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• (1155)

[English]

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

Welcome to meeting number 37 of the House of Commons Standing Committee on Science and Research.

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 by using the Zoom application.

Today we are continuing our study on the support for the commercialization of intellectual property.

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

For interpretation for those on Zoom, you have the choice at the bottom of your screen of either floor, English or French. Those in the room can use the earpiece and select the desired channel. I remind you that all comments and questions should be addressed through the chair.

In accordance with our routine motions, I am informing the committee that all of our witnesses have completed the required connection tests in advance of this meeting.

We have three witnesses with us today, who will each have the opportunity to provide a five-minute opening statement. Then we'll have rounds of questioning from our members.

We'll start with Jim Balsillie for five minutes.

Jim, I'll give you the floor. If you can do your best to keep it within five minutes for scheduling purposes, I'd appreciate it.

With that, I will cede the floor to Mr. Balsillie.

Mr. Jim Balsillie (Chair, Council of Canadian Innovators): Mr. Chair, honourable members of the committee, thank you for the opportunity to contribute to your study on the commercialization of intellectual property.

I am Jim Balsillie, chair of the Council of Canadian Innovators and also of Canada's Innovation Asset Collective.

As this committee well knows, Canada has directed tens of billions of dollars to build capacity in science and research. These investments have propelled our universities into the top global rankings for academic publications and for education. What is missing

is a focus on the ownership of ideas, which is a precondition to commercialization.

Simply put, you cannot commercialize ideas you don't own. Canada has never paid serious attention to IP ownership. Repeated initiatives aimed at promoting economic growth either ignored the ownership prerogative altogether or were designed to transfer decades' worth of publicly funded research to foreign firms.

Today the knowledge-based economy is in its fourth decade, the data-driven economy is in its second decade, and the age of machine learning capital is emerging, yet Canada's deficit on IP payments and receipts is widening at an alarming pace, a position we now share with developing nations.

This is why the OECD recently projected that Canada's economy will be "the worst performing advanced economy over 2020-2030" and the three decades thereafter.

The arrival of the knowledge-based economy in the 1980s transformed a world previously based on knowledge sharing, open science and a patent system designed to reward genuine inventions into a world of closed science and the monopolization of knowledge and information. Over the past 30 years, we've seen a dramatic rise in IP ownership around the world, especially in critical technologies such as machine learning and clean tech.

Under current strategies, Canadians are contributing to the development of intangible assets but not sharing in the ownership or exploitation of these assets.

A small example of Canada's approach to IP commercialization is best embodied in the quotes I've provided to you from Google and Tesla.

In my appendix, I have included a chart that shows how technology firms organize their innovation activities, specifically by continuously monopolizing knowledge by owning the IP while outsourcing the innovation steps to unwitting firms and publicly funded research institutions. Simply put, Canada must start focusing on the ownership of IP if we want to improve our poor commercialization record.

A critical step is to build capacity inside our policy community for the contemporary economy, including how IP is generated and commercialized. In the short term, Canada can, one, invest in IP collectives, which are co-op-like structures that provide professional, centralized resources, including “freedom to operate” strategies, to Canadian companies.

Two, Canada can broaden the mandate of the Innovation Asset Collective, which is currently focused on only later-stage clean-tech companies.

Three, Canada can centralize commercialization expertise and services for Canadian universities, as Germany has done for the Fraunhofer Institutes. The Government of Ontario has recently created Intellectual Property Ontario, IPON, an agency that provides IP management alongside expert advice and services to companies and academic institutions. The federal government should do the same.

Four, Canada can experiment with publicly owned data trusts and collectives to protect public welfare and support domestic innovation in the data-driven economy.

Paying attention to the ownership of IP does not require material or new funding; it's about a reorientation of our current strategies, which overwhelmingly ignore IP ownership and thus create a system of IP philanthropy for foreign economies. Canada's history of research and education funding deserves better domestic economic outcomes.

Thank you.

• (1200)

The Vice-Chair (Mr. Corey Tochor): That was a record. We have one minute to spare. Thank you so much for concluding your remarks on time.

We will now move on to the next witness.

Dr. Gaffield, you have five minutes.

Dr. Chad Gaffield (Chief Executive Officer, U15 Group of Canadian Research Universities): Thank you.

[*Translation*]

Good morning, Mr. Chair and members of the committee.

Thank you for inviting me to appear before you.

[*English*]

I really want to emphasize the importance of your serious engagement with the challenges and opportunities for building a better future based on research and innovation.

In contributing to your work on these challenges in the commercialization of IP, I want to add to your previous discussions that have consistently emphasized the essential role of Canada's universities in leading to the successful commercialization of IP.

Witnesses have repeatedly described how brain circulation from campuses to companies is key. Speakers have highlighted how highly qualified, talented people are the essential precondition for Canadian enterprises to undertake advanced R and D activities.

Witnesses have repeatedly emphasized the importance and extent of research partnerships involving those in the private sector. They have emphasized the number and frequency of campus-supported start-ups, despite the challenges that are faced in moving these efforts from pre-commercial to commercial viability. In other words, there are now increasingly fluid connections between leading research universities and their host societies across the private, public and non-profit sectors. Canada now ranks third among OECD countries in the percentage of all private R and D done in partnership with post-secondary institutions. Indeed, it is hard to find any innovative company in Canada that is not closely connected to at least one university.

One additional suggestion for your report would be to emphasize that while IP is often associated with new technologies, the expression “the commercialization of IP” reflects social, cultural and economic considerations that companies must understand in detail if they are to be successful. For this reason, the connections in Canada between universities and communities now reach across all disciplines.

A second suggestion would be to highlight in your report the efforts that are being made to increase the ease with which information about researchers and their research projects, as well as information about IP, can be accessed by non-specialists.

I want to give the example today of Cognit.ca. It is a new digital tool developed by U15, with multiple sponsors, for anyone who wants to access information about the experts, facilities and intellectual properties related to university research across Canada. This new digital platform harvests the federal research agencies' awards databases, while also including information about current licensing opportunities as well as a listing of patents filed by Canadian post-secondary researchers and institutions and their partners. Please do not hesitate to request more information about this important digital tool, which in fact has been mentioned previously in this committee.

Finally, let me address two recent documents.

This week's federal budget contained no new investments in research funding for universities, as offered by Canada's four research-granting agencies. This is the second consecutive year of frozen research funding.

While governments internationally are fighting inflation, peer countries like the United States, Germany and the U.K. and so on are making game-changing investments in research. Over the next five years, the CHIPS and Science Act in the United States will essentially double the base budget of the National Science Foundation. Along with the Inflation Reduction Act, the ambition is not only to repatriate the semiconductor supply chain or accelerate the transition to the green economy in the United States; in addition, these investments will enable American companies, as well as universities, to recruit our best and brightest, the highly qualified, talented graduates of our leading research universities whom Canada needs in order to carry out our own green transition and digital transformation in the changed 21st century economy.

Canada already ranks at the bottom of G7 countries in those with graduate degrees and only 28th among OECD countries in the proportion of our population with graduate degrees. In other words, the Canadian model of university-connected research and innovation is at risk.

At the same time, the potentially good news is the new “Report of the Advisory Panel on the Federal Research Support System”. The report compellingly recommends how an updated structure of governance and program delivery can enhance support for interdisciplinary as well as disciplinary research and for small and large projects, including cross-sectoral partnerships. However, the report emphasizes that if underfunding continues, the future is inevitably bleak. The report makes an urgent call for new federal investments of 10% per year for five years.

Overall, the conclusion is that we must urgently respond to the rapidly increasing international competition that threatens our domestic capacity and national security and thus our prospects for a prosperous, resilient and just society in the 21st century.

[Translation]

Thank you very much.

[English]

I look forward to your questions and comments.

• (1205)

The Vice-Chair (Mr. Corey Tochor): Thanks so much for that.

Now, for our last witness, we have Mr. Vincent-Herscovici.

[Translation]

Mr. Jesse Vincent-Herscovici (Chief Executive Officer, Axelys): Good morning, Mr. Chair and members of the committee.

My name is Jesse Vincent-Herscovici, the Chief Executive Officer of Axelys, a non-profit organization established by the Government of Quebec whose mandate is to support the entire province by optimizing the transfer of public research findings for stakeholders, particularly through intellectual property.

I would therefore like to thank you for your interest in this extremely important subject. We are, of course, keen on this initiative, and very pleased to be able to support it.

I'm going to switch to English, since it's the language most of you speak. I will naturally be happy to answer questions in either language.

