

## Ontario's Regional Economic Development and Innovation Newsletter

Issue #108

June 1, 2005

Studies & Publications: [Announcements](#) | [Editor's Pick](#) | [Innovation Policy](#) | [Clusters and Innovation](#) | [Statistics](#)

[Events](#)

[Search the OREDI Newsletter](#)

[Subscriptions & Comments](#)

This newsletter is published by [ONRIS](#) at the [Centre for International Studies](#), University of Toronto, and sponsored by the [Ministry of Economic Development and Trade](#). The views and ideas expressed in this newsletter do not necessarily reflect the views and policies of the Ontario Government.

### ANNOUNCEMENTS

[\[Table of Contents\]](#)

#### [New Photonics Prototyping and Fabrication Facility Opens](#)

The Government of Canada, the Government of Ontario and Carleton University officially opened the NRC Canadian Photonics Fabrication Centre (NRC-CPFC) this month in Ottawa. The \$43 million facility is a partnership between NRC and Carleton University to support growth of the Canadian photonics sector. It offers companies, universities, and other institutions access to fabrication services to develop leading edge photonic devices. The Government of Canada and the Province of Ontario contributed \$30million and \$13 million respectively to the capital cost of the building and leading edge equipment. The centre is located at the NRC laboratories in Ottawa to take advantage of the Council's extensive research expertise, facilities and networks. The Centre will not only provide unique photonics prototyping and design facilities for Canadian industry but also be a vehicle for training highly skilled people for a sector that has enormous growth potential. The training component is led by Carleton University, building on the university's strong linkages with the local high technology sector.

#### [New Money for the Toronto Region Research Alliance](#)

The Government of Canada recently announced an investment of \$2.25 million for the Toronto Region Research Alliance (TRRA). The TRRA's objective is to make Toronto and the surrounding area one of the premier research and commercialization regions globally. Its efforts will focus on building public and private research capacity, enhancing commercialization performance, and

attracting new research-intensive firms to the wider region. The TRRA is non-profit corporation governed by a board of directors comprising senior representatives from industry, government, universities, colleges, research hospitals and regional development organizations. It serves the broader region, including Oshawa, the Greater Toronto Area, Hamilton-Wentworth, Guelph, and Kitchener-Waterloo.

## **New Federal Expert Panel on Commercialization Created**

The Honourable David L. Emerson, Minister of Industry, recently announced the creation of a panel of experts to advise the Government of Canada on how to ensure more new technologies and products make their way to the marketplace to benefit all Canadians. The Government of Canada, through this panel, will identify new strategies to ensure Canada's commercialization performance improves in the years to come.

### **EDITOR'S PICK**

[\[Table of Contents\]](#)

## **International Innovation Comparisons: Insight or Illusion?**

*Stephen Roper and Nola Hewitt-Dundas*

Recent developments in statistical methodology sources have facilitated international innovation comparisons. These, however, inevitably reflect both the industrial structure of the underlying economies, and the innovativeness of firms within each element of the industrial structure. This paper considers the extent to which structural differences between economies can influence international innovation comparisons. The impact of structural differences is considered in both conceptual and empirical terms using data from the first and second Community Innovation Surveys (CIS 1 and CIS 2). A conceptual analysis suggests the very restricted range of scenarios under which structural adjustment will be effective. The empirical results are more reassuring, however, suggesting that, although structural effects are in some cases quite large, they do not significantly distort international innovation relativities. The comparisons do, however, highlight significant inconsistencies between different innovation indicators and the implied structural effects.

### **INNOVATION & RELATED POLICY**

[\[Table of Contents\]](#)

## **Frontier Research: The European Challenge - High-Level Expert Group Report**

*European Commission*

This report presents the conclusions of a high level expert group (HLEG) convened by the European Commission to examine the benefits of creating a new European-level funding mechanism to support the very best research carried out at the frontiers of knowledge. The report takes as its starting point the concept of a European Research Council (ERC), which would govern and administer funds for such research as part of the overall budget of the Seventh Framework Programme. An ERC would provide the pan-European mechanism necessary to selectively encourage and support the truly creative individuals – scientists, engineers and other researchers – who, driven by curiosity and a thirst for knowledge, are most likely to make the unpredictable and spectacular discoveries that can change the course of human understanding, as well as perhaps helping to solve some of mankind's most enduring problems.

