

Written Submission for the Pre-Budget
Consultations in Advance of the
Upcoming Federal Budget



Recommendation 1: That the Government of Canada continue to make investments in research and graduate training through the Tri-Council.

Recommendation 2: That the Government of Canada continue to support students through investments in work-integrated learning programs, including incentives to employers to hire co-op students.

Recommendation 3: That the Government of Canada continue to invest in entrepreneurship at post-secondary institutions, ensuring that Canada has a robust pipeline of innovative ideas and entrepreneurial talent to see these innovations come to life.

Recommendation 4: That the Government of Canada work with the provinces to develop an appropriately cost-shared capital program for both on-campus infrastructure and deferred maintenance, that allows campuses to decrease their carbon footprint and develop a more resilient campus community.

The University of Waterloo thanks the Government of Canada for its ongoing support during COVID-19. The Government's proactive and compassionate response made the lives of our students, researchers, faculty, staff and members of the community easier during these difficult times. In particular, we would like to thank the Government of Canada for the significant and comprehensive support for our students.

Expanding access and enhancing the Canada Student Loans Grant will reduce barriers to our world-class post-secondary education for Canadian students and allow for continuity of study, both of which are particularly critical in this changing economy.

The Canada Emergency Student Benefit recognizes the unique hardships our students are facing in the midst of COVID-19. By recognizing the different circumstances facing students, the Government has worked to ensure equitable access to education. Extending this program to incoming students also motivates higher participation in post-secondary education, which will ensure a pipeline of highly qualified Canadian talent to help spur our economy in an ongoing manner. As of this submission, University of Waterloo Fall 2020 enrolments are slightly above average, and we thank the Government of Canada for providing our domestic students with support that recognizes the challenges they face and that encourages continuity of study.

We would also like to thank the Government for helping to provide more certainty to our international student community in the midst of great uncertainty. Providing priority study-permit processing and reassurances to those who are unable to fully submit the required documentation for their applications means that our students can pursue their education while ensuring everyone's safety. Recognizing online study in calculating eligibility for post-graduate work permits is a compassionate response to these particular circumstances.

The University of Waterloo would also like to thank the Government of Canada for the continued support for work integrated learning. The University of Waterloo is home to North America's largest co-op program, and co-op has been integral to the University since its founding. Prior to the COVID-19 pandemic, the University of Waterloo's co-op placement rate was consistently over 95%, with average earnings of over \$12,000 per work term. With over 7,100 employers in over 60 countries, the University of Waterloo's co-op program ensures that our graduates are future-proven, and able to transition quickly to the workforce. COVID and the resulting economic challenges have impacted industries across the globe, and many employers are hesitant to hire new workers, especially those on short-term contracts such as co-op students. Employers have also noted challenges with onboarding in a work from home and remote work environments. The University of Waterloo's Co-operative and Experiential Education team has compiled information and advice for [co-op employers](#) and [co-op students](#) to help navigate these unique challenges.

The Government of Canada's support for innovation and entrepreneurship has also helped our institution and community move forward through the COVID pandemic. Entrepreneurship drives our teaching, learning and research at the University of Waterloo, and underpins Waterloo Region's innovation ecosystem. We have been proud

of our University of Waterloo researchers, faculty and students who have [pivoted](#) their work to help the fight against COVID. Across Waterloo Region, community members, including University alumni, have worked together to exemplify this entrepreneurial spirit by retooling businesses and initiatives to address the immediate needs of the community, region and country. We thank the Government for its ongoing and multifaceted support for entrepreneurship, which has helped to ensure the sustainability of our institution and community during these times.

As the Government of Canada prepares Budget 2020, we recognize the significant financial challenges facing our country, as well as the global economy. The University of Waterloo would like to extend an open offer to help with the economic restart post-COVID. The post-secondary education sector is well-poised to aid in the post-COVID recovery period, and continued investments in key areas will ensure that the sector continues to drive the economy forward through education and training as well as innovative research responding to today's and tomorrow's challenges. The University of Waterloo puts forward the following recommendations in advance of Budget 2020:

Innovation through research

That the Government of Canada continue to make investments in research and graduate training through the Tri-Council.

Canada benefits enormously from the world-class research undertaken at our universities. With the onset of the pandemic, researchers across the country pivoted their work to address immediate challenges and to retool their capacity to produce necessary devices and technologies. Moving forward, our innovative, multi-disciplinary and collaborative research will help position Canada, our economy and our workforce to create opportunities to drive the new economy. As we move toward recovery from COVID, we will have the opportunity to create a new, resilient and sustainable future. Research into the environment and climate change; cybersecurity; quantum; advanced manufacturing; biotechnology and other fields will not only provide solutions to today's critical questions, but will also spin off readily-commercializable innovations that will drive our economy forward.

