

Results-based Plan 2007/08

Ministry of Research and Innovation

Ce document est disponible en français.

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RESULTS-BASED PLAN 2007/08

MINISTRY OVERVIEW

Ontario's future success will be shaped by its ability to compete and win in the global marketplace. Places that invest in innovation are home to the most rewarding jobs, strongest economies and best quality of life.

The Ministry of Research and Innovation (MRI) is focused on strengthening Ontario as a leading, innovation-based economy and society where innovative thinkers can flourish and innovative ideas are rewarded.

Launched in 2005, the ministry was created to place a clear focus on the government's commitment to innovation as a catalyst for economic growth across all sectors of the economy.

MRI also works in close partnership with other ministries such as: Agriculture, Food and Rural Affairs; Culture; Economic Development and Trade; Education; Energy; Finance; Health and Long-Term Care; Intergovernmental Affairs; Natural Resources; Northern Development and Mines; Public Infrastructure Renewal; Training, Colleges and Universities; and Tourism.

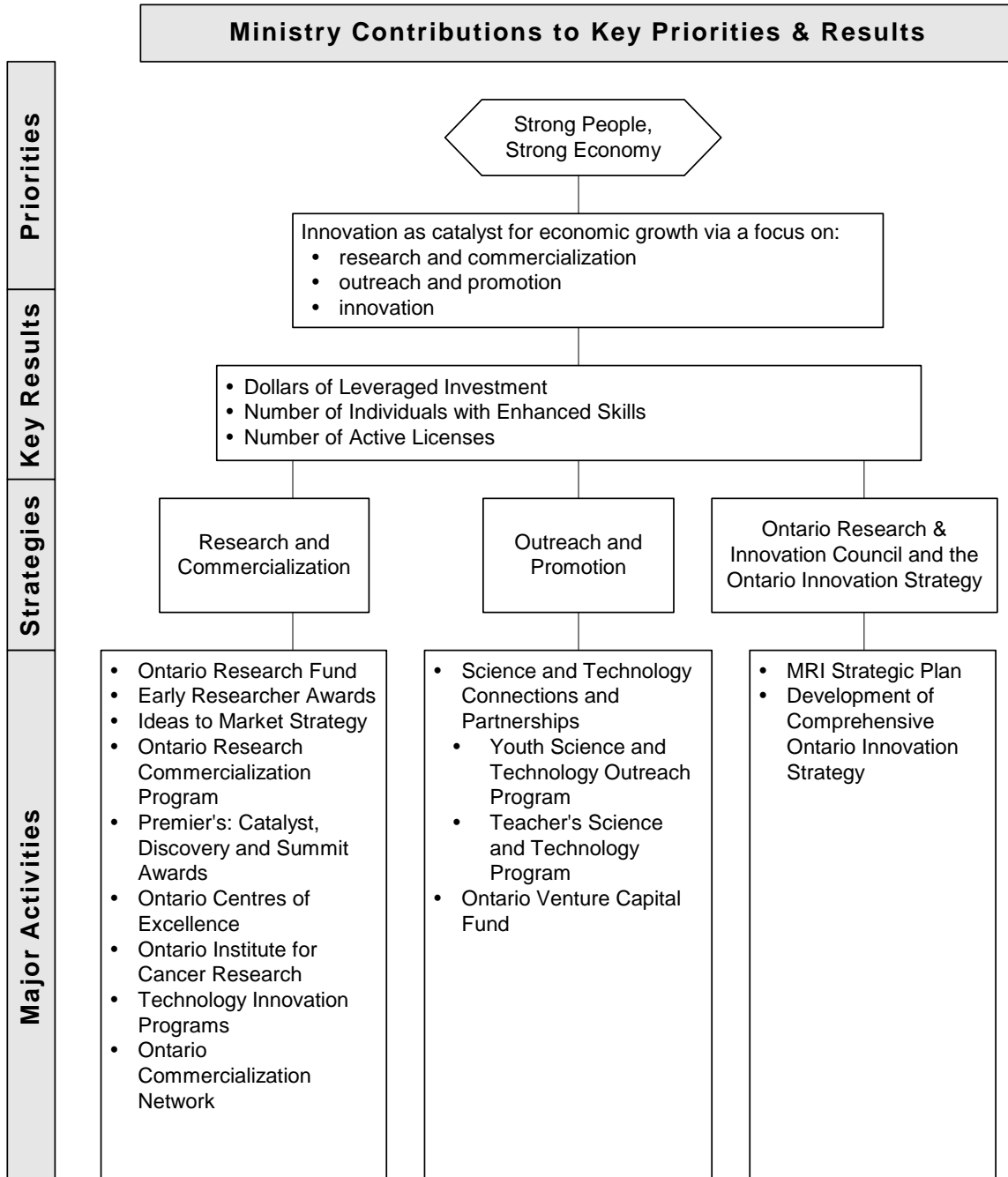
The ministry's mandate is to:

- Develop an integrated innovation strategy and lead in its delivery.
- Align and coordinate Ontario government investments in both policies and programs to deliver on the innovation strategy.
- Foster a culture of innovation and showcase Ontario, nationally and internationally, as a place where innovation is inevitable.

To further demonstrate its commitment to innovation in Ontario, the government is investing nearly \$1.7 billion in research and innovation during the five-year period ending 2009/10.

MINISTRY PRIORITIES

MRI will continue to focus on research and commercialization, outreach and promotion, and innovation as its key priorities for 2007/08.



Research and Commercialization Strategy

In 2006, MRI launched new programs to support the commercialization of research, and continued to deliver existing research and commercialization programs effectively. This included:

- The \$527 million Ontario Research Fund that provides researchers with the support to undertake cutting-edge research.
- The Early Researcher Awards with a \$51 million, five-year investment to support outstanding researchers early in their careers.
- \$279 million for the Ontario Institute for Cancer Research (OICR) to advance groundbreaking research into the causes and treatments of cancer.
- \$160 million Ideas to Market strategy, which includes the Innovation Demonstration Fund to help companies pilot new technologies; the Market Readiness Program to help knowledge-based companies test and develop new technologies and to help entrepreneurs gain the skills necessary to take new products to market; and the Ontario Venture Capital Fund to invest in Ontario-based firms in partnership with venture capital funds, pension funds and the federal government.
- The Ontario Research Commercialization Program – a \$31.4 million project to move research from labs to the marketplace more quickly.
- With an investment of \$37.5 million, created three new awards programs to attract and retain Ontario's best and brightest (Premier's Catalyst Awards, Premier's Discovery Awards and Premier's Summit Awards).

Outreach and Promotion Strategy

The 2006/07 Results-based Plan outlined outreach and promotion as a key deliverable. Since then, MRI has:

- Implemented the Youth Science and Technology Outreach Program (YSTOP) with 35 funded projects as part of a three-year financial commitment of \$4.2 million.
- As a result of a successful pilot with four universities, launched the Teacher's Science and Technology Outreach Program (TSTOP) across the province.

Both YSTOP and TSTOP are designed to inspire youth to pursue careers in science and technology by giving them hands-on experience and access to leading Ontario researchers.

Ontario Research and Innovation Council and the Ontario Innovation Strategy

In 2006, Premier and Minister of Research and Innovation Dalton McGuinty appointed the Ontario Research and Innovation Council (ORIC) to help Ontario develop a long-term vision for research and innovation.

The Council looked at how and where innovation happens in the province. It was asked to advise the government on a strategy to keep Ontario's economy strong by capitalizing on our ability to transform creative, cutting-edge ideas into long-lasting economic advantages. As part of its mandate, the Council looked to:

- Define what drives innovation
- Identify barriers to innovation
- Recommend strategies and actions that bring together partners — across government, universities, colleges, hospitals, research institutions and the private sector — to develop Ontario's innovation agenda.

The Council provided the following recommendations, which became the basis for the ministry's strategic plan:

- Government investments in research and development and associated skills training initiatives should be more focused.
- Investments in research and development should be complemented by investments designed to enhance commerce competence.
- Skills formation should focus more on commercial know-how and offer more opportunities for experiential-based learning, as well as technological and scientific training.
- Government should establish and/or expand regional centres of innovation convergence, to foster collaboration by linking researchers, entrepreneurs, managers and investors.
- Better access to appropriate capital at all stages of the innovation process, from seed capital through venture capital to later stage funding is required to build strong companies.
- A communication strategy promoting a culture of innovation and commerce would encourage the public – and youth in particular – to embrace science and technology.
- Government should promote an effective intellectual property system to ensure a healthy and expedient flow of intellectual property out of universities and into the market.
- MRI should establish metrics to track the outcome of efforts to build an innovation-intensive economy and improve decision-making.

