

# Submission of the **Canadian Association for Graduate Studies** to the House of Commons Standing Committee on Finance on the 2015 Federal Budget

## Summary

The Canadian Association for Graduate Studies (CAGS) thanks the House of Commons Standing Committee on Finance for this opportunity to express its views on the 2015 Federal Budget and policies that will underpin it.

Our membership is familiar with the current high-level debate about the value of a university education, and in particular, the value of a graduate degree. Increasingly, graduate school deans see themselves as part of an international network of leaders and administrators. We are all directly affected by global trends, recruitment patterns, ambitions of developing countries and by the degree to which nations are investing in sophisticated post-graduate programs.

Nearly 75 per cent of Canadian graduate students will enter the workforce by filling demand for highly skilled workers in the public and private sectors, healthcare, and government. Monies that the Government of Canada allocates to researchers and students through the granting councils is a crucial investment in the development of productive, mobile, highly employable post graduates.

Indicators suggest that the acquisition of soft skills provides an effective complement to our core business - providing the academic knowledge and the up-to-date methodological and analytical skills required to produce world class graduates. To that end, CAGS has invested in the Conference Board of Canada's Skills and Post Secondary Education initiative. CAGS will work with the Conference Board to assess skills development and the PhD in Canada.

CAGS recognizes the investments that the Government of Canada made in the February 2014 budget, an additional \$1.5 billion to advance the global research leadership of Canadian institutions through the Canada First Research Excellence Fund. It is an investment that increases resources to researchers in all disciplines. It will also help institutions maintain and develop the infrastructure required to undertake research. The investment in post-secondary education, and particularly the investment in graduate education, reassures CAGS that the Government of Canada recognizes the value of higher education to the economy of Canada.

CAGS strongly supports the vision expressed in the 2012 Chakma report to the Minister of Trade, that Canada: "*become the 21st century leader in international education in order to attract top talent and prepare our citizens for the global marketplace, thereby providing key building blocks for our future prosperity*" and urges the federal government to revisit the recommendations.

## **Submission**

The Canadian Association for Graduate Studies (CAGS) thanks the House of Commons Standing Committee on Finance for this opportunity to express its views on the 2015 Federal Budget and policies that will underpin it.

CAGS was founded in 1962 to promote graduate education. It does so through advocacy, information sharing, meetings and conferences. The association brings together 60 Canadian universities with graduate programs as well as other institutions and organization having an interest in graduate studies.

Our membership is familiar with the current high-level debate about the value of a university education, and in particular, the value of a graduate degree. This conversation is not unique to Canada. Increasingly, graduate school deans see themselves as part of an international network of leaders and administrators. We are all directly affected by global trends, recruitment patterns, ambitions of developing countries and by the degree to which nations are investing in sophisticated post-graduate programs.

## **Acknowledgment of Budget 2014**

CAGS recognizes the investments that the Government of Canada made in the February 2014 budget. These include the additional \$1.5 billion to advance the global research leadership of Canadian institutions through the Canada First Research Excellence Fund. It is an investment that increases resources to researchers in all disciplines. It will also help institutions maintain and develop the infrastructure required to undertake research. The investment in post-secondary education, and particularly the investment in graduate education, reassures CAGS that the Government of Canada recognizes the value of higher education to the economy of Canada.

CAGS is pleased with the emphasis on internships and the leeway that allows SSHRC and MITACS to extend its Accelerate program beyond the STEM disciplines. The Economic Action Plan 2013 provides \$70 million over three years for internships complementing Economic Action Plan 2012's \$35 million over five years to MITACS to support STEM-based internships.

## **Looking towards Budget 2015**

Graduate programs in Canadian universities generate highly qualified, highly effective individuals who are prepared to participate in the Canadian economy. Indeed, graduate education has a direct impact on all of the 2014 themes for the pre-budget consultation. The most direct can be described in the following 4 themes:

- ***Balancing the federal budget to ensure fiscal sustainability and economic growth***
- The earning capacity of university graduates, in particular those with graduate degrees (Master's and doctoral), is nearly double that of those with lower levels of education. For example, PhDs in health and management related occupations have

annual average earnings of over \$130,000. The level of income tax paid by these workers follows the same trend.

- Monies that the Government of Canada allocates to researchers and students through the granting councils is a crucial investment in the development of productive, mobile, highly employable post graduates. As such, it is a strategic investment in Canada's future. These young people, Canadians and international students who in many cases become landed are preparing to contribute to the growth of the economy, their communities, and Canada's innovation agenda.

***o Supporting families and helping vulnerable Canadians by focusing on health, education and training***

- New approaches to disease management, supporting aging and vulnerable populations, social cohesion, and training, are just a few examples of innovations being developed and tested by established researchers and graduate student trainees at universities across the country. This work benefits all Canadians.

