



2003-2004 Action Plan



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Action Plan 2003-2004

1. CONTEXT

1.1 The research environment in Québec: recent events

- ♦ Following the April 2003, a new government took office with clearly established action priorities: Health, Knowledge, Prosperity, Security (see Jean Charest's opening address to the National Assembly).
- ♦ The Research, Science and Technology mission was attached to the Ministère du Développement économique et régional.
- ♦ The new Minister, Mr. Michel Audet, has not challenged the ends and main orientations of the *Québec Science and Innovation Policy*. He reaffirmed the importance he attaches to this mission and particularly the entire issue of the scientific succession (meeting of June 20, 2003 with the CEOs of the three Funds).
- ♦ He also recalled the government's clearly stated will to rationalize and modernize government intervention, particularly in the "assistance to business" sector.
- ♦ In the Québec budget of June 12, 2003, the appropriation of the Québec Research Funds was cut by 6.85% for 2003-2004. Several other research and innovation programs were also cut, such as the Liaison and Transfer Centres program and the research and development tax credits for businesses.
- ♦ The Fonds Nature et Technologies received a letter from the Minister dated July 17, 2003, requesting a 2003-2004 Action Plan with the revised budgets (for September 2003) and a 2005-2008 of the *Triennial Plan* for the beginning of the 2004-2005 fiscal year.

1.2 The research environment in Canada: recent events

- ♦ The Canadian Innovation Strategy was launched in February 2002. This strategy's very ambitious objective is to position Canada among the world's five best countries for overall Research and Development performance.
- ♦ In the February 2003 budget, substantial amounts were allocated to research. In particular, the Natural Sciences and Engineering Research Council of Canada (NSERC) saw its annual budget increase by \$55 million. The Government also created a Scholarship Program that will make it possible, within three years, to offer 2000 Master's Scholarships and 2000 Doctoral Scholarships each year. 30% of these scholarships will be awarded in the natural sciences and engineering (NSE) sector. The Canada Foundation for Innovation (CFI) was granted an additional \$500 million for state-of-the-art research equipment for hospitals. Finally, the Government undertook to set up a recurring program of \$225 million a year to support the indirect costs of university research resulting from the grants awarded by federal funding agencies.

- ♦ Like Québec, other provinces have developed initiatives to increase research and innovation in natural sciences and engineering. In particular, in 2000, the Alberta Government created the Alberta Ingenuity Fund, a Foundation endowed with a \$500 million endowment. The Ontario Government has two major tools: the Ontario Challenge Fund (\$750 million over 10 years) and the Ontario Excellence Centres (annual government investment of \$35 million). These experiences were analyzed by the Fonds Nature et Technologies and alliances are under consideration.

1.3 The position of the Fonds québécois de la recherche sur la nature et les technologies

- ♦ The Fonds québécois de la recherche sur la nature et les technologies (the « Fonds Nature et Technologies ») was created in June 2001, succeeding the Fonds FCAR. Its mission is to promote research, training and the diffusion of knowledge in the natural sciences, mathematical sciences and engineering field, and to establish all the necessary partnerships for this purpose with universities, colleges, industry and government agencies.
- ♦ In fact, it already plays a crucial and irreplaceable role in the development of the Québec research system. In the first place, it is a major stakeholder in supporting the succession of highly qualified personnel and the scientific succession in the universities. It directly or indirectly allocates nearly two thirds of its budget for this purpose.
- ♦ Secondly, it is the only player, acting in partnerships with universities, corporations and various government departments, to support the emergence and development of the Québec research infrastructure in natural sciences and engineering, and bringing together critical masses of researchers around Excellence Centres. It must not be forgotten that public research is essentially conducted in the universities, contrary to other countries that have a good infrastructure of government research centres. The implementation of this infrastructure allows Québec researchers to go after a substantial share of federal government grants and play a leading role in several networks of Excellence Centres in Canada (example of ARCTICNET). The Fonds Nature et Technologies essentially provides financial support to the human infrastructure of these Strategic Alliances and thus makes it possible to develop and stabilize the professional and technical research personnel necessary for their operation. This role is similar to the one played by the Fund, but a little more complex, because the natural sciences and engineering sector does not have a recognized and physically organized network like the university hospitals.
- ♦ Thirdly, it invests with other partners in strategic research programs for Québec. In this regard it plays a networking role that is greatly recognized and appreciated by the various public and private partners, both in funding and in research expertise. It thus promotes the transfer of knowledge and competencies essential to the development of these sectors (agri-food, for example).
- ♦ The Fonds Nature et Technologies therefore systematically seeks a very great multiplier effect (leverage) for its investment and very strong complementarity, and even the best possible springboard for our researchers, in relation with the federal initiatives. These efforts today allow them to obtain a large proportion of the funding granted by the federal programs (24% for NSERC programs, 30% for Excellence Centre network programs, 25% for CFI programs).
- ♦ The Fonds Nature et Technologies is also a strategic investor, because it targets its actions to procure the greatest possible spinoffs for Québec, in view of the current stakes of the research and innovation system and the initiatives in place at the federal government level. For this purpose it develops many partnerships in key fields for Québec (e.g. agri-food, environment, aerospace, forestry, marine sciences and technology, aluminium, bioinformatics, nanotechnology, etc.).

