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Canada's Advanced Research and Innovation Network
Le réseau évolué de recherche et d'innovation du Canada



CANARIE PUNCHES ABOVE ITS WEIGHT

Study shows \$2.85 in GDP growth for each dollar invested in CANARIE since its creation in 1993

[Ottawa, Ontario November 7, 2011] CANARIE, Canada's Advanced Research and Innovation Network, today announced the results of a study on the economic benefits generated by CANARIE since its creation in 1993. The report, prepared by Nordicity Group Ltd. and Bytown Consulting, found that *"every dollar of investment in the Canadian research and education sector through CANARIE generated \$2.85 in economic benefits in the form of GDP for the Canadian economy."*

CANARIE operates Canada's ultra-high speed network, thousands of times faster than the Internet, which enables world-class research and discovery at universities, colleges, research hospitals, government labs and private sector research facilities across the country. CANARIE also funds the development of software to enable wider access to research data and tools.

"This report proves that investments in fundamental digital infrastructure like CANARIE drive real economic benefits to Canada, in addition to the very tangible benefits of world-class research discoveries enabled by CANARIE," says Jim Roche, President and CEO of CANARIE. "The conclusions of this report support our call for mandate renewal, as the current fiscal challenges demand that government investment be directed towards programs that deliver measurable and meaningful economic benefits. CANARIE does both."

The purpose of the economic benefits analysis is to quantify the economic impact of CANARIE, as both a research and education network and a funding body. The Government of Canada provides CANARIE with five-year mandates and funding to achieve its objectives. The current mandate expires in 2012.

The study's authors drew upon data obtained from CANARIE; a literature review; an online survey of chief information officers, vice-presidents of research, and principal investigators at Canadian universities; and a review of existing empirical research of the relationship between research and development outputs and economic performance. The study concluded that:

- The CANARIE network *"underpinned several of Canada's data-intensive Big Science projects and other bandwidth-intensive research. This research attracted, retained and trained highly qualified personnel (HQP), who, in turn, increased Canada's stock of human capital and productive capacity, and subsequently accelerated Canada's economic growth";*
- The CANARIE network *"contributed to higher rates of research productivity in Canada's academic sector, which also manifested itself in higher numbers of HQP graduates from Canadian post-secondary institutions";* and
- The federal government's *"average annual investment of \$28.2 million (in real 2010 dollars) in CANARIE generated an estimated \$80.3 million per annum (in real 2010 dollars) in economic benefits in the form of gross domestic product (GDP) within the Canadian economy."*

The report quantified how CANARIE contributed \$80.3M to GDP annually:

- \$13.3 million through HQP attracted and retained by Canada's "Big Science" facilities and other bandwidth-intensive research initiatives;
- \$11.9 million attributed to increased researcher productivity;
- \$7.5 million in commercialization of products and services attributed to CANARIE's research and development funding;
- \$5.9 million in network cost savings for research institutions;
- \$14.8 million in spillover effects of research and development funding; and
- \$27 million in direct spending by CANARIE.

As CANARIE works towards renewal of its mandate, a section of the CANARIE website (www.canarie.ca/en/renewal) provides additional information on CANARIE's mandate renewal proposal, and contains information and tools for CANARIE stakeholders and users to send messages of support to government decision-makers.

The full economic benefits report is available on the CANARIE website at: <http://www.canarie.ca/en/about/publications/documents>.

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For more information, please contact:

Wynn Anne Sibbald
Manager, Communications
CANARIE
(613) 943-5432
wynnanne.sibbald@canarie.ca

About CANARIE:

CANARIE Inc. is Canada's Advanced Research and Innovation Network. Established in 1993, CANARIE manages an ultra high-speed network that supports leading-edge research and big science across Canada and around the world. One million researchers, scientists and students at over 1,100 Canadian institutions, including universities, colleges, research institutes, hospitals, and government laboratories have access to the CANARIE Network. Together with 12 provincial and territorial advanced network partners, CANARIE enables researchers to share and analyze massive amounts of data, like climate models, satellite images, and DNA sequences that can lead to groundbreaking scientific discoveries. CANARIE is a non-profit corporation supported by membership fees, with the major investment in its programs and activities provided by the Government of Canada.

CANARIE keeps Canada at the forefront of digital research and innovation, fundamental to a vibrant digital economy. For additional information, please visit: www.canarie.ca.

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