***o Increasing the competitiveness of Canadian businesses through research, development, innovation and commercialization***

- Knowledge, skill and vision are key to competitiveness. Canadian business depends on the ingenuity of a broad range of people and on a broad range of skills. Access to additional funding for research and development and a focus on training in relation to commercialization and social innovation is crucial to advancing Canada's position in the world.

***o Maximizing the number and types of jobs for Canadians***

- Nearly 75 per cent of Canadian graduate students will enter the workforce by filling demand for highly skilled workers in public and private sectors, healthcare, and government. The remaining 25% will fill positions in the education sector. It is important to equip those students with skills that leverage their independent thinking, creativity and analytical abilities so that they can thrive in our current economic, globally focused climate so they can thrive in a new fiscal and educational reality.
- The education of a growing number of highly skilled Canadians - in the STEM disciplines and in the creative arts, social sciences and humanities - helps meet the demands of increasingly complex public and private spheres, allowing Canada to compete in an expanding global economy. A growing number of PhDs seek employment outside of the academy. Many create their own jobs - and employ others in new and profitable ventures.

## **Achieving Success**

CAGS brings two areas that will help achieve the goals outlined in the Budget 2015 priorities to the Committee's attention.

### **Skills development in post-secondary education**

In the last few years we have seen a shift away from graduate programs as direct routes to academic positions to a much wider set of opportunities and pathways beyond the academy. Graduate programs across Canada have responded to the need by incorporating professional development opportunities into graduate training. This kind of professional training provides students with the "soft skills" that employers insist they require and prepares students to apply their advanced knowledge and skills in a broad spectrum of employment settings.

Institutions are at the forefront of identifying and delivering the skills required by future leaders. The introduction of innovative programs to assist students to develop these skills has been met with enthusiasm and a high degree of uptake. Indicators suggest that the acquisition of soft skills provides an effective complement to our core business - providing the academic knowledge and the up-to-date methodological and analytical skills required to produce world class graduates. Doing so will help Canada maintain its competitiveness.

CAGS has invested in the Conference Board of Canada's Skills and Post-Secondary Education initiative. We will work with the Conference Board to assess skills development and the PhD in Canada. CAGS will use the result of this work to contribute to a broader examination of the future of the PhD. Using SSHRC data, we will be exploring what works best for Canada by examining form, function and international best practices.

One of CAGS' goals is to provide an opportunity to access information on skills programs and initiatives for PhD and Masters students at institutions across Canada. A listing will be housed on the CAGS website that will be updated by members over time. The sharing of information is meant to provide "best practice" information in real time, thus encouraging collaboration.

CAGS also encourages excellence in this domain through its Educational Testing Services Award. This annual award recognizes the best new program developed and instituted by a university. Skills development and/or the use of technology in delivering or assessing PhDs has been a strong theme for three out of the four years of the award.

Good information is essential to developing and implementing a job-ready graduate strategy and will help universities support the economic goals of both federal and provincial governments. CAGS is pleased with the announcement of increased funding of \$14 million for the development of labour market data.

### **International Students and International education**

Canadian universities need to recruit high quality researchers and graduate students to contribute to Canadian social and economic success. CAGS strongly supports the vision for Canada expressed in the 2012 Chakma report to the Minister of Trade, that Canada: *"become the 21st century leader in international education in order to attract top talent and prepare our citizens for the global marketplace, thereby providing key building blocks for our future prosperity."*

Competition in global education has increased in the two years since the government received this report. CAGS urges the Government of Canada to revisit the Chakma report and to adopt and invest in activities recommended by the authors. The report's key message is that 'across-the-sector quality is the core of Canada's brand'. This should complement Canada's International Education strategy.

Key recommendations include:

- alignment of federal policies related to immigration, foreign policy, as well as trade and innovation in order to integrate with Canada's education internationalization goals. CAGS requests that the necessary resources be provided to the visa system to ensure appropriate and speedy management of these important documents and to minimize cost and administrative barriers for these highly sought after graduate students.
- development of an international mobility program for Canadian students that includes graduate students. This could include the expansion of the Canada Graduate Scholarships- Michael Smith Foreign Study Supplements. This investment would permit the country's best and brightest to take their place in the world to Canada's advantage and meet the growing interest in reciprocity from countries identified in Canada's International Education Strategy.
- provision/allocation of additional awards and scholarships to international students. Presently, Tri-Council awards are restricted to domestic students with the exception of Vanier scholarships. The paucity of scholarships available to foreign students impedes Canada's ability to compete with scholarship programs provided by countries like China and Brazil in addition to our major competitors for top graduate students and researchers (e.g. the United States, Australia and the United Kingdom).
- encouragement of the Council of Ministers of Education (CMEC) to work with stakeholders and appropriate federal departments to establish clear guidelines on quality assurance and a quality-assurance framework. Quality assessment is a growing concern to those interested in coming to Canada.

CAGS believes that following through on these recommendations in a timely manner will enhance Canada's ability to engage as an international educational force.