



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

44th PARLIAMENT, 1st SESSION

---

# Standing Committee on Science and Research

EVIDENCE

**NUMBER 035**

Thursday, March 23, 2023

---

Chair: The Honourable Kirsty Duncan





# Standing Committee on Science and Research

Thursday, March 23, 2023

• (1100)

[*English*]

**The Vice-Chair (Mr. Corey Tochor (Saskatoon—University, CPC)):** I call the meeting to order.

Welcome to meeting number 35 of the House of Commons Standing Committee on Science and Research.

We will be continuing our study of the commercialization of intellectual property.

Today's meeting is taking place in a hybrid format, pursuant to the House order of June 23, 2022. Members are attending in person in the room and remotely using the Zoom application.

I would like to make a few comments for the benefit of the witnesses and members.

Please wait until I recognize you by name before speaking. If you are taking part via video conference, click on the microphone icon to activate your mike, and please mute your mike when you are not speaking. On Zoom, interpretation is found at the bottom of your screen. You can pick French, English or floor. If you are in the room, you can use the earpiece and select the desired channels.

I would remind you that all comments should be addressed through the chair.

I would like to thank our witnesses for appearing in person today. We will start with their opening remarks. There will be two statements of five minutes apiece.

Please keep your remarks within those five minutes for scheduling reasons.

We will first hear from Mr. Asselin.

The floor is yours for five minutes.

**Mr. Robert Asselin (Senior Vice-President, Policy, Business Council of Canada):** Thank you, Mr. Chair.

[*Translation*]

Scientific progress is one of the key economic determinants of our future. Simply put, the ability of states to turn their intellectual capital into economic growth is now a key determinant of their technological, industrial and economic success.

[*English*]

Policy-makers need to acknowledge that scientific knowledge in science-based institutions is more than just a public good. It is an essential economic enabler in a world of increased geopolitical

competition. Consequently, the ways we do science, how we empower our best scientists and researchers to do frontier work on the most pressing challenges we face, and how we facilitate that knowledge transfer in the real economy must become central to how we conceptualize our growth potential, as a country.

Canada has emphasized publicly funded research and development, or R and D, as a driver of its innovation policy. As a whole, the economic returns have been insufficient, as Canada's low productivity metrics over the last few decades show. Canada put too many eggs in that one basket. The goal of innovation economics is to amass innovation assets, IP, data and the talent that creates these, then exploit those assets when they are commercialized. Creating innovation assets and divesting them before commercialization, or losing out on the potential to grow companies to global scale, is a failure of innovation policy.

Currently, Canada does not have sufficient and adequate mechanisms to translate R and D and ideas into the real economy. No matter what financial instrument is deployed, public investments won't produce better outcomes if we don't change the way we think about, incentivize and produce innovation.

• (1105)

[*Translation*]

This misconception that innovation is primarily a process of technological adoption means that Canada is missing out on a considerable amount of economic wealth. That's why we need to build our capacity for large-scale applied and industrial research and create mechanisms for technology transfer.

The scientific model adopted after World War II is no longer an adequate framework for the current economic paradigm. In adopting this model, it was assumed that the transfer of public research to private businesses would be automatic. Today, we know that funding basic research is not sufficient to achieve better innovation outcomes.

Building conduits so that scientific knowledge generated in universities would translate into technological, industrial and economic advances is more difficult to achieve in practice than in theory. While the academic imperative to publish in prestigious scientific journals is important and should be encouraged, so should the creation of intellectual property. We simply do not produce enough patents in Canada.

[English]

The innovation ecosystem emerging from the last decades has been characterized by a deepening division of innovative labour between universities and private firms. Universities have been essentially tasked with focusing on research, while industry has been left with the application of science and technology. The problem is that using the output of university research still requires significant coordination and integration.

In the current configuration, the federal government provides funds for research and assumes this knowledge will naturally make its way to industry. It neglects all the necessary steps to commercialization, which are development, prototyping, testing, demonstration, product implementation and diffusion, which are necessary to complete the innovation process.

In the United States, the golden age of large industrial labs, such as Bell Labs, IBM, GE and DuPont, played a key role in the commercialization of R and D from the fifties to the eighties. Canada never cultivated that kind of R and D industrial capacity, or where it did, such as at Bell Northern, it has been lost. Ensuring that research is plugged into innovation networks is a critical function of an effective industrial policy.

We have long thought that R and D is innovation. From R and D to development through production, application and diffusion, the road to innovation is long and hard. An intentional industrial policy requires a new institutional infrastructure to support the modern application of science and technology in highly competitive and advanced industries and an approach focused on mandated missions.

Thank you, Mr. Chair.

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much for that presentation.

Now we move along to Ms. Furlong for five minutes.

[Translation]

**Ms. Kim Furlong (Chief Executive Officer, Canadian Venture Capital and Private Equity Association):** Good morning, Mr. Chair.

I thank the committee members.

My remarks will be in English, but I will be happy to answer your questions in French afterwards.

[English]

I appreciate the opportunity to speak to you today about venture capital, commercialization and intellectual property.

It would be strange for me to sit before you today and not address the collapse of Silicon Valley Bank and its impact on Canada's innovation ecosystem. In the span of 72 hours, the finan-

cial institution that underpinned the growth of start-ups around the globe collapsed and disappeared. SVB had the mandate to take risks and provide friendly terms to disruptive industries and companies. While the U.S. decision to honour all deposits and the efforts of Canadian banks and smaller lenders to offer venture financing to Canadian innovation companies mitigated the short-term risks, the long-term availability of capital in Canada remains uncertain.

I would be more than pleased to speak to this during the Q and A session.

I'm here today to speak about IP and commercialization and their importance to the investors I represent and Canada's economic future.

According to the Canadian Intellectual Property Office, IP-backed companies are 1.6 times more likely to experience high growth, two times more likely to innovate, three times more likely to expand domestically and 4.3 times more likely to expand internationally. These companies operate in life sciences, medical devices, clean tech, ag tech, advanced manufacturing and more. They are VC-backed and have the potential to transform Canada's economic future. This is crucial for Canada's economic prosperity and creating great jobs for the next generation. If Canada is going to compete and win in the tough global economy, we must be among the most innovative on the planet and the smartest about getting these technologies to market.

In 2021, we hit a high-water mark with venture investing reaching \$15 billion. In 2022, we did better than expected, with \$10 billion invested across 706 deals. That's pretty good, but consider that in 2022, U.S. venture capital was \$238 billion invested in 15,852 deals. Right now, 60% of Canadian venture capital comes from the United States. We want to ensure these dollars continue to flow to our market, but we also have to be mindful of the positions of Canadian companies on those capitalization tables. It's a juggling act, but IP puts us in a stronger position.

We need to do three things. We need to ensure that, while U.S. dollars ebb and flow in and out of Canadian start-ups, Canadian capital is there to seize the opportunities and benefit from the upside. We need to understand the value of the companies we are building, and protect and leverage those values. We also need to be smart about growing and protecting our assets.

Currently, Canada ranks high on innovation but low on IP creation. We remain a net exporter of IP. The federal government did well in 2018 with its IP strategy. The initiative has been successful in creating awareness and education in the importance of IP. Now we need to go deeper. We need to understand what the different verticals need and address the needs of those sectors. Since 2018, what has excited me the most is BDC's IP investment fund. It's the first of its kind in Canada—a sector-agnostic \$160-million fund that offers debt, convertible notes and equity. We need to grow these types of investment funds in Canada. In essence, the fund values the IP and lends against it. BDC then takes a seat on the board and helps the company merge its IP strategy with its business plan.

As I sit before you today, Canada ranks as the second-largest tech hub globally, after Silicon Valley. This is due to the high availability of capital globally, poor immigration policies in the U.S. and opportunistic immigration policies in Canada. It's also due to great innovation flowing from our research centres and universities, and to cheaper skilled labour here.

While I'm proud that we're leading, I'm not satisfied about where we sit. Since 2015, the federal government has been a co-investor in the innovation ecosystem via the VCAP and VCCI programs. These programs return a benefit and profit to the Government of Canada, while stimulating VC investment.

Let's look at VCAP's performance. The government invested \$340 million. The private sector leveraged that \$340 million and raised \$1.3 billion. VCAP chose 33 VC investors, which led to investments in 360 companies. These companies, in aggregate, raised \$2.8 billion. The program returned every cent to the government and made 44 cents on every dollar of return. It's a prime example of public-private partnership.

I will end there, Mr. Chair.

I will be happy to entertain questions.

• (1110)

Thank you.

• (1115)

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much, Ms. Furlong, for that presentation.

We now start our six-minute round of questioning,

MP Williams, the floor is yours for six minutes.

**Mr. Ryan Williams (Bay of Quinte, CPC):** Thank you, Mr. Chair.

Thank you to our witnesses. This is an incredible study. It's nice to have you both here in person today, so thank you for taking the time to attend this committee.

Ms. Furlong, I'm going to start with you and what you ended with, venture capital.

We've had a lot of witnesses already come to this committee. We've talked about the obvious need for venture capital. We seem to have a lot of IP that's picked up from the U.S. and international partners because venture capital is more prevalent in the U.S. It

seems more Americans than Canadians are able to take risks. Do you agree with that statement?

**Ms. Kim Furlong:** I think the culture in the U.S. is a lot more open to risk than Canadian culture is. I do think that over the last decade the investors and the entrepreneurs in Canada and even the business schools have pushed out better and more risk-tolerant entrepreneurs. The availability of capital, as you heard in my remarks, is much different in Canada than in the U.S.

