

Canada's Top 50 Research Universities List 2008 Analysis

Research Income Slows

Canada's Top 50 Research Universities recorded a pedestrian 3.5% growth in their total research income in Fiscal 2007. Total research income reached \$5.7 billion, up from \$5.5 billion in Fiscal 2006. The 2007 income gain was the second lowest in the last 9 years, and with inflation taken into account, means that income growth was essentially flat over the period. The heady days of 10%-20% plus annual growth in research income have clearly ended. Thirty institutions showed positive income growth in 2007 whereas 20 saw declines, compared with 36 and 14 the year prior.

Declining support from the Corporate sector (-2.6%) and tepid increases from the Government sector (2.7%) were mainly responsible for the slow overall growth. Strong gains in Endowment/investment (14.0%), Non-corporate (9.0%) and Other income (24.8%) were insufficient to overcome the slowing trend. Flat Federal government spending (0.5%) held back the strong growth in Provincial government funding (7.6%) and depressed the overall growth of funding.

The \$100 Million Club Contracts

Sixteen universities – down from 17 last year – claimed membership in the exclusive \$100 Million Club – institutions with more than \$100 million of research income in Fiscal 2007. Nearly all Club members have medical schools that attract substantial research support. Exceptions are University of Guelph and University of Waterloo. Nine of the 16 leaders saw their income grow in Fiscal 2007 compared with 7 universities where incomes dropped. This compares with 11 gainers and 6 decliners last year.

| The \$100 Million Club | | |
|-------------------------------|---------------------------------|------------------------------|
| 2007 Rank | University | Research Income \$000 |
| 1 | University of Toronto* | \$854,759 |
| 2 | University of Alberta* | \$461,396 |
| 3 | Université de Montréal* | \$415,043 |
| 4 | University of British Columbia* | \$401,267 |
| 5 | McGill University* | \$375,739 |
| 6 | McMaster University* | \$346,280 |
| 7 | Université Laval* | \$268,313 |
| 8 | University of Calgary* | \$254,179 |
| 9 | University of Western Ontario* | \$238,047 |
| 10 | University of Ottawa* | \$229,194 |
| 11 | Queen's University* | \$213,047 |
| 12 | University of Manitoba* | \$154,946 |
| 13 | University of Saskatchewan* | \$150,507 |
| 14 | University of Guelph | \$132,947 |
| 15 | University of Waterloo | \$121,604 |
| 16 | Dalhousie University* | \$111,511 |

*Has a medical school

Mixed Provincial Performance

Three provinces' universities recorded research income drops in Fiscal 2007: British Columbia (-4.1%), Quebec (-2.4%) and Newfoundland (-2.0%). The strongest gains took place at universities in Saskatchewan (32.5%) and Alberta (10.7%).

Ontario's 18 institutions accounted for 42% of all income in Fiscal 2007, followed by 13 Quebec institutions that attracted 24% of total support. Growth in research support at Quebec universities has lagged the national average for 3 consecutive years. Alberta's 3 universities increased their share of the total to 13%, from 12% the prior year.

| Top 50 –Leading Provinces | |
|----------------------------------|-------------------|
| Province | % of Total |
| Ontario (18) | 42 |
| Quebec (13) | 24 |
| Alberta (3) | 13 |
| British Columbia (4) | 10 |

Gainers and Losers

Twenty-five of the Top 50 posted income growth higher than the national average of 3.5%. This group was led by Saint Mary's University, which had an impressive 47.3% increase in research income in Fiscal 2007. University of Saskatchewan (40.8%), Ryerson University (32.8%), Université du Québec à Trois-Rivières (32.8%) and Université du Québec en Outaouais (32.0%) were standouts.

| Top 10 Universities by Growth | | | |
|-------------------------------|---------|---|--------------------|
| 2007 Rank | | University | % Change 2006-2007 |
| Income Growth | Overall | | |
| 1 | 44 | Saint Mary's University | 47.3 |
| 2 | 13 | University of Saskatchewan* | 40.8 |
| 3 | 31 | Ryerson University | 32.8 |
| 4 | 32 | Université du Québec à Trois-Rivières | 32.8 |
| 5 | 50 | Université du Québec en Outaouais | 32.0 |
| 6 | 24 | Institut national de la recherche scientifique ⁺ | 24.9 |
| 7 | 11 | Queen's University* | 22.7 |
| 8 | 2 | University of Alberta* | 20.5 |
| 9 | 30 | Lakehead University* | 20.3 |
| 10 | 40 | St. Francis Xavier University | 20.2 |

*Has a medical school
⁺Not a full-service university
 Apparent ties due to rounding

Other universities did not fare as well in Fiscal 2007, with double-digit drops at 7 institutions.