### **CLUSTERS & REGIONS**

[\[Table of Contents\]](#)

## **ICT/Life Sciences Converging Technologies Cluster Study: Next Generation Clusters in Vancouver, Toronto, Montreal and Ottawa - Full Report and City Modules**

*Graytek Management Inc (et al.), ICT and Life Sciences Branch of Industry Canada and the National Research Council*

This is a qualitative analysis of the information and communications technologies (ICT), life sciences and their converging next generation clusters in Canada. Through detailed cluster overviews and comparisons the report proposes several key recommendations in the areas of cluster diversity, leadership and support, firm size, strategies for ICT as a mature and enabling sector, and the need to focus resources, among others. The full report provides a comparative dimension while the individual city modules provide detailed case histories and analysis.

### **Building Technology Clusters Across Canada**

Helping stimulate the growth of technology clusters has become an integral part of NRC's business. This report highlights some of NRC's successes over the past year in strengthening and integrating its research and development capacity, its scientific and technical information resources, and its support to SMEs. Discover NRC's approach and recent progress in building clusters.

#### **RESEARCH & DESIGN**

[\[Table of Contents\]](#)

### **Canada's R&D Deficit - And How to Fix It: Removing the Roadblocks**

*Richard Harris, C.D. Howe Institute*

Most national and sub-national governments have developed some policy frameworks to encourage innovation. Internationally, there has been a remarkable convergence of opinion on the importance of research and development (R&D), though there is still considerable diversity over the best policies for encouraging it. This Commentary re-examines the interaction between productivity growth and innovation and Canadian government policy in the field. The paper's major conclusions are

that R&D performance in Canada has been weak, in part because of structural factors related to Canada's large natural resource base and the agglomeration of manufacturing in the centre of the country. Significant improvements to the innovation environment, particularly those which generate new private sector jobs and enterprises, are only likely to emerge if governments provide stronger incentives for business investment. The paper also argues that existing federal and provincial resources aimed at supporting business sector R&D should be more focused than those provided by the existing R&D tax credit system. As well, it looks at the spillover effects of innovation improvements in the United States on Canadian undertakings and concludes that they are significant.

### **Growing R&D Intensive Firms in Canada: Views of CEOs in the "Greenhouse"**

*H Douglas Barber and Jeffrey Crelinsten, The Impact Group* This paper examines the state of R&D intensive firms in Canada and uncovers the factors that may help to contribute to greater rates of success. Some key findings show that Canada's culture of science and technology is very strong but that the culture of commerce is weak. There is a dearth of sales, marketing and management skills and MBAs do not fill the gap, and a level of societal distrust and suspicion towards commerce. As a result, the CEOs of Canada's start-up and early-stage companies lack in significant areas of knowledge and experience related to commerce. The paper reveals that few companies expect to remain in Canada, in part due to a VC culture of "quick exit". Government programs are supportive

of R&D efforts but not crucial marketing and other business development activities. This report suggests some policy actions that might help "greenhouse" this group of firms.

## STATISTICS

[\[Table ofContents\]](#)

### New Perspectives on ICT Skills and Employment

*Desirée van Welsum and Graham Vickery, OECD*

This paper provides an overview of ICT skills and employment across OECD economies and analyzes some of the impacts on economic performance. ICTs are increasingly important in the economy and have a growing impact on the organisation of economic activity. This paper explains and updates a new approach to capturing the diffusion of ICTs in the economy. In particular, two measures of ICT-skilled employment are developed. Using occupational data, a narrow measure captures ICT specialists (e.g. programmers, software developers but also cable layers), and a broad measure includes those people who use ICTs intensively in order to do their work (both basic and advanced intensive users), as well as the specialists. These measures are calculated for the economy as a whole, and also by sector.

### The Funding of University-Based Research and Innovation in Europe: An Exploratory Study

*Bernadette Conraths and Hanne Smidt, European University Association (EUA)*

This EUA study was undertaken in the first half of 2004 to meet the need for informed European policy discussions with an overview of the main trends and developments in the financing of university research and innovation. The objective of this study is to illustrate needs and potential methods for gathering systematic data and an analysis of key elements of the funding of research and innovation in Europe.

## EVENTS

[\[Table of Contents\]](#)

### Digital Communities 2005

#### **Benevento and Napoli, Italy, 5-9 June, 2005**

This conference will explore themes associated with information technology, the knowledge economy, technology policy, and the significance of place in cyberspace. The conference locations have been selected because both cities "represent more than 2,000 years of development and exemplify the ability of places to constantly change in response to social, economic and technological forces". Local authorities will look at the changes ICTs have made in the region.

### Knowledge and Regional Economic Development

#### **Barcelona, 9-11 June, 2005**

On the path towards a knowledge economy, the crucial question arises of whether peripheral regions will be able to contribute to economic growth, and consequently catch up with the core

regions. In most advanced European countries, the labour supply has already begun to fall rapidly as the population ages. The implications of this for economic growth are a matter of concern. A rapid increase in productivity will be needed to compensate for problems arising from labour shortages; production processes will have to become more knowledge-based to achieve the productivity leaps required. And to stay competitive, regions have to turn to those industries in which radical innovations are able to foster high productivity growth. The conference will focus on theoretical and empirical analyses of the following topics: Innovation and networking, determinants of knowledge, regional innovation systems, knowledge externalities, growth and regional convergence, agglomeration economies, regional labour market analysis, and economic development and regional policy.

