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## Wednesday, December 7, 2011

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## Chair

**Mr. David Sweet**

# Standing Committee on Industry, Science and Technology

**Wednesday, December 7, 2011**

● (1530)

[*English*]

**The Chair (Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC)):** Good afternoon, ladies and gentlemen.

Welcome to the 18th meeting of the Standing Committee on Industry, Science and Technology, but the first meeting regarding our study on the Perimeter Institute for Theoretical Physics.

Before us today we have the Hon. Gary Goodyear, Minister of State for Science and Technology, who is also the minister responsible for the Federal Economic Development Agency for Southern Ontario. Joining him is Robert Dunlop, assistant deputy minister for the science and innovation sector.

We will begin with the minister having approximately 10 minutes of opening remarks, and then we'll go until we hear the bells this afternoon.

I would also like to advise committee members that you'll have a draft report coming out tomorrow by e-mail regarding our previous study. That'll give you some time to take a look at it before the first meeting for us to consider the draft, and that will be on Monday. This is to give you a heads up to watch your e-mail for that so you can take a good in-depth look at it over the weekend.

Minister, we're glad to have you here today. Please begin your opening remarks.

**Hon. Gary Goodyear (Minister of State (Science and Technology) (Federal Economic Development Agency for Southern Ontario)):** Thank you, Chair, and thank you, colleagues, for this opportunity.

Good afternoon. I'm very pleased to be here today to assist the committee's study on the Perimeter Institute for Theoretical Physics. As was mentioned, with me today is Rob Dunlop from our department. Should you have any technical questions, I may refer to Rob to ensure you get the answers you are looking for.

I also appreciate the opportunity to talk about the important role the Perimeter Institute is playing in making Canada a location for world-class research. This objective is a cornerstone of the federal government's science and technology strategy, and it explains why we support the work undertaken at the Perimeter Institute.

The science and tech strategy rests on fostering three distinct S and T advantages for Canada. The first is a people advantage, the second a knowledge advantage, and the third is the entrepreneurial advantage. These three advantages are critically important for bolstering the prosperity and quality of life for our nation.

Let me first talk about each of these advantages in turn.

Fostering a people advantage means turning Canada into a magnet for developing and attracting talented, skilled, creative individuals. This is one of the most critical elements of a successful nation's economy.

The Perimeter Institute is playing a significant role in this regard. In 10 short years, it has been successful in attracting scientists of the highest international calibre to Canada—not merely reversing the brain drain, ladies and gentlemen, but actually becoming a powerful magnet for talent. This is shown by the successful recruitment of Dr. Neil Turok, a renowned South African physicist and former chair of mathematical physics at the University of Cambridge, to the director's position at the Perimeter Institute in 2008. In addition, Stephen Hawking himself has chosen Perimeter and Canada as his second research home.

The Perimeter also engages with researchers throughout Canada's physics community, cooperating extensively with its academic partners via cross-appointments, adjunct appointments and professorships, joint post-doctoral fellowships, and graduate training. In this regard, Perimeter is truly helping to build Canada's people advantage.

The second pillar of the federal S and T strategy is fostering a knowledge advantage. This means ensuring that Canadians are at the leading edge of the important discoveries that generate health, environmental, societal, and economic benefits for all.

Now, as you may be aware, Perimeter's activities are focused squarely on the promotion of world-class research excellence in theoretical physics. Indeed, Perimeter's goal is to bring together the world's best minds to advance our knowledge of physics and develop new ideas about space, time, matter, and information.

Since being established, the Perimeter Institute has built a global reputation for exceptional research. The institute has become a focal point for theoretical physics, both within and outside Canada. The research conducted there is both ground-breaking and transformative. A recent independent evaluation concluded that the Perimeter has markedly improved Canada's science capacity and global reputation in the field of theoretical physics. To date, almost 1,700 articles have been published in over 50 journals.

This brings me to the third advantage outlined in the federal science and tech strategy, and that's the entrepreneurial advantage. Fostering an entrepreneurial advantage means translating knowledge into practical and commercially applicable ideas that generate better health outcomes, for example, wealth for Canadians, and, at the end of the day, a better quality of life for all of us.

Now, you might think that theoretical physics is just about something as far from commercial application as you could possibly get, but you would be wrong. Breakthroughs in theoretical physics have the potential for significant commercial applications.

Indeed, past discoveries in theoretical physics lie at the root of many and most of our modern technologies. This includes our computers of today, the BlackBerrys we all wear on our hips, magnetic resonance imaging machines, and many other discoveries. It's very, very clear that Perimeter is making strong contributions to fostering Canada's people, knowledge, and entrepreneurial advantages.

● (1535)

I would also add that the Perimeter Institute is playing a very major role in helping to inspire and educate young Canadians about the importance of science and the possibilities that exist in that field. Its extensive and award-winning outreach programs provide outstanding educational resources for youth and educators. Getting our youth excited about pursuing careers in science and technology is quite crucial to ensuring that Canada has the skilled workforce that tomorrow's economy will demand.