[English]

Quebec was not satisfied with the economic impact nor, therefore, the societal benefit derived from the majority of investments made in publicly funded research. This mirrors the Canadian paradox of having heavy investments in government and public R and D, yet relatively low declarations of inventions, patents and transfers compared to countries like the United States, which have mechanisms that require technologies stemming from federally funded research in universities to be declared to government.

Canada does not have such requirements, yet companies that can obtain capital, scale, export and compete globally, as was well put by my counterpart Mr. Balsillie, are clearly the ones that have been able to create intangible assets, especially and specifically via IP portfolios.

A large portion of the IP that was developed in Canada ended up being owned by international companies, notably in fields like AI, which are of crucial importance to our survival [*Technical difficulty—Editor*]

The Vice-Chair (Mr. Corey Tochor): We might have to suspend here for a minute until we figure out our technical difficulties with our witness.

Mr. Jesse Vincent-Herscovici: My apologies. I have been boot-ed off of the meeting a couple of times. Hopefully you can hear me okay and the audio is back.

I was saying that a large portion of the IP that's developed in Canada ended up being owned by international companies, notably in fields like AI. We fund the effort, but our economy and society often don't reap the greatest benefits.

Quebec invested heavily in a strategy for R and D investments and innovations through SQR12 strategy. These are research and innovation investments whereby hundreds of millions are being strategically invested to support proactive growth and maximize impact from our strong research foundations. Quebec created the position of a chief innovation officer to work in tandem with the existing chief scientific officer and created the Conseil de l'innovation du Québec to generate tools like Baromètre de l'innovation du Québec to actively track key indicators in order to inform decision-making.

In 2021, the Quebec government consolidated what were historically fragmented technology officers throughout universities in order to consolidate efforts. This is Axelys. Yes, Ontario developed their agency, but Quebec has a similar, though slightly different, approach in Axelys.

We were mandated to identify high-potential inventions regardless of where they came from across the province—since of course, innovation is everywhere—support them with appropriate IP tools and mature them to a point of being de-risked towards a transfer to an entity that can deploy them. Of course, that is where invention becomes innovation: It's only once that invention is deployed.

This has allowed us to consolidate expertise and pool resources, mainly legal and financial, to support IP stemming from all publicly funded research institutions across the province, avoiding many of the redundancies that led to a lesser capacity of support. Of course, that maximizes impact across the province and, I dare say, in the entire country.

Our solution, which is found in the SQRI2, had three major objectives.

One was to raise the awareness and socialize the importance of IP and its tools. Of course, this is to catalyze or further a culture shift that's happening already across the ecosystem.

Second, we wanted to create a team of experts on the ground to accompany each role across the spectrum of key players to support their specific IP strategy across research and industrial fields.

Third was to bring specific financial resources to generate more and better-quality IP, and then find appropriate parties and transfer it to them.

Our key recommendations to this committee are these: First, bring awareness and education on the importance of IP. Second, create specific tools to better utilize it and align messages and interests across research entities to provide proper incentives. Third, provide tools to accompany specific initiatives and work with provincial governments that are most advanced and organizations that are most advanced here.

We don't need to reinvent the wheel, as was also said by Mr. Balsillie. We should be supporting, strengthening and aligning efforts here. The more resources, tools and alignment of these efforts that can be provided while leveraging regional strengths across the country—which is obviously a cornerstone of a strong innovation ecosystem—the more Canada can turn the innovation paradox into the innovation powerhouse. It has so many of the key ingredients required to achieve it.

I apologize for being 23 seconds over, but it was the time it took me to get off and back on to this call.

• (1210)

The Vice-Chair (Mr. Corey Tochor): Thank you so much for that, and for working through some of the technology issues we've had today.

Opening our six-minute round, we have Mr. Ryan Williams for six minutes.

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

Thank you to our witnesses for being here. This is a very exciting study, and it's always great to have you here in Ottawa.

I'm going to start with Mr. Balsillie. Given this talk about IP protections, patents, copyrights and trademarks, is there anything in our IP protection that's putting our innovators at a competitive disadvantage compared to innovators in other countries?

Mr. Jim Balsillie: Yes, there are structural elements that put us at a disadvantage.

Number one, we do not educate to the expertise and scale that's necessary to understand how to play the chess game of freedom to operate. Two, we do not service to the level that other countries do to help their firms play the appropriation game or prioritize libraries and expert advice. Three, we do not have an institutional mechanism, as my colleague from Axelys said, to do the appropriation and coordination of the freedom-to-operate assets, the IP. We don't educate for it. We don't service for it. We don't pool and govern for it.

Mr. Ryan Williams: Can we make any changes to our IP protection here in Canada to keep innovators here in Canada? As a second part of that, what are other nations doing that is maybe attracting IP away from Canada? How do we copy that or how do we be more innovative to keep that in Canada?

Mr. Jim Balsillie: As my colleague from Axelys said, in the U.S., when you receive funding, that gets assigned to the state. Germany does the same thing, as do other nations. You don't give away your best ideas. I gave examples of how we have foundational technology in Canada worth tens of billions of dollars, if not hundreds of billions, and we give it away.

It's the institutional keeping of the ideas and then the education and the service at the firm level so that these promising young companies have the IP expertise and freedom to operate, to grow into 50-billion- or 100-billion-dollar companies. That's what drives your prosperity. That's what gets the wheel turning. If you do not have the appropriation structures, you do not get the economic outcomes, and in a changed world, if you're not getting those economic outcomes, you fall to the bottom of the OECD.

We've been at the bottom of the OECD for the last 40 years in productivity and we're forecast to be there for the next 40 years, and that's why middle-class Canadians are having trouble making ends meet.

Mr. Ryan Williams: From other witnesses we've had before, it seems that first-stage innovation is where we fail in Canada. Dr. Gaffield talked about applied research funding being frozen here, but in the U.S. they go even a little further, with organizations like DARPA doing massive first-stage innovation on behalf of companies, and with U.S. EnergyWorks, which has a program called Earthshots, providing the actual tangibles for green energy, from solar to geothermal.

Is that something we should be looking at again? Do you have any advice or recommendations for applied research or first-stage innovation for Canadian companies and how we would merge that with developing our IP?

• (1215)

Mr. Jim Balsillie: If you look at figure 4 in the document that I submitted to you, you'll see that our ownership of clean-tech IP is negligible compared to that of other countries, so if we want to invest in clean tech, absent an appropriation strategy, we're simply transferring the wealth to foreign countries.

People don't want to invest a dollar to turn it into 10 cents. That's a bad investment, but if you get the right appropriation structures up front, then you turn a dollar into 10 dollars. I never say invest more or invest less; I simply say, how can we get 10 dollars out of our dollar, rather than 10 cents?

Of course, if you fix the return models, it makes an overwhelmingly compelling case to invest more, but it's all about the upstream appropriation, institutions and capacity. If those are missing, you're building a house without a foundation.

Mr. Ryan Williams: Let's talk about incentivizing risk.

In Canada we have the SR and ED tax credit. When we look at the United States and other nations like Germany, we see that they seem to have a few more ways for companies to invest into their own companies but also to get firms like venture capitalists and others to actually invest in their companies.

Are there any recommendations you can make in terms of new tax credits or maybe some other initiatives that would incentivize risk and encourage Canadians to invest in companies for IP and for companies to invest in themselves?

Mr. Jim Balsillie: I think we do a reasonable job of availing capital. We just don't do a reasonable job of creating a system that creates returns on capital.

You will not create incentives if you get 10¢ on the dollar or the government pays 90% of it and then you get \$1 back on your dollar. Germany has appropriation structures through their courts, through their education and through commercialization institutions like Fraunhofer Institutes, which I talked about. It's all about those upstream appropriation structures, so then, at that point, you're now talking about fixing incentives, more talent and helping people market more internationally, but our economic strategies have been focused on the downstream elements, never managing the upstream appropriation structures, so you build a castle in the sand.

I like to say that it's a two-legged race. There are two legs. You need talent and you need capital. You need all these things, but if you don't have the upstream ownership, you're playing with one

leg. One leg is strong and one leg is atrophied, so you're hopping instead of running.

I'm not saying that IP appropriation is everything, but in its absence, it's everything.

Mr. Ryan Williams: I think I have time for one last question.

Could you spend a little bit of time on the patent box tax incentive, just a little bit more? I know you have it in some recommendations, but what specifically can the federal government do to make sure that this is a reality?