## **Digital Cities: The Augmented Public Sphere**

### **Milano, Italy, 13-16 June, 2005**

Participants in this workshop will discuss the opportunities and challenges resulting from the digitalization of public space. Among the issues to be addressed are the goals and the outcomes of prior virtual public spaces, difficulties encountered by civic and community networks, the limitations of digital cities, and the new frontiers of e-participation, e-consultation and e-democracy. The workshop will focus on any topics relevant to discuss how Information and Communication Technologies are reshaping the human relationships at the urban level and the public space of our cities.

## **NanoForum Canada 2005**

### **Montreal, 15-17 June, 2005**

This forum will provide a venue to present the latest achievements in nanoscience and nanotechnology in Canada, inform the community on recent enhancements in research facilities, and to address questions of funding and access to newest equipment.

## **Cooperation for Regional Innovation: Creating Regional, National and International Networks**

### **Helsinki, 16-17 June, 2005**

The Region is full of talents and possibilities for Innovation. However, cooperation is needed to make effective use of the research capacities, entrepreneurial spirit, creativity and local strengths in your region. In a dynamic field with many actors and rapid and constant change, scientifically proven and policy tested toolkits are hard to come by. What is needed is a structure that allows decision and policy makers to learn from each others experiences. The Technopolicy Network provides the platform to facilitate this inter-organisational learning. The main issues on the agenda include the organization of regional innovation, success and failures of policy instruments, leadership and the role of the policy maker, organizing cooperation, entrepreneurship and innovative regions - between cooperation and competition.

## **UK eLearning Regions and Cities Conference**

### **Oxford, UK, 21-22 June, 2005**

The 2005 UK eLearning Regions and Cities Conference will bring together the most up to date information in eLearning for regional authorities. The 2005 conference will also work with groupings

of regional stakeholders (e.g. the RDA, representatives from LEAs and from HE and FE institutions, local LSCs, employers and workforce representatives, as well as locally based technology providers) to work on regional strategy and tactics. Policy is all very well, but what is needed is a sense of mutually aware action: more than just talk.

### **Dynamics of Industry and Innovation: Organizations, Networks and Systems**

#### **Copenhagen, Denmark, 27-29 June, 2005**

The DRUID Ten Year Anniversary Summer Conference will be held at the Copenhagen Business School. The conference's scientific committee will consider all papers in the order in which they arrive with respect to novelty, academic quality and the proposed paper's relation to the theme of the conference.

### **Beyond Clusters: Current Practices and Future Research Strategies**

#### **Ballarat, Australia, 30 June - 1 July, 2005**

The cluster conference is hosted by the Centre for Regional Innovation & Competitiveness (CRIC) at the University of Ballarat. CRIC is inviting scholars and practitioners to submit papers for presentation at the conference. The conference will address a range of critically important themes relating to clustering. Papers are welcomed on the following topics: Cluster Policy, Clustering Tools, Cluster Measurement and Benchmarking, Skills and training, Cluster investment and attraction and Beyond Clusters. The conference will result in two refereed publications: a special journal edition on clustering and refereed conference proceedings. If you are interested in contributing to one of these refereed publications, please submit an abstract of up to 400 words no later than April 29, 2005. Full papers will be due by May 27th, 2005.

### **The Process of Innovation and Learning in Dynamic City Regions** **NEW!**

#### **Bangalore, India, 13-15 July, 2005**

The event will offer a unique exchange platform for policy-makers, academics, innovation practitioners and stakeholders about the governance systems of City-Regions to successfully create the conditions for industrial development to boost by building up local capabilities and, at the same time, linking to international networks.

### **Global Aspects of Technology Transfer: Biotechnology**

#### **London, UK, 4-9 September, 2005**

The 2005 GRC offers opportunities to present and discuss biotechnology impacts on World economy and how it relates to scholarly research on technology transfer between government, industry, and universities/nonprofits. The meeting will have a distinctly global perspective, as the Chair and Vice-Chair believe that challenges in biotechnological technology transfer are increasingly universal in nature, and that addressing these challenges requires this perspective. Research being undertaken, for examples, by MMV, TB Alliance, the Pharmaceutical Industries, the World Bank, World Trade Organization, World Health Organization, London School of Hygiene and Tropical Medicine, the Center for Management of IP in Health R&D, and others are leading to insights on this evolution. By examining in the Gordon Conference format new and innovative ideas emerging from such research, the organizers hope to continue to stimulate thoughtful discussion,



engage the participants, and catalyze the dissemination of the fruits of biotechnology to the world community in a sustainable, economically viable and socially responsible manner.