I believe that my remarks at this point have quite amply addressed one of the elements of your study, namely, the Perimeter Institute's positive effect over the past decade on science, technology, and advanced research, not only in Canada but around the world.

While the focus and impact of Perimeter goes far beyond the greater Kitchener-Waterloo-Cambridge region, the institute has a very strong local impact. The University of Waterloo established the Institute for Quantum Computing shortly after Perimeter opened its doors. Researchers in these two institutes are working closely together in quantum-related research, and that has strong local benefits.

For example, the International Summer School for Young Physicists, held in Waterloo, brings together promising Canadian and international students aged 16 to 18 for two weeks each year. At a time when they are actively weighing career decisions, these young people get a first-hand view of leading-edge research, including lessons in modern physics, mentoring sessions with top scientists from around the world, and of course laboratory tours.

As well, every summer, teachers from across Canada and around the world come to Waterloo to attend the Einstein Plus national teachers' workshop on modern physics. This very intensive one-week residential workshop for high school educators focuses on how to better convey key concepts in modern physics to engage the interests and minds of students.

Our government has been very pleased to support the Perimeter Institute and its activities. This includes the most recent announcement of $50 million over five years of funding provided through Budget 2011. All of the federal funding has been matched by the Government of Ontario and an unprecedented private donation of $120 million from Mike Lazaridis, Jim Balsillie, and Doug Fregin, all operators, as you know, of Research in Motion.

Support also comes from the Canada Foundation for Innovation and has been used to expand the Perimeter's facilities through the construction of the brand-new Stephen Hawking Centre. Perimeter is now the largest theoretical physics research and academic organization in the world, and with that comes a world-class reputation.

Mr. Chair, unfortunately that reputation has been somewhat tarnished by unfounded accusations in an unfortunate and inaccurate news release, which was still found on the NDP's website as of this morning. False claims are made that more funding was given to the Perimeter Institute than was committed by our government in Budget 2007. This is totally false and misleading.

Our government provided the Perimeter Institute with the funding that is consistent with our promises in Budget 2007, and the public accounts records clearly show this. Despite being presented with these facts, the NDP has yet to apologize or remove this inaccurate information from their website.

Mr. Chairman, I sincerely hope the NDP members here today will take a moment to apologize first to the Perimeter Institute, to the scientific community of Canada, and of course to the Comptroller General of Canada and our government so that we can move past this and the Perimeter can maintain its world-class reputation.

The Perimeter Institute is truly something that Canada, the Waterloo region, and the Province of Ontario can be very proud of. It is an essential part of our nation's economy, its economic possibilities, and job opportunities for Canadians going forward.

Thank you very much for this opportunity, colleagues and Mr. Chair. I look forward to any questions you may have.

● (1540)

**The Chair:** Thank you very much, Mr. Minister, for your opening remarks.

We'll go to our regular round now, a first round of seven minutes.

Mr. Braid.

**Mr. Peter Braid (Kitchener—Waterloo, CPC):** Thank you very much, Mr. Chair.

Thank you, Minister, for being here and speaking to the very important role that the Perimeter Institute for Theoretical Physics plays, not only in the Waterloo region but across our country, and to the contribution this important research institute is making to not only our national but our international reputation.

Minister, in September you were fortunate to attend the opening of the Stephen Hawking Centre, the new wing at the Perimeter Institute. I was also very fortunate to be there with you. Could you speak to the importance and the significance of having someone as renowned as Stephen Hawking affiliated and associated with this research institute in Waterloo, Ontario?

**Hon. Gary Goodyear:** Thank you. Absolutely, I would be happy to do that.

The Perimeter Institute has been able, through its reputation and the decade leading up to it of building that reputation with leading physicists and others around the world, to actually have attracted quite arguably the brightest person on our planet—today's equivalent of Albert Einstein. Stephen Hawking is known the world over. He is respected everywhere. He is somewhat in ill health. For him to have chosen the Perimeter Institute in Canada as his second home for research and to have visited there to help give lectures and help train the future scientific leaders of this nation is somewhat...it's very difficult to describe.

I did meet with Dr. Hawking. It was the highlight of my life. The Prime Minister has met with him.

This is indeed a huge, huge win for our scientific community in Canada. I'm not sure there would be another person on our planet currently who could bring the level of prestige to this institute that Dr. Hawking has, and of course naming a new part of the Perimeter Institute after Stephen Hawking.... I wish I could remember Dr. Hawking's quote on the issue, but it will live long past his theories, which have improved the lives of every one of us.

This is immeasurable. I will say only that I think every scientist would say that they know Stephen Hawking, and they would say, "That is a major coup and a great win for Canada." It speaks to our successful building of our reputation in the field of science and technology.

**Mr. Peter Braid:** Thank you.

Minister, could you clarify what our commitment, our government's commitment, to the Perimeter Institute has been in terms of levels of funding?