Mr. Jim Balsillie: I think we have to look at it, because what's happened is that the ideas economy works on absolute advantage, not comparative advantage. In comparative advantage, it's always relative, and in absolute advantage, you can be the owner ten out of ten times—the landowner or the property owner.

The U.S. and other countries are becoming what is called “mercantilist” in their approaches, and they became mercantilist in tax boxes with the U.S. Tax Reform Act. With a stroke of the pen, the IP is going to leave Canada to a lower tax jurisdiction.

If they can move that quickly, I think you do have to do it. I'm never one who says, “Just lower taxes, because that's our answer”, but that's a case when it can move things, and it's mercantilist behaviour by our economic competitors. I think that you have to meet what they've done. I know many companies that are moving their IP because it's at 12% or 13% for an IP box. You just do the math, and then the board says to do it.

I think we want to keep it here, but I hesitate to encourage tax strategies, because it's not a cut-taxes world in these games; it's an appropriation world. However, in this case, I think you have to meet the market.

Mr. Ryan Williams: Thank you, Mr. Chair.

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

We'll move on to MP Bradford for six minutes.

Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.): Thank you, Mr. Chair.

Thank you to our witnesses for being here today, two of whom are doing repeat performances. Thank you so much for coming back.

I want to start with you, Mr. Gaffield.

On March 9, Professor Karim from the University of Waterloo stated:

Challenges such as a net-zero economy, climate change, sustainable health care, inequality and food insecurity continue to exist despite decades of strong economic growth. Private enterprises do not take on these challenges because the financial returns are modest and the time to returns can be very long. However, sustainable social enterprises founded on university campuses like Waterloo can take on these societal challenges and they do.

What advantages do universities have that allow them to innovate in areas that have been neglected by private companies?

• (1220)

Dr. Chad Gaffield: This is a really important question, and thank you for posing it, because it suggests the extent to which innovation is really needed across society in all our sectors.

It's interesting the extent to which the last few years have changed the game in terms of pressure to innovate. I think the pandemic, for example, in a kind of unexpected way, really accelerated the digital transformation, even though it's been going on for decades. In fact, with the new pressure to be digitally enabled, to be able to service and so on, all of a sudden expressions that are 30 years old, like telehealth, are now really happening. I think that is one really important change.

The other one is how extreme weather events have really accelerated the climate change debate. I think that there is a social licensing phenomenon now. People are very aware now, so whatever your business is, whatever your activity is, you're now expected to be sustainable. Citizens, clients, customers and so on expect that.

It seems to me that universities have to play a key role in this, because, as you know, how we can move toward a sustainable way of living in our communities and how we can move toward a digitally enabled way in our community and so on is really dependent on that kind of expertise and knowledge that I think come out of our institutions.

That's why I emphasize the extent to which all our disciplines are involved in this. It's because, at the end of the day, these are really individual choices, societal choices, decision-making, and what does that mean? That means human thought and behaviour, and technology has become really important—or not, depending on whether people decide to use it. I think that trying to understand that kind of constellation is key, and I think our research universities are really important in supporting those efforts.

Ms. Valerie Bradford: I agree that there is nothing like a crisis to focus our attention on priorities, and COVID did that for us in many areas.

I have a second question for you, then.

How do universities balance a shift to open science and the desire to protect intellectual property spun off from the work done by their researchers?

Dr. Chad Gaffield: This is such an interesting question. In fact, Jim and I were talking about it earlier in many ways.

I think that over the last 25 years, or maybe more, there has been a really active debate in terms of how, on this planet, we're all going to coexist or not.

You can remember—it wasn't that long ago—that nationalism was really seen as going down. We were all going to be in this

world together—globalization, citizens of the planet and so on, but we know, in fact, that geopolitical borders have become perhaps more important than ever along the way. I think that we're now attempting to come to grips with that belatedly. I think Canada lost focus a little on the extent to which where you live and the regimes and institutions under which you are living matter a lot now.

One of my concerns in recent years has been the extent to which Canada has lost sight of its dream of being a nation, its dream of national sovereignty and domestic capacity. My fear now is a new kind of colonialism in the intangible economy and the knowledge economy of the 21st century.

Somehow we have to reconcile, I think, the theoretical wonders of “open”—we like open science, and we want to share, we want to advance knowledge, we want a healthy planet and we want all societies to advance—with the other side, which is that geopolitical borders matter and that if Canada does not stand up for itself and ensure our citizens a place in the 21st century, this could go very badly.

I think a new sense of ourselves as a country that we must build in terms of a solid foundation is really coming to the core again. I think some of that energy that we had in the 1960s and 1970s in terms of building a strong Canada we need now in terms of the 21st century. We need to find the balance between open as possible but protected as necessary, given the geopolitical context we are in.

• (1225)

Ms. Valerie Bradford: Yes, I would agree.

Now I want to shift focus a little bit and talk about under-represented communities, women and indigenous peoples, the have-nots of the IP system.

They're the have-nots of the patents. When we think about having a dynamic commercialization process and systems and results for the benefit of all Canadians, they're not at the table, because they're not the owners of the IP. They're not filing the IP.

What specific challenges do women and indigenous peoples face in the commercialization of intellectual property?

The Vice-Chair (Mr. Corey Tochor): I'm sorry, Ms. Bradford, but we're 30 seconds over already. I would ask for a written response from our witnesses.

Dr. Chad Gaffield: Yes, I would like to provide a written response. It's a fascinating question. Thank you.

Ms. Valerie Bradford: That would be great. Thank you so much.

The Vice-Chair (Mr. Corey Tochor): That's great.

I will move on to MP Blanchette-Joncas for six minutes.

[*Translation*]

Mr. Maxime Blanchette-Joncas (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Thank you very much, Mr. Chair.

I'm going to address you in French, the language of the minority, one of the two official languages of this country, and the language of my nation. I'm proud to speak to you in French before this important committee.

The science community was paying careful attention to the government on Tuesday when it released the 2023 budget, which I have looked at. I have it in front of me where, on page 126 of chapter 3, it talks about modernizing Canada's research ecosystem. I went looking for various numbers—I even had to put on my glasses which, as you know, I take pride in wearing—and noticed that the budget did not mention any investment in science, Mr. Chair. Actually, there is a number, and I'll tell you what it is: zero. What makes this number amazing is the fact that you can turn it upside down and it's still zero. It's a bit like this government; you can look at it from every angle but the end result is always zero.

There are zero dollars, Mr. Chair to support Canada's science ecosystem, despite the recommendations that were made to the government in the report it commissioned, called the "Report of the Advisory Panel on the Federal Research Support System". Oddly, it was released on March 20, just a few days before the budget, just late enough to make sure there wouldn't be enough time to include its recommendations.

I'm going to tell you about the first recommendation, which was discussed by Mr. Gaffield, who is with us today. It would involve an increase of at least ten percent annually for five years to the granting councils' total base budgets.

Mr. Chair, zero plus zero is still zero. This government did not deem it appropriate to set a priority on recommendations from its own report.

The past speaks to the future: these recommendations had previously been made in the 2017 Naylor report. That was six years ago. I have a great deal of respect for the people on this committee and for the experts who gave testimony, but when the government doesn't pay attention to what is already known, it's difficult to say something new. It's hard to think of anything else.

Mr. Chair, I'd like to address this subject concretely, but I felt that this preamble would be helpful to those watching us, because the future and the development of our scientific communities depend on it.

My first questions will be for Mr. Gaffield.

Mr. Gaffield, it's a pleasure to see you again today. I'm going to read the motion I introduced to the committee today. To reassure my colleagues, my purpose is not to debate it, but simply to hear your expert opinion as representatives of universities and the U15 network. Here it is:

That, pursuant to Standing Order 108(3)(i), the committee invite the Minister of Innovation, Science and Industry to testify about the 2023-2024 federal budget, at the latest on Thursday, April 27, 2023, and for one hour.

Mr. Gaffield, what do you think of the idea of asking Mr. Champagne, the Minister of Innovation, Science and Industry, to come here before the committee to explain why the government has completely failed to invest in research?

• (1230)

Dr. Chad Gaffield: Thank you very much for your question.

As I mentioned at the beginning of my address, I consider this committee to be the only place in Canada where serious and intense discussions are held throughout the year on the importance of research and science for Canada. Indeed, it's here that the key discussions take place. That's why I'm very pleased to be here, and I can't see why people in Canada would refuse an invitation from you.

I'd like to briefly address the budget. I think that it's worth remembering that in Canada, the research granting councils were established in the 1960s and 1970s, a period during which Canada really decided that it would cease to be a colony. After World War II, our military contingent was rather substantial. We were actually beginning to think of ourselves as a full-fledged country. But in intellectual and scientific circles, we seemed to still be considered a colony.

