivity gap. We also know that Canadian innovation potential has yet to be fully realized. Increasing investment in the training of highly qualified personnel (HQP) is an essential part of solving both challenges. Simply put, the more HQP we develop, the better positioned we are to compete in a global context.

Graduate students are at the heart of everything we do at the University of Waterloo. Through our unique creator-owned IP policy and our renowned co-op program, the impact of our highly entrepreneurial graduate students is felt far beyond campus. Our graduates often start their own businesses and in turn hire other graduates, creating a virtuous circle of business growth and development. In fact, many high-value Canadian startups, including ApplyBoard and Faire, were developed in the University of Waterloo ecosystem. For Canada to preserve its reputation for research excellence and to attract and retain talent, the underfunding of graduate students and postdoctoral scholars needs to be reversed immediately.

For decades, Canada has lagged its peer countries in this type of investment. In a high-inflation environment stagnant funding is effectively a funding cut, additionally compounding our challenges in competing with European and U.S. institutions who regularly provide much more generous funding to top students. Students are also facing considerable headwinds for basic living costs, including food and housing. As you are no doubt aware, the Biden administration has made significant investments in research and innovation, further eroding our competitive edge.



In my role as Vice-President Research and International, I would like to endorse the recommendations made to the Committee by the Canadian Association for Graduate Studies (CAGS) and Universities Canada:

**Recommendation 1:** Increase funding for the core budgets of the Natural Sciences and Engineering Research Council (NSERC), the Social Sciences and Humanities Research Council (SSHRC), the Canadian Institutes for Health Research (CIHR), and the Canada Foundation for Innovation to improve Canada's research and development competitiveness.

**Recommendation 2:** Raise the value of the Canada Graduate Scholarships and adjust them for inflation on a regular basis.

**Recommendation 3:** Increase the number of Canada Graduate Scholarships and Post-Doctoral Fellowship awards to develop the next generation of highly qualified research talent.

At post-secondary institutions, a significant amount of external research funding is used to pay for graduate and post-doctoral students. Students are such a vital part of the research enterprise. For example, at the University of Waterloo, almost 60% of funding from tri-agency grants are spent on HQP training. When you consider that some of these funds are for infrastructure on which students gain training, then the proportion of funds outside of infrastructure used directly for supporting students is much higher and growing. If funding for this training had kept pace with inflation, it would free up substantial funds that could be redirected to other priority research activities, including, importantly, opportunities for enhanced training of students.

Supporting a robust and globally competitive economy means investing in the sectors of today AND tomorrow. Universities are where breakthroughs happen in areas like AI, quantum computing, biosciences, and EV batteries. Increased funding to develop HQP will keep Canada as a top destination for in-demand talent and address structural economic issues in the labour market. Canada is well-positioned to meet the moment but only with the full buy-in of the federal government. The future success of our research and innovation ecosystem depends on it.

Charmaine B. Dean

Vice-President, Research & International