The strategic plan would also provide a framework for a coordinated, shared approach to innovation, not only in the province, but in other jurisdictions as well. Strengthening partnerships with other provinces and the federal government will allow Ontario to contribute to an integrated innovation network across Canada.

The Premier released MRI's strategic plan in November 2006, clearly setting out the high-level goals for the impact of innovation in Ontario by the year 2020:

- Ontario will be the preferred location to grow knowledge-based businesses because of its innovation culture, commerce-friendly environment, highly qualified workforce, support for business and entrepreneurship, access to investment capital and competitive tax policies.
- Ontario will be the preferred location for the best and brightest scientists and innovators from around the world because of its globally recognized research and development (R&D) excellence and its ability to offer efficient transition of ideas from the laboratory bench to the marketplace.
- Ontario will attract increased private-sector investment in R&D, becoming a leader in the rapid introduction of innovative products.
- Ontario will generate the highly qualified workforce needed by an innovation-based economy through greater awareness of the key roles played by science, engineering, business and entrepreneurship.
- Ontario's government will lead by example, with integrated and coordinated innovation initiatives across all ministries and a culture of innovation.

Coinciding with its release, a series of public consultations immediately followed with meetings across the province, from Windsor to Ottawa, and as far north as Thunder Bay.

Extensive stakeholder comments, feedback and suggestions were submitted orally and in writing over the course of the consultations by a broad base of participants, including: academic and research institutions, the business community, industry groups, and a number of MRI-funded organizations such as the Ontario Centres of Excellence (OCE) and MaRS Discovery District.

Based upon the recommendations (and ongoing advice) from ORIC, and the submissions from stakeholders during the consultation process, MRI is developing a comprehensive Ontario Innovation Strategy. It is scheduled for release in the spring of 2007.

2007/08 INVESTMENT FOCUS

The government continues to focus strongly on supporting cutting-edge research in Ontario universities and research hospitals. The following initiatives were announced in the 2007 Budget:

- \$21 million for Queen's University, which is working with the private sector to build an advanced research and innovation centre, specializing in bioprocessing and biomaterials.
- \$18 million for the Canadian Institute for Advanced Research, which is strengthening Canada's and Ontario's reputation for collaborative international research.
- \$15 million to OCE, whose Energy Centre is helping business and academia work together to bring energy innovation to market for a clean environment.
- \$15 million to the University of Toronto, which is advancing research in structural genomics – the study of human proteins to treat diseases such as cancer.
- \$6 million to Lakehead University in Thunder Bay, which is building its capacity to contribute to future innovation for the new northern economy and to the competitive and sustainable development of Ontario's boreal forest.
- \$3 million to the University of Ontario Institute of Technology, which is enhancing its ability to explore opportunities in hydrogen technology.
- \$2 million to the Northern Centre for Advanced Technology in Sudbury, which has a solid track record for helping northern Ontario companies bring innovative products to market.

LOOKING AHEAD

As the ministry moves through 2007, MRI will focus on implementing the Ontario Innovation Strategy. The ministry understands a successful innovation strategy must have the following traits:

- **Sustainable:** Innovation policies and investments must be strong enough to withstand the pragmatic pressures of the next fiscal quarter, the next academic year and the next political term of office.
- **Agile:** The innovation strategy must be nimble enough to adapt to emerging technologies and fast enough to respond to the demands of global markets.
- **Effective:** The innovation strategy must ensure our investments provide value and deliver economic and social results to the people of Ontario.
- **Integrated:** The innovation strategy must ensure government resources are coordinated to maximize Ontario's potential for success.
- **Accountable and Transparent** – in making and reporting on investments.
- **Focused:** The innovation strategy must ensure the government makes strategic investments in areas where Ontario can take global leadership.