When I began my studies at McGill University in 1969, for example, most of the professors had been educated outside of Canada. However, we established granting agencies for research as a way of signalling that in Canada, we were going to build a serious science community in support of our wish to become a strong country.

And as you know, the province of Quebec took the initiative of creating a research fund to support and complement the federal initiatives to some degree. I therefore think that the link between a solid scientific foundation and a country's capacity to be strong and properly protected in today's world is very important.

Mr. Maxime Blanchette-Joncas: Thank you for your comments Mr. Gaffield.

[*English*]

The Vice-Chair (Mr. Corey Tochor): I'm sorry; we are out of time on this round.

Moving on to our next round, we have MP Cannings for six minutes.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Thank you to all the witnesses here today with us.

I'd like to start with Mr. Balsillie.

In your presentation, in a brief conversation before the committee and in the material you presented, it's clear you feel that the critical, essential piece here is that upstream appropriation of intellectual property.

I come from a science background where science is based on knowledge. Mr. Gaffield mentioned this, too, I think. Knowledge isn't even considered real knowledge until it's verified and publicly known. There's sort of a tension there, I think. I guess I'd like you to comment on that.

We heard that most of our IP activity seems to be coming from universities. You could comment on that in general, but in particular, maybe I'll give you a chance to go over again what you said about what the federal government can do to make sure that upstream appropriation—especially in the university context and the science context—is up to par with the rest of the world.

Mr. Jim Balsillie: Sure. Thank you, sir, for the question.

There is no tension between those two things. You simply file provisionals for the patents when you're publishing. That's what other nations do. It's quite inexpensive. They do it in an organized, systematic, expert fashion. There is no problem doing that, but we just don't do it.

I'd like to quickly talk about open science.

We misconstrue open science, because you cannot make something open that you don't own. If you invent the time machine but you don't patent it, the person who creates the door handle for the time machine owns the time machine. If you invent the time machine and say, "Now I give that as open", you have to own it before you can say it's open. Open science has a very active appropriation structure before you avail it.

In terms of the recommendations I made, they're very simple. You create collectives that have broad, upstream.... When you file the provisional, who does it and who manages its 10 years of filing? We have no system for doing that. We have no funding, we have no training and we have no institutional apparatus, and the rest of the world does.

All of my comments are around creating an expert zone that has the stewardship function, including the filing, the staying with it, the licensing and the education. The only thing I would encourage your committee to study very quickly is the data-driven economy and data trusts, and the interrelationship between IP, data, algorithms and all of that. I've given you some of the IP filings on algorithms.

Basically, all I'm saying is to take an organized, institutional approach to manage the appropriation and the education of the appropriation, and then I say also do that with data. This is very small money. It's an orientation.

I chaired a panel on this for the Government of Ontario. Every leading innovation economy has been doing this for decades.

• (1235)

Mr. Richard Cannings: Are there provinces in Canada that are doing better? What kind of structure would this federal government action have? Would it be an agency? Would it be a Crown corporation?

How would that look, or is it just an idea?

Mr. Jim Balsillie: I think it's a mixture of agency and policies. The gentleman from Axelys talked about how in the U.S. and other places, when you take government money, the IP is immediately assigned to the federal government, as it is in places like Germany. That's a case in which you have a policy at a granting agency so that you've created some appropriation.

I think you naturally have to have an agency, as Ontario has and other provinces are working on, to steward the asset in an expert fashion, as well as provide complementary services. Places like South Korea, Taiwan, Singapore, Germany, the U.S., Israel and Scandinavia all provide these kinds of services with an expert zone, because small mistakes cause the whole thing to leak out.

It's an unfair system. I say in the tangible economy, if you get it 90% right, you get 90% of the benefits. In the intangible economy, if you get it 90% right, you get 10% of the benefits. It has non-linear leaking structures. That's why it needs to be very technically attended to.

The Vice-Chair (Mr. Corey Tochor): You have 50 seconds left.

Mr. Richard Cannings: I'll turn to Mr. Gaffield and ask more or less the same question.

We talked about how important universities are. How are universities doing in this field?

Dr. Chad Gaffield: As was described, they are now being expected or asked to do all those things, so they've developed offices and so on. It's on an institutional basis in most cases. It's not organized at a larger level. It's not done in the way that is being proposed here.

I like to think that universities have really done gymnastics to make this work. Can we do better? In the 21st century, I think we're asking that about absolutely everything we do. My sense, at least, is that this is going to be an important debate as we move forward and try to update all our institutions for this new economy and society.

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

As a quick reminder, I'll do my best not to cut off witnesses, but I will cut off MPs if they go over their time.

Moving on to the five-minute round, we have MP Mazier. The floor is yours.

Mr. Dan Mazier (Dauphin—Swan River—Neepawa, CPC): Thank you, Mr. Chair.

Mr. Balsillie, I think most Canadians are proud of what BlackBerry accomplished, and I thank you very much for that. It was a true Canada success story.

I wonder what Canada can do differently to create and retain a company like BlackBerry. You've touched on it in many different ways, I think. What's the one thing we can go forward with here, as legislators? What is the one thing you want to stand out in this report?

• (1240)

Mr. Jim Balsillie: The one thing I want to say is that 92% of the value of the Standard and Poor's 500 is now intangible assets, up from 17% in the middle to late seventies. The game has changed from supply chains to value chains. You can appreciate how maniacally predatory and competitive the positions on value chains are, and how they can move non-linearly. The most elite expert SWAT teams, highly trained and aligned all through their system, are focused on the upstream appropriation game. If you don't appropriate up front, you have nothing to commercialize, and then your companies have nothing to sell or grow.

I think Canada has all the ingredients to create multiple \$100-billion companies in the intangibles economy. That's why it's such a shame. Then, when you make that money, you can turn it right back to the universities and get that flywheel going like crazy.

My one message is that upstream appropriation structure in a maniacally predatory mercantilist game is what we are missing in our policy and institutional architecture.

Mr. Dan Mazier: That advice neatly segues into my next question: When it comes to developing and retaining IP at Canadian universities, what are we doing right and what are we doing wrong?

Mr. Jim Balsillie: I chaired a panel on this.

Germany is always at the top of the rankings. I'll give you an example: the Fraunhofer Institute. They have 74 research institutions, 30,000 employees and one TTO, tech transfer office. Ontario is a small fraction of the size of Fraunhofer, but it has 35 TTOs. That's between about two and three orders of magnitude of fragmentation.

When Mr. Gaffield talks about these TTOs at the universities, they can't be at the scale you need in this. It's a structure problem. They are put in an impossible situation. How can you compete against an institutional apparatus that has orders of magnitude more scale than you do and national alignment from the funding agencies?

Mr. Dan Mazier: As far as the scale goes, would it require regulation changes or [*Inaudible—Editor*] different changes?

Mr. Jim Balsillie: I think you basically say, at a national level, that we take some stewardship here, through some kind of agency, which was the earlier question. Is this a job universities really want, or one they were forced to take?

We did consultation with 170 or 180 different organizations and all the universities. Managing TTOs is not a satisfying exercise for anybody, because everybody knows it's not a structure that's going to work. It's Einstein's definition of insanity: doing the same thing over and over again and expecting a different outcome.

I think they inherited a structural problem. Our report basically said, "Let's evolve to something that's got some form of resource. Let the TTOs exist, but take them out of the aspects of the job they don't like. We provide services, education and patent pooling. If you want to knock yourself out in this job, go ahead." However, we found most of them want out of the job.

It's not a penalizing system; it's a system to allow them to migrate out of something they don't want to do but still let them do the

education and research and preserve the downstream possibility of commercialization for the benefit of Canada.

I think it's an elegant evolution of a system we have.

Mr. Dan Mazier: Okay, thank you.

Dr. Gaffield: how many of the 15 universities that you represent continue to work with Huawei, in any form, after CSIS cautioned against it?

Dr. Chad Gaffield: As you know, we're living in a rapidly changing geopolitical context, which I mentioned earlier. Some years ago, that context was very different—and seen as very different—from the one we are in now. All our universities are in the process of transitioning in fundamental ways. As you know—

Mr. Dan Mazier: How many are working right now, though?

Dr. Chad Gaffield: I do not have that information at hand, but I know that they are—

Mr. Dan Mazier: Can you provide it?

Dr. Chad Gaffield: —adjusting to and adapting rapidly to this changed geopolitical context.