In terms of the risk profile of Canada as a culture, in our DNA we are more risk averse. That being said, being able to stand before you today and talk about the fact that we're the second-largest technology hub after the valley tells me that we're on the right track, and when it comes to IP, the ability to scale Canadian companies and to grow them here and to IPO them in Canada is still a work in progress.

**Mr. Ryan Williams:** I agree with you wholeheartedly. Certainly I think we're also working hand in hand on IP commercialization with scaling companies in Canada. We're equally bad at both of them, I think.

You talked about VCAP, the BDC program for IP. What recommendations would you make to generate more Canadian venture capital in Canada? Would it be to have more programs like that?

**Ms. Kim Furlong:** I think the government needs to stay the course. There have been three programs: VCAP, VCCI and renewed VCCI. The third one is in process.

I think institutional capital, our biggest pension plans, operate in U.S. VC but in very little Canadian VC. Sometimes they'll do direct deals on these capitalization tables but they don't necessarily become limited partners in GP funds, and there need to be more exits. There needs to be more success in Canada. There even need to be more M and As, because every time an entrepreneur succeeds and has an exit in venture, they become an angel investor and give a chance to the next entrepreneur to grow their own company, so success, real success.

**Mr. Ryan Williams:** I think you're right on the money there that we need to celebrate success in Canada. We used to call it humble bragging in Canada. We're always very polite.

Mr. Asselin, you had two papers. One was "A New North Star", which talked about the need for a new industrial strategy for an intangibles economy of which IP is obviously a critical part. The second paper says that one of the pillars of a challenge-driven industrial strategy is a focus on the entire innovation continuum.

Could you elaborate on the idea for the committee? What do you see that looking like? How does it differ from the current system, and what are the potential benefits?

**Mr. Robert Asselin:** That's a great question. Thank you.

I think it's really important to understand our strengths and weaknesses in the innovation ecosystem. My view is that we do pretty well at what I would call the beginning of the continuum, which is the intellectual capital part of it—human capital, universities, R and D—and VC is better than it was, I would say, but once we go to the continuum to scaling, I think global champions in advanced industries is where we're lacking.

This is where we need to go, because, as I stated in my remarks, competitiveness on the economic front happens in advanced industries. This is where advanced economies compete. If we don't have scaled companies in these highly advanced sectors, we're not going to be competitive. Our current account deficit is not sustainable in advanced industries. In other words, if we're a net importer in all of the key advanced industries, we're not going to become more competitive. In fact, we're going to be less competitive.

This is where we need to focus. I find that in Canada we are spread too thin across the spectrum and so, when one speaks about the innovation ecosystem, I think we need to be really focused on these key advanced industries, scale our companies, create IP, retain it, leverage it and make sure we have more IPOs in Canada.

• (1120)

**Mr. Ryan Williams:** We've heard from other witnesses about the failure of companies to raise capital, and you talked about R and D in your opening statement, and how that first-stage innovation piece is very important.

You talked about R and D earlier, about the 1950 strategy and World War II. Do you recommend that we as a government should perhaps look at first-stage innovation, in very specialized areas, as you said, focused on certain industries for Canada?

**Mr. Robert Asselin:** Yes. What we lack is, essentially, that bridge between research and private firms. We lack various steps in the innovation process. It's one thing to have a lab in a university coming out with a good idea, or what we can call an invention. Bringing this to a firm and scaling it so that firm can become a global champion takes many more steps in the process. I think this is where we are failing. We think being good in R and D will, in itself, translate into innovation.

I want to be specific about this. Look at what the United States has done in defence and space. It's clear they have industrial labs that connect, where they are strong in R and D, with private industry. They bring industry in to solve these problems. This is how you can scale companies, by also having the public procurement aspect of it.

**Mr. Ryan Williams:** Thank you very much, Mr. Chair.

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much.

We'll now move on to the next member of Parliament. It's Chad Collins, who is online.

**Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.):** Thanks, Mr. Chair.

Welcome, witnesses.

I'm going to start with Mr. Asselin on that last point.

Your opening had a comment related to how we assume, here in Canada, that.... I think your words were about knowledge finding industry. I want to pick up on your last answer to Mr. Williams.

A previous IP study here in Ottawa highlighted the fact that private firms sometimes don't know what research is occurring or being performed in post-secondary institutions. The recommendation that came from our previous report—it's many years old, but I think it's still relevant to our discussion today—was that there be some kind of matchmaking process.

I was hoping to get your feedback on that previous report recommendation, in terms of the federal government playing a role. I think you just provided an example from the United States. I was hoping you could elaborate on that.

Who is undertaking, facilitating or supporting a mapping exercise between the private sector and post-secondary institutions, where the vast majority of research and development is occurring?

**Mr. Robert Asselin:** That's a great question.

To give credit to the government, NRC's IRAP does a bit of this. I think, in the new innovation corporation, the plan is to scale it.

I don't think we're doing enough on the industrial R and D side of things. If you don't apply research to commercial applications, you're still very far away from commercial success. This is where we need to do much better. Again, industrial research needs to be focused on these advanced industries, where you have a high level of technology intensity, R and D, and highly skilled workers.

I'll bring you back to what Secretary of Commerce Raimondo stated a few weeks ago in a very important speech she gave at MIT. She said the world is going to compete in "three families of technologies". The first is computer-related technology—AI, quantum and microelectronics. The second is biotech. The third is clean tech.

This is where we'll need to compete. If we're not there as a country, we're going to struggle going forward, in my opinion.

**Mr. Chad Collins:** Thanks for that answer.

You were constructively critical, I think, in your recommendations.

Normally, people are talking about budgets as they relate to support. Do you have suggestions about financial support the government should be providing on top of what it's doing today?

**Mr. Robert Asselin:** The government made some choices. Let's be honest. They went forward with this innovation corporation. I think it's been a matter of internal debate for some years. I was a proponent of instituting the DARPA model. The government rejected this and went for a bigger IRAP model, which I think could potentially be good in some aspects. However, I don't think it's focused enough. Unless you think about industrial strategy in very specific lanes and try to be everything for everyone.... I think we're still going to spread the peanut butter too thinly.

To the extent the government has already made some choices, I would urge them, on implementation, to focus on the three families of technology I just mentioned.

• (1125)

**Mr. Chad Collins:** Thank you for those answers.

I'm going to switch over to Ms. Furlong.

In some of your final comments, you highlighted the return on investment from the current strategy we have.

How do we take that to the next level? This goes to your last point related to public-private partnerships and enhancing those partnerships. Is it about squeezing more out of the sponge with the current strategy we have or tweaking the strategy and building upon what we've already put forward?

**Ms. Kim Furlong:** The stats I gave you are for the program created by Harper's Conservative government. Those stats are available because of dollars that have been returned. The other two under the Trudeau government are still in market. One is fully allocated and one is currently being fundraised.

What surprises me the most is how little people know about these programs. People think the government is supporting venture capital, when really it's investing alongside it. The two VCCI programs.... The government is entering these waterfalls and agreements *pari passu*, which means it is an investor equal to all the other limited partners in the fund.

It generates all the money back. Think about all the government programs that just give out money and the government never sees it again. It's hard to tangibly identify the results. In these ones, the treasury gets all the dollars back. They make a significant return. It creates jobs, innovation and exports, and it commercializes IP. However, it needs to grow. As I said, 60% of all dollars that come to venture capital is from the U.S. Most of it is at a later stage. U.S. firms are able to write a \$2-million cheque in a \$600-million round, which very few Canadian funds can do.

My recommendation is that the government stay the course not in supporting but in investing. Institutional capital needs to meet the demand out there. Venture capital is the most efficient allocation of dollars for companies. These programs are wonderful, because the government doesn't get to pick. When the government gets to pick, politics get in the way.

**Mr. Chad Collins:** Thank you.

You obviously provided some comparisons to the U.S. Are there other international examples we should be looking at?

**The Vice-Chair (Mr. Corey Tochor):** I'm sorry, Mr. Collins, but we're already 20 seconds over.

We will now move to the next six-minute period.

Subbing in for Mr. Blanchette-Joncas is MP Simard.

I have a quick clarification for the committee. When I manage the clock, I try not to cut off the witnesses, but I will cut off the member of Parliament if they go over their allotted time.

With that, we have MP Simard for six minutes.

[Translation]

**Mr. Mario Simard (Jonquière, BQ):** Thank you, Mr. Chair.

Thank you, Mr. Asselin and Ms. Furlong.

Mr. Asselin, I listened to your presentation, and it reminded me of many discussions I have had about the national immunization strategy and the forestry industry. Everyone has talked to me about the need to foster collaboration among the players. In fact, I had that discussion with Rémi Quirion.

In Quebec, there is a rather interesting model related to value-added corporations, especially in the forestry industry. I don't know if you are familiar with them. I'm thinking of FPInnovations and CRIBIQ, the Consortium for Research and Innovation in Industrial Bioprocesses in Quebec, which actually work quite well. I'm also thinking of college centres for technology transfer, CCTTs, which are having some success in Quebec.

I don't know if the federal government has done anything comparable to what has been done with the small value-added corporations. To your knowledge, what is happening in that area?

**Mr. Robert Asselin:** The federal government has launched the intellectual property strategy, but as far as I know, there is no mechanism for technology transfer at the federal level.