Beyond the application of research, graduate programs at universities provide training to fill the pipeline of highly qualified workers for tomorrow's economy. Students with advanced degrees from Canada's post-secondary institutions have deep technical skills, as well as the transferable skills needed to adapt to our ever-changing society and economy.

Sustained investments in research and training will ensure that Canada is well-positioned to continue to move forward through COVID recovery.

Ensure tomorrow's future proven workforce

That the Government of Canada continue to support students through investments in work-integrated learning programs, including incentives to employers to hire co-op students.

As the labour market contracts, young Canadians are particularly vulnerable to employment disruptions. The University of Waterloo appreciates the Government's comprehensive recognition of the unique challenges facing our youth during COVID, particularly the incentives and support to continue with their education throughout the crisis. The global economy is likely to face an ongoing recovery, and we must ensure that our students are equipped with the skills they need to transition to the workforce as a skilled and resilient worker. Work-integrated learning experiences are one of the best ways to ensure that our youth are work-ready in this ever-evolving economy. Co-op students provide significant return on investment to employers. A recent [study](#) by Deloitte found that the total employer gains from the University of Waterloo co-op program in 2018/19 was \$525 million, contributing \$567 million to Canada's GDP with over 7750 FTE equivalents created or sustained across Canada, excluding the co-op positions themselves.

The University of Waterloo encourages the Government of Canada to continue to invest in a range of programs to expand work-integrated learning, and particularly to encourage employers to hire co-op students. We recommend that the Government extend the flexible changes to the Student Work Placement Program (SWPP) through March, 2023. These changes, including flexibility regarding date of placement, wage subsidies of up to 75% and expansion of employer of record, have incentivized employers to hire co-op placements during a period of uncertainty. This allows employers to benefit from young talent now, while further developing a pipeline of talent for the recovery.

Build a pipeline of innovative ideas

That the Government of Canada continue to invest in entrepreneurship at post-secondary institutions, ensuring that Canada has a robust pipeline of innovative ideas and entrepreneurial talent to see these innovations come to life.

The changing nature of the economy and society will require a nimble and entrepreneurial workforce in order to succeed. The University of Waterloo was founded on this entrepreneurial spirit and commitment, which our students, faculty and staff continue to exemplify. In response to COVID-19, the University of Waterloo's incubator, Velocity, has seen a number of companies [retool](#) to address needs from PPE production and distribution to testing to vaccines. As the most productive university-linked incubator in Canada, Velocity has a decade-long track record of helping founders to identify commercializable opportunities. A recent study from Deloitte found that over the past decade, University of Waterloo's entrepreneurship program has created over 7,500 jobs with revenues of over \$2.3 billion. Annually, companies that have been through Velocity or the Accelerator Centre contributed \$170 million to Canada's GDP in 2018-19. This success has a long track record of investment from the federal government, and we encourage the Government to continue these investments to ensure that entrepreneurs continue to develop innovative ideas that can increase Canadian competitiveness, adapting quickly to the impacts of changing needs and global markets.

Build resilient campuses across Canada

That the Government of Canada work with the provinces to develop an appropriately cost-shared capital program for both on-campus infrastructure and deferred maintenance, that allows campuses to further decrease our carbon footprint and develop a more resilient campus community.

Building on the success of the Post-Secondary Strategic Infrastructure Fund, the University of Waterloo proposes a similar program for improving energy efficiency on campus. The U15 estimates that there are approximately \$5 billion worth of shovel-ready campus infrastructure projects with significant energy efficient opportunities, ranging from the expansion and upgrade of bioenergy facilities to the retrofitting or replacing of old buildings. Across Canada, the post-secondary sector has a long history of delivering shovel-ready infrastructure projects on time and on budget, stimulating local economies with meaningful improvements. The University of Waterloo proposes that the Government of Canada work with provincial governments to develop an on-campus infrastructure program that will be appropriately cost-shared and that will enable an increasingly sustainable and resilient campus that reflects the future of teaching, research and innovation in Canada.

The University of Waterloo thanks the Government of Canada for its ongoing work during the COVID-19 pandemic to keep Canadians safe, and for its long-time commitment to education, research and innovation. We look forward to working with the Government and all Canadians as we move towards an economic recovery. We are happy to speak further to this proposal and answer any questions you may have.