Mr. Dan Mazier: So there are universities still continuing to work with Huawei after CSIS has suggested not to.

Dr. Chad Gaffield: I know that our vice-president of research—

Mr. Dan Mazier: Yes or no?

• (1245)

Dr. Chad Gaffield: —at the University of British Columbia, at this committee, said that they were, for example.

Mr. Dan Mazier: Thank you. I have no further questions.

The Vice-Chair (Mr. Corey Tochor): We're moving on to MP Collins for five minutes.

Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.): Thank you, Mr. Chairman.

Thank you, witnesses, for appearing today.

I was going to ask one of the questions that MP Mazier just referenced, and that is about the Fraunhofer question. Mr. Balsillie, you answered that very well. You're not the first person to raise that.

You provided some other examples internationally, such as Singapore and Taiwan, and I think the Swiss have been mentioned here. These are other countries to look at in terms of maybe trying to steal some of their legislation or investment opportunities that exist for the government. The U.S. has come up a couple of times. I think you raised it here today.

You talked about the relationship between the federal government and state-level entities in the United States. How should that play out here in Canada as it relates to the federal government working with provincial partners? Sometimes that's difficult, as we know, as partisan politics can unfortunately stand in the way of making progress on certain issues. You mentioned what Ontario is doing here.

What role should the Government of Canada play in terms of supporting its provincial partners and, by extension, sometimes municipalities and post-secondary institutions?

Mr. Jim Balsillie: I'm in active regular dialogue on this issue with Canada's four largest provinces, so I can speak with direct knowledge of it.

The nature of freedom to operate is that it's non-rivalist, which means I can give you my freedom to operate and it costs me nothing, so it's the perfect opportunity for federalism. Different provinces will compete with their agencies because it costs nothing for, say, Ontario to share its freedom to operate with Alberta and with their institutional approach if Alberta reciprocates; and the federal government can provide a blanket.

You can never have too much freedom to operate. All you do is create the institutional asset, which is the freedom to operate, and make it available to domestic companies on the technical forms of transfer. It's a perfect opportunity for federal-provincial co-operation, especially because of those shared granting responsibilities to research. It's so easy to fix.

Mr. Chad Collins: It sounds easy.

Mr. Jim Balsillie: It would be beautiful, because it would almost overnight change the opportunity for companies to grow and to create economic outcomes and security outcomes for Canada. I know that at the premier level, they would welcome co-operation with the federal government on this. That would start to reverse Canada's being in last place. You can start to turn that in a year. It's a policy change, not a money change. It's right before us. It's right here.

Mr. Chad Collins: Dr. Gaffield, can I ask you the same question?

Dr. Chad Gaffield: Yes. It's a really important question, and it seems to me that in the world of universities, federal-provincial partnerships have been key.

I must say that historically speaking, it's really the federal government that's been the leader in the world of research and in promoting the notion that as a country we need a solid scientific foundation for our society. Without federal leadership, I think we would be in a very different position.

As we said earlier, it's really only the Province of Quebec that has similarly taken that kind of role to bolster what they're doing. It's much more fragmented elsewhere across the country.

I think federal leadership is key. Often now that is done in a kind of matching and partnership way. As you know, the provinces are the ones that pay for the educational side.

I think there's been a new merging of these notions of teaching and research. They used to be seen as different things. Now we know they're very integrated. In fact, all our universities see that even undergraduate education is really underpinned by the quality of the research environment, because we're not filling pails anymore. We're not just trying to memorize information. Now education is all about learning to learn. It's about learning those skills and those competencies for this intangible economy, this new world.

It seems to me that partnership is key, but I must say that in the world of research and the world we're living in now, federal leadership is really key.

Mr. Chad Collins: Thank you for that, sir.

Mr. Balsillie, you elaborated on the benefits of the IP collectives that you recommended in your opening statement, but much of what we hear at this committee and at all committees is about funding, the level of funding. You didn't talk about what kind of funding would be required in order to support a federal investment in IP collectives.

Do you have any thoughts on that in terms of comparisons elsewhere and what level of funds might be required to assist in that regard?

• (1250)

The Vice-Chair (Mr. Corey Tochor): I'm going to have to jump in here.

I'm sorry, Chad, but you could request a written response on this one, if the witness agrees. We are 20 seconds over already.

We're going to move on to the next round of two and a half minutes. We have MP Blanchette-Joncas.

The floor is yours for two and a half minutes.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you very much, Mr. Chair.

Mr. Gaffield, I'd like to hear you comment specifically on the latest budget released on Tuesday.

I repeat: there were zero dollars in additional funds for the granting agencies.

When you were here before the committee on December 5, you said the following:

Over the next five years, the CHIPS and Science Act in the United States will essentially double the base budget of the National Science Foundation. This massive funding will put enormous additional pressure on Canadian universities as they struggle to compete for and retain top research talent and the best graduate students. This and similar initiatives in other countries demand our immediate attention.

On Tuesday, the science community had high hopes for the federal government. After seeing the budget, I can say that I have some serious comments for the government. Instead, however, I'd like to hear yours.

These are my questions.

What do you think about Tuesday's budget, particularly with respect to funding for science and research?

What message is that sending? What message is the federal government sending to scientists at universities in Quebec and across Canada?

Dr. Chad Gaffield: Thank you for that question.

Last summer, the United States did two things. The first was adopting the CHIPS and Science Act, and two weeks later, the Inflation Reduction Act.

It was a two-tier initiative, and the United States put them together.

[English]

I think one of the really important things is the threat that this poses for Canada. The notion that in North America we're going to be all happy and wonderful...

I think the fear is that if they have the capacity and interest in building a 21st century economy based on massive investments in terms of the Inflation Reduction Act and on massive investments in terms of science research and they see them integrated, then the threat to us is that we become a kind of intellectual colony again, and our best and brightest will be vacuumed out of Canada, much as happened, I would say, before the 1960s and 1970s, when there was a massive exodus historically in Canada. If you wanted to pursue graduate work, if you were really talented, you went somewhere else, often to the U.K., France or the United States.

I think if we want to be a strong country in the 21st century, we must understand that economic and social transformation must be underpinned by strong research and science.

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Gaffield

[English]

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

Now we'll go on to our final round of questions.

MP Cannings, the floor is yours for two and a half minutes.

Mr. Richard Cannings: Thank you.

Again I'm going to turn to Mr. Balsillie, because this is a brand new field for me. It sounds so simple when you say it, but I really just want to make sure I get it.

You talked about the freedom to operate and how that one policy change would change the game for Canada. Maybe you could just explain to me especially—perhaps everybody else here gets it—exactly what that policy would look like and, on a more specific level—because it's where I come from—how that might relate to the tri-councils and to federal funding of research.

Mr. Jim Balsillie: Sure.

I have a document on that—on freedom to operate—which has been provided to other committees. Have you received it?

Mr. Richard Cannings: No, I'm just reading the one that you....

Mr. Jim Balsillie: I'll make sure that it's the extensive one that the finance and industry committees have had.

Yes, we have a flaw in our orthodoxy of economic planning, in that we think that if you invest in R and D, you will get economic outcomes. What happens is that if you don't have the freedom to operate, then the person who invests in the R and D finds that the benefit accrues to whoever owns the freedom to operate. The precondition to BERD—to business enterprise research and development—or R and D is freedom to operate.

Freedom to operate is all based on the legal principles of what's called restriction. I have the right to stop you from doing something. That's called a "negative right". The ownership of this jacket is a positive right. Only one can wear it. It's rivalrous. The design for this jacket is non-rivalrous. It's a negative right. I can stop you from using that design. That's called intellectual property.

You simply want the ability to say, "Only I can do this. I can stop you from doing it. If I'm going to allow you to do this, then I get a reciprocal bargained structure", generally called a rent. I can also say, "You may not do it, but I will embed it in my product." When you start to do that, you get leverage, which drives what's called productivity or GDP per capita. That's how these other economies get more wealth per worker and how to put more money in the average Canadian's pocket.

The precondition to everything is the freedom to operate technical management of negative rights, which we don't do. When you look at these investments in the U.S.... We all talk about the downstream investments. We don't understand the special sauces, the upstream appropriation structures that are already in place so that they make sure they turn a dollar into \$5 or \$10. It's a very technical management of negative rights.

I have a paper on it, but if I can leave you with one thing, it is that R and D does not generate economic outcomes absent its pre-condition of managing the negative rights of freedom to operate. It's been absent in our policy architecture for 40 years, which is why we've manufactured last place in the OECD in our GDP per capita growth.