As I tried to explain, that responsibility is given to universities that do intensive research, such as the University of Waterloo or the University of Toronto. However, I think it is almost unfair to ask universities to carry this burden, since their mandate is really about research. Commercializing the product of that research is not part of their role.

I'd like to go back to corporate labs, as that's where the research and development and the industrial problems that needed to be solved came together. There was a boom in economic growth starting in 1970, when these labs were created. They have since been lost, however, because companies found them too risky financially and did not replace them.

I admit that Quebec has a slightly more sophisticated model of innovation, as the province is focusing more on technology transfer.

• (1130)

**Mr. Mario Simard:** I am compelled to agree with you, Mr. Asselin.

I come from an academic background. In social sciences and humanities, it's a different story, but knowing my friends in applied sciences, that field has very little interest in commercializing research, which is why it's important to develop translational research structures.

In your presentation, you said that Canada has put all its eggs in one basket. If I understood you correctly, we may not have valued this translational research enough.

**Mr. Robert Asselin:** That's true.

I would also say that applied research can be integrated into the real economy. Research and development is fine, but from an academic or scientific perspective, it's not a goal in itself. The state must develop it and get involved with the intention of making it an important link in the industrial strategy. That is what the Germans are doing with Fraunhofer and the Max Planck Institute. It is what the Netherlands, a country half the size of New Brunswick, is doing in the field of agriculture, where it is the world's second largest exporter. It's also what the Americans are doing in aerospace and defence, with DARPA, the Defense Advanced Research Projects Agency, and NASA, the National Aeronautics and Space Administration.

In Canada, we have not created such institutions. We have a national research centre that dates back to the 1950s that has not been renewed. I think the government is looking at options, but there is an urgency to make progress on this given the new geopolitical configuration. This is where we are going to create economic growth in science and technology. We need to look at ways to integrate that into the economy, and I think this committee has a very important role to play in that regard.

**Mr. Mario Simard:** We have experienced this with vaccines. We saw that there was work to be done.

Ms. Furlong and Mr. Asselin, I don't have a lot of time left, but I would like you to explain something to me. What do you think could be done in the short, medium or long term to allow for a little more robust and efficient operation?

I don't know if you were familiar with the networks of centres of excellence program, which was a federal program that had apparently had some success in translational research. I've heard a lot about it. What government actions could be taken in the short, medium or long term to achieve better linkage between research and commercialization?

**Mr. Robert Asselin:** I think incentives need to be created. Right now, researchers are acting a bit like SMEs—in other words, they are picking and choosing what they work on. That's the way our system is designed. So there is no incentive for them to commercialize their research or to use Canadian firms. If a foreign firm wants to buy all the patents of these researchers, there is totally passivity.

However, I don't know of any country that innovates properly while thinking like that. All the countries that have been successful in growing their innovation sectors have cultivated research and development in universities so that it gets passed on to firms. So very strong institutions, incentives and intellectual property policies are necessary, and I don't think we have those right now.

**Mr. Mario Simard:** Thank you.

[English]

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much for keeping within your six minutes of allotted time.

We'll move to the next member of Parliament, Richard Cannings, for six minutes.

**Mr. Richard Cannings (South Okanagan—West Kootenay, NDP):** Thank you to the witnesses for being here. This is very interesting.

I want to start with Mr. Asselin. Well, perhaps I'll start with both of you.

It seems the core question in this study, the whole question of IP and developing Canadian technology companies, is around this failure at the later stages. We have good universities and people doing good work, but there's something missing in the culture of investment, or in how we try to develop that.

Mr. Asselin, you mentioned... I'm tempted to say, "What's wrong with the private sector here?" The government sector seems to be doing a lot, in terms of the education part, but it seems we're not as successful as other countries. You mentioned the DARPA model, the Defense Advanced Research Projects Agency. I'm wondering whether you could expand on what the United States gets out of DARPA other than, I assume, a lot of IP that stays in the United States.

You said you were hoping for more of a DARPA model. Is that more like a Crown corporation? Say we had a Crown corporation for AI and a Crown corporation for biotech that would do the.... We lead the world in many of those sectors at the research level.

• (1135)

**Mr. Robert Asselin:** That's a great question.

Interestingly, the U.S. is replicating DARPA in key sectors. The industries I mentioned now have an ARPA-E for energy, which deals with clean tech, and an ARPA-H, which deals with biomanufacturing—biotechnology, essentially. These institutions are independent and very nimble. They are led by scientists. The genius of it is they bring industry and researchers together to solve real industrial problems, which they translate into American companies, afterwards.

Think about where Boeing and Lockheed Martin were 50 years ago, before DARPA existed, and where they are today. It's because they were able to absorb the technology they worked on with the government. What DARPA did essentially was de-risk private investments in very expensive breakthrough technologies. Breakthrough technology is a risky business. Sometimes, it works. Sometimes, it doesn't. The genius of DARPA is that it tries not to do incremental innovation. It only does breakthrough innovation. In other words, if it's not crazy enough, they won't do it. That's why it works.

In Canada, we have never done that, culturally. I think this is where the world is going. I don't see any reason why, if we're so good at inventions, supposedly, we couldn't compete and create that model. Could it be a bit different and more adaptive to Canadian institutions? Sure. However, the idea, to me, is very straightforward.

**Mr. Richard Cannings:** Ms. Furlong, I'd like more on the concept you mentioned of having the government put in money and let someone else choose where it's spent—invest along with other investors. We have investments come in at different stages. A friend of mine was a doctor. He had a company that developed a flu vaccine. Of course, he ended up selling it to Glaxo and made a lot of money. However, I assume the IP for that vaccine is no longer in Canada.

I'm wondering where, in the systems you talked about, they would invest. Is it early on or later, as in Glaxo developing it? I would rather Canada have companies or Crown corporations that develop those biotech products at the end and keep the whole ecosystem within Canada.

**Ms. Kim Furlong:** Everyone wants to have a Canadian Glaxo. That would be the ideal: having a Canadian multinational that would help translate and commercialize the data. In life sciences, a lot of R and D is passed through multinationals. The idea of a small biotech growing up to become a Pfizer is very rare today.

I think it's an issue of scale, even leaving out life sciences, which is a particular case in and of itself. There's one member of CVCA called Highline Beta, which works with multinationals to identify a problem. They don't invest in existing companies. They create the company. There are a number of other smaller venture labs, but the scale of them....

It's like what Robert was saying. In these models, the amount of capital the U.S. government puts in these institutions and collaborations.... What we're doing here is peanuts. We're putting \$20 million or \$30 million to work in a venture fund, in order to start a company and solve a problem. There is one in Calgary that works with the oil industry to address some of their own clean-tech solutions. These things exist in Canada. They are just not fuelled the same way.

Singapore is a good example in terms of IP. There is a direct collaboration between private entities and the Government of Singapore to increase the number and quality of IP filings. Oftentimes, the Canadian government stops short. They start...like with IRAP. They have an IP strategy. They are doing the education, and it's working, but it's not deep enough. We now need to drill down. We need high-paid lawyers. You could hire people from Norton Rose or Gowling, put those lawyers in ISED, have them work with companies and meet the companies where they are, because not every company is at the same understanding.

I gave the example of the IP fund within BDC. When the board of a company and its management leverage the IP to get funding, they understand what they are holding in their hands. Having an understanding of that value and using that value to get the dollars to grow your company makes you more mindful.

To me, it's a question of scale. To Robert's point, it's a question of picking sectors. The ones the U.S. identified are the same ones in

which we're having success. We're a world producer of food. We have amazing clean-tech technologies coming out and, on AI, we have been recognized as having done the research fuelling it.

• (1140)

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much.

We are now moving on to our five-minute round.

To kick it off, we have MP Lobb from the Conservatives.

The floor is yours for five minutes.

**Mr. Ben Lobb (Huron—Bruce, CPC):** Thanks very much.

To start out, Ms. Furlong, I want to ask you about the accredited investor rules for basic income and basic amount of personal wealth.

Is it time to say that maybe they don't have to meet those targets, but if they're really interested and want to take 2% or 3% of what they have and invest \$5,000 or \$10,000, we'd love for them to participate in Canadian technology? Is it time to revisit that?

**Ms. Kim Furlong:** I think having regulators put down thresholds for accredited investors is good, because you want someone to understand what they're getting into.

That being said, democratizing access to venture capital and having the tax sector invest in the value being created before it goes to a public market are conversations we've been having. We've seen some funds in Canada work with Canadian banks to try to get...if you could say, when you do your RRSPs, "Within this RRSP allocation, I would like 2% or 3% to go to alternative investments", and have those investments placed on your behalf.

The issue there is liquidity. You cannot pull your investment if you need it two or three months from now. There are mechanisms—

**Mr. Ben Lobb:** They could read that in a disclosure they have to sign and fill out. They would understand it could be three, four or five years—or never. That's why you'd only put 2% or 3% of your investment in there.

**Ms. Kim Furlong:** The mechanisms exist right now. There are a few platforms in Canada where you can, as a retail investor, access these. They're limited.

**Mr. Ben Lobb:** That was my next question for you.

Do you have any thoughts on what Wealthsimple is doing with Sagard? It looks like a pretty good idea.

**Ms. Kim Furlong:** From the moment they announced they were doing this fund, they were fully subscribed within 24 hours. This tells you there's a realization that's where wealth is being created, yet the retail investor does not have access to it. Take Fonds FTQ in Quebec, which basically does that. A big portion of what they invest is workers' dollars. They invest in alternative investments.

