



IMPROVE LIFE.

The University of Guelph Pre-Budget Submission

August 7, 2020

Standing Committee on Finance
House of Commons
Ottawa, ON K1A 0A6

Dear Members of the Standing Committee on Finance,

The University of Guelph (U of G) is pleased to submit our 2021 pre-budget submission for your consideration. During this unprecedented time, U of G stands with the Parliament of Canada in combating the COVID-19 pandemic, helping in our country's economic recovery, and providing support to our local community. The U of G community has risen to meet the challenges before us while continuing to enhance our reputation for quality and excellence. Through this challenging period, U of G is proud to contribute the highly skilled talent, vital knowledge and innovation that is providing real solutions and continuing to drive Canada's economy. In addition, the U of G has leveraged our research expertise and facilities to fight COVID-19 and have helped address local community needs through the donation of personal protective equipment and medical supplies.

U of G applauds the federal measures provided to date that are supporting Canada's post-secondary sector during the COVID-19 pandemic. The \$9 billion investment announced in April 2020, which includes the Canada Emergency Student Benefit and enhancements to the Canada Student Loan program, is having a meaningful impact on U of G students. As well, the announcement of \$450 million to support Canada's research community will be critical for researchers and research institutions that were unable to access other COVID-19 support measures.

Recognizing the vital role that post-secondary education will play in Canada's economic recovery, U of G looks forward to continued and future federal investments that support the development of a highly skilled workforce and the sustainability of post-secondary institutions. We ask the government to consider policy decisions, strategies, and investments in four specific areas which we feel are essential to establishing a strong, prosperous Canada:

- Ensure the financial sustainability of Canadian universities
- Continue to make Canada a top destination for international students
- Support the modernization of Canada's post-secondary infrastructure
- Provide continued support for the agriculture and food sector

Overview of the University of Guelph

U of G is among Canada's top comprehensive universities; both learner-centred and research intensive. Spanning both urban and rural hubs, U of G has nearly 30,000 undergraduate and graduate students across our three campuses in Guelph, Toronto and Ridgetown. We promote active inquiry and collaborative creativity across a range of disciplines, developing exceptional thinkers and global citizens. Our focus on developing the whole student and our collaborative approach to research is driven by a common goal: to improve life.

Known as Canada's Food University, U of G has a 150-year legacy in agri-food and veterinary medicine and a reputation for innovation. U of G is globally recognized for our expertise in agriculture and food, ranking 1st in Canada and 3rd worldwide in agricultural science. In veterinary medicine, U of G is ranked 1st in Canada and 5th globally.

Ensure the Financial Sustainability of Canadian Universities

Throughout the pandemic, U of G's top priority has been the health and safety of our students, faculty, staff and community. As an institution, we responded quickly across our campuses by rapidly moving to alternate format and online education delivery. Significant costs were associated with this transition, including student refunds for cancelled services, residence closures, emergency student financial support, online course delivery, and the reconfiguring of physical spaces. Like many universities, in Fall 2020, U of G will deliver the majority of our classes in a remote function and our residences will operate at a reduced capacity in support of public health measures.

In many communities across Ontario universities are important economic engines for their local economies. U of G is no different. As Guelph's second largest employer, U of G is vital to our region's economic success. A recent study by KPMG estimated that our economic impact on the Guelph and Wellington region was \$1.6 billion annually. Much of this impact is a result of the talent and subsequent economic spending of our workforce.

U of G has moved with great speed to shift our operations and supporting workforce to remote delivery. However, a portion of our workforce remains unable to work remotely due to a number of factors, including but not limited to, added family care responsibilities, inability to perform duties remotely, and the temporary suspension of services provided. U of G has gone to considerable efforts to maintain our full-time workforce and avoid layoffs. However, we are now expecting this major financial disruption to continue for the medium to long term. Coupled with an anticipated decline in enrollment from both domestic and international students, increased operating costs and an overall reduction in revenue generation, salary costs continue to be a significant pressure.

As the University has not been eligible for most federal COVID-19 supports to date, including the Canada Emergency Wage Subsidy, U of G recommends one-time financial assistance to Canadian universities to help mitigate this significant fiscal impact and directly sustain our workforce. This will help support the crucial role that Canadian universities have in the country's economic recovery, including the development of highly skilled talent, the impact that University spending has locally and partnerships with businesses that drive regional economic development. Providing financial assistance will help give stability to universities and directly support economic recovery in communities across Canada.

Continue to Make Canada a Top Destination for International Students

Through both our international reputation and targeted outreach, U of G has become a destination for global talent, with students coming to our campuses from all over the world. Travel restrictions and reduced in-person education has had a unique impact on attracting international students. Canada must continue to draw top talent from around the world, as international students play a vital role to Canada's economy and cultural make-up. International students contribute \$21.6 billion annually to Canada's economy and many of these students often stay after graduating to build lives and careers here.