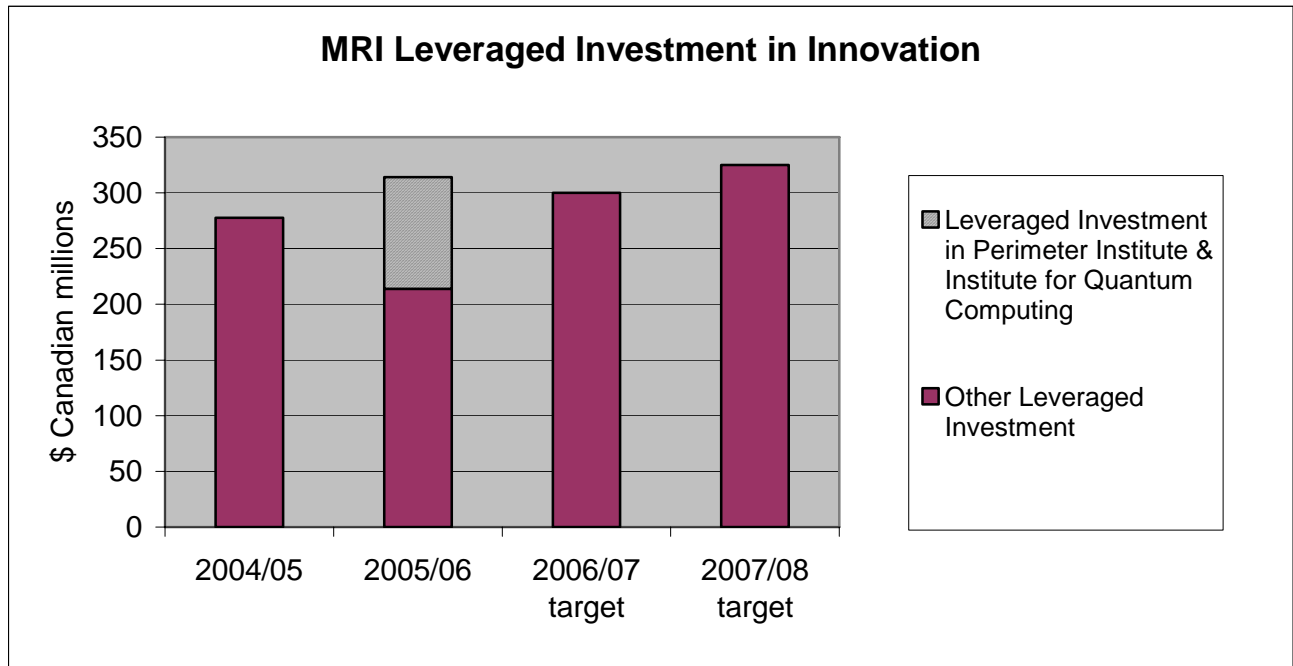
LEGISLATION

No legislation has been assigned to MRI.