**Hon. Gary Goodyear:** Yes, certainly. It actually started with Mike Lazaridis and the folks from Research in Motion, who put forward some funding in I believe 1999. The Natural Sciences and Engineering Research Council saw this as a brilliant idea and a few years later offered $25 million.

We did some auditing of the Perimeter Institute to make sure they were meeting their goals, deadlines, and mandate, and we were quite satisfied with that independent report. We put forward $50 million in 2007, over five years, that was matched by the Province of Ontario. That funding was coming to a close in fiscal year 2011, at which time we again put forward $50 million over five years.

Again the institute has been looked at by independent auditors, the latest being KPMG, I believe, who had nothing but good things to say—I'd be happy to read it to you—about the management and about their ability to meet their mandate in terms of teaching, and in terms of attracting to the institute the top researchers from around the world, not only to come here to teach the next generation, but also to do their research here in Canada, which gives us an opportunity not just to invent something but to build it here. That provides better-quality jobs for Canadians and it improves our economy. We can sell those products, those processes, and those advancements in current technology to the rest of the world.

We have an institute here that's the best on the planet. It's attracting the best on the planet. It has been supported by independents as having an excellent record in terms of its management and overall operations. We support it for those reasons, as we need to as a government supporting basic science.

● (1545)

**Mr. Peter Braid:** Thank you, Minister.

On October 31 in the House you received a question from the NDP member for Rosemont—La Petite-Patrie. In the preface to his question, he made the statement, this inaccurate statement, this claim —

**The Chair:** Just one moment, Mr. Braid.

On a point of order, Madam LeBlanc.

**Ms. Hélène LeBlanc (LaSalle—Émard, NDP):** You know, Mr. Chair, it's a little difficult for me, but we had decided in this committee that we were going to stay off the partisan scale, because we are a committee that likes to work together.

Minister Goodyear, with all due respect, I appreciated your presentation, but unfortunately you have brought in the name of the party, which means it's partisan, so I would like to make this statement—

**An hon. member:** That's not a point of order.

**The Chair:** Madame LeBlanc, I was going to let you express your point of order, but points of order have to be around procedure, not about what the debate is.

**Ms. Hélène LeBlanc:** Okay. Well, the motion had two points. It was to study the Perimeter Institute and to salute its impact on Canada and also across the country. Now we're bringing back the question that we had removed at the third point.

**The Chair:** I understand, Madame LeBlanc, but the question is germane to the subject we have before us.

Mr. Lake.

**Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC):** I think I'd just caution that we're getting pretty close to talking about stuff that happened in camera, and I think we have to be careful in terms of the reference to anything that happened at an in camera meeting.

**The Chair:** Thank you very much, Mr. Lake, and I think you're—

**An hon. member:** On that, Mr. Chair—

**The Chair:** Mr. Regan.

**Hon. Geoff Regan (Halifax West, Lib.):** Sorry, Mr. Chairman, but it seems to me that anything we adopted as a resolution clearly was something that was decided, even if it was in camera.

**The Chair:** Okay.

Sorry, Mr. Braid. We'll just wait a couple of seconds to get your time back.

Please go ahead.

**Mr. Peter Braid:** Thank you, Mr. Chair.

I can certainly understand why the NDP is still a little ashamed about this, but not only is it germane to this study, but I'm also quoting from Hansard.

On October 31, Minister, you received a question in the House of Commons from the NDP member for Rosemont–La Petite-Patrie. He stated that the Perimeter Institute for Theoretical Physics has received "1,200 times [what] the annual maximum [to be] approved by Parliament". Could you respond to that claim, Minister, with more than the 30 or 35 seconds you had in question period?

**Hon. Gary Goodyear:** Sure. I obviously don't remember the question, but it was obviously something like that. My response then was the same as it is now: the information was absolutely incorrect.

It's okay, I suppose, for a member to make a mistake the first time, but I did point out to the member that he was wrong. I pointed out where the facts could be found and that the Perimeter Institute received exactly what it was supposed to receive. The member came back and asked the same question. That causes me great concern, because now we're bordering on the reputation of the Perimeter, and we're bordering on premeditated misleading of Canadians. That is my concern.

● (1550)

**The Chair:** You have 20 seconds left.

**Mr. Peter Braid:** Mr. Minister, what is the accurate source of information for this information?

**Hon. Gary Goodyear:** Well, quite clearly it's the public accounts. This is by the Comptroller General. I have a copy of the exact page. We made reference to this to the member.

The member did not come to see me before question period. I only heard about it in the House. As I say, there was a mistake made, and I think the honourable thing to do would be to stand up and apologize so that we can in fact keep and continue to grow the research integrity of institutes like the Perimeter, which I believe has been tarnished by this.

**The Chair:** Thank you, Minister. That's all the time in that round.

Madame LeBlanc, now you have the floor.

[*Translation*]

You have seven minutes.

