



MOVING FORWARD AS A KNOWLEDGE COUNCIL

Canada's Place in a Competitive World

Statement to the House of Commons Standing Committee on Finance
by the Social Sciences and Humanities Research Council of Canada

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The Social Sciences and Humanities Research Council of Canada (SSHRC) is an arm's-length federal agency that promotes and supports university-based research and training in the social sciences and humanities. Created by an act of Parliament in 1977, SSHRC is governed by a 22-member Council that reports to Parliament through the minister of industry.

SSHRC-funded research fuels innovative thinking about, and evidence-based approaches to, societal issues. These include the economy, education, health care, the environment, immigration, globalization, language, ethics, peace and security, human rights, law, poverty, mass communication, politics, literature, addiction, religion, Aboriginal rights, the past, our future.



INTRODUCTION

For almost thirty years, the Social Sciences and Humanities Research Council (SSHRC) has made vital contributions to the federal government's efforts to improve Canadians' quality of life and to increase Canada's competitiveness through science and technology.

SSHRC is Canada's key—and only national—instrument for supporting the best researchers and graduate students in the social sciences and humanities (SSH). The Council also helps to shape science policy and to chart directions for the Canadian research effort in these fields.

Fifty-three per cent (19,000) of full-time professors and 55 per cent (49,000) of full-time graduate students at Canadian universities work in social sciences and humanities disciplines. Together, they represent a rich pool of knowledge and expertise, bringing excellence to the classroom, expert knowledge to society, and leaders and innovators to workplaces in every sector.

As nations around the world invest massively in research and talent to nourish their own burgeoning knowledge societies, this pool—our source of managers, entrepreneurs, teachers, public servants, political leaders, to name but a few—will be key to maintaining Canada's prosperity, competitiveness and quality of life.

1. SSHRC: INVESTING IN PEOPLE AND KNOWLEDGE ABOUT PEOPLE

SSHRC is about people. We invest in knowledge *about* human beings, about how individuals and groups live and work together, about how society works, about how businesses function, about how policies are made, about how services are delivered, about the world in which we live and our place in it. We do this through the support of more than 5,200 researchers every year, who develop new ideas and new knowledge about human nature and behavior and stimulate debates about social, economic, and cultural issues.

We also focus on people by investing *in* the nation's best and brightest minds. Through research training and career support, we build the research skills and know-how of students and scholars who contribute to every sector of the economy and every facet of life in Canada. We do this by supporting directly, through scholarships, 3,800 graduate students and just as many through indirect support provided by research grants to researchers. Just as importantly, SSHRC's investments in research enrich the learning environment in which these thousands of students acquire and hone the skills they will successfully take to various labour markets.

Finally, we invest in people by supporting the partnerships, interactions and knowledge sharing between researchers and other sectors of society that bring the benefits of knowledge to society. All of these investments are made on the basis of a rigorous merit-based review by Canadian and international experts.



2. PROSPERITY IS FUELLED BY TALENT

Research and development has long played a major role in Canada's economic and social success. It has helped us to have among the highest economic growth rate in the OECD, to develop a quality higher education system, to have one of the most educated populations in the world, a competent workforce, and a strong social fabric. Its impact on GDP was estimated to be \$50 billion in 2004. The vast majority of jobs created in Canada for the past fifteen years have been for people with postsecondary degrees and the fastest growing occupations are for those with the highest levels of education. Between 1990 and 2004, 400,000 new jobs were created for people with master's or doctoral degree, a growth of 70 per cent. These highly educated workers allow us to develop the best products, to sustain businesses and institutions with the best services, to educate the next generation, and to maintain a high standard of living. In 2003, university graduates made up 23 per cent of the population aged between 25 and 64 and contributed 42 per cent of the income tax base in Canada. Students in the SSH form 63 per cent of these postsecondary graduates.

