

The University of British Columbia

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?

Canada has weathered the global financial downturn better than other jurisdictions and has done so, in part, because of disciplined budgeting leading up to and during the global downturn. We recognize this fiscal discipline will continue as the global economy stabilizes and recovers. Notable during a time of fiscal restraint has been the federal government's desire to pursue policies aimed at cultivating a robust innovation environment. Through the federal Science and Technology strategy, the Jenkins panel and successive budgets that have pursued a balance between investing in R&D and fiscal restraint the government has acknowledged that a country's success is rooted in its ability to discover and innovate. Canada's relative success during the global economic downturn has positioned our country, perhaps like no other, to convert this crisis into an opportunity – to move into a position of even greater strength. Doing so necessitates that we re-tool to even more innovation. Canada needs to focus policy and expenditures more acutely on innovation across the economic space, from our resources sectors to ICT to health sciences and other key industries. Today, we can hardly imagine operating a business or organizing the kids' soccer practice, without a smartphone. An industry has emerged over the last two decades that few if any could have predicted. Today, we do not know what will be the new BlackBerry, iPad or internet. What we do know is that those industries emerged from vibrant innovation economies. UBC researchers are translating innovation investments into ideas and technologies. Whether developing new products from wood pulp, like a film that blocks infrared light and reduces the heat from the sun, or developing new health care tools, like a fibre optic-based tool to diagnose melanoma with the potential of negating the need for lesion biopsies, these researchers are continuously spawning new markets and industries. Vibrant innovation economies are those where talent, research and research infrastructure have access to stable and sustainable funding. We encourage government to continue to make these strategic investments to bolster Canada's competitive advantage we emerge out of the global economic downturn.

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?

Job creation is about people – not only the individuals with the right skill set being hired into new employment opportunities but those creating these opportunities – the talented individuals who have the vision and the entrepreneurial spirit to advance an idea and to create jobs for tomorrow. We need the company builders as much as we need the experts and technicians to operationalize those companies. Earlier this month, the Government of British Columbia released its Technology Strategy. As part of that strategy, government highlighted companies making their mark in the innovation environment. Of the eleven companies, eight had a linkage to UBC – three were UBC spin-offs and, perhaps more importantly, five were founded and/or led by UBC alumni. Increasingly, individuals who

succeed at finding employment and individuals who create employment opportunities are those who have pursued higher education and are connected internationally. The importance placed on being able to build international networks and navigate global issues will only increase. To succeed in the economy of tomorrow, Canadians need to act and think globally. UBC had the pleasure of recently hosting Minister Fast as he announced an updated report by Roslyn Kunin highlighting the importance of international education to the Canadian economy. We also look forward to the soon-to-be released report by Western University President, Dr. Amit Chakma, on how Canada and Canadian universities can be better positioned internationally. However, we wanted to specifically highlight the importance of Canadian-based students pursuing an international experience, a particularly important strategy for improving Canada's competitiveness. In fact, evidence suggests that the benefits of students going out of the country are much greater than the impact of students coming into the country. Despite our efforts, only 12 percent of Canadian undergraduate students have a study abroad experience by the time they graduate compared to about 20 percent in the USA and more than 30 percent in Germany. As such, we encourage government to investment in a program that will enable Canadian students to have at least one international experience and enable them to become the job creators of the future.

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?