[*English*]

**Ms. Hélène LeBlanc:** Thank you, Minister Goodyear, for this presentation.

[*Translation*]

As you mentioned when you talked about the Perimeter Institute for Theoretical Physics, that organization received a fairly large investment at the outset from the founders and co-founders of RIM. It then received funding from the Government of Canada. You may say that this is a case of a private-public partnership. It is fairly special.

I was wondering whether the government saw that type of partnership as a model to follow.

[*English*]

**Hon. Gary Goodyear:** Thank you.

I'm getting the last of the interpretation here, but I believe I understand your question. In fact, I believe this is a very good example of a private-public partnership. The science and technology strategy that the Prime Minister introduced in 2007 had a number of initiatives to it, three of which I spoke to earlier.

One, of course, is to support basic discovery-type research, which is known, as many will know, as blue-sky research. We're not really sure what you're going to find, but we need to invest in basic research so that we have those discoveries to build and to enjoy into the future.

The Perimeter Institute was supported by the previous government. We looked at it when we took government. We felt it was a very good initiative with incredible possibilities and probabilities. As a result of that, in our budget we supported the Perimeter Institute with $50 million over five years. That was in 2007. Indeed, that was also matched by the Province of Ontario.

I'm assuming, though I can't speak for Mr. Lazaridis.... Mr. Lazaridis and his colleagues put $120 million of their own personal money in to get this Perimeter Institute going. As far as I'm concerned, it is an example of a private-public partnership that has significant benefits to society, not just at the discovery end, but in the ability to attract top minds from around the world who will come to Canada, work here, discover things here, allow us to make them here, and create jobs. As well, those top minds will train our current students, who then will be the teachers and the leaders of tomorrow.

The outreach Perimeter does to help teachers do a better job of teaching physics and sciences is always a good idea. Encouraging young people to take science and technology courses is extremely important, particularly since Canada graduates fewer PhDs per year than we actually need. Going forward, these are problems we have to find solutions for.

So the Government of Canada's investment in such things as the Perimeter Institute is one way for us to not only create jobs and economic benefits today, but also build for the future economy and make sure that folks are trained to meet the needs of that future economy.

[*Translation*]

**Ms. Hélène LeBlanc:** Thank you.

If you don't mind, I will share my floor time with Mr. Caron.

**Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP):** Thank you very much.

I want to begin by taking a moment to correct an earlier statement. The honourable member representing Rosemont—La Petite-Patrie never said that the Perimeter Institute for Theoretical Physics had misused public funds; on the contrary. My colleague actually tried to show accounting irregularities in the figures related to program expenditures and the Department of Industry's operating expenditures. He did point out that a number of expenditures had been recorded in the Perimeter Institute's budget line, but that the organization never received that money.

That reveals disturbing deficiencies in terms of departmental and federal transparency when it comes to the accounting processes used. I must point out that those processes make it possible to fully inform parliamentarians about government expenditures, so that they may do their job properly.

In addition, I would be pleased to submit a document, in both official languages, to exemplify what my colleague wanted to show. I am certain that my committee colleagues share his concerns when it comes to information quality and the lack of transparency in government.

That said, I would like to submit the document in question, in both official languages.

● (1555)

[*English*]

**Hon. Gary Goodyear:** Yes, thank you, Mr. Chair.

I appreciate my colleague's intervention. However, I'm not sure if the member remembers the dialogue in the House of Commons at the time, but I did stand up and tell the member that he was mistaken, that he was wrong, that the facts were right here, and I offered to show him those facts. In fact, I asked if I could table them.

The next day the questions continued. So my point is that people do make mistakes. I get that. I understand that. But when the facts are put forward to a member, that member should do what other members of Parliament have done previously and apologize. They should say they made a mistake and they're sorry, that the record is correct and they were wrong, and everybody moves on.

My concern is that's not what happened. In fact, today the inaccurate information is still on the NDP website. This tarnishes the Perimeter Institute. It puts the Perimeter Institute one or two pegs below its stellar reputation, and there's an easy fix. The NDP should say they made a mistake and that in fact I've shown them the facts and they accept the facts. The facts are correct, and the member should apologize. I don't really see the problem with that.

[*Translation*]

**Mr. Guy Caron:** Minister, the issue is not knowing what figures are in public accounts, but rather determining what accounting methods and processes were used and then raised by the Parliamentary Budget Officer. That is what my colleague wanted to say. He did actually specify, during question period, that he knew that the Perimeter Institute had not received that money and had therefore not spent it. He never made an accusation against the institute. He was actually questioning the accounting methods used. The Parliamentary Budget Officer picked up on the same thing.

[*English*]

**Hon. Gary Goodyear:** My response is the same, Mr. Chairman.

I pointed out to the member that he was wrong, why he was wrong, and where he could find the facts. He continued with the questioning for one or two more days, and to date, the wrong information is on the NDP's website.

What concerns me is that this not only tarnishes the Perimeter Institute, but if there's one place we need to be honest and up front, it's in the House of Commons.

**The Chair:** Minister, I'm sorry, but time is always our enemy. I allowed a little bit to make sure that was aired sufficiently.