- ♦ In this context, the recent 6.85% cut in the Fund's transfer programs already compromises its ability to handle the three crucial poles of its mission. This is especially true given that, for historical reasons, the budget of the Fonds Nature et Technologies is the smallest among the three Funds. For example, the amounts invested by the Fonds Nature et Technologies account for less than 20% of the NSERC monies going to Québec researchers, while the contribution of the Fonds de la recherche en santé du Québec is approximately 50% of that of the Canadian Institutes of Health Research (CIHR).
- ♦ Within the context of a major strategic planning exercise conducted in 2001-2002, the Fonds Nature et Technologies analyzed the major trends and the best practices at the international level for research, training and innovation in natural sciences and engineering (NSE). It created projects with numerous private and public partners to explore the most promising courses of action. Today it has significant tools to innovate in its own means of action, and create new alliances with industry, universities, government agencies and other funding and transfer agencies.
- ♦ According to the diagnosis it produced and validated with its partners, the stakes in SNE research and innovation are still considerable in Québec:
 - The succession of highly skilled personnel remains a constant concern and is far from being assured in a good many fields in natural sciences and engineering, in terms of quantity and competencies.
 - The scientific succession in the universities will require the replacement within seven years of nearly one third of faculty members, in a context of unprecedented competition for recruits across North America.
 - At the global level, the new research organization requires both the creation of Excellence Centres bringing together the best researchers, and an increasingly costly research environment (facilities, equipment, full-time researchers and other qualified human resources). Choosing R&D investment priorities and development of new alliances have become an unavoidable necessity.
 - Finally, despite the progress achieved, the R&D and innovation capacity of Québec companies is still below that of Ontario and the average for the OECD countries, and far below that of the G7 countries, especially in the manufacturing sector. The regional research and innovation systems remain very fragile.
- ♦ The Fund occupies a privileged position on the Québec playing field to accompany the Government in its approach to modernize and improve the effectiveness of its actions in favour of research and innovation in the NSE sector. Its aim is for Québec to become a model of competitiveness, whether for conducting, funding or transferring research. It will therefore have to act even more strategically, proactively and concertedly.
- ♦ Finally, the Fonds Nature et Technologies must make its role and specific orientations better known to the scientific community, industry and the government sector. It must also do much more to promote the scope of the achievements of researchers and students working in the natural sciences and engineering field, particularly those it is helping to fund. This communication action should have a favourable impact on the succession by encouraging young people to pursue studies in NSE.
- ♦ This 2003-2004 Action Plan reflects this positioning and establishes the Fund's priorities, in accordance with the budget appropriations allocated.

2. OBJECTIVES OF THE 2003-2004 ACTION PLAN

For the year 2003-2004, despite the cuts, the Fund's budget planning makes it possible to maintain the commitments made to researchers and partners in 2002-2003. However, the budget projections indicate a very difficult situation for 2004-2005, if these cuts are maintained. Moreover, the Board of Directors has made the following decisions:

- ♦ Give priority to the succession, given the importance of stakes.
- ♦ Manage investments in the other essential poles of our mission very conservatively.

The following, therefore, are the five main targets of our 2003-2004 Action Plan:

2.1 Strengthen, innovate with and improve the targeting of our action to promote the succession

2.1.1 Facilitate the development of a sufficient number of highly skilled personnel with the required competencies

A succession of highly skilled personnel is the top priority, even the cause célèbre, of the Fonds Nature et Technologies.

Even though federal funds have increased (new Postgraduate Scholarship program), the financial support needs of Québec students in NSE are still very great and are still dissatisfied to a large extent. In fact, given the sectorial distribution and the anticipated success rate of Québec students, it is possible to count on additional availability of 120 federal Master's Scholarships and 120 Doctoral Scholarships within three years. Assuming that enrolments do not increase, this new federal program would increase the proportion of NSE postgraduate students receiving a federal or provincial scholarship from 17.3% to 24.5%, which is still insufficient if the aim is to attract the best elements in this sector. Moreover, in view of the budget cuts, the Fund's indirect financial support to students via the Team Research Projects Program will decline significantly (see point 2.2).

Finally, the Succession Endeavour, or *Chantier Relève*, analyzed the existing programs and the best practices at the Canadian and international level, for the three dimensions of the succession problem (vocations, training, careers) and proposed the courses of action that will be explored.

The following specific actions will be carried out in 2003-2004:

- ♦ **Develop a comprehensive action plan in fall 2003 to promote innovative and high value-added initiatives based on the recommendations of the Succession Endeavour, which:**
 - Integrate the three dimensions: vocations, training and careers.
 - Propose new forms of financial partnership with government organizations or companies.
- **Strengthen the contribution of the Excellence Award Program to this objective:**
 - Maintain our overall support to 660 Master's and Doctoral students, including 202 new scholarship recipients in 2003-2004.

- Review and balance the Master's and Doctoral success rates, in view of the federal programs.
- Evaluate and adjust