



Council of Canadian Academies
Conseil des académies canadiennes

PRIVATE SECTOR INNOVATION: CALL FOR COMMENTS

The Council of Canadian Academies has been asked the following questions by the federal Minister of Industry:

How should the innovation performance of Canadian firms be assessed?

How innovative are Canadian firms, and what do we know about their innovation performance at a national, regional and sector level?

Why is business demand for innovation inputs (for example, research and development, machinery and equipment, and skilled workers) weaker in Canada than in many other OECD countries?

What are the contributing factors, and what is the relative importance of these contributing factors?

An Expert Panel on Private Sector Innovation has been appointed by the Council of Canadian Academies to address these questions. The panel would welcome comments from the public on the issues before the panel. Respondents are invited to provide their input via answers to some or all of the specific questions below.

1. Deadline and Where to Send Responses

Please send your responses by **Friday, May 30, 2008**.

Responses are likely to have the greatest impact if they are restricted to, at most, four pages, plus appendices if appropriate. Responses should be sent by email to innovation@scienceadvice.ca, or alternatively by regular mail to:

Marie-Noëlle Ip, Program Director
Council of Canadian Academies
180 Elgin Street, suite 1401
Ottawa, ON, K2P 2K3

2. Specific Questions

The Expert Panel on Private Sector Innovation welcomes, as input for its deliberations, your responses to any or all of the following questions:

1. What do you understand “innovation” to mean in the business context?
2. Why is business innovation important? What is the link between business innovation and (a) productivity? (b) job creation? (c) worker incomes? (d) international competitiveness?
3. How should the innovation performance of Canadian business be assessed?
 - What metrics/indicators are most important?
 - What are the most significant gaps in the available data?
 - Which benchmarks - e.g. other countries; exemplary companies - are most relevant for Canada?
4. For which industry sectors in Canada do you believe innovation (on average) is seriously lagging the international competition? In which sectors does Canadian innovation performance tend to be on a par, or better than the competition? (Please provide reasons for your beliefs.)
5. In light of your response to question (4), what are the factors mainly responsible for either Canada’s lagging innovation performance or for its better performance? (The relevant factors will typically vary among industry sectors; among firms of different size and state of maturity and type of ownership; and across regions of the country).
6. What is needed to foster an innovation mind-set in Canadian business?

3. Publication

The final report of the Expert Panel will list the individuals and organizations that submitted comments. We may also publish, electronically or otherwise, the comments submitted along with the final report of the panel. We may contact contributors for clarification or follow-up meetings.

Please indicate clearly:

- Whether your response is a personal or institutional position;
- If you do not wish your submission to be made public;
- If you do not wish to be identified as a contributor;
- If you do not wish to be contacted by the Council of Canadian Academies in relation to your submission. (The Council will only contact those parties that are identified by the Expert Panel for follow-up after review of the evidence).

Please feel free to circulate this document to others who may be interested.

About the Council of Canadian Academies (www.scienceadvice.ca)

The primary mission of the Council of Canadian Academies (“Council”) is to provide a source of independent, expert assessments of the science that is relevant to matters of significant public interest. The Council thus facilitates access to the best available scientific knowledge with the objective of informing public debate and decision-making.

Council studies are undertaken by independent panels of experts appointed by the Council. Panel members serve voluntarily, without fees or honoraria. The Council provides staff support for expert panels and covers the cost of panel meetings and other costs incidental to the expert panel process. All assessment reports of the Council are made public in both French and English.

The principal client of the Council, at present, is the Government of Canada. The Council has agreed to undertake up to five assessments per year on topics proposed by the government. In future, clients could also include provincial governments, non-governmental organizations, foundations and possibly the commercial sector. The cost of studies, other than those proposed by the Government of Canada (as referred to above), would be funded by these additional clients.

The Council is a not-for-profit corporation. It became effectively operational in March, 2006 with the support of a \$30 million founding grant from the Government of Canada. The grant is intended to support core operations of the Council for ten years.

The Council’s Member Academies are: RSC: The Academies of Arts, Humanities and Sciences of Canada; Canadian Academy of Engineering; and Canadian Academy of Health Sciences.

APPENDIX:

A panel of experts (see below) has been appointed by the Council to analyse and report on the questions posed by the federal Minister of Industry - "How should the innovation performance of Canadian firms be assessed? How innovative are Canadian firms, and what do we know about their innovation performance at a national, regional and sector level? Why is business demand for innovation inputs (for example, research and development, machinery and equipment, and skilled workers) weaker in Canada than in many other OECD countries? What are the contributing factors, and what is the relative importance of these contributing factors?"

Robert Brown (Chair)	President and Chief Executive Officer, CAE Inc. (Montreal, QC)
Savvas Chamberlain	Chairman and Founder, DALSA Corporation (Waterloo, ON)
Marcel Côté	Founding Partner, SECOR Inc. (Montreal, QC)
Natalie Dakers	Chief Executive Officer, Centre for Drug Research and Development, UBC (Vancouver, BC)
Meric Gertler (FRSC)	Acting Dean, Graduate Education and Research, Faculty of Arts and Science; and Professor, Department of Geography and Program in Planning; and Co-Director, Program on Globalization and Regional Innovation Systems; University of Toronto (Toronto, ON)
Bronwyn Hall	Professor of Economics of Technology and Innovation, University of Maastricht (Maastricht, The Netherlands); and Professor of the Graduate School, University of California at Berkeley (CA, USA)
André Marcheterre	Company Director; and Former President and Chief Executive Officer, Merck-Frosst Canada (Lorraine, QC)
Arthur May	President Emeritus, Memorial University; and Chairman of the Advisory Board, Atlantic Innovation Fund (St. John's, NL)
Brian McFadden	President and Chief Operating Officer, Prestige Telecom Inc. (Baie d'Urfé, QC)
Walter Mlynaryk	Executive Vice-President, Kruger Inc. (Montreal, QC)
David Pecaut	Senior Partner and Managing Director, Boston Consulting Group (Toronto, ON)
Jim Roche	Company Director; and Former President and Chief Executive Officer, CMC Microsystems (Ottawa, ON)
Charles Ruigrok	Former Chief Executive Officer, Syncrude Canada Ltd. (Calgary AB)
Andrew Sharpe	Executive Director, Centre for the Study of Living Standards (Ottawa, ON)

Jim Stanford	Economist, Canadian Auto Workers (Toronto, ON)
Guthrie Stewart	Former Partner, Edgestone Capital Partners (Montreal, QC)
Alexandre Taillefer	Co-Founder, Stingray Digital Group Inc. (Montreal, QC)
John Thompson	Chairman, TD Bank Financial Group (Toronto, ON)