Mr. Braid now for seven minutes.

**Mr. Peter Braid:** Thank you, Mr. Minister.

Did the Perimeter Institute receive more than the committed amount from the Government of Canada?

**Hon. Gary Goodyear:** Absolutely not, and the records are very clear on that.

**Mr. Peter Braid:** Do you believe that there's any ambiguity in the public accounts?

**Hon. Gary Goodyear:** Absolutely not. In fact, if there's any ambiguity, it's in the research tactics of the NDP, which I pointed out to them, because that can happen and I understand that.

The preferable way to deal with that is to come to me before question period and sort it out—ask me the question. But when you go to question period and do this in front of the world, I think there is a premeditated purpose to it. And the purpose is not to find out the truth; the purpose is to create headlines. So, okay, that's fine. That sometimes happens. Again, I can see that.

But when the first question was asked, I was very clear that this was incorrect. I was also clear about where the correct research can be found by anybody, and that if you look at the correct research, it does not say that the Perimeter Institute received more money or didn't. It says exactly how much the Perimeter did, in fact, receive, which is exact, with no ambiguity and no lack of transparency.

What happened here was that the research was incorrect. The member potentially took figures from somewhere else. I pointed out that this was the case. The proper thing I think to do at that moment was to stand up and not ask the next question until you had your facts straight.

I did ask the member to apologize, and that hasn't happened. I guess my concern really rests with—

● (1600)

**The Chair:** I'm sorry. There's a point of order.

Mr. Caron.

[*Translation*]

**Mr. Guy Caron:** When we were planning this meeting last week, the item relating to this specific issue was removed.

[*English*]

**The Chair:** Mr. Caron, this is just a respectful comment. Please be sure that you separate the conversation from when it was in camera to what is public. This is just a professional courtesy.

**Mr. Guy Caron:** You're right.

[*Translation*]

Yes, go ahead.

[*English*]

**The Chair:** Sorry, Minister. Go ahead.

**Mr. Peter Braid:** Minister, let's move on. Let's talk about the important impact that the Perimeter Institute has—if you could elaborate on this, the impact that the Perimeter Institute has had, not only on the Waterloo region, but on Canada.

**Hon. Gary Goodyear:** Besides all of these bright minds coming and renting space and having their meals and training students, some two dozen distinguished research chairs, 43 post-doctoral fellows, and all that economic benefit locally, perhaps the best way to answer the question, colleague, would be to cite some of the information I heard watching one of the Perimeter's Friday night shows. They do a lot of public outreach, so literally 40,000 students can be online watching a physics lecture.

One of the lectures I watched was a discussion on transmitting electricity without a wire. Now all of us plug our toasters into the wall and we get our heat to make our toast. Can you imagine if we could do the same thing without actually using a wire plugged into the wall to transmit electricity? In other words, I could have a charger for my BlackBerry in my home, and no matter where I was, my BlackBerry would charge because the charger would transmit electricity. This possibility requires a level of understanding of electron movement that we don't actually have today, but the experts say it's possible. That could allow us to have energy plants 100 years in the future on the moon and transmit power safely back to our cities. It sounds like science fiction, but so did X-rays 100 years ago.

This is the type of research that's happening at the Perimeter. And in partnership with quantum computing—I'm sure all of us remember the binary code of ones and zeros. Perhaps the chair doesn't remember binary code, but it's ones and zeros. That is the basis for all computation on our planet today. If you knew that an electron was rotating to the right and another electron was rotating to the left, the right rotation could be the one and the left rotation could be a zero.

Second, most electrons have a charge, positive or negative. I don't want to get too complicated, because I'm not a physicist, but what I'm telling you is the potential for having a computer more powerful than anything we have right now, the size of a pin. Because we're not using ones and zeros, but instead we're using electrons with a positive charge that rotate to the right and electrons with a negative charge that rotate...and we've just quantified the next generation of computers.

So I don't know how to explain the value of that technology. It's really the difference between having a light bulb and not having a light bulb to the future of the world. But to me, having that intellectual property in Canada, producing it and building it here, is invaluable to providing the high-paying, high-quality jobs that this nation needs to have to compete with what is a changing global environment.

I hope I didn't go overboard there, but these are the kinds of real dreams that quantum computer physicists have every day.

● (1605)

**Mr. Peter Braid:** Thank you, and thank you for the science lesson.

One of the important policy objectives of our government is, as you well know, given your responsibility, to help foster and encourage the commercialization of technology. Do you see our support for the Perimeter Institute as contributing towards that goal over time?

**Hon. Gary Goodyear:** Absolutely. The good news story, though, is that there is a spectrum of research, the pure-sky basic on this end and the applied commercialization on the other end. Our science and technology strategy and our funding for science and technology in Canada cover the whole range. We have to do all of it, both for jobs today and of course for jobs and the economy tomorrow. And we do all of it.

**The Chair:** Thank you, Mr. Braid.

Now we'll move on to Mr. Regan.

