

March 18, 2009

Changes proposed for Alberta's research and innovation system

Legislation marks next step in making system more aligned and accessible

Edmonton... Proposed changes to Alberta's research and innovation system will better align resources, making the system more responsive to researchers and entrepreneurs, more accountable to Alberta taxpayers, and more competitive in the global economy.

"We're building a pan-Alberta approach, a system where organizations work together to capture value from research and innovation for economic and societal benefit," said Doug Horner, Minister of Advanced Education and Technology (AET) as he introduced Bill 27, the *Alberta Research and Innovation Act*.

"The changes I'm proposing will enable us to take advantage of new economic opportunities and ensure Alberta's place in the next generation economy," Horner said. "We'll also be in a better position to support our researchers and entrepreneurs as they seek solutions to challenges facing Alberta. I'm talking about important societal challenges like removing excess carbon emissions from our air, stopping the spread of pine beetle in our forests, and conserving our water."

The proposed legislation would enable the Alberta government to implement a framework, developed in consultation with stakeholders, which restructures provincially funded research and innovation organizations. The framework would merge 10 existing entities into five new entities: one advisory body and four board-governed provincial corporations. The new entities would be focused on bioindustries (i.e. agriculture, forestry, life sciences), energy and the environment, health, and bringing technology to market. The transition to the new framework would take place over the next several months.

"We have an opportunity to significantly advance what we've already achieved in Alberta. We can build on our incredible foundation of excellence, established by the talented staff and researchers of our existing research and innovation organizations," said Horner. "With a stronger system in place, it'll be easier for the next generation of Albertans to make world-class discoveries and create world-class products. And let's face it, we have to make changes today to open more doors for our kids and our grandkids."

The bill directly supports one of Premier Ed Stelmach's five priorities for the province: enhance value-added activity, increase innovation, and build a skilled workforce to improve the long-run sustainability of Alberta's economy.

- 30 -

Attachment: Questions and answers on the *Alberta Research and Innovation Act*

Media inquiries may be directed to:

Donna Babchishin

Communications

Alberta Advanced Education and Technology

780-422-1562

To call toll-free within Alberta dial 310-0000.

March 18, 2009

Questions and Answers on the *Alberta Research and Innovation Act*

Is government changing the research and innovation system in response to the global economic crisis?

- Work to realign Alberta's research and innovation system began long before the current economic crisis first began. In March 2008, Premier Ed Stelmach mandated Advanced Education and Technology (AET) Minister Doug Horner to develop and implement a framework that defines roles and mandates for Alberta's provincially funded research and innovation organizations. Since then, AET has consulted with key stakeholders, as well as with international experts, to develop a new framework for the system.
- Work to align and support Alberta's research and innovation is even more important now, in light of the global economic situation. It will help the system to become stronger and more efficient than ever. This is about staying committed to building long-term prosperity for Alberta.

What effect would the proposed changes have on the system?

- The new framework would improve Alberta's research and innovation system by making it less complex, more focused on the government's strategic priorities, more consolidated, with less overlap and stronger links between the players. The system will support and enhance Alberta's strong research base. Researchers, entrepreneurs and other key stakeholders would benefit from more clearly defined roles of participants in Alberta's innovation continuum, and more easily access support and information services.

What specific changes are you proposing for the system?

- The intent of the *Alberta Research and Innovation Act* is to enable the Government of Alberta to create one new advisory body and four new, board-governed provincial corporations by transitioning the following existing organizations:
 - the Alberta Science and Research Authority
 - AET's five research institutes: Energy, Life Sciences, Agriculture, Forestry, and Information and Communications Technology (ICT)
 - the Alberta Heritage Foundation for Science and Engineering Research (operating as Alberta Ingenuity)
 - the Alberta Heritage Foundation for Medical Research (AHFMR)
 - the Alberta Research Council Inc. (a provincial corporation owned by the Crown)
 - iCORE Inc. (a provincial corporation owned by the Crown)

What would the four proposed, board-governed provincial corporations do?

- The four new corporations would focus on the following areas: bioindustries (i.e. agriculture, forestry, life sciences), energy and the environment, health, and bringing technology to market.
- These corporations would facilitate initiatives that support the Alberta government's strategic priorities, as well as industry development initiatives in areas where Alberta has the opportunity to be a leader or enhance its current standing in the global economy.

What would the proposed advisory body do?

- The Alberta Research and Innovation Authority would provide strategic advice and recommendations to the Minister of AET to support government decisions and directions. It would monitor the performance of the overall system through suitable measures and regular reporting to government.

What would happen to the existing organizations?

- Until the necessary legislation, regulations and business plans of the new provincial corporations are all in place, the existing organizations will continue to operate, working closely with AET during this transition period. The CEOs of the existing organizations are meeting regularly with AET senior executives to manage the transition process in a comprehensive manner.
- The key functions of the following organizations would merge to form the new organization focused on technology commercialization or “bringing technology to market”: Alberta Research Council, Alberta Ingenuity, and related programs and initiatives from Alberta’s ICT strategy.
- The functions of the following organizations would merge to form the new bioindustries provincial corporation: Alberta Agricultural Research Institute, Alberta Forestry Research Institute, and Alberta Life Sciences Institute.
- The Alberta Energy Research Institute would be transformed into the energy and environment corporation.
- A renewed AHFMR would continue as the new provincial corporation with a stronger focus on strategic health research.
- iCORE would be integrated into the province’s funding of research capacity in post-secondary institutions. The specific model is still to be worked out, but the intent is to bring our research and innovation framework closer to Campus Alberta, further integrating the provincial knowledge-based economy.
- A new connector service will make it easier to access and navigate the research and innovation system.
- We will build on current platform and emerging technologies – such as ICT, nanotechnology and genomics – in ensuring a system-wide approach to applying these strengths to new innovations.
- Ongoing industry advice is critical to build a research and innovation system that is able to take ideas to the marketplace effectively and efficiently for the social and economic benefit of all Albertans.

What about the endowment funds?

- The Alberta Heritage Foundation for Medical Research Endowment Fund would continue, building on its success to date. Its direction would reinforce that originally mandated by former Premier Peter Lougheed when the fund was created in 1979. The Alberta Heritage Science and Engineering Research Endowment Fund would also continue, and it would focus on commercializing technology.

When would the proposed changes be made?

- It is hoped that the Act would be passed by the end of the spring 2009 Alberta legislative session. The new entities would subsequently be created by regulations. The intent is to proclaim the Act and the regulations into force later this year. The new provincial corporations would then become operational, and the existing organizations would conclude their operations.

- 30 -

Media inquiries may be directed to:

Donna Babchishin

Communications

Alberta Advanced Education and Technology

780-422-1562

To call toll-free within Alberta dial 310-0000.