In the knowledge society, the landscape of industrial sectors is changing. Traditional sectors such as the services sector are increasingly knowledge-intensive and emerging sectors such as cultural industries are fuelled by knowledge in the SSH. Today's challenge is to feed labour market demand for the skills our graduates bring to the changing marketplace.

Advanced nations such as France, Germany and the US, and emerging economies such as Korea, China, and India, know the value of these investments and are doing the same and better. They are engaged in a race to produce the knowledge and ideas that create growth and prosperity; they are competing for the talent that makes it happen.

3. A CENTRAL ROLE FOR SSH KNOWLEDGE

Research in the SSH is an important part of our efforts to be competitive and sustain a high quality of life. We live in challenging times and knowledge has become our most precious currency.

World conflicts are forcing us to understand regions of the world we knew little about—Kosovo, Darfur, Angola, Afghanistan, North Korea. Businesses are competing in a global market that is continually expanding, with the imperative to keep up with technological advances in Japan and to understand consumers in China. Crime is conducted in cyberspace. We need to make decisions about genetically modified food and gene therapy. We need to make choices about how to invest our retirement savings in unstable global markets and about how to vote on free trade. We need to know how to make borders safer when millions of people travel everyday. Knowledge is at the core of decisions that are made every day by parents, leaders citizens, organizations and governments.

The social sciences and humanities provide research-based knowledge about people, what motivates them, how they live, how they interact. It provides knowledge about institutions, how they function, what makes them efficient, what makes them competitive. It provides knowledge about the world we live in and our place in it, the



languages, cultures and history of its people, and about foreign policies and market trends. It builds understanding of humans and our place in the world, helps develop social and economic policies, and improves the way institutions, businesses and organizations make decisions and function.

4. THE VALUE OF THE FEDERAL INVESTMENT

The federal and provincial governments have long maintained a productive partnership to support higher education in Canada. The provinces invest some \$12 billion annually to support universities' operational costs, professors' salaries, student aid and awards, and research. For its part, the federal government invests close to \$2 billion annually for direct support of research excellence through the three federal granting agencies, the Networks of Centres of Excellence, and the Canada Research Chairs program.

Of this, the federal government allocates \$306 million through SSHRC to support international standards of excellence in social sciences and humanities research and research training. SSHRC grant and scholarship holders are the best in Canada—and among the best in the world—in their respective fields. In fact, half the experts who review SSHRC research proposals are from abroad. The resources SSHRC makes available for research, and the rigorous national standards its system of peer-review imposes, raises the bar for research quality and promotes the highest standards in every part of the country.

By funding the very best, we help to make Canada a top destination for the best students and researchers. In so doing, we also create a pool of excellence across the country, help to link it with its other pools of excellence in the world to generate the best research and address complex global issues, often bringing unique Canadian perspective and values to the task. It also allows us exercise national leverage to connect researchers on a national scale, to bring their expertise to bear on research areas of importance to Canada, and to promote novel ways to do research that help bring the benefits of knowledge to society through partnerships between researchers and users of research.

5. THE OUTCOMES OF INVESTMENTS IN SSHRC

Through SSHRC, the federal government has built a competitive research infrastructure and helped position the SSH on the world stage. Among other accomplishments, SSHRC has:

- built an enviable “made in Canada” research capacity across all fields of the SSH and world leaders in some areas: in terms of publications, in key disciplines such as psychology and business, we rank among the top three in the world;
- created 379 research chairs that have allowed us to retain some 282 researchers in our fields in Canada and attracted 107 of the best scholars from abroad;
- used this diverse capacity to develop targeted knowledge in over fifty areas that are of critical importance for the country today—for example population



aging, opportunities and challenges of the knowledge-based economy, Aboriginal peoples, federalism, the management of technological change, education and training;

- generated an additional \$40 million for research in targeted areas of national importance by co-funding research with external partners;
- positioned Canadian research in the world through major collaborative research initiatives in which Canada leads major international teams of researchers around issues like globalization and labour market mobility;
- built bridges between the research community and policy makers around complex issues such as immigration to help improve policy making in Canada;
- developed innovative approaches that link research with community needs through the Community-University Research Alliances (CURA) program—a model now emulated nationally and internationally;
- directly invested, each year, in the training of 3,800 PhD and master's students who bring their skills to society and have among the highest occupational status, the highest incomes, and the highest rates of return on the investment in their training;
- created a rich training environment for students by making it an objective of all the research programs we fund.