To your question, yes, there's a need to democratize it. It would be great to have RRSPs qualify for alternative investments under certain rules.

• (1145)

**Mr. Ben Lobb:** I want to ask you one other question. It's about the capital gains inclusion rate.

Currently, it's at 50%. You always hear about these trial balloons getting floated. It might go to 75%. It would seem to me that if the inclusion rate goes to 75%, it might put a chill on investment from individuals wanting to invest.

Do you have any thoughts on that?

**Ms. Kim Furlong:** If that happened, the capital would move. It would go. It's not like moving a factory. The investors and capital would set up these funds in other countries. We would see a large decrease, because you're taking a risk. Unlike a salaried employee, you don't get paid until 10 years after you've made your investment. If someone says, "We are going to reduce the benefit you get in rolling the dice", you will just go and roll the dice somewhere else.

**Mr. Ben Lobb:** I have one last question to ask before my time is up.

I think investment communities look at software as a service—a place where they want to invest, because it's easy; there aren't a lot of costs in capital and there are no barriers. You put your money in and—bing, bang, boom—you get your subscriptions and away you go. Perhaps an area where investment has been lacking is in the more capital-intensive businesses, some innovative manufacturers and other things.

Is that where the government should be looking? Should it support people with great ideas for manufacturing who can come in and make changes in the country?

**Ms. Kim Furlong:** Seventy per cent of all VC dollars go to information technology software—the SaaS and B2B companies, which are easily scaled globally.

There's a signal the government understands they need to play in niche areas, where it's more capital intensive. Last year, BDC initiated a new deep-tech fund. It was much needed, because the private sector and VC dollars were not going there, as it was too risky.

The other place where it used to be risky and where we've seen a change is clean tech. If I'd been in front of you five years ago... Clean tech was having difficulty attracting dollars. Today, that's no longer the case. The Inflation Reduction Act in the U.S. and the amount of capital that will flow to that space will also ignite capital in Canada going towards those opportunities.

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much.

Moving on to the next member of Parliament, we have MP Sousa for five minutes.

**Mr. Charles Sousa (Mississauga—Lakeshore, Lib.):** Thank you, Chair.

Thank you both for attending.

I'd like to clarify a few things in terms of the stages. There's the research, the new venture and then we've got the scaling, the com-

mercialization, monetization for IP and so forth, for public ownership.

In that scaling—and this is where we're talking about the first two stages—do I understand it correctly from both of you....

**Mr. Asselin,** are you encouraging greater government investment into these new ventures and adjudication?

**Mr. Robert Asselin:** For me, the issue is not with VC and the availability of capital at that early stage. I think we've made great strides.

It's the stage after. It's these exits and the lack of IPOs in Canada. This is what I'm concerned with.

**Mr. Charles Sousa:** I am concerned about it too. I think we all share this.

We have this whole notion of the global trade initiative, how we're good stewards and how Canada participates properly out in the stage of the world. All these other jurisdictions are being very domestic. They're being very sensitive about the infrastructure in their own jurisdictions and protecting their IP, protecting their monetization, and making certain they have those companies in play. We want to do the same, but there seems to be a lack.

Is it government's role at that point to also be a partner?

I hear that coming from you, Ms. Furlong. You're really encouraging Canada to step up a bit in this next stage to participate with the pensions, companies and others, to facilitate greater investment and being an investor too.

With that comes consultants and lawyers and expenses, and we recognize some of the concerns that people on the other side may have with regard to that. With that also comes failures in some of the deals, but the net result is positive if we were to be the players and take that risk.

Should the government be the risk-taker?

**Ms. Kim Furlong:** Yes. Absolutely.

What we need to be as a nation is more ambitious. The government, in taking risk and accepting failures, needs to be more agile and talking publicly about failures, acknowledging them before saying, we're going to do this.

I remember speaking to the premier of Alberta and saying, "You need to bet on your people". In Alberta, people go through booms and bust, and as industry was going down and he was thinking about diversifying, I was like, why wouldn't you bet on the people who tolerate the risk the highest in Canada?

Right now, if you look at Alberta's economy, they were the ones with the highest growth in venture in the last quarter and in the last year. Yes, government.

It's not saying that governments need to make uninformed decisions about the allocation of taxpayer dollars. I can point to examples where the dollars are returned, profit is made. The policy imperatives that we're talking about today in growing our economy and being more solidly positioned for the future are the benefits that are accrued by being involved, but we need to be focused.

• (1150)

**Mr. Charles Sousa:** Robert, what's the barrier to doing that?

**Mr. Robert Asselin:** May I add two dimensions to this that I think are really important?

The first is public procurement. We have amazing global champions in advanced industries. I'm thinking about CAE, Bombardier, and I'm thinking about MDA in space. They get money from NASA, from the Pentagon, but they don't get anything from DND. They don't get anything from our Space Agency—or very little if they get any.

Why are we thinking like this? No other country does this. We have to change the way we encourage our own global champions.

Éric Martel, the CEO of Bombardier, was telling me the Pentagon is in love with their planes because they are small and very technologically advanced, and here we are in Canada not buying any of them, including for our own Prime Minister, who travels a lot.

I think that's an aspect.

The other aspect that I want to raise, and you will be, I hope, sympathetic to this, is pension funds. Our pension funds have less than, and Kim raised this.... In Canadian private equity they have less than 3% of their portfolio. How crazy is this? How come we don't change the incentives for this to change? This is Canadian capital by Canadian taxpayers wanting a return on their pensions. We're sending this money all the way....

I think this is an easy fix on both fronts, but we're not doing it.

**Mr. Charles Sousa:** Do I still have time, Chair?

**The Vice-Chair (Mr. Corey Tochor):** No, unfortunately you're actually seven seconds over right now, but that's all right.

Moving on to our two and a half minute round, from the Bloc, we have MP Simard.

[*Translation*]

**Mr. Mario Simard:** Thank you, Mr. Chair.

Mr. Asselin, I liked your last comment, as I found that it reflected what is happening in the forest industry. I am thinking, for example, of Chantiers Chibougamau, which makes glue-laminated beams. Unfortunately, these beams are only commercialized in Europe, for large infrastructures. That product is not used here or, at least, its use is not encouraged.

This brings me to talk to both of you about the fact that I find it quite amazing that our market development mechanisms are not more powerful. I'm thinking of the whole innovative bioproducts sector, such as the example of investments in cellulosic fibre production from paper pulp, which is where FPInnovations is involved. However, producers tell me that there is currently no market for that product. Could a market development mechanism in Canada be helpful in this case?

**Mr. Robert Asselin:** I'm still thinking about the National Research Council's industrial research assistance program. There needs to be better matching on the innovative technology side, not just on the more conventional research side.

For the other niche that you mentioned, there is another program that has been created for the benefit of small and medium-sized enterprises, SMEs, which is innovative solutions Canada. However, the very limited scope of that program, which is based on the first-buyer concept, should be expanded. An SME must develop a technological invention, as well as need help and a sign of confidence. It is not a matter of issuing blank cheques, but of doing a rigorous examination and ensuring that public money is well invested. A lot of countries are doing that and I don't see why Canada wouldn't.

**Mr. Mario Simard:** Thank you.

Ms. Furlong, I must confess my lack of knowledge of the financial industry, which is pretty huge after all. I'm sorry if I'm talking nonsense.

You spoke earlier about workers' funds in Quebec, including the Fonds de solidarité FTQ and Fondation, from the CSN. There are regional development funds in the Saguenay-Lac-Saint-Jean region of Quebec. It's no secret that is a tax shelter, but it still has a small volume. I assume that exists elsewhere.

When it comes to venture capital, shouldn't the government be encouraging these kinds of initiatives, or are they too small scale to really give businesses some sort of a springboard?

• (1155)

[*English*]

**The Vice-Chair (Mr. Corey Tochor):** I'm sorry, Mr. Simard. We are out of time now. That was 13 seconds over.

However, if you would, could you provide a written response to his question?

[*Translation*]

**Ms. Kim Furlong:** At the regional level, the amount of money invested is too small to have an impact.

[*English*]

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much.

We're going to move on to our second two and a half minute portion with MP Cannings.

**Mr. Richard Cannings:** Thank you.

Ms. Furlong, I'm still thinking of the end game here. We had big multinational companies like Nortel and BlackBerry, and someone mentioned Bombardier, which always seems to have its own struggles. Is this just a problem of the size of Canada?

When I talk to people in the hydrogen sector, they're doing world-leading research and development of products, but they say we need the government to step up and provide the hydrogen infrastructure in Canada to make people buy into their things and keep their IP here in Canada.

Perhaps either of you could answer that because it strikes me that this talks to the government procurement role here.

**Ms. Kim Furlong:** The Canadian market is small; we won't lie. It has the potential to grow more anchors and bigger companies. We always seem as Canadians to put our eggs in the basket of the shiny object. Shopify was the last one. We just need more of them. The potential is there. The number of companies that have become what we call "unicorns" over the last two years, which is a billion dollars or more in valuation, has increased tremendously in Canada.

On the procurement aspect of it, you spoke about life sciences and your friend selling his company. There's a number of times that a Canadian government, a province, will say, no, they won't buy this product, and when a Canadian company goes abroad and tries to sell their therapeutic product to someone else, they'll ask, "Who in Canada is buying it?" The company has to say, "No one." Given that test of saying no one at home has taken a chance on them, the fact that Canadian companies still manage to sell their products outside of our border before the Canadian market has adopted them so amazes me. That's something that we need to change.

