

**Written Submission for the Pre-Budget Consultations in Advance of
the 2024 Federal Budget**

Submitted by: Ontario Hospital Association



Recommendations of the Ontario Hospital Association

- Recommendation 1: The Government of Canada invest in the implementation of the 21 recommendations of the Advisory Panel on the Federal Research Support System, outlined in their [2023 report](#).
- Recommendation 2: The Government of Canada double its current investment in the Canadian Institutes of Health Research (CIHR), Natural Sciences and Engineering Research Council (NSERC) and Social Sciences and Humanities Research Council (SSHRC), and maintain this level of investment in out-years to remain globally competitive.
- Recommendation 3: The Government of Canada increase the number and value of graduate scholarships and postdoctoral fellowships available through the Tri-Agencies (CIHR, NSERC and SSHRC) by expanding the number of awards by 50 per cent, and by establishing minimum values of \$25,000 for graduate scholarships and \$35,000 for postdoctoral fellowships.

Introduction

The Ontario Hospital Association (OHA) is the voice of Ontario's public hospitals, and is privileged to serve its 140 member hospitals across the province. Ontario's hospitals are delivering best in class health care, and many are engaged in world-leading health research.

On behalf of its members, the OHA wishes to express its gratitude for recent investments in health care through a bilateral agreement with the Government of Ontario, as well as increases made to the Canada Health Transfer. As well, the OHA thanks the Government of Canada for its ongoing support of the pioneering research and ground-breaking innovation underway in Ontario's hospitals, and for its prominent role as the province's largest external funder of hospital-based research.

Indeed, this critical work continues to progress due in large part to the federal government's historic investment in hospital-based research through the Canada Research Continuity Emergency Fund during the height of the COVID-19 pandemic. This crucial program provided vital stability to Ontario's hospital-based research sector, demonstrated an acknowledgement of the value and importance of Canada's achievements in health-focused science and innovation, and continued a longstanding tradition of Canadian research that has immense potential to grow in the coming years.

As Canada emerges from the COVID-19 pandemic and looks to the future, the importance of health research has never been greater. Health research has the power to improve wellbeing and economic competitiveness, and Canada has an opportunity to be a global leader through strategic investments in science. The OHA echoes recent calls to strengthen Canada's national research ecosystem and is putting forward three key recommendations to achieve this important vision.

Recommendation 1: Invest in the implementation of the 21 recommendations of the Advisory Panel on the Federal Research Support System.

Released on March 20, 2023, the [Report of the Advisory Panel on the Federal Research Support System](#) makes it clear that Canada needs a coordinated, well-resourced research and innovation ecosystem to ensure its preparedness and self-sufficiency in the face of future crises, and to compete with other countries investing heavily in research and development.

The Advisory Panel on the Federal Research Support System ("Panel") was launched in October 2022 with a mandate to provide independent advice to the Government of Canada on the structure, governance and management of the federal system supporting research and talent. In particular, the Panel was asked to focus on the structure and governance of the federal research support system, specifically the roles and relationships of the Tri-Agencies: the Canadian Institutes of Health Research (CIHR), Natural Sciences and Engineering Research Council (NSERC) and Social Sciences and Humanities Research Council (SSHRC).

The Panel's report makes 21 recommendations for maximizing sector funding and its impacts, improving its overall cohesion, fostering greater equity and strengthening its workforce. These recommendations include: enhancing research funding; strengthening the recruitment and retention of research talent; connecting research and innovation; maximizing equity, diversity and inclusion in research; and establishing a National Science, Research and Innovation Strategy, an Advisory Body on Research and Innovation, and a Canadian Knowledge and

Science Foundation to absorb and expand upon the existing Canada Research Coordinating Committee.

Taken together, the Panel's recommendations represent a roadmap for the comprehensive reinforcement of Canada's research ecosystem. As these recommendations are interdependent, the OHA strongly recommends that the Government of Canada take concrete steps, with appropriate investments, toward their immediate implementation in accordance with the stepwise short-, medium- and long-term approach outlined in the report.

As its members rightly point out in their Message from the Panel, the consequences of inaction in this area will be significant: "*Canada will continue to fall behind if we cannot evolve our research support system to ensure that it meets the needs of the modern research enterprise in a world where the most innovative and prosperous countries use their own scientific potential as a national strategic asset.*"

Recommendation 2: Double the current investment in the Tri-Agencies: CIHR, NSERC and SSHRC and maintain this level of investment in out-years to remain globally competitive.

Canadian health research and innovation are major drivers of economic and population health across the country. Canadian hospitals are on the cutting edge of research that is delivering longer, more fulfilling lives for people in Canada and around the world. However, Canada still needs the ability to maintain a robust health research and innovation infrastructure to face new and existing risks to population health.

In recent years, the Government of Canada has acknowledged the importance of innovation, research and development in the health and life sciences sectors through strategic policy and funding decisions. In particular, the OHA would like to commend the Government of Canada on launching *Canada's Biomanufacturing and Life Sciences Strategy*, which outlines an ambitious plan for strengthening Canadian research and innovation, and the workforce driving our life sciences sector.