• (1255)

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

That concludes our rounds of questioning.

I'd like to thank the witnesses for being with us today.

We'll suspend here as the witnesses leave the room.

Thank you again.

• (1255)

(Pause)

• (1305)

The Vice-Chair (Mr. Corey Tochor): Welcome back.

We have set some time aside today to pick up on our discussion from Tuesday; however, a very important reminder is that we are still meeting in public. In order to protect the confidentiality of the in camera proceedings, members must not make reference to any discussions, votes or motions that came up during our previous in camera proceedings, unless they were adopted. Notices of motion that have not yet been moved must also be kept confidential. Failure to do so could be raised as a question of parliamentary privilege.

Our goals today are to choose the committee's next study and a date for submitting proposed witnesses.

With that, the floor is open.

I recognize Maxime.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

I'm getting back to proposing my motion. I informed my colleagues about this prior to the start of this meeting.

Mr. Chair, I'm going to get straight to the point and reread my motion, notice of which was filed today:

That, pursuant to Standing Order 108(3)(i), the committee invite the Minister of Innovation, Science and Industry to testify about the 2023-2024 federal budget, at the latest on Thursday, April 27, 2023, and for one hour.

Mr. Chair, my motion is relatively straightforward and clear. I want to ask the minister to come and explain the absence, or even neglect, of investment in the last 2023-2024 federal budget.

[*English*]

The Vice-Chair (Mr. Corey Tochor): If I hear you correctly, we have a motion on the floor that was submitted earlier, which everyone received via email.

I'll open it up for debate.

Go ahead, Mr. Cannings.

Mr. Richard Cannings: I would like to say I'm supporting this motion, for all the obvious reasons.

Mr. Stéphane Lauzon (Argenteuil—La Petite-Nation, Lib.): I think we have unanimous agreement.

The Vice-Chair (Mr. Corey Tochor): Okay.

Seeing that we have agreement, I'll adopt that motion as read.

(Motion agreed to)

The Vice-Chair (Mr. Corey Tochor): I'll move on to the business of picking the next study. I'll open the floor for someone to make a motion for the next study.

I'll recognize Maxime.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Mr. Chair, as the committee has a number of studies to undertake, as colleagues we decided that the next study should be on scholarships. That's what's in the motion I have already introduced.

If you would like, I can certainly reread this motion, or ask the clerk to do so.

• (1310)

[*English*]

The Vice-Chair (Mr. Corey Tochor): All right. There's a motion on the floor for a study, but we'll open up for debate.

Mr. Lauzon, the floor is yours.

[*Translation*]

Mr. Stéphane Lauzon: Thank you, Mr. Chair.

I believe this point was debated in our previous discussions.

We agree that the next study by the committee should be on scholarships. However, I'd like to propose an amendment so that the study proposed by the Bloc Québécois be followed by the one proposed by our colleague Ms. Bradford, of the Liberal Party.

[*English*]

The Vice-Chair (Mr. Corey Tochor): The practice that I've been told is that committees never set their schedules out further than the next study. They never tie their hands to more than the one study. The practice in the House of Commons, I've been told, is that we only do one, but if there's an understanding from members that the intent is for the next study to proceed that way, I would look for somewhat of a gentleman's agreement that this would take place. That would be for the parties involved with the committee today.

Go ahead, Mr. Lauzon.

[*Translation*]

Mr. Stéphane Lauzon: Mr. Chair, it's up to the committee to decide on what order to follow. There's no standing order stating that we can only plan one study at a time. They are just the usual practices.

We agree about beginning with the study requested by the Bloc Québécois, and as we are debating the order in which subjects should be addressed, I'd like to recommend that the topic mentioned in the motion proposed by Ms. Bradford, of the Liberal Party, be the next. We agree with that. If we adopt that, we can move forward.

[*English*]

The Vice-Chair (Mr. Corey Tochor): I appreciate that.

It is still the practice that we only schedule one study ahead, but you made the amendment, and we can vote on it.

I believe the practice of committees would be that we only schedule one at a time. Very likely, given the structure of this committee, it will be the Liberal study next, but I'm informing you that the practice of committees is usually to do only one.

We'll put that to a vote. Once again, we are the creatures of our own committee and we can set a precedent here, but I do think it's best to be decided as they come.

With that, is the amendment to your motion a friendly amendment?

[*Translation*]

Mr. Maxime Blanchette-Joncas: Do I have the floor, Mr. Chair?

[*English*]

Ms. Lena Metlege Diab (Halifax West, Lib.): I have my hand up, folks.

The Vice-Chair (Mr. Corey Tochor): Okay.

Madame Diab, we're going to first hear from Maxime, the person who moved the motion, and then we'll come back to online discussion.

Maxime, the floor is yours.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

As I mentioned a little earlier, the committee members held a discussion. As I told my colleague, I don't disagree on the meaning of her motion. However, I think that it's important to take action on things we can actually change. University administration is the responsibility of the governments of Quebec and the other provinces. Where the federal government can really change the act is in the contracts it awards to universities. That's perhaps what we should study to determine whether there are pay equity disparities.

The amendment I would like to add to my colleague's motion would make it more specific by focusing on federal government jurisdictions, which mainly affect the administration of contracts awarded to universities, because overall administrative authority for universities rests with the provinces and the Quebec government.

So I certainly want to study that. I believe it's an important subject. In fact, there are already pay equity statutes in Quebec. A great deal of progress has been made in terms of pay equity and I believe much more can be accomplished. However, we really have to focus

on what the federal government can change, because that's our role as legislators.

• (1315)

[*English*]

The Vice-Chair (Mr. Corey Tochor): All right.

Now we'll move on to Madame Diab.

Ms. Lena Metlege Diab: Thank you.

[*Translation*]

I simply want to say that I approve of both motions.

[*English*]

I'm in agreement with both the motion and the amendment, I believe, and I would ask that we vote on it. I've never heard of...

Look, with all respect, the committee, I believe, has the authority to vote on the motion and decide that the next study should be the gender pay equity issue and I ask that we vote on that.

The Vice-Chair (Mr. Corey Tochor): Yes, the amendment we're always going to vote on.

We're into debate right now. We'll go through the debate and then we'll have a vote on the amendment and then on the actual motion.

Next up on my speaking order I have Mr. Collins and Ms. Bradford, and that's it for now.

Mr. Chad Collins: Thanks, Mr. Chair.

I don't want to spend more time on this than we need to.

You mentioned it's past practice, which is a little bit different from what the procedural rule is. Can I just ask, through you to the clerk, if there is anything that prevents the committee, if we wanted to today, from saying the next four studies are x? If somebody puts the motion and it's agreed upon, is that permissible?

The Clerk of the Committee (Mr. Keelan Buck): The chair rules on the admissibility of motions. Procedurally it is an amendment that I think would work, but it's the chair's decision.

Mr. Chad Collins: It would be deemed in order. That's understood. I asked just for clarification as a new member.

Thank you.

The Vice-Chair (Mr. Corey Tochor): Next up in the speaking order is Ms. Bradford.

Ms. Valerie Bradford: I would like to get back to the comments by Mr. Blanchette-Joncas.

I believe that as the study would progress on pay equity with respect to gender and diversity, that would come out when we're talking about the witnesses. We could hear the witnesses' testimony, and then when our subsequent report is written, it could be taken into consideration in the writing of the report that we understand that this issue is certainly determined by or under the purview of Quebec and the provinces, but I don't think that should preclude us from hearing from the witnesses and hearing what they say.

I think the report could sum up recognition of that in any recommendations, saying that this is what we would recommend in full recognition that we don't have the ultimate say in this as the federal government. There is national pay equity legislation—there has been for years—with respect to work of equal value, so I do think there is a role for the federal government to be reviewing this, because it has come up time and time again in various testimonies that this is a serious issue and a problem that is affecting the retention of researchers to do this valuable work here in Canada.

The Vice-Chair (Mr. Corey Tochor): Next up is Mr. Blanchette-Joncas.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

I was simply going to reiterate my proposals to ensure that they are clear to all committee members. I agree with the suggested order and, if we want to plan two studies, I don't see a problem with that.

It's not that the pay equity issue is not important. The problem is that we're here in the committee that is making recommendations to the federal government. So we want to conduct a study and make recommendations on something that we will not be able to change.

The people I represent did not elect me to change the colours of the walls in schools. Pay equity is a very important matter. However, the federal government can't change pay legislation in universities across Canada. Where the federal government can really change the legislation is through the contracts it awards. I have no objection to that. I support that 100% and we're going to study that issue.