**Mr. Richard Cannings:** Yes. It strikes me that the measure of success in Canada seems to come when you sell to Google or Microsoft. That's the Canadian success. You make a lot of money and lose that IP—

**Ms. Kim Furlong:** My favourite example is a company called CarbonCure, which started out of Halifax and now operates out of Vancouver. The name of the company tells you what they do. They capture the carbon emissions and turn them into carbon. They sell to Amazon. They sell to Google. They sell to Microsoft. They have managed to position themselves as a partner to all of these multinationals. It's a VC-backed company. It was seeded first by BDC.

**Mr. Richard Cannings:** Right.

Thank you.

**The Vice-Chair (Mr. Corey Tochor):** Witnesses, thank you so much for your testimony today. Thank you to the members for their questions.

We now will suspend briefly, before moving on to our next panel.

- (1155) \_\_\_\_\_ (Pause) \_\_\_\_\_
- (1200)

**The Vice-Chair (Mr. Corey Tochor):** For our second panel we have two witnesses.

I'd like to make a few comments before we get back into the swing of things here.

For interpretation, for those on Zoom, you have the choice at the bottom of screen of floor, English or French. For those in the room, you can use the earpiece and select the desired channel.

I will remind you that all comments should be addressed through the chair.

We have two witnesses and each will have a five-minute round of opening remarks, and then we'll get into the rounds of questioning.

I understand we've changed the order around a little bit.

Mr. Georganas, you have the floor for five minutes.

**Mr. Konstantinos Georganas (Commissioner of Patents, Registrar of Trademarks and Chief Executive Officer, Canadian Intellectual Property Office):** Thank you, Mr. Chair, for the introduction.

My name is Konstantinos Georganas. I'm the CEO of the Canadian Intellectual Property Office.

I would like to note that I am honoured to be speaking from the unceded territory of the Algonquin Anishinabe people.

I'm pleased to discuss how the Canadian Intellectual Property Office, or CIPO, supports innovation and IP commercialization. CIPO is a special operating agency of Innovation, Science and Economic Development Canada. We hold a vital position in the innovation ecosystem, between creativity, inspiration, science and technology on the one hand and the marketplace on the other. We provide IP rights in the form of patents, trademarks and industrial designs. These rights both incentivize creativity and help innovators get to market to use, license, trade and protect their IP.

Our core mandate is threefold. First is the timely delivery of quality IP rights, so that innovators can enter the market with confidence. Second is to raise awareness throughout the IP ecosystem to help innovators make informed decisions. Third is to help businesses compete globally, through international co-operation.

Regarding our client base, CIPO's reach is extensive. In 2021, we received almost 129,000 applications for IP rights. Because IP rights can last for several years, including up to 20 years for patents, there are over 875,000 IP rights in force in Canada today. Combined, CIPO has over one million interactions per year with clients and potential clients.

It is important to note that companies operate on a global scale. As such, over 70% of IP comes from abroad. Likewise, 56% of Canadians will file in other jurisdictions in which they are operating.

Going beyond the numbers, as part of the national IP strategy, we work closely with ISED and Statistics Canada on the survey of IP awareness and use, which surveyed 16,000 companies. This is new information I would like to share. We asked companies how IP directly contributed to their business success. Almost 60% of respondents indicated that there was a direct benefit, including increased business value, increased revenues and employment, and the ability to collaborate and secure financing.

These benefits do not just accrue to multinationals. In fact, micro-sized entities with only one to four employees also reported tangible benefits. The survey also revealed that 58% of respondents were familiar with IP, but there remained an awareness gap. Importantly, only 4% of respondents had a formal IP strategy in place.

In building on these survey findings, we just published CIPO's business strategy, which provides a five-year horizon of priorities. One priority is to continue working across the IP ecosystem to address the awareness gap. We offer a number of general tools and information products to help innovators make informed decisions, including what to consider in developing an IP strategy, how to navigate the IP system to seek rights, how to find and hire an IP professional, and how to protect rights in Canada and abroad. In total, our information products have been accessed over 200,000 times.

CIPO is just one piece of the IP ecosystem puzzle. We have an extensive network with key partners federally and provincially with business associations, academia, and IP professionals, to help reach potential clients.

Last year, along with key partners, such as the Business Development Bank of Canada, NRC IRAP, the trade commissioner service and the Intellectual Property Institute of Canada, we collectively formed the IP village, which is a partnership to help Canadian SMEs better understand how to use IP more effectively.

In closing, there are multiple dimensions to understanding IP commercialization and how it is positioned in the broader innovation ecosystem. For CIPO, we are honoured to serve the most creative people in the country, with over one million interactions annually, to help them get to market with confidence, make informed decisions along the way, and compete globally.

Again, thank you for the opportunity to be here today. I'm happy to answer any questions.

● (1205)

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much for that.

Now we're moving to our second witness, Mr. Schaan, for five minutes.

**Mr. Mark Schaan (Senior Assistant Deputy Minister, Strategy and Innovation Policy Sector, Department of Industry):** Thank you, Mr. Chair.

I'm pleased to join you today from the Algonquin Anishinabe peoples' unceded and unsurrendered territory.

My name is Mark Schaan. I'm the senior assistant deputy minister of strategy and innovation policy at Innovation, Science and Economic Development Canada. I'm joined by my colleague from the department, Nipun Vats, the assistant deputy minister of the science and research sector.

My responsibilities include initiatives to encourage innovation, promote economic growth and strengthen Canada's business competitiveness in the global marketplace, including through IP policy.

[Translation]

The government recognizes that IP is a key asset for businesses and that having a sound IP strategy in place can be crucial to business success and growth in today's economy. IP-intensive firms are more innovative, export more, enjoy higher growth and create better jobs.

Recognizing this, the government has made a number of investments to build an IP-savvy innovation ecosystem, starting with an initial investment of \$85.3 million through the national IP strategy launched in 2018. The strategy is designed to help Canadian businesses, creators, entrepreneurs and innovators understand, protect and access their IP.

● (1210)

[English]

The IP strategy is founded on three main pillars, which are IP legislation; IP awareness, education and advice; and strategic IP tools for growth.

The strategy comprises a number of discrete initiatives, including amendments to key IP laws to reduce barriers to innovation—including to the Patent Act, Copyright Act and Trademarks Act—to clarify acceptable practice and to prevent misuses of IP rights. It includes the creation of the College of Patent Agents and Trademark Agents to provide independent regulation of this profession and to support the provision of quality advice.

[Translation]

The strategy includes support for IP clinics at law schools in the amount of \$1 million over five years and \$0.2 million ongoing. Those clinics provide basic IP advice and help train the IP experts of the future.

The strategy includes an indigenous intellectual property program, whose funding is \$1 million over five years and \$0.2 million ongoing. That program funds eligible indigenous organizations to support participation in World Intellectual Property Organization sessions, small-scale initiatives and projects related to IP, indigenous knowledge and indigenous cultural expressions.

[English]

The IP strategy also includes ExploreIP, with \$4.5 million over five years and \$0.4 million ongoing, which provides one-stop, web-based access to IP owned by Canadian governments and universities that can be bought or licensed, and support for the inclusion of Canadian IP in international standards. There is also a pilot patent collective, at \$30 million, to support firms in the data-driven clean-tech sector to access a range of services including educational opportunities, patent intelligence, advisory support and a patent pool.

[Translation]

More recently, in 2021, the government launched additional initiatives to further support Canadian researchers, start-ups and technology-intensive businesses. For example, a \$90-million investment in ElevateIP will help business accelerators and incubators provide Canadian start-ups with access to IP supports to help them strategically manage, leverage and protect their IP.

The \$75-million IPAssist provides support to clients of the National Research Council's industrial research assistance program with their IP needs.

[English]

These investments are complemented by the strategic IP program review, which was announced in budget 2021. The review is currently assessing how Canada's innovation and science programming could better integrate IP considerations throughout the life cycle, from basic research to near-commercial projects. To inform the review, the government wants to hear from the public on this crucial issue. It will be launching a web page and questionnaire on the national IP strategy web page.

[Translation]

Finally, the blueprint of the new Canada Innovation Corporation was recently released, announcing an outcome-driven organization with a clear and focused mandate to help Canadian businesses across all sectors and regions become more innovative and productive.

Canadians are talented, creative and inventive. These activities will help Canadians and Canadian businesses take their new ideas and new technologies and turn them into new products, services and growing businesses in Canada.

[English]

I want to thank you for your time today. We are happy to take any questions from the members of the committee.

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much for the testimony from our witnesses today.

We are going to move into our six-minute round. Starting off is MP Lobb for six minutes.

The floor is yours.

**Mr. Ben Lobb:** Good afternoon, gentlemen. Thank you for appearing here today.

For the first question I'd like to ask, there have been a few articles written recently that are slightly critical, let's say, of the changes to the Trademarks Act, which are potentially causing many delays in regard to looking at patents and copyright issues.

I'm wondering if you have any thoughts on this. Has it caused this? That's what some lawyers are saying. If so, what is the ability to speed this process back up?

We'll start off with that, I think.

• (1215)

**Mr. Mark Schaan:** I'm happy to start on legislative changes and then turn to my colleague from CIPO to talk a little bit about the administration of those trademark rights.

As I noted, as part of the intellectual property strategy, a number of changes were made to Canada's IP laws to ensure they were protected from potential abuses. One way that was done was actually to try to prevent trademarks from being exploited by individuals who might be doing what is sometimes called "trademark squatting" or actually sitting on a number of trademarks with no intention for their use.