| Bottom 10 Universities by Growth | | | |
|----------------------------------|---------|---|--------------------|
| 2007 Rank | | University | % Change 2006-2007 |
| Income Growth | Overall | | |
| 1 | 33 | Laurentian University* | -59.8 |
| 2 | 36 | École de technologie supérieure ⁺ | -41.9 |
| 3 | 41 | Trent University | -38.1 |
| 4 | 37 | University of Northern British Columbia | -13.3 |
| 5 | 43 | Université du Québec en Abitibi-Témiscamingue | -12.3 |
| 6 | 14 | University of Guelph | -11.2 |
| 7 | 17 | University of Victoria | -10.7 |
| 8 | 3 | Université de Montréal* | -7.2 |
| 9 | 28 | University of Regina | -6.1 |
| 10 | 10 | University of Ottawa* | -6.1 |

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⁺Not a full-service university
 Apparent ties due to rounding

Research Intensity Growth Lags

The Top 50 universities managed only a 1.5% increase in research intensity – research income per full-time faculty position – compared with an increase of 3.9% in Fiscal 2006. Slow income growth (3.5%) combined with a modest increase in faculty (1.9%) was the cause. On average, each Canadian university attracted \$158,000 of research income per full-time faculty, compared with \$155,600 the year prior. In total, 12 full-service institutions bettered the national per-faculty income average.

| Top 10 Research Intensive Universities** | | | |
|--|---------|---------------------------------|---|
| 2007 Rank | | University | Research Intensity (\$ per full-time faculty) \$000 |
| Research Intensity | Overall | | |
| 1 | 1 | University of Toronto* | \$359.3 |
| 2 | 2 | University of Alberta* | \$301.0 |
| 3 | 6 | McMaster University* | \$294.5 |
| 4 | 11 | Queen's University* | \$262.1 |
| 5 | 5 | McGill University* | \$241.3 |
| 6 | 3 | Université de Montréal* | \$217.2 |
| 7 | 10 | University of Ottawa* | \$207.6 |
| 8 | 7 | Université Laval* | \$199.6 |
| 9 | 4 | University of British Columbia* | \$184.0 |
| 10 | 9 | University of Western Ontario* | \$178.3 |

*Has a medical school

**Includes full-service institutions only

Leading the pack in Fiscal 2007 was University of Toronto, which recorded \$359,300 of research income per faculty. University of Alberta was next at \$301,000. McMaster University was in 3rd place with \$294,500 per faculty. Queen's University followed in 4th position with \$262,100 for each faculty.

Medical Universities Expand Share

Sixteen universities with medical schools increased their research funding by 4.8% in Fiscal 2007, and accounted for 81% of total funding, compared with 80% the year before. Universities with medical schools traditionally top the research income tables because they are able to attract investment from a wider range of funders. The 14 Comprehensive universities recorded a funding drop of -1.8%, and accounted for 15% of the total in Fiscal 2007, down from 16% last year. Smaller Undergraduate institutions suffered a -1.3% decline in income, but maintained their share of the total, at 4%.

Research Universities of the Year

Each year RESEARCH Infosource designates 3 *Research Universities of the Year* (see our website www.researchinfosource.com for additional information). These leading institutions stand out on a balanced scorecard of financial input and research publication output and impact indicators.

This year, kudos go to: University of Toronto in the Medical/Doctoral category, University of Waterloo in the Comprehensive category and Royal Military College in the Undergraduate category.

Spotlight on Research Income

This year RESEARCH Infosource looks back and shines the spotlight on income growth over a 6-year period (Fiscal 2002-Fiscal 2007). In the Medical/Doctoral category, Memorial University of Newfoundland grew its research income by 116.7% during the period followed by University of Toronto (87.3%) and University of British Columbia (85.5%), compared with the tier average of 50.2%. Simon Fraser University (126.4%), University of Victoria (84.7%) and University of New Brunswick (79.9%) all bested the Comprehensive university average increase of 46.5%. University of Prince Edward Island led the Undergraduate category, by expanding its research income by 153.8% in the period, followed by University of Northern British Columbia (144.5%) and Lakehead University (107.0%), compared with the Undergraduate average of 56.2%.

This Year and Next

A slowing economy and uncertainty in financial markets are going to make it difficult for the Government and Corporate sectors to sustain accustomed increases in university research funding in the year to come. Even in Fiscal 2007, which was arguably an outstanding year for the Canadian economy, research income only managed a 3.5% overall gain, one of the smallest on recent record. Other sources of research income were comparatively small – 19% in total – and could not make up the anticipated shortfall. It is not out of the question for governments in particular, to be forced to reformulate their current budgets in the months to come and slash some spending. They will be taking a hard look at next year's spending.

In a year's time, 2007's 3.5% increase could well seem bountiful. Following 8 years of unprecedented growth in research funding, universities may well return to a period of belt-tightening, putting off equipment and facility renewal and making do with less. This will demand a close adherence to their strategic research plans – and perhaps an updating of those plans to account for changing circumstances. Administrators should not wait to put on their thinking caps, but start planning today for the possibility of a more austere research future.