However, I refuse to proceed with a study and make recommendations on something that the federal government can't change, not because it's not an important issue, but because it's not within our jurisdiction.

I think it's important to understand the limits of our roles and responsibilities. I would even invite analysts to give us their opinion. What can the government really control under the act, and what can the federal government change in terms of pay equity in educational institutions?

I'd like to hear their unbiased and objective comments so that they can clarify things for us in our important work on this committee.

• (1320)

[*English*]

The Vice-Chair (Mr. Corey Tochor): Mr. Lauzon is next.

[*Translation*]

Mr. Stéphane Lauzon: Thank you, Mr. Chair.

I do understand the question being raised by my colleague. However, it's not the first time we've received witnesses who are indirectly connected to issues in order to give us a better understanding of them. Welcoming witnesses to speak to us about pay equity in the provincial systems will give us a better understanding of the system, and of programs linked to the federal government.

Witnesses are people who come to inform us of the situation they are in, but do not necessarily make recommendations that are directly applicable to federal organizations. Testimony is a consultation tool to enhance what we know so that we can make better decisions pertaining to programs involving the federal government.

In this instance, we can feel better about ourselves through comparison with others, and its by seeing what is done elsewhere, whether positive or not, that we can make better decisions. However, if we decide today not to look elsewhere, we will make it impossible to be better in our field of expertise.

I'd like to thank my colleague, who has agreed that the committee should look into the studies proposed in the two motions. However, the second motion is broad enough to allow the invitation of witnesses who are directly linked to the federal government, if desired. However, the motion would also allow the NDP, the Conservatives and the Liberals to invite other witnesses to assist us in understanding the overall situation.

We should therefore proceed with the motion as proposed by Ms. Bradford.

[*English*]

The Vice-Chair (Mr. Corey Tochor): All right. I'm seeing that there are no other questions.

Maxime, do you have one more?

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

Could our analysts answer the questions I asked a short while ago?

[*English*]

The Vice-Chair (Mr. Corey Tochor): I recognize the analysts.

[*Translation*]

Mr. Grégoire Gayard (Committee Researcher): As for what the federal government can do, the key act is the Pay Equity Act, which affects the federal sector, as you were saying. This was raised earlier.

Mr. Maxime Blanchette-Joncas: My question was whether the issue of pay equity in Canadian universities was a federal government jurisdiction; yes or no?

Mr. Grégoire Gayard: It's hard to answer with a yes or no because it's rather more complex than that.

Mr. Maxime Blanchette-Joncas: Allow me to reformulate my question. In Canadian universities, is pay administration, other than for federal contracts, a jurisdiction of the federal government?

Mr. Grégoire Gayard: It's not covered by the Pay Equity Act.

[*English*]

The Vice-Chair (Mr. Corey Tochor): Madam Diab, your hand was up. Is that still the case?

Ms. Lena Metlege Diab: Listen, I would simply like to say that I'm not sure it's fair or appropriate to put the analysts on the spot sometimes. I also believe the same question was asked when we met last meeting. I believe they've done their best to answer right now, based on their knowledge, I guess, and I'm not sure it's really their place to do so. They haven't done any research on it. We haven't asked them to.

I think that's kind of what we want to do in this study—to look at what's been asked but also go beyond that. I'm pretty sure all of that will come out in our study. Obviously, what the federal government can't control it can't control, but I do believe a federal government can give a lot of support, whether it be through funding or otherwise. There are other ways to do that. I think we need to look at the universities, the colleges, the students at all levels, the professors and everyone else, because this is pretty important. Again, I believe it will all come out in the study. As for what cannot be done, that's fine; we'll find all that out.

I guess what I'm saying is that I don't know if it's appropriate to put all those questions to the analysts again.

• (1325)

The Vice-Chair (Mr. Corey Tochor): We have a number of speakers now. It will be Ms. Bradford and then Mr. Lobb.

Just as a brief comment from the chair, as much as I don't have a say in this and it's up to you guys, I think these are some of the reasons that we don't extend studies or schedule them out fully until we have fully baked in what the study will be.

Once again, it's up to the members of this committee to decide on different motions and how we this play out.

Right now Ms. Bradford has the floor.

Ms. Valerie Bradford: I'd like to call the question, please.

The Vice-Chair (Mr. Corey Tochor): Ms. Bradford would like to call the question.

Go ahead, Ben.

Mr. Ben Lobb (Huron—Bruce, CPC): First of all, I'd just like the Liberals to repeat the amendment to Maxime's motion. I believe the amendment is what we're talking about right now.

The Vice-Chair (Mr. Corey Tochor): Yes.

Mr. Ben Lobb: Could Mr. Lauzon or whoever brought that amendment read it again? It's been so long that I need a refresher.

[*Translation*]

Mr. Stéphane Lauzon: The amendment simply states that further to the discussions we have had, we've decided to move the Bloc's motion. As it was part of the discussion, we are asking to move on afterwards to Ms. Valerie Bradford's motion as worded.

[*English*]

The Vice-Chair (Mr. Corey Tochor): I think we're going to have just a little bit more debate around the table here, because it's not clear that the debate has ended.

I'll let Mr. Lobb have the floor, and then we'll have Mr. Blanchette-Joncas back.

Go ahead, Mr. Lobb.

Mr. Ben Lobb: I'm not going to judge anybody's amendment on a motion, but again, to say that we're going to do an amendment on a motion that says that we will do Ms. Bradford's motion after Mr. Blanchette-Joncas' study...

We're all in public here. Everybody's going to look pretty bad if we turn around and do a different study afterwards, if you know what I mean. To me, I want Ms. Bradford to have her study after we are finished with Maxime's study. You know, all sorts of interesting things could come out of it. I don't know that we need to do an amendment to his motion to get that done. I think we're all in agreement.

It's all in public. It is a little beyond the norm to do an amendment to a motion on a study that will study another study after the study. Instead, I think we could all agree in public that we're going to do your study next, after this one, all in good faith. It's all in public. We could just vote. You could withdraw your amendment and we could vote on his motion and carry the day.

I mean, if anybody goes against you, they're a liar. It's in public, so it's pretty good opposition research in a re-election campaign if you're a liar on something like this. I give you my word, and I'm sure everybody else here would give you their word too. I think it's recorded as well, so it would be good on Twitter if somebody went against their word.

Voices: Oh, oh!

Mr. Ben Lobb: Anyhow, that's my two cents.

The Vice-Chair (Mr. Corey Tochor): Thank you, Mr. Lobb.

Is there acceptance of this suggestion by Mr. Lauzon to remove his amendment, or should we proceed with debate?

Mr. Stéphane Lauzon: I already asked for an amendment. It's on the record, and it's a fair amendment. I explained why, and I think that we should just pass the vote.

The Vice-Chair (Mr. Corey Tochor): We're going to continue on with the debate.

We have MP Blanchette-Joncas.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

I'd like to propose adding the following subamendment to Ms. Bradford's motion: "in a manner consistent with the fields of jurisdiction of Quebec, the provinces and the federal government".

What I'd like—

[English]

The Vice-Chair (Mr. Corey Tochor): You might have missed... The amendment to the motion was from Mr. Lauzon, not Ms. Bradford, but it was Ms. Bradford's study.

[Translation]

Mr. Maxime Blanchette-Joncas: Excuse me, Mr. Chair.

I'd like to propose a subamendment to Mr. Lauzon's motion.

[English]

The Vice-Chair (Mr. Corey Tochor): Could you make that subamendment again, please?

[Translation]

Mr. Maxime Blanchette-Joncas: Yes, Mr. Chair.

The subamendment is: "in a manner consistent with the fields of jurisdiction of Quebec, the provinces and the federal government".

I simply want the fields of jurisdiction to be complied with. I'm in agreement with studying pay equity, but only if it is a federal government jurisdiction. That's all, Mr. Chair.

• (1330)

[English]

The Vice-Chair (Mr. Corey Tochor): Maybe I did mishear. You are referring to Ms. Bradford's motion on that study, and we can't amend something other than the motion that is on the floor that is being amended by Mr. Lauzon, so that is not in order. You can't go back and amend something unrelated to what has the floor. Does that make sense?

All right. Let's vote.

Mr. Clerk, can you call the vote, please?

Ms. Diab, you're on mute.

Ms. Lena Metlege Diab: Can someone hear me?

The Vice-Chair (Mr. Corey Tochor): Yes.

Ms. Lena Metlege Diab: I can't hear anything in the room. I'm not sure if they're saying anything.