One way we dealt with that was to try to put in place effective mechanisms to ensure that when there wasn't use, people were able to pursue those trademarks and strike them from the roll. It was also to ensure we had effective practices in place in terms of the fee structure associated with trademarks.

By and large, I think those cases and those changes are actually an important part of the changes, but I'll turn to my colleague from CIPO, who can talk a little bit about the current situation at CIPO on trademarks.

[Translation]

**Mr. Konstantinos Georgaras:** Thank you very much for the question.

[English]

A number of factors have converged over the last few years that I'd like to speak to.

There has been a continual growth in demand for trademarks. Last year, we received over 82,000 applications at CIPO. This represents a 71% increase in demand over the last decade. This is a global phenomenon.

As well, in 2019, we acceded to an international treaty, through which we now receive 29% of all our applications. In fact, Canada ranks fifth in the world for demand through these treaties.

**Mr. Ben Lobb:** Could I interrupt you right here, with all due respect?

The increase in applications has been a phenomenon for the last 10 years, at least. What is your office's ability to provide support to people putting these in? Do you hire more people? Do you have to use software? What are you doing to make sure you're keeping up with the demand?

Obviously, you can't keep going with the same method. What is it you're doing to meet the demand of the market? It is a fast-paced market. These people need answers and they need results.

**Mr. Konstantinos Georgaras:** Thank you for the question.

In terms of our response, the demand has been growing, as I mentioned. In particular, there was a surge in demand during the pandemic.

Two years ago, we launched a full recovery plan in terms of our trademarks, which looked at building capacity, changing some of our processes and using technology. I'm pleased to say that for the fiscal year that will end in a few days, we will have issued 67,000 first reports and 48,000 approvals. That is a 50% increase in production from the previous year.

I'm also pleased to say that since July we've had eight consecutive months of decrease in our inventory. Our actions are starting to take hold and starting to gain traction.

**Mr. Ben Lobb:** That's good to hear.

We're seeing a trend to cleaning up some of the outstanding applications in question.

At the education level or just between the time where the research is commencing and there's a great idea or a business case in some of the research, oftentimes the individual has no business experience, possibly. They have no legal experience, possibly.

What are the roles between the patent office, the legal system and the government, which has possibly invested millions of dollars in this idea? How does that come together to protect everyone's investment, including the person who came up with the idea? How does that happen?

**Mr. Mark Schaan:** I'm happy to start, and again, I'll turn to my colleague for the specific role that CPO plays.

One of the goals of the national intellectual property strategy was actually to increase the overall level of awareness and education across the entirety of the innovation ecosystem. As you know, it actually takes all of the players to be working in concert with a relative level of IP savviness to be able to get to good protections.

The things that I would specifically point to, and some of the improvements that we've made, are things like our investments in IP legal clinics. IP legal clinics are run by law schools across the country and that's now being expanded to business schools, which can apply for support to be able to ensure that small and medium-sized enterprises can actually access pro bono advice on how they can potentially think about the protections related to their idea.

I would also point to things like ExploreIP, which is that database I talked about that has all of that IP we funded through federal funding that's sitting at universities. It has it in one spot to allow for that kind of business development capacity to be able to assist that transfer.

• (1220)

**Mr. Ben Lobb:** I probably have three or four minutes left, right?

**The Vice-Chair (Mr. Corey Tochor):** You're 10 seconds over, Mr. Lobb.

Moving on to the next member, we have MP Lauzon for six minutes.

[*Translation*]

**Mr. Stéphane Lauzon (Argenteuil—La Petite-Nation, Lib.):** Thank you, Mr. Chair.

I thank the witnesses for being here today.

Mr. Schaan, you talked a lot about investment and the fact that intellectual property has increased a great deal and is still increasing.

What is behind that increase in growth?

**Mr. Mark Schaan:** You are talking about the growth of—

**Mr. Stéphane Lauzon:** I'm talking about the growth of intellectual property enforcement.

**Mr. Mark Schaan:** That's a global economic phenomenon, stemming from changes in every industry and area of the economy. Technology has enabled every sector to reap the benefits of intangibles.

[*English*]

It's really the shift from tangible industries where the fundamentals of intellectual property potentially looked very different in a world in which you made physical things that weren't necessarily assisted by technology towards an increasing amount of the economy that's driven by data, software and services, and is even driven by the embedded nature of that data and technology even in physical industries.

[*Translation*]

Take the automotive industry, for example. A car used to be simply made up of parts. Now it's more like a computer with tires.

[*English*]

In some ways when we think about that fundamental incorporation of technology into all products, it's not surprising that we've seen this rapid growth in the desire to protect that and to rest that in both industrial designs and patents, and even in trademark and copyright in some ways, because brands and reputation actually also now are a huge part of that intangible value in the economy. When we look at that rapid growth it's really explained by what we're seeing in the global economy.

The goal for Canada is to ensure that we actually can seek success in a world where we've actually shifted from some of those places where we potentially used to have an advantage on our people and some of our fundamental abilities to make things to ensuring that we can do that in a way that still seeks success.

[*Translation*]

**Mr. Stéphane Lauzon:** That's very interesting and makes me think of several ancillary questions I could ask you.

Our government made a commitment in 2015 to invest heavily in the Internet and communications. We've done a lot of work on that. I represent a rural riding in Canada and I can tell you that, for small and medium-sized businesses in rural areas, this is important.

Has supporting small businesses and giving them access to the Internet also increased their ability to take advantage of this phenomenon?

**Mr. Mark Schaan:** For small and medium-sized businesses, that is absolutely the case. There are also other things that are perhaps more interesting to mention. For example, during the pandemic, there was growth in the online market, including on the small and medium business side.

• (1225)

[English]

When we looked at the number of small and medium-sized enterprises that had no digital channel to access their customers at the beginning of the pandemic and the rapid growth that we saw of that capacity, we now also see that many of those same organizations are butting up against the world of intellectual property. That's not just because they are on the Internet and they are dealing with those digital zones, but now suddenly their brand, their copyright, their trademark is something that potentially is now known to a much greater community than just the potential local community that they are dealing with.

[Translation]

This reality requires small and medium-sized businesses to use technologies, a high-speed Internet network and intellectual property to take advantage of the benefits and opportunities provided by the digital and global marketplace.

**Mr. Stéphane Lauzon:** Mr. Georgaras, you say that very small businesses, with one to four people, use intellectual property. Those businesses are often located in rural areas. However, for years, the rights to that intellectual property were the preserve of corporations.

Since communications have improved, have you seen a difference in access to intellectual property for these very small businesses?

**Mr. Konstantinos Georgaras:** Thank you very much for the question.

As my colleague mentioned, there was a very significant change during the pandemic, which also had the effect of helping SMEs.

[English]

There was a very significant shift as more and more companies were operating on virtual platforms. It almost democratized, if you will, some of these platforms.

What was particularly interesting, linking back to your earlier question, is the platforms themselves were starting to demand that people prove they owned the IP that was being traded on the platforms. For small and large companies that led to more and more people coming to us, to CIPO, asking to get their rights and prove that they own it.

It was a very interesting move to the virtual economy.

[Translation]

**Mr. Stéphane Lauzon:** I think my time is up.

[English]

**The Vice-Chair (Mr. Corey Tochor):** Yes, you are.

Thank you very much for that round of questioning.

We now move to MP Simard for six minutes.

[Translation]

**Mr. Mario Simard:** Thank you, Mr. Chair.

I am glad to see you today, Mr. Schaan and Mr. Vats, as you may be able to answer one of my questions. We have heard from previous witnesses about the importance of knowledge transfer in the real economy. To do that, Quebec has a rather interesting model—the college centres for technology transfer, CCTTs.

You know that the federal government funds CCTTs that have a technology access centre designation, a TAC designation. In Quebec, many CCTTs are funded by the federal government, to the tune of \$100,000 right now, unless I'm mistaken. The program is being revised to fund fewer CCTTs, but provide more money to those who will receive the funding.

That is causing a lot of concern among CCTTs. Do you have a quick update on that situation? How will the financial support for CCTTs work?

**Dr. Nipun Vats (Assistant Deputy Minister, Science and Research Sector, Department of Industry):** The reason we are trying to increase the amount of money given to CCTTs in Quebec that are also TACs, or technology access centres, is that, when we started funding these kinds of organizations, the Quebec government was providing even more money. Now we want to make sure that all TACs across the country receive the same funding from the federal government.

That's why we're trying to increase the funding for CCTTs in Quebec. I know there is a concern, as the amount of money given to TACs is fixed.

• (1230)

**Mr. Mario Simard:** You know that, in Quebec, in the operating model of college centres for technology transfer, there are a lot of ongoing expenses that are not covered by CEGEPs. So that's a disadvantage for CCTTs, since in the rest of Canada, those expenses, such as building expenses, are covered by educational institutions.

This specificity of the Quebec model must be taken into account. If we try to equalize funding, I think CCTTs in Quebec will lose out, which I hope you are aware of.

**Dr. Nipun Vats:** I know that systems are a little different in each of the provinces. In some of them, the responsibility for the infrastructure is shared between the two. In others, the technology access centre or the CCTT is responsible for providing the infrastructure. The principle is that the federal funding is the same. However, I understand that there are differences from province to province.

We have also heard the concern that this will decrease the number of technology access centres across the country. I know the government is aware of that. I don't have an update on the situation as such, but we've had a lot of conversations with industry and we're trying to find a way to address that.