PERFORMANCE MEASURE

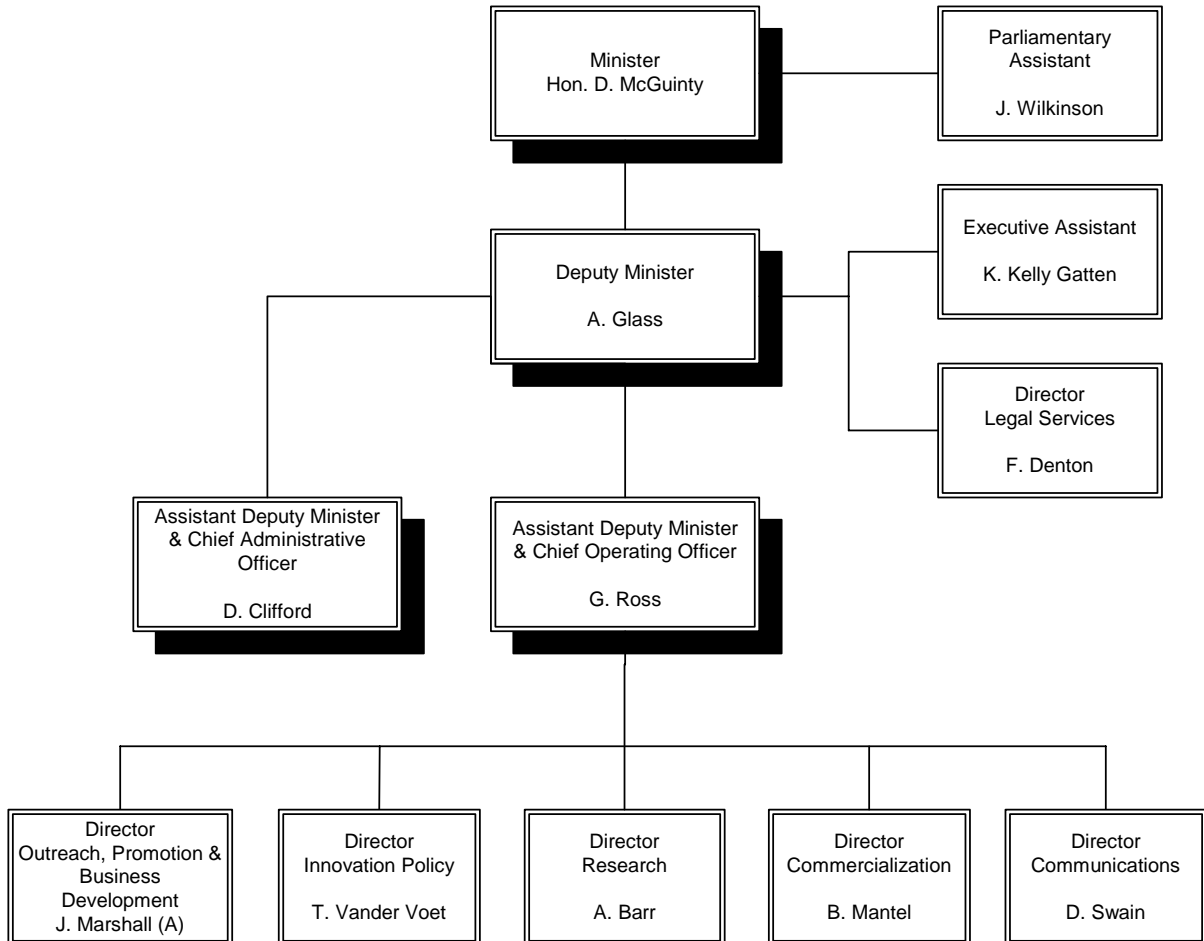
Leveraged investment measures the research and commercialization dollars provincial spending generates from other sources. It is a significant indicator because it shows the financial participation of the private sector, the federal government and other parties in Ontario's research and commercialization initiatives.

Leveraged investment has increased since 2003/04. In 2005/06, leveraged investment was \$314 million, an increase of \$36 million over the previous year. In 2005/06 the largest leveraged investment contribution was the Perimeter Institute and the Institute for Quantum Computing.



ORGANIZATION CHART

Ministry of Research and Innovation 2007-08 Organization Chart



AGENCIES, BOARDS AND COMMISSIONS (ABCS)

Advisory Agencies

Ontario Research and Innovation Council

The government created the Ontario Research and Innovation Council (ORIC) in the Fall of 2005 to act as a key resource to government in developing a long-term strategy for research and innovation. ORIC reports directly to the Premier of Ontario. ORIC has been charged with providing advice on the following: all matters related to research and innovation; Ontario's comparative (national and international) performance in research and innovation and strategies to improve Ontario's position; the impact of Ontario's investments in research and innovation; strategies to improve the ability of business to utilize the outputs of universities and public research organizations; and actions to foster improved collaboration between the public and private sector on research.

Ontario Research Fund Advisory Board

The Ontario Research Fund Advisory Board is an advisory committee that assesses applications to the Ontario Research Fund (ORF), the Early Researcher Award (ERA) Program, the Premier's Discovery Awards (PDA) Program and the Premier's Catalyst Awards (PCA) Program. The Board makes recommendations to the Minister based on a project's merit and alignment with the respective program's goals and provides advice and assistance to the Minister as may be required. The ORF is a focused research program that provides infrastructure, operating and overhead funds to support leading edge R&D in Ontario's research institutions. The ERA supports early career researchers with recognized potential. The PDA celebrates the research excellence of Ontario's finest senior researchers and the PCA recognizes both individuals and companies that have demonstrated excellence in innovation.