6. CANADA'S INTERNATIONAL COMPETITIVENESS CHALLENGE

One of Canada's most important challenges is to sustain an internationally competitive research environment and to maximize its benefits for society.

Fueling job growth and renewal

Canadian universities are undergoing an unprecedented renewal of their academic staff. In the last five years, Canadian universities hired over 12,000 new professors and estimates are that over 28,000 others will enter the system over the next five years. This rate of renewal has not been seen in four decades. More than half of these new hires will be in the social sciences and humanities. Over the last five years alone, 6,500 of the 12,000 new hires in universities were in these fields. This puts extreme pressure on the system to produce the high quality personnel needed to replace retiring professors and to respond to enrolment increases that are already exceeding forecasts. Fifty-eight percent of PhD graduates in the SSH work outside academia, bringing their expertise, analytical, writing, and global skills to an increasingly knowledge-intensive and diversified marketplace. Labour market projections show that the demand for highly qualified personnel outside universities will continue to grow, and that this demand will be exacerbated by the challenge of replacing our aging workforce.

Growth in university enrolment is already exceeding predictions, yet investments in research capabilities to move undergraduates to graduate programs are not following suit, making more students compete for the same dollars. We risk losing a large part of the cohort we encouraged to pursue higher education if we don't invest to see them through their graduate programs as well as expand the research capability that is needed to accommodate the growth in enrolments.



SSHRC is currently only able to support eight per cent of all full time graduate students in the SSH, therefore leaving a large component of the best students in Canada behind.

Building an internationally competitive research environment

In the face of growing enrolment rates, universities are concerned that they may not be able to continue to provide the rich research environment required to provide quality education to students. Our students acquire their skills by studying in environments where this competitive research is conducted. University researchers keep us at the cutting edge of knowledge. They provide us with a continuous, renewable source of innovative skills and ideas, with tremendous human, theoretical and methodological research capital. This capacity is essential for Canada to train the highly qualified personnel it needs, to conduct internationally competitive research, and to generate the knowledge required to meet our social and economic challenges. SSHRC plays a key role in nurturing this environment by providing the means to the best researchers to conduct high quality research. SSHRC currently invests 41 per cent of its budget in direct research support. This investment is not keeping pace with the transformation of the research community and the changing nature of research and scholarship.

The federal government has created a research-intensive university environment, in particular by investing in the granting councils and in the Canada Research Chairs Program, which has helped to retain and attract the best researchers in Canada. Between 2000 and 2006, SSHRC applications from established scholars increased by 41 per cent, and those by new scholars increased by 102 per cent. At present, SSHRC funds four out of ten projects instead of the seven out of ten that are considered to be excellent by international standards. It invests in one out of three new researchers when two out of three are deemed excellent. As thousands of new, competitive researchers enter our university system, we need to give them the means to conduct top-notch research, to excel, and to bring Canadian knowledge, expertise and perspectives to the world.

Maximizing the impact of research

The State of Science and Technology in Canada—the recent report of the Council of Canadian Academies—points to knowledge transfer as a weakness in our science and technology system and a potential impediment to our international competitiveness. Research-based advances in technology must be accompanied by new research on, new knowledge about, and new discussions of the related economic, social and cultural consequences and impacts. Examples of how technological advances have been stifled in the absence of research, knowledge and discussion on related economic, social and cultural impacts are the introduction of genetically modified food in Europe, the mad cow disease crisis in the UK and controversies over stem cell research in the US. Our future is not strictly technologically driven. Canada needs to do better to ensure that knowledge in all fields of enquiry is sustained and gets out to those who can use it.