**Mr. Mario Simard:** Thank you very much.

Working on an issue as important as the innovation sector cannot be done without a strategic plan. I often hear the minister talk about the importance of the battery industry and I completely understand.

I would like to know if you have identified some areas that may benefit from better funding sources than others. Does your strategic plan target specific areas of activity?

**Mr. Mark Schaun:** Thank you for the question, which I will answer based on two aspects.

First, there is a global aspect, which consists of industrial strategies that affect the three most important considerations for all government investments: digital transition, a more resilient economy in response to geopolitical changes and global changes in the value chain.

In addition, these global goals include other equally important aspects, including the government's strategies, targeted investments such as those in the automotive sector value chain, the quantum strategy, the artificial intelligence strategy, and investments in global innovation clusters, which also include the government's other priorities in aspects or sectors that represent a lot of benefits.

**Mr. Mario Simard:** Would you be able to provide the committee with an organizational chart that would show all of the sectors that are targeted?

**Mr. Mark Schaun:** I will consult my colleagues and then I could provide the committee with some comments on our strategy.

**Mr. Mario Simard:** Thank you.

[English]

**The Vice-Chair (Mr. Corey Tochor):** Thank you so much for that.

The last member of Parliament to ask our witnesses questions for six minutes is MP Cannings.

**Mr. Richard Cannings:** Thank you.

Thanks to the witnesses. It's been very interesting, primarily because like many Canadians, I assume, I know absolutely nothing about the patent process, other than what a patent basically is.

Mr. Georganas, in your remarks at the start, you talked about foreign companies registering patents here and Canadian companies registering patents elsewhere. Can you give me a patent 101? If I were a company, what would I have to go through? Where do I register patents in order to be protected worldwide? What kind of foreign agreements are out there?

This is so I can get a basic lay of the land.

• (1235)

**Mr. Konstantinos Georganas:** Thank you very much for the question.

As I mentioned, 70% of our applications come from abroad and most Canadians will file outside of Canada. For one example in terms of volumes, last year 12,000 Canadians filed in the U.S. for patents. In reverse, 16,000 Americans filed in Canada.

We have a number of mechanisms in place to help support that. From CIPO's perspective, we do provide information on how to enter markets and what to consider.

We are part of international treaties governed under the World Intellectual Property Organization and we are part of treaties for each of patents, trademarks and industrial designs. This allows someone who wishes to go into multiple markets to file just once through the World Intellectual Property Organization. They pay one fee in one currency and then determine which countries they wish to go in. It's a way of facilitating that movement to the global stage. I'm pleased to say that it was just in the last three years we joined the trademark and industrial design systems.

For all three of them, Canada is ranked quite highly in terms of volume. For the patent system, we are fifth. For the trademark and industrial design systems, we are sixth internationally. That demonstrates that people want to invest in Canada and also that Canadians wish to operate globally.

**Mr. Richard Cannings:** If I were a foreign company, would I register in Canada solely?

I'm trying to grasp why a company would decide to register their patent in Canada rather than the United States, Germany or wherever. What drives that decision?

**Mr. Mark Schaun:** A company's intellectual property strategy rests on a number of things. It is shaped in part by their sector and their location, as well as their market.

For many companies, a primary consideration is that they want protections in the places in which they sell. They also want the recognition of their technology from an office of considerable repute that will potentially allow people to know that they have an idea, they have protected an idea, and that they have someone who has taken a credible look at it. That's not to disparage any of the IP offices around the world.

That's why many people file in the first instance in places like the United States and the European Union. They are large markets with very large patent offices for that capacity.

That said, Canada increasingly plays an important role not only as a country of second filing, but also as a market. That is why my colleague noted that the majority of applications coming into the Canadian intellectual property system are coming from abroad. It's because they're interested in the Canadian market.

It's also why we need to look very carefully when we make judgments about how well Canadian firms are doing because many of them are actually interested in those markets abroad and are potentially using other offices as the place in which they're filing.

Then it's about which rights you file for. For some companies, patents are going to be the be-all and end-all. It's the most important thing they can do. For others, they're relying on things like trade secrets, their copyright, their trademark or an industrial design.

All of those are specific to the business, which speaks to why IP advice and IP strategies are so critical for leading small and medium-size enterprises to think through thoughtfully. Those strategic choices about which markets, which rights and in what order are all very important, particularly when a company's at its early growth stage where it's not necessarily ripe with capital.

**Mr. Richard Cannings:** How would some of those offices differ, say the Canadian office and the American office, in terms of how long it takes to get a patent, how much it costs and those issues that might drive a decision?

**Mr. Konstantinos Georgaras:** Thank you for the follow-up question.

Getting a patent and applying for it can be a rather complex process. There are a number of steps in play.

We ensure that we are internationally comparable so that when someone applies in Canada, they can expect similar turnaround times with other jurisdictions. We also ensure that our fees are comparable. In fact, in the larger jurisdictions such as the EU, the U.S., Japan and Korea, the fees are higher.

We do try to ensure there's a value proposition for Canadians who want to file in Canada, and that they can get their rights here quickly and at a comparably reasonable price.

• (1240)

**Mr. Richard Cannings:** Thank you.

**The Vice-Chair (Mr. Corey Tochor):** Thank you, Mr. Cannings. You came in with five seconds to spare. That's much appreciated.

Moving on to the five-minute round, we have Dan Mazier from the Conservatives for five minutes.

**Mr. Dan Mazier (Dauphin—Swan River—Neepawa, CPC):** Thank you, Chair, and thank you to the witnesses for coming out here today.

This is directed to the department, but we'll see where we go here.

Over the last five years, what percentage of intellectual property developed in Canada is owned in part or in whole by non-Canadian companies?

**Mr. Mark Schaan:** I don't think I could furnish a specific number, given the sheer volume of intellectual property that's generated and the variety of rights associated with intellectual property.

**Mr. Dan Mazier:** Do you track it?

**Mr. Mark Schaan:** We track patent filings. We track the number of trademark filings. It's harder to track copyright as much of that is not registered, and we track trade secrets.

**Mr. Dan Mazier:** If you could table some of that data, that would be great.

**Mr. Mark Schaan:** You bet.

**Mr. Dan Mazier:** How much did Canadian universities make from licensing or from the commercialization of intellectual property last year in comparison to research and innovation funding they received?

**Dr. Nipun Vats:** I don't have those numbers on hand.

**Mr. Dan Mazier:** You do track it, though.

**Dr. Nipun Vats:** There's an organization of university technology transfer offices that captures those numbers, so we could certainly—

**Mr. Dan Mazier:** The department doesn't track the amount of commercialization. They get value for money. Don't they track that? It's another organization.

**Dr. Nipun Vats:** I would say that when we fund research, there are a number of different channels for actually assessing the value of that investment. One is commercial opportunities, which are actually managed at the institutional level. There's the training, which is a huge part of it. It's the knowhow of how you do a lot of these things, which plays out in terms of the employability of those who are trained doing research—

**Mr. Dan Mazier:** I guess what we're trying to get at is if there is any way of measuring the value for money.

If we, as a government or as the Canadian people, invest in this, how much are we getting back out of that intellectual property in commercialization.

**Dr. Nipun Vats:** There is data produced by the technology transfer offices that we could certainly provide to the committee.

**Mr. Dan Mazier:** If you could provide that for the last five years, that would be really helpful.

**Dr. Nipun Vats:** I'll see what's available. We can certainly do that.

I was just making the point that the channels of the benefit to industry and the economy are not exclusively IP-related. A whole bunch of other things come into play.

**Mr. Dan Mazier:** Good. Thank you.

The University of British Columbia was asked if they were still working with Huawei Technologies and the response was that yes, they are.

How many universities that receive federal research funds continue to work with Huawei in any form?

**Dr. Nipun Vats:** We can't speak to that entirely because we can only speak for those projects that are funded through federal dollars. There is a range of research activities that universities carry out that don't have a federal funding component.

When it comes to federal funding, currently there are research security guidelines in place that are country and company agnostic. They're not specific prohibitions on companies.

**Mr. Dan Mazier:** They're simply guidelines. Is that right?

**Dr. Nipun Vats:** They're actually mandatory for the alliance program at NSERC, which is the primary funding vehicle for the granting agencies to fund partnerships between academic researchers and industrial partners. That funding only goes to the academic researcher, not to the company—

**Mr. Dan Mazier:** It doesn't go to the university?

**Dr. Nipun Vats:** It goes to the researcher, so—

**Mr. Dan Mazier:** It goes to the researchers themselves in the university.

**Dr. Nipun Vats:** That's right.

The way it typically works is when a researcher is doing a project with a company, they need to disclose that to their research office. Then if there's a project proposal with a company that they want to collaborate with, the primary program for that is an NSERC program. The university would be involved in that assessment process.

**Mr. Dan Mazier:** Okay. Are those guidelines that you mentioned legally binding? Are you aware?

**Dr. Nipun Vats:** Well, it's a grant. Basically, the way it works is that if there's a sufficiently high risk, they won't get funded. There's not a legislative dimension to it.

**Mr. Dan Mazier:** It's not legally binding. I guess we're on the same thing.

I have one last point, Chair.

In reading your departmental plan, on page 23, it shows the total business investment in Canada, which includes intellectual property products. The total business investment was \$228 billion in 2019-20 and \$204 billion in 2020-21.