Over the last two decades, however, overall support for scientific research and development (R&D), has been waning in Canada. Gross domestic expenditure on science and technology R&D in Canada, at 1.7 per cent of gross domestic product (GDP) is low compared to other countries. Currently, the Organisation for Economic Co-operation and Development (OECD) average is nearly double Canada's investment – at 2.5 per cent. While GDP reflects research funds from both private and public sources, the Government of Canada has an obligation to keep pace with peer nations including the United States, which recently approved a funding increase of \$2.5 billion to the National Institutes of Health, representing an increase of 5.6% to \$47.5 billion. The discrepancy between Canadian investment in scientific R&D and our OECD partners hurts Canada's innovation ecosystem, our self-sufficiency in the event of future emergencies, and our ability to compete for top research talent on the world stage.

The most effective federal levers for driving ground-breaking research and innovation are the grant funds provided by the Tri-Agencies: CIHR, NSERC and SSHRC. Within Ontario's hospital-based research sector, funds from Tri-Agency granting programs accounted for \$220.4 million, or 12 per cent of all hospital research funding in 2021/22. Taken together, however, research spending across the Tri-Agencies is projected to decline by 2 per cent between 2023/24 and 2025/26.

The OHA calls upon the Government of Canada to reverse this trend by doubling its planned 2024/25 investment in the core responsibilities of CIHR, NSERC and SSHRC, from **\$3.8** billion to **\$7.6** billion, and to maintain this level of investment in out-years. This approach aligns with recommendations to increase Tri-Agency funding cited both by the Standing Committee on Science and Research in its June 2022 report, and the Advisory Panel on the Federal Research Support System in its 2023 report.

To maximize the impact of these funds, the OHA recommends targeting this expansion within the Tri-Agencies' broad competitions, including CIHR Project Grants, NSERC Discovery Grants and SSHRC Insight and Connection Awards, and ensuring that hospital-based research institutions, universities and colleges have equal access to these grants and awards. This approach will benefit the wider research community and strengthen Canada's international competitiveness in attracting and retaining top talent.

Targeted Tri-Agency funding support will bolster Ontario's research hospitals and our workforce of nearly 25,000 highly skilled researchers and support staff who conduct over half of all hospital-based research in Canada. As well, increases in Tri-Agency funds will strengthen the role of Ontario research hospitals as a major training ground for science, and their ability to attract top researchers from other jurisdictions and train the research workforce of the future through interconnections with universities and medical schools.

The enhanced scientific knowledge and innovation that emerges from Ontario's research hospitals have immense and positive implications for Canada's self-sufficiency, and the health of Canadians and the Canadian economy. By increasing investment in the core responsibilities of the Tri-Agencies, the Government of Canada has an opportunity to reassert Canada's position as a global leader in research and development, and to enhance our competitiveness on the world stage in terms of developing both innovators and innovations.

Recommendation 3: Increase the number and value of graduate scholarships and postdoctoral fellowships available through the Tri-Agencies (CIHR, NSERC and SSHRC).

Canada's ongoing competitiveness in the global research and innovation sector will rely on investments that the Government of Canada makes today in the future research workforce. To maximize the size and caliber of Canada's research talent pool, the Government of Canada has a responsibility to enhance supports for students, especially those in science, technology, engineering and math (STEM) disciplines, across the graduate and postdoctoral levels of study.

The Government of Canada has already acknowledged this as a threat to Canada's research ecosystem as part of its findings in the Report of the Advisory Panel on the Federal Research Support System. In its report, the Panel places particular focus on the underfunding of financial supports for graduate students, which has not kept pace with either the cost of living in Canada, or the funding opportunities available in peer nations. This has tremendous implications for the caliber and diversity of the future Canadian research workforce and leaves the country vulnerable to brain drain.

While a challenge, this can be readily remedied by strengthening supports for research trainees already available through the Tri-Agencies, by increasing the number of graduate scholarships and postdoctoral fellowships available through CIHR, NSERC and SSHRC by 50 per cent, and by establishing minimum values of \$25,000 for graduate scholarships and \$35,000 for postdoctoral fellowships. Urgent action on this important issue is necessary in the 2024/25

federal budget, both to avoid attrition among researchers who are already in training, and to attract the most promising candidates for future cohorts from across Canada and around the world.

By expanding the number and value of graduate scholarships and postdoctoral fellowships available through the Tri-Agencies, the federal government has an opportunity to provide greater financial support to Masters- and PhD-level graduate students and postdoctoral fellows in STEM programs to provide them with the greatest chance of successfully completing their training and making meaningful contributions to these important fields.

Conclusion

The Government of Canada has a key opportunity to elevate Canada's research sector to the next level of excellence and ensure that Canada remains competitive on the global stage. Hospital-based research is one of Canada's greatest assets thanks to continued collaboration and shared investment. Ontario's hospitals truly appreciate continued investments in research and in health care, particularly in the 2022 and 2023 Budgets, and throughout the COVID-19 pandemic. The OHA looks forward to continued collaboration and partnership in achieving this shared vision of research excellence in the time ahead.