SSHRC has shown international leadership in the mobilization, transfer and application of research-based knowledge and has made very significant headway towards a better alignment between research and societal needs by promoting the connections that



make this possible. Over the past 25 years, the Council has actively promoted partnerships between academics and non-academics and the participation of users in research in targeted research areas of concern to Canadian society. Through consultations and needs assessments, SSHRC developed early on capacity in areas that are of critical importance to Canada today, such as the challenges of an aging population and applied ethics. It has created the remarkably innovative and successful Community-University Research Alliance program that links university research and expertise with community concerns. It has concluded over 40 joint initiatives with partners from all sectors to generate knowledge tailored to societal needs.

7. THE WAY FORWARD

SSHRC recognizes that much more needs to be done to unleash the full potential of SSH research and maximize its benefits for society. Equipped with the know-how it has built for the past 25 years, with a strong mandate from extensive consultation with stakeholders, SSHRC will extend its role of a “granting council” to the broader role of a “knowledge council”—an organization that is as concerned with the influence and impact of the work it funds as it is with the generation of high quality research.

SSHRC has three objectives for the next five years:

- **To enhance world-class, innovative research and a competitive research talent pool** in the social sciences and humanities by strengthening a diversified knowledge base, building research tools for the 21st century, and expanding learning opportunities for students;
- **To build meaningful connections** by fostering partnerships that cut across national and international borders, disciplines, and sectors through knowledge clusters and increased international opportunities and networks;
- **To enhance the impact of knowledge** by addressing knowledge gaps in complex areas of concern to Canada and the world; providing broader access to SSH research by building interfaces with media, community groups, the private sector, and all levels of government, and by moving knowledge beyond academia.

SSHRC has taken important steps towards implementing its new vision by launching knowledge clusters, by supporting innovative experiments in knowledge mobilization across Canadian universities, by implementing its new international strategy through programs that open up doors for our researchers internationally and bring our perspectives to the world.

In the face of profound changes in the academic world, increasing demands from a diversified labour market, and the increasing need for knowledge in society, SSHRC seeks the support of the Government of Canada to address three pressing needs:

- **Investing in the renewal of Canada’s research environment**—with a strong focus on nurturing new researchers;



- **Further enriching the quality of the learning environment through research** to better provide SSH graduates with the skills labour markets demand;
- **Ensuring that knowledge generates impact on Canadians** by actively moving research knowledge into the realms of policy, practice, products, and public understanding.

8. CONCLUSION

The federal government can deliver, through SSHRC, what Canada needs for its continued prosperity, competitiveness and quality of life:

- A vibrant, internationally renowned research environment;
- Highly skilled and adaptable people;
- New understanding and innovative research-based ideas;
- The broad and systematic transformation of knowledge into action.

The Council believes that the social sciences and humanities are absolutely critical to Canada's competitiveness, prosperity and success. It believes that SSHRC is Canada's best and most effective instrument to move Canadian research in new directions. Our community is up for the challenge. Our established researchers, the upcoming generation of researchers, and our students want to be given the means to do the best research and to bring the results of their research to bear on society.



SSHRC'S BUDGET, 2006-07

SSHRC's budget for 2006-07 is \$306 million, of which \$160.7 million is allocated for core grants and scholarships, \$63 million to the Canada Graduate Scholarships (CGS) program, \$59 million to the Canada Research Chairs program, \$11.5 million to the Initiative on the New Economy (INE), and \$11.8 million to the Networks of Centres of Excellence (NCE).

Except for core grants and scholarships, all these programs are funded by special allocations which are fixed envelopes that SSHRC cannot reallocate.

SSHRC also manages the federal government's Indirect Costs program—not represented here—which was established on a permanent basis in 2003.