## **Innovations and Entrepreneurship in Functional Regions**

### **Uddevalla, Sweden, 15-17 September, 2005**

The objectives of the symposium/conference are: i) to provide a unique opportunity for scholars and senior and junior researchers to discuss path-breaking concepts, ideas, frameworks and theory-essentials in plenary key-note sessions and parallel competitive paper sessions, and ii) to facilitate the development and synthesis of important contributions into cohesive and integrated collections for potential publication. The conference will focus on the themes of international entrepreneurship; innovation, entrepreneurship policy and regional development; entrepreneurship in the public and non-profit sector; innovation, academic entrepreneurship and high tech firms in functional regions; and SMEs, immigrant entrepreneurship and local economic development. Paper submissions will be considered until March 15, 2005.

## **Creative Places + Spaces 2: Risk Revolution**

### **Toronto, 30 September - 1 October, 2005**

This conference is dedicated to unlocking the creative potential of people and places through innovative social, educational, cultural, environmental and economic initiatives. In addition to onstage presentations, the conference will offer a Creativity Marketplace, which will provide organizations an opportunity to display materials and meet with delegates to exchange ideas and share information about their work in a less formal setting. We also invite the submission of feature articles and story ideas for the Creative Places + Spaces NewsJournal. The conference welcomes submissions of dynamic presentations, demonstration projects and case studies from practitioners in the fields of arts, science, business, government, education and social services suitable for the conference.

## **Building a Brighter Future: Building Tech Based Economies NEW!**

### **Atlanta, 19-21 October, 2005**

The urgent need to focus public investment on the more distant horizon has been the recurring and underlying theme for all of the national discussion on unbalanced federal R&D budget priorities, the need for a national innovation strategy, and the challenge and opportunity presented by a "flat world" (to borrow a phrase from Thomas Friedman). SSTI's 2005 conference in Atlanta provides a unique and timely forum to advance understanding of the states' and regions' evolving roles as leaders in fostering the continued competitiveness of the U.S. economy.

## **Creative Clusters NEW!**

### **Belfast, UK, 24-26 October, 2005**

This is the only annual international conference on policy for the creative industries. The growth of creative industries has been explosive - communities, cities, regions and nations are embracing this shift, leveraging their culture to build valuable assets that can transform their economies. In the UK creative industries are growing twice as fast as any other - at a rate of 8% per year. Creative Clusters are accepting presentation proposals on the following four conference themes: Investing in Creativity, Delivering Skills for Creativity, Inclusion through Creativity, and an open session.

## **Clusters 2005**

## **Toulouse, France, 27-29 October, 2005**

This conference will bring together academic and industrial decision makers and their municipal counterparts with a view to fostering debate and discussion about best practices with respect to the creation, management and development of technology clusters.

## **Globelics Africa 2005**

## **Pretoria, South Africa, 31 October - 4 November, 2005**

Globelics (the Global Network for the Economics of Learning, Innovation and Competence Building Systems) is a framework for scholars who use the concepts of learning, innovation and competence building systems as part of their analytical framework. The network is especially focused on the strengthening of research on learning and innovation systems in developing countries. In the region most in need of human and economic development, Globelics Africa 2005 aims to further examine the links between innovation, development and growth. The conference also aims to build research capacity in Africa by establishing contact between researchers from Africa and from other regions of the world, both from leading academic centres, and from other developing contexts. In addition, the conference aims to rethink and reframe the challenges of the African continent in the light of insights from innovation systems research. Scholars from innovation studies will contribute a range of approaches and perspectives to guide research, policy formulation and action to bring about societal transformation through enhanced learning, innovation and knowledge competencies.

## **Innowest 2005**

## **Calgary, 16-17 November, 2005**

This conference provides a forum where the innovation community of Western Canada can gather annually to network, review the latest developments, solve problems and take specific industry recommendations forward for action. Among the topics to be discussed are applied research, the culture of innovation, innovation policy and innovation support.

## **SUBSCRIPTIONS & COMMENTS**

**[\[Table of Contents\]](#)**

---

Please forward this newsletter to anyone you think will find it of value. We look forward to collaborating with you on this initiative. If you would like to comment on, or contribute to, the content, subscribe or unsubscribe, please contact us at [onris.progris@utoronto.ca](mailto:onris.progris@utoronto.ca).

This newsletter is prepared by [Jen Nelles](#).

Project manager is [David A. Wolfe](#).