And by the way, before we start the time for Mr. Regan, I just want to let you know that I do remember punch cards from high school. Remember the punch cards?

**An hon. member:** Mr. Chair, you're old.

**An hon. member:** I think my grandfather told me about those.

**Voices:** Oh, oh!

**The Chair:** Mr. Regan, go ahead for seven minutes.

**Hon. Geoff Regan:** Thank you, Mr. Chairman.

I had the pleasure of visiting the Perimeter Institute a few years ago. It's a very impressive place, although I must say my impression was that my visit somehow didn't have quite the same impact as Stephen Hawking's. I don't understand that.

**An hon. member:** Pretty close.

**Hon. Geoff Regan:** Pretty close, you say? I don't believe you, but anyway....

I think it's a fabulous institution and I'm delighted that it has received the support it has, both private and government.

I think it's disappointing, though, that an institution as good as it is has been exploited by the two other parties with me today. Today it's being brought up here in a very partisan way. I think that's unfortunate. If we consider the high level of work done by the people at that institute, I think we'll have to seek for it to inspire us, to ensure that the work we do—I'm not saying it's going to be at that level—is as good as it can be and that we make sure the work we are doing as a committee has value and worth.

**An hon. member:** Hear, hear!

**Hon. Geoff Regan:** Now, is it worthwhile to understand something about the Perimeter Institute? As individuals, yes. Is it the right thing for us to be studying as a committee, when it appears to be here only for the chance to further the debate what happened in the House? I don't think so, Mr. Chairman.

For example, are we advancing the knowledge of most Canadians about the Perimeter Institute by being here and holding this meeting? Well, by the interest from the media, as I see it, there's no indication that it's the case we're advancing that. Are we advancing the cause of accountability of government? We weren't able to have a minister here on the estimates, for example, and yet we have a minister here carrying on a debate from question period that ought to have been left behind, frankly, left to the House, as a question of honour or whatever you want to call it—leave it to the House.

Mr. Chairman, I simply want to say that I support the institution and I'm prepared to leave the rest of my time to my opposition colleagues to use as they see fit. I just don't see the point in carrying on with this kind of conversation.

**The Chair:** Thank you, Mr. Regan.

Is there unanimous consent that his....? Okay.

Then it's the NDP for the next four minutes and 40 seconds.

[*Translation*]

**Ms. Hélène LeBlanc:** Last week, a new competition was launched for 10 Canada Excellence Research Chairs, for which the government will commit $53 million. The following was said:

> Chairholders will be selected through a highly competitive and rigorous two-stage process. [...] An independent selection board recommends the appointment of chairholders to the program steering committee, based on the highest standards of research excellence.

I have one question. Once again, I want to stress the fact that I am not at all questioning the Perimeter Institute's good work, in support of which there is ample evidence. My government colleagues have also shown as much. I am very eager to visit this institute of excellence, which I feel must be a very exciting place.

However, I am wondering what criteria contributed to the fact that, in 2007, a decision was made to grant the institute $50 million over 5 years. Was there, for instance, an invitation to tender or a competition for that funding? If so, what criteria were used?

● (1610)

[*English*]

**Hon. Gary Goodyear:** The Perimeter Institute had a number of mandates. One was to attract the brightest minds in the world. It was doing that. One was to train the next generation of the brightest minds. It is doing and was doing that. One was, of course, based on an independent audit of the institute itself, which was very favourable and showed not only that they operated and managed their money well, but that they were attracting and building their capacity at a greater rate than was anticipated....

The same type of study was done again by KPMG in June, I think —just a few months ago. The government always has to look for areas where basic research can build the future economy. Physics has been well known the world over to be one of those areas. Whether it ends up as a new generation of computer, or in information communications technologies, or as better imaging facilities for our medical personnel, or in surgical simulators and in better transmitting different things, this will always be an economic area that almost every country on the planet wants to go into.

Whether we should go into it is actually—if I can use the phrase—a no-brainer. Supporting the Perimeter Institute would be based on the criteria and their ability to have achieved their historical mandate, which was in fact set forward quite well by the previous government. They met all of those criteria, and that's exactly why they would have received the $50 million.

You mentioned the Canada research chairs earlier, which has, I should point out, for the most part, an entirely different program from the Perimeter Institute's. It does in fact—of course I wasn't prepared to talk about that, but I will—have a two-part process. The first selection is actually based on the institution. The universities have an opportunity right now to put forward that, first of all, they are the best people to do this particular type of research, and they state all the reasons for that. An independent peer review panel of expert scientific folks will decide which universities might get a chair position. Once that selection is done, the actual universities that win a spot then have to prove that the researcher they want for that particular research is in fact the best researcher on the planet to do that research.

If the researchers' peers believe that to be the case—it's not the government and it is completely independent—then in fact there is a Canada excellence research chairs grant available. It's $10 million for the researcher and his or her team over seven years.