U of G applauds the government for the recent changes that support international students. This includes allowing international students to begin their classes abroad online, the creation of a temporary two stage approval process to allow applicants to count this time towards their post-graduation work permit, and prioritization of study-permit applications processing by Immigration, Refugees and Citizenship Canada (IRCC).

Going forward, we recommend that the government implement further measures to attract and retain international students. First, when it is safe to do so, the government should prioritize the approval of international students on visa study permits to enter Canada. We ask that IRCC continue to increase its capacity to process the high volume of applications in time for the start of the Fall 2020 semester. Second, we recommend the establishment of funding to cost share the safe arrival and quarantine of international students. U of G, like other Ontario universities, have put in place quarantine plans, including housing and food programs, to safely integrate international students to our campus and local community. Government funding is required to help universities offset these costs, which have been estimated at more than \$80 million in Ontario alone. Lastly, continue to make Canada a top destination for international students through investments to recruit and retain students from new and existing markets. Through an increased international recruitment and retention strategy, the government should make investments in brand enhancements and market diversification.

Support the Modernization of Canada's Post-Secondary Infrastructure

As the government moves forward with its infrastructure investment plan in response to the COVID-19 pandemic, U of G requests that dedicated investments be made in the post-secondary sector. Investments in campus infrastructure create a significant local economic impact, a lasting community benefit and competitive advantages for Canada's economy.

Modernizing our campus infrastructure to create state of the art learning environments while reducing our carbon footprint remains a growing challenge. The average age of U of G buildings is more than 50 years old and we continue to deal with increasing deferred maintenance cost pressures. In addition, to support the government's commitment to combating climate change, investments are needed to accelerate efforts to reduce emissions from campus infrastructure. U of G already has a strong commitment to environmental sustainability; having reduced our emissions by 31 per cent since 2005.

As trusted stewards of public funds, Canadian universities can quickly move forward with shovel ready infrastructure projects that will have a direct economic impact. By investing in university infrastructure, the government will spur localized economic recovery while also making necessary upgrades to support the training of tomorrow's workforce in high demand fields. The COVID-19 global pandemic has highlighted that technology enabled learning and access to modern digital infrastructure are essential components for a sustainable and effective post-secondary education system. U of G recommends a competitive infrastructure fund for public post-secondary institutions to support Canada's economic recovery from the pandemic while building modern, sustainable and technology enabled teaching and research spaces.

Provide Continued Support for the Agriculture and Agri-food Sector

As Canada's food university, U of G's expertise and focus on agriculture and food is a unique institutional strength. During the COVID-19 pandemic, our country's agriculture and agri-food sector continues to provide safe and nutritious food to Canadians while supporting employment across the country. However, as a result of the pandemic, some of the sector's vulnerabilities and structural issues have surfaced. In response, U of G's Arrell Food Institute (AFI) and the Canadian Agri-Food Policy Institute (CAPI) are engaging in a national discussion on the specific lessons learned during this time and how to build a resilient Canadian agri-food system. AFI and CAPI will develop policy options and strategies pertaining to the economic viability of the farm sector, sustainable food production, and Canada's place on the global stage. We plan to share the final recommendations of this exciting initiative with members of the committee.

In the near term, the Government of Canada should make strategic investments that help support the agriculture and agri-food sector to help prepare it for the future. Firstly, the need for investments that support innovation in the sector are increasingly important as they have the potential to both grow the sector while safeguarding it from future disruptions. Looking forward, technological trends such as computing power, connectedness and big data will be critical. Utilizing real-time information technology will help us deliver and manage resources more efficiently, produce more food and reduce our environmental footprint. We know from previous U of G research breakthroughs, such as the Yukon Gold potato and Millennial Asparagus, the lasting impact that innovation can have on the prosperity of the sector. Continued investments in innovation, research and commercialization are essential to realizing the full potential of the agri-food sector.

Secondly, the shortage of highly skilled talent from within Canada remains a significant barrier for growth. Over the last few months, the pandemic has highlighted certain vulnerabilities in the sector's workforce, specifically around the temporary foreign workers program. As an institution focused on educating and training the agricultural leaders of tomorrow, U of G uniquely understands the current trends and needs of the sector's workforce. Currently, there are four jobs for every one U of G agriculture and food graduate in Ontario. This number has grown from three jobs for every one graduate since 2012, demonstrating the increasing talent gap. Access to highly skilled talent is essential for our business and industry partners to grow their productivity. U of G is uniquely positioned to be a key partner in broadening the available talent pool and training the next generation of Canadian industry leaders while also providing innovative solutions through leading research and discovery.

By working together, U of G, the Parliament of Canada and the government can partner to ensure our economy recovers from the pandemic and comes back stronger. U of G values our ongoing partnership with the Government of Canada and is pleased to provide recommendations for the 2021 federal budget. We look forward to working together to combat COVID-19, strengthen our post-secondary education system and support Canada's economic recovery.