PUBLISHED RESULTS-BASED PLAN 2007/08
MINISTRY FINANCIAL INFORMATION
Table 1: Ministry Planned Expenditures 2007/08

Program Name	Ministry Planned Expenditures (\$M)
Operating	
Innovation, Outreach and Promotion	20.7
Research and Commercialization	272.5
Ministry Administration	2.4
Total Operating *	295.6
Capital	67.3
Total Operating and Capital	362.9
Operating Assets	8.3

*Excludes Net Consolidation Adjustment – Hospitals

Table 2: Operating and Capital Summary by Vote

Votes/Programs	Estimates 2007-08 * \$	Change from 2006-07 Estimates		2006-07 *		Actuals 2005-06 \$
		\$	%	Estimates \$	Interim Actuals \$	
OPERATING AND CAPITAL EXPENSE						
Research and Innovation Program	362,872,400	17,993,900	5%	344,878,500	342,322,606	370,482,803
Total Including Special Warrants	362,872,400	17,993,900	5%	344,878,500	342,322,606	370,482,803
Less: Special Warrants	-	-	0%	-	-	-
Total To Be Voted	362,872,400	17,993,900	5%	344,878,500	342,322,606	370,482,803
Special Warrants	-	-	0%	-	-	-
Statutory Appropriations	16,841	3,147	23%	13,694	1,213,574	10,385
Net Consolidation Adjustment - Hospitals	(38,100,000)	(10,400,000)	38%	(27,700,000)	(25,073,874)	(38,048,264)
Ministry Total Operating and Capital	324,789,241	7,597,047	2%	317,192,194	318,462,306	332,444,924
OPERATING ASSETS						
Research and Innovation Program	8,263,000	(333,800)	-4%	8,596,800	7,034,430	4,469,136
Total Assets To Be Voted	8,263,000	(333,800)	-4%	8,596,800	7,034,430	4,469,136

* Estimates for the previous fiscal year are restated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the Ontario Budget.

APPENDIX I: 2006/07 ANNUAL REPORT

The Ministry of Research and Innovation (MRI) places a clear focus on the government's commitment to innovation as a catalyst for economic growth across all sectors of the economy.

The government is investing nearly \$1.7 billion in research and innovation during the five-year period ending 2009/10. MRI focuses its efforts in three strategic areas: research and commercialization, outreach and promotion, and innovation policy.

Some of MRI's achievements in 2006/07 included:

Research and Commercialization

- Provided researchers with the support to undertake cutting-edge research through the Ontario Research Fund.
- Supported outstanding researchers early in their careers through the Early Researcher Awards.
- Advanced groundbreaking research into the causes and treatments of cancer by supporting the Ontario Institute of Cancer Research.
- Developed the Ideas to Market strategy, which includes programs designed to help companies:
 - Pilot new technologies.
 - Test and develop new technologies and help entrepreneurs gain the skills necessary to take new products to market.
 - Work in partnership with venture capital funds, pension funds and the federal government.
- Helped research move from labs to the marketplace more quickly through the Ontario Research Commercialization Program.

Outreach and Promotion

- Created three new awards programs to attract and retain Ontario's best and brightest talents.
- Inspired youth to pursue careers in science and technology by giving them hands-on experience and access to leading Ontario researchers through the Youth Science and Technology Outreach Program, and the Teacher's Science and Technology Outreach Program.

Innovation

- Began the process of developing the Ontario Innovation Strategy; its content heavily based upon advice from the Ontario Research and Innovation Council, and enhanced by the submissions made from stakeholders during a public consultation process.

Ministry Expenditures 2006/07

	Ministry Actual Expenditures (\$M)
Operating	261.6
Capital	81.9
Staff Strength (as of March 31, 2007)	126

GLOSSARY

COIP	Canada-Ontario Infrastructure Program
ERA	Early Researcher Awards
MaRS	MaRS Discovery District
MRI	Ministry of Research and Innovation
OCE	Ontario Centres of Excellence
ODOE	Other Direct Operating Expenditures
OICR	Ontario Institute for Cancer Research
ORION	Ontario Research and Innovation Optical Network
ORF	Ontario Research Fund
ORIC	Ontario Research and Innovation Council
PCA	Premier's Catalyst Awards
PDA	Premier's Discovery Awards
PDF	Post-Doctoral Fellowship
R&D	Research and Development
SMEs	Small and Medium-Sized Enterprises
TSTOP	Teacher's Science and Technology Outreach Program
YSTOP	Youth Science and Technology Outreach Program