[*Translation*]

**Ms. Hélène LeBlanc:** Thank you for clarifying.

I would like to know whether the government plans to provide similar funding to other institutes and, if so, which ones.

[*English*]

**Hon. Gary Goodyear:** Are you talking about other institutes like the Perimeter?

Of course. There is the Institute for Quantum Computing. There is TRIUMF out in British Columbia. There is NEPTUNE, VENUS and SNOLAB.

There are a number of institutes that are pure basic science research institutes and that are frankly a little bit too large for the private sector to entirely take on themselves. Of course, we partner with other countries around the world for a number of other scientific research projects for which the research is even a little too large for one country.

**The Chair:** Minister, that was quite a bit over, but I wanted you to be able to articulate your answer.

We're in the second round, by the way.

Mr. Lake, go ahead for five minutes.

**Mr. Mike Lake:** Thank you, Mr. Chair.

I'm going to address comments that have been made by a few folks today.

Ultimately, when clearly inaccurate statements are made...first of all, we can avoid these types of discussions by simply not having members make inaccurate statements in the House. Secondly, when a member does make one, as the NDP member did, they can simply apologize. We see that happen in the House of Commons on a regular basis. We see apologies made. We saw an apology made today, I think, in the House of Commons—

**The Chair:** Mr. Caron, on a point of order.

**Mr. Guy Caron:** The motion we voted on last week on this specifically said:

> That, the Standing Committee on Industry, Science and Technology undertake a study of the Perimeter Institute for Theoretical Physics and examine:
>
> - the positive effects the Institute has on the greater Kitchener/Waterloo region;

- the positive effects the Institute has on the science, technology and advanced research in Canada and the world....

I would submit that the point being brought forth is actually outside the scope of what we are studying right now.

● (1615)

**The Chair:** Thank you, Mr. Caron.

Because we're talking about the Perimeter Institute, it is germane —although it is debatable—to our point. It's not a point of procedure. I understand that you may think it's positive or negative, but it certainly isn't so far outside that I would need to make a ruling on that.

We'll start the clock again.

Please proceed, Mr. Lake.

**Mr. Mike Lake:** I'll just finish my point on that by saying this: we can avoid this type of situation in the future if members take the time to do better research before they ask questions and then correct the record when they make mistakes. As a government, on our side, this is a tool that we have at our disposal—when we're in a situation like this—to actually correct the record. There is this inaccurate information put forward time and time again in question period. It's put forward in a news release and left up on the website, and at some point that record has to be corrected, and that's what has happened today.

I'm going to move off that now, though, and get on to a question actually about the institute.

I imagine for all of us, when we're meeting with constituents, especially in this era where getting the budget back to balance is a priority for many Canadians, they might look at $50 million and say it is a lot of money to be spending.

If you were sitting at a round table with my constituents and that question came up, what would you say to them about the benefit that the average Canadian taxpayer gets—not a Canadian researcher or someone actually at the Perimeter Institute, but the average Canadian taxpayer. What benefit do they get out of this expenditure?

**Hon. Gary Goodyear:** The immediate benefit that we can speak to is actually the training of the students who are currently in college. No one would argue about the money we spend on post-secondary education. I will say that Canada is number one in the G-7 in terms of our expenditures on higher education as a percentage of our GDP. That is a fantastic story.

Why do we do that? It is because we know that in the future that level of expertise and that level of skill by citizens will ensure them a good-quality job and ultimately a good quality of life. So we train students right now at the Perimeter Institute, but it really is the future benefits that will come from the discoveries and the innovation that these scientists discuss every single day—game-changing, transformative technologies—that will in fact create, as has always been the case over the history of Canada, those jobs of the future.

As we do, and we should be primarily concerned with our economy now and jobs now, it is imperative that a government maintain for its people some focus on the economy of the future and the jobs that come with that economy. And that is something I take very seriously in this role in support of institutes like the Perimeter.

Of course, I don't want to go back to it either, but I will tell you that I'm very passionate about the reputation that Canada has currently in the science and technology community around the world. It's exactly why scientists are coming here from the United Kingdom, from the United States, from Germany, from France, and from Australia. It is because we have an incredible reputation right now, and when we make mention and don't correct the record, it throws a black spot on that reputation. Therein lies my passion about the issue.

The fact that it's still on the website today concerns me greatly that it wasn't a mistake, that there is intention behind this, and I will battle and fight for the scientists and researchers of this country because they are the best in the world. They do the best work in the world, and they do it for us.

**Mr. Mike Lake:** I just have one quick follow-up to that question.

The science and technology strategy that we came out with in 2007.... Maybe speak to what we've learned from our experience that's very positively regarded, such as what we've done with the Perimeter Institute. Maybe speak to what we've learned from that in regard to our science and technology strategy moving forward.