The demographic challenges facing Canada are well known. To withstand these challenges Canada needs to increase the number of young people entering the work force and ensure that these young workers are either creating or entering positions that require advanced skills and, accordingly, pay more. A two-pronged strategy – more young workers in higher paying jobs – that is crucial to creating the financial base needed to support an aging population. Relying on the existing Canada-based cohort enrolling at our universities is not enough. Growth in enrolment based on current trends is projected to peak as early as 2012/2013. At that point the major drop in the size of the youth cohorts begin to affect enrolment reaching a trough in full-time post-secondary enrolment in 2025/2026, with a student population down 9% from the previous peak 13 years earlier. Two specific areas require greater attention: aggressively recruit talented individuals to Canada and improve Aboriginal student enrolment and success at post-secondary institutions. Government has developed a number of programs aimed at attracting international talent to Canada. As well, working with the private sector, the Canadian government is determined to facilitate greater access to the Canadian labour market. These efforts should be applauded and should be developed further. Government should ensure that regulations and policies governing international students and researchers are rigorous but do not thwart the Canadian competitive advantage. In successive budget submissions UBC has highlighted the untapped talent that is Canadian aboriginal youth. With the fastest growing youth cohort, aboriginal communities remain woefully unengaged in post-secondary education. Enrolment rates of aboriginal students are improving. In the last academic year, UBC admitted 119 new aboriginal students – the highest intake yet. This year UBC also graduated 12 aboriginal students from the University's Faculty of Medicine – the largest to date. And while overall enrolments rates are on the rise and success stories are emerging more needs to be done. We understand that this requires a broader discussion, involving a broad spectrum of stakeholders. UBC and partner institutions stand ready to engage these partners to highlight best practices, lessons learned and how to advance this agenda.

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?

We know that productivity has been a perennial challenge facing the Canadian economy. The federal government had the foresight to initiate the Jenkins' report and is currently considering the recommendations Mr. Jenkins and his fellow panelists have made. The Jenkins' report noted that research universities play a key role in our ability to foster innovation both as a source of highly skilled individuals and as a source of the basic research that generates disruptive technologies upon which a vibrant innovation economy is based. We look forward to continuing collaboration with government and the private as the panel's recommendations are considered and implemented. In the pursuit of an innovation-based economy, the importance of closer collaboration between the private sector, government and our leading research universities cannot be understated. The Jenkins report highlighted how this interplay – the collaboration and interconnectedness of the private sector, government and post-secondary institutions – is key to Canada developing an innovation-based economy. In considering this challenge, government should focus programs on small and medium-sized enterprises (SMEs) which make up the bulk of the Canadian private sector. One of the significant challenges facing SMEs is the hiring of individuals with advanced education – precisely the talent that advances productivity and innovation. As such, programs should focus on advancing existing efforts that cultivate and support those individuals who drive innovation and are receptive to innovation. Programs like Mitacs Accelerate or entrepreneurship@UBC provide solid examples of how post-secondary institutions can facilitate greater interaction between on-campus talent, both researchers and students, and the private sector. This is particularly true for SMEs who may not have access to ready capital to invest in R&D or talent. These programs provide the crucial bridge between industry needs with innovation talent. Enhancing linkages and partnerships between academia and the private sector will improve productivity in the business sector and benefit the Canadian economy overall.

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?

Canadians across a spectrum of sectors and experiences are feeling the impact of the global economic downturn, some more than others. Those who are equipped with the transferable skills and the ability to adapt to dynamic environments are better able to navigate an increasingly unstable and unpredictable economic climate. Conversely, those without those skills and abilities are struggling. Numerous reports and observers agree that the single most important factor in ensuring an individual can withstand and even thrive in periods of great uncertainty is education. The recent OECD Economic Survey of Canada (2012) underscored the value of education for all Canadians. Per the report, investing in education can bring significant socio-economic benefits, including "higher wages and job satisfaction, fewer periods of unemployment, and improved health and quality of life". Education does not only benefit the individual, but the right education and training is a key basis for an innovation environment, "Improving innovation performance in Canada will require a workforce with more of both advanced and multi-disciplinary skills". The recent Jenkins' report echoed this sentiment, "Canada's future as an innovation-based economy depends on ensuring there are sufficient numbers of talented, educated and entrepreneurial people. The primary source of such talent is our public post-secondary education institutions." And the value of education, particularly post-secondary, education is increasing. A recent report by the British Columbia Business Council estimated that three-quarters of all job openings in this

decade will require some form of post-secondary training, and that a third of all new jobs will demand a university degree. Too often, potential first generation learners, individuals with low-income and many First Nations choose not to pursue post-secondary education because they do not fully appreciate the associated benefits. That's not good for Canada or for our economy. Collectively, we need to increase the number of young Canadians pursuing post-secondary education, whether that is through an auto mechanics diploma or through a PhD in mechanical engineering. Engaging Canadians, particularly those who have not traditionally pursued higher education, will benefit Canada and Canadians today and for years to come.