The Vice-Chair (Mr. Corey Tochor): The question is on Mr. Lauzon's amendment.

It's your vote.

[Translation]

Mr. Maxime Blanchette-Joncas: Mr. Chair, I'd like something clarified.

We are now voting on the amendment. It's important to make sure that...

[English]

Ms. Lena Metlege Diab: The floor audio has been muted on the screen.

The Vice-Chair (Mr. Corey Tochor): We can hear you right now.

However, I believe we have Ms. Diab's vote. Is that correct, Mr. Clerk?

To answer Mr. Blanchette-Joncas' question, yes, we are voting on Mr. Lauzon's amendment to your motion.

Let's just take one minute here to make sure we get this right.

Madam Diab, we're just having a little bit of trouble with your sound. You can hear me, I'm assuming. Could you nod your head? Madam Diab—

Ms. Lena Metlege Diab: I vote yes.

The Vice-Chair (Mr. Corey Tochor): You vote yes; we have that on the record. Your vote is yes for the amendment of the motion from your colleague.

I'll let the clerk continue to call the question.

[Translation]

Mr. Maxime Blanchette-Joncas: Mr. Chair, can you reread the amendment?

[English]

The Vice-Chair (Mr. Corey Tochor): We're in the middle of the question. We can't reread the amendment. The amendment was read twice, once when it was introduced by Mr. Lauzon and then confirmed within 10 minutes.

It's your call.

[Translation]

Mr. Maxime Blanchette-Joncas: In that case, I vote against the amendment.

[English]

The Vice-Chair (Mr. Corey Tochor): Okay.

(Amendment agreed to: yeas 9; nays 1 [See Minutes of Proceedings])

The Vice-Chair (Mr. Corey Tochor): All right. Now we have the amended motion of Mr. Blanchette-Joncas from Mr. Lauzon, and we're going to pose the question. Is there any discussion on that amendment now?

Seeing none, we'll call the question.

(Motion as amended agreed to: yeas 10; nays 0 [See Minutes of Proceedings])

The Vice-Chair (Mr. Corey Tochor): I can now announce a couple of things here. Also, we have other committee business, which we have to—

Go ahead, Mr. Blanchette-Joncas.

• (1335)

[Translation]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

As we are still discussing the work of the committee, I have an important request to make to the committee.

We welcomed the minister, Mr. Champagne, on February 2, as well as the Chief Science Advisor of Canada, Ms. Nemer. I had asked both of them to provide written responses, because we had run out of time to obtain the information. I had also included specific questions for the minister about certain data. We received Ms. Nemer's response on March 23, and the minister's on March 21.

I'm going to ask the committee to make these replies public so that they can be included in its report. I believe that this information is important, and that it could help us improve the committee's recommendations further to its study on research and scientific publication in French.

[*English*]

The Vice-Chair (Mr. Corey Tochor): We need to suspend for a minute. We are having sound issues with Madam Diab's connection.

We stand suspended.

• (1335) _____ (Pause) _____

• (1345)

The Vice-Chair (Mr. Corey Tochor): I call this meeting back to order. I believe we have all of our technical issues fixed right now.

We have a motion from MP Blanchette-Joncas on the floor. I will open it up to debate.

Seeing no debate, are we in agreement on the motion?

Ms. Valerie Bradford: I kind of forgot it.

The Vice-Chair (Mr. Corey Tochor): Mr. Blanchette-Joncas, could you repeat the motion?

[*Translation*]

Mr. Maxime Blanchette-Joncas: Certainly, Mr. Chair.

I'll repeat it quickly, because I know the meeting is about to end.

At previous meetings of the committee, the minister, Mr. Champagne, and the Chief Science Advisor of Canada, Ms. Mona Nemer, appeared. I had asked them questions, but there wasn't enough time or it was impossible to give complete answers to my questions. I therefore asked for them in writing, and they were sent to us.

I'm simply asking the committee to be able to make them public so they can be included in our report, which would be enhanced through these recommendations.

[*English*]

The Vice-Chair (Mr. Corey Tochor): Seeing no other comments from the floor, are we in agreement?

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

The Vice-Chair (Mr. Corey Tochor): Go ahead, Mr. Blanchette-Joncas.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Mr. Chair.

I have another motion on the same subject.

Further to my request for written replies from the minister, Mr. Champagne, when he appeared on February 2, I received his answers on March 21. Unfortunately, a great deal of information was missing. I would say that only about one-quarter of my requests were answered.

I requested the amount of funding in French and in English at francophone and bilingual universities in Canada, with a breakdown by university and granting agency, over the past 20 years. That was my first request.

I also requested the number of scholarships in French and in English at francophone and bilingual universities in Canada, with a breakdown by university and granting agency, over the past 20 years. That was the first part of my request.

In the second part, I asked for concrete information about funding awarded by each granting agency to each Quebec university over the past 20 years. There are three Granting Agencies in Canada, but unfortunately, I only received a reply on funding for Quebec universities from 2002 to 2021, from NSERC, the Natural Sciences and Engineering Research Council of Canada, and from CIHR, the Canadian Institutes of Health Research.

I'm asking the committee to follow up with the industry department to obtain full answers to my requests.

• (1350)

[*English*]

The Vice-Chair (Mr. Corey Tochor): We have a motion on the floor from Mr. Blanchette-Joncas. I'll open it up for debate.

Go ahead, Ms. Bradford.

Ms. Valerie Bradford: Mr. Chair, I move that we now adjourn.

The Vice-Chair (Mr. Corey Tochor): I need to confirm what time that was, because we started late. I just need to make sure that we're on the right side of things. We might be—

Ms. Valerie Bradford: I need to get to the House.

The Vice-Chair (Mr. Corey Tochor): All right. As much as the meeting was pushed back at the start time, we are not at that time that adjournment would just take place, so we need to have a vote. It is a non-debatable motion, so I'll ask the clerk to call the question on adjournment of debate.

The Clerk: The yeas and nays are both five, Mr. Chair.

The Vice-Chair (Mr. Corey Tochor): The chair does have the ability to vote to break the tie. As I stated in the past, I will be voting as the vice-chair along party lines, so I too vote no.

(Motion negated: nays 6; yeas 5)

The Vice-Chair (Mr. Corey Tochor): We go back to debate.

Go ahead, Mr. Collins.

Mr. Chad Collins: Can I ask, then, procedurally, until what time do we have resources today? What time did we start the meeting? Technically, what time was this meeting supposed to end today?

The Vice-Chair (Mr. Corey Tochor): I'll let the clerk answer.

The Clerk: Given the suspensions as well, our hard stop would be 2 p.m.

Mr. Chad Collins: All right.

The Vice-Chair (Mr. Corey Tochor): All right. I'm looking for any other debate on this motion. If not, we'll put the question and hopefully get to QP before 2:00.

Clerk, can you call the question on the latest motion that MP Blanchette-Joncas put forward, unless there's debate?

The Clerk: As per the last vote, the yeas and nays are both 5.

The Vice-Chair (Mr. Corey Tochor): As per the last vote, the chair will break the tie and vote along party lines, voting yes.

(Motion agreed to: yeas 6; nays 5)

The Vice-Chair (Mr. Corey Tochor): Go ahead, MP Lobb.

Mr. Ben Lobb: Thank you, Chair Tochor.

This goes a little bit to the point Ms. Bradford made about the motion to adjourn.

I do think, going forward, that we have to remember that as parliamentarians we are in charge of this committee. No offence to anybody's whip's office—I say that with whip staff behind my back here—but we decide when the meetings start and we decide when the meetings stop. If we wanted the meeting to stop after Mr. Bal-

sillie at one o'clock, we could have done that regardless of what the whips' offices say.

I want to thank all the staff who support this committee for staying the hour extra. I'm sure you have other things to do besides sitting here. I want to thank all the interpreters and staff for doing that, because they do it in support of us.

We decide. If we want to end the meeting at 1:00 because it's 11 to one, that's when we end the meeting. It's for us to decide. I say that for going forward.

Thank you.

It might be my last meeting on this science committee after saying that, but it's nice to be here.

Some hon. members: Oh, oh!

• (1355)

The Vice-Chair (Mr. Corey Tochor): Seeing no other motions that are going to be introduced, I will look for a motion to adjourn the meeting.

An hon. member: I so move.

An hon. member: Let's run until 2:00 and see if we can all get back in time.

The Vice-Chair (Mr. Corey Tochor): Do you want to test it? We only have four minutes.

Regardless, let's adjourn the meeting today at 1:56.

The meeting is adjourned.

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