That's more than a 10% decrease in investment, and 2021-22 also shows a decline of 4.5% since 2019-20.

Is this decline in business investment concerning to the government?

• (1245)

**Mr. Mark Schaan:** I thank the chair for the question.

I think Canada's overall innovation performance continues to motivate the government to seek opportunities to significantly increase Canada's success rate. We have put in place a number of programs and initiatives aimed at arresting some what are worrying statistics and overall trend lines in a number of key areas, as well as ennobling bright spots, spots where we want to make sure Canada's advancing.

I think our industrial strategy is motivated by the fact that business expenditures on research and development, amongst other things, are not where they should be, and are zones where we absolutely want to increase our innovation performance.

**Mr. Dan Mazier:** Thank you, Chair.

**The Vice-Chair (Mr. Corey Tochor):** Moving to our last MP for the five-minute round of questioning, we have MP Bradford.

**Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.):** Thank you, Mr. Chair. Thank you to the witnesses today.

The first question would be for Mr. Georgaras.

On March 9, 2023, Associate Professor D'Agostino, professor of law at York University's law school, told the committee about the possibility of using artificial intelligence to speed up the processing of patent applications in Canada. You've indicated that you've been

able to speed up that process and there's less of a backlog now. Do you know approximately how many are waiting to be processed?

**Mr. Konstantinos Georgaras:** In terms of trademarks, our inventory is 150,000. Our annual applications are 82,000 new ones every year.

**Ms. Valerie Bradford:** There is a little bit of a backlog, then.

What are the current processing times for patent filings in Canada?

**Mr. Konstantinos Georgaras:** In the patent process, as I indicated earlier, there are multiple steps. There's an application first step, but then the applicant has up to four years to decide when they wish to move forward. This is called the request for examination period. We leave it to the applicant to decide when is appropriate.

From when they request an examination, our first action for them is 14 months. That is comparable to other developed countries. From the request for examination to the final file, it is, on average, 30 months.

There are mechanisms in place so that if people need to proceed quickly, they can proceed and have their application moved to the front of the line. For example, if it's an application for a green technology, it does get accelerated without a fee, or if it's an application that has already been reviewed in another jurisdiction, that can be accelerated. There are mechanisms if people wish to move quicker.

**Ms. Valerie Bradford:** What role could artificial intelligence play then in processing the applications?

**Mr. Konstantinos Georgaras:** This builds on the comment from Professor D'Agostino, who is spearheading some great work in the area of AI in society. With regard to our operations, we are exploring different tools that would help in terms of searching, comparing different backgrounds for technology, helping classify activities and to conduct formalities. We are very clear, in terms of looking at these various technologies, to ensure that when we do move forward we won't be introducing any other, for example, biases in the process that might be embedded in the artificial technology.

We are working closely with a number of other IP offices internationally to see who is developing this technology and how it's working out. We are at early stages, but quite hopeful that it could be used to increase the quality and speed of processing.

**Ms. Valerie Bradford:** Because AI is an area that Canada has a fair bit of expertise in, it would be good if we could harness that.

I'm not sure which one of you would be able to answer this question.

Earlier this year the Government of Canada released a blueprint for the Canada innovation corporation. It was announced in the 2022 budget. It's designed to help boost business investment in research and development. It's modelled on the Israel Innovation Authority and Business Finland. What features of the Israel Innovation Authority and Business Finland will be applied to the workings of the Canada innovation corporation?

• (1250)

**Mr. Mark Schaan:** The innovation agency has taken a number of features from international best practices that it's put into the blueprint that it's released to date. One of these is the agility to move at the speed of business by moving more quickly and advancing projects more aggressively with promising corporations and potential start-ups. The other is private sector expertise, by ensuring it actually has savvy and capacities that are steeped in the world of business, and also that it's complementary to the other existing processes and programs that are in place.

A number of these were features in both Business Finland's and the Israel Innovation Authority's elements. We've incorporated those into the blueprint we've indicated to date.

**Ms. Valerie Bradford:** What role will the National Research Council and its industrial research assistance program have in this?

**Mr. Mark Schaan:** NRC IRAP remains a fundamental jewel in the overall innovation ecosystem. It's at the heart of so many of our scaling companies. It's been at the heart of so many business successes. Part of the rationale for leveraging it within the construct of the agency is that it's the front-leaning mechanism to get at lots of those innovative start-ups.

Its role will remain the same, except it will be embedded in a broader process so that it can, hopefully, harness a lot of that kind of activity throughout the overall life cycle of scaling businesses.

**Ms. Valerie Bradford:** I think that's pretty much my time. Thanks.

**The Vice-Chair (Mr. Corey Tochor):** I would like to take this opportunity to thank our witnesses for being here today and for responding to the great questions from the members of Parliament. Witnesses are now welcome to leave the meeting.

Members, we have a little bit of business to handle at the tail end.

There were questions about the travel budget from MP Cannings. I believe our clerk, Mr. Buck, has an update on that.

Also, we need to discuss next Thursday's meeting. We can't have the time slot we usually have. They want to move it to 6:30 that evening. The options are to either move it next Thursday to 6:30 p.m. or cancel the meeting.

I have mentioned this to the members. We just need to come up with a game plan. I'll open up the floor.

First of all, I will make the motion to move the meeting to 6:30 p.m. and then open up the floor for discussion.

Gerald, will you make the motion?

**Mr. Gerald Soroka (Yellowhead, CPC):** I will move that motion.

**The Vice-Chair (Mr. Corey Tochor):** I can't move the motion, as chair, but Gerald's going to move the motion.

I'm opening it up to the floor for discussion. Seeing none, are we in agreement to move it to 6:30 in the evening?

I'm seeing agreement.

(Motion agreed to)

**Ms. Valerie Bradford:** I guess once again I'll be changing my travel plans. I've been trying to get to BWX Technologies on a Friday morning for many weeks now, but it doesn't seem to happen.

**The Vice-Chair (Mr. Corey Tochor):** I'm in the same boat. I don't really want to change my plans, but we do have two constituency weeks afterwards.

**Ms. Lena Metlege Diab (Halifax West, Lib.):** Could you say that for the benefit of those who have no idea? We've been told we can't have the meeting on....

**The Vice-Chair (Mr. Corey Tochor):** Yes. I was informed that we can't have the meeting at the regularly scheduled time. They're proposing to move it to 6:30. The whips' offices have agreed that it could be moved if we agree to that. The clerk has mentioned it's still subject to resources. It could still, ultimately, get cancelled, as well.

**Mr. Charles Sousa:** Are we moving all meetings or just one meeting?

**The Vice-Chair (Mr. Corey Tochor):** Just the meeting coming up on Thursday.

**Mr. Charles Sousa:** It's at 6:30 on what night?

**The Vice-Chair (Mr. Corey Tochor):** It's on Thursday, March 30.

**Mr. Charles Sousa:** I'll have to do it by Zoom.

**Ms. Lena Metlege Diab:** I won't be able to do that.

**An hon. member:** Actually, I won't be able to do that.

**The Vice-Chair (Mr. Corey Tochor):** There are always substitutes. We'll figure that out.

I wasn't watching online, but Mr. Collins, do you have any comments on this?

**Mr. Gerald Soroka:** You were on mute when you answered, Chad.

**The Vice-Chair (Mr. Corey Tochor):** I think the majority wants this to be, seemingly, moved to 6:30 p.m.

**Mr. Gerald Soroka:** I don't think anyone's crazy about it, but we'll live with it.

**The Vice-Chair (Mr. Corey Tochor):** All right. We'll adopt that motion as accepted. We'll move the meeting to 6:30 if there are resources.

(Motion agreed to [*See Minutes of Proceedings*])

**The Vice-Chair (Mr. Corey Tochor):** Now I'll turn it over to Mr. Buck for an update on travel.

• (1255)

**The Clerk of the Committee (Mr. Keelan Buck):** As a very quick update, it is on the public record that the subcommittee on committee budgets met yesterday and adopted the motion that it is granting us the travel budget needed for the travel in the spring. That does not mean the trip is approved. There is the final step for the House to actually adopt a motion to authorize the committee to travel, but the budget that we adopted is granted to us if that approval from the House comes through.

**The Vice-Chair (Mr. Corey Tochor):** Mr. Cunnings.

**Mr. Richard Cunnings:** I just want to ask Keelan what the timeline is on that. Do we have any idea when?

**The Clerk:** Now that SBLI has decided which budgets are granted, the whips are in a position to propose those motions or have them proposed in the House, but I have no info on when or if that might be.

**Mr. Richard Cunnings:** Will there be some discussion around this table as to when that travel would take place?

**The Clerk:** That was brought up when the budget was adopted. The budget adopted by this committee was for travel during the break week in May, so that's May 21 to May 27.

**Ms. Valerie Bradford:** One step closer.

**The Vice-Chair (Mr. Corey Tochor):** Fabulous.

Well, our next meeting is scheduled for Tuesday, March 28, at the regular time period, and the notice will be published shortly.

Is there agreement to adjourn the meeting?

**Some hon. members:** Agreed.

**The Vice-Chair (Mr. Corey Tochor):** Seeing agreement, we stand adjourned until Tuesday, March 28.

---





Published under the authority of the Speaker of  
the House of Commons

---

### SPEAKER'S PERMISSION

---

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

---

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

Publié en conformité de l'autorité  
du Président de la Chambre des communes

---

### PERMISSION DU PRÉSIDENT

---

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

---

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :  
<https://www.noscommunes.ca>