● (1620)

**Hon. Gary Goodyear:** Our science and technology strategy—and I'll be as brief as I can be—is multi-faceted and it was planned over a number of years. Just quite briefly, we had a stimulus plan that actually rebuilt our research capacity at universities and colleges all across the country. We invested in equipment for those buildings. And through programs like the Banting fellowships, the Vanier scholarships, the Canada excellence research chairs, and others, we are attracting, keeping, and training the best minds to use that equipment in those buildings, and they are, in fact, producing some of the best inventions and innovations in both products and processes. That's where our future economy is going to come from.

**The Chair:** Thank you, Minister.

[*Translation*]

Mr. Caron, you have five minutes.

[*English*]

**Mr. Guy Caron:** Thank you.

Well, if that's the game the government wants to play on this, I'll play, no problem.

It has been clear that the member for Rosemont—La Petite-Patrie was never impeding the good work of the Perimeter Institute, and neither is the NDP. That has to be very clear. If you look at Hansard and his interventions in the House, you see that he says he's talking about the Perimeter Institute, "which is an excellent institute, by the way," and he follows up with another question that mentions it does "excellent work and we salute them". He says, "Personally, I love the study of particles and...the superstring theory". That I actually like as well and actually study on a personal basis the theory of relativity and advanced physics.

So there's no question for the NDP that the Perimeter Institute is a good institute that does good work. What the member for Rosemont—La Petite-Patrie was trying to say is that according to the parliamentary budget director, there are some accounting issues with the way the government is presenting the numbers. Those numbers have been tabled and hopefully will be shown. I will be more than happy to table as well the copies of Hansard—obviously in both languages—on this.

So on this matter, I think it's wrong to say that the NDP is impinging on or giving a bad name to the Perimeter Institute, because we acknowledge the good work the institute does. We know of the work it does and we certainly hope it will survive, live on, and do great work in the future.

What has been raised by the NDP in the House and here as well is accounting practices. We're not going to say that those practices are wrong, but if you're looking through the database of the parliamentary budget director, it shows that there are discrepancies in the accounting methods that are used. This is the point that has been raised. This is the point I would be raising. This is the point that people continue to raise. This is why we're not removing the press release: because the press release is accurate in the sense that the accounting methods used, as noted by the parliamentary budget director, seem to have some problems.

**Hon. Gary Goodyear:** Well, again, I will just comment that I'm very discouraged by that answer. You obviously don't go to a brain surgeon to have your brakes repaired: the authority on the accounting is the public accounts document. Everybody knows that. You have taken a secondary source of information. I've pointed out very clearly to you that you are using incorrect research. This document has the facts. This is the source of accurate information.

That's all I can do. I'm concerned that you are not accepting the facts and are choosing to continue to use incorrect information. I'm pointing it out yet another time. I would simply encourage you to apologize to the Perimeter, to apologize to the Comptroller General, and to remove the website—and it's a done deal. If you're sincere about putting forward the truth, the truth is the facts; there is no other authority higher than this one, and I don't see how you can choose to accept the other authorities.

**Mr. Guy Caron:** Well, I would submit that there's no apology needed on our side, especially since we never insulted the Perimeter Institute in any way. I would actually challenge you to find a place where we actually have impinged upon the reputation of the Perimeter Institute, knowing that at every step of the way we actually praised the work they did and that we actually specified...and the member for Rosemont—La Petite-Patrie actually specified in his remarks that he knows the institute hasn't received that money we are talking about and hasn't spent it.

So in any case, the remarks that were done were never directed at the Perimeter Institute. It just happened to be on their budget line—

● (1625)

**Hon. Gary Goodyear:** Incorrect—

**Mr. Guy Caron:** So explain to me why we should be apologizing to the Perimeter Institute: we have always recognized and will continue to recognize that it does great work.

**Hon. Gary Goodyear:** You should apologize. Your member was wrong. You should apologize to the Comptroller General. You should accept the fact that when you're pointed out to be wrong, you should stand down, stand in your place, and apologize, as would your previous members of Parliament have done when they knew they were wrong. You have just cited where you got your information. I'm telling you that information is incorrect, and you will still leave the website up. I'd say that's discouraging.

Thank you.

**The Chair:** It looks like we're clear, so we'll move on to—

**Mr. Mike Lake:** I think we're good here.

**The Chair:** You're good?

Mr. Richardson.

**Mr. Lee Richardson (Calgary Centre, CPC):** I just want to know, in terms of the commercialization of any research developed, is there any tie to government funding—either us or Ontario—that you're aware of?

**Hon. Gary Goodyear:** I'm sorry, is there any funding for commercialization of research in Ontario...?

**Mr. Lee Richardson:** No. Presuming this great research is at some point commercialized, and it sounds like you're going to reinvent the wheel and make some money, do we as a government get any return on our investment?

**Hon. Gary Goodyear:** Right now the funding that goes to the Perimeter Institute is in a grant form. There are other opportunities whereby the government can do contribution agreements, refundable loans, if you will, refundable contributions, but not in this particular case for this particular amount of money.

**The Chair:** Thank you very much, Minister.

Thank you very much, Mr. Richardson.

The bells have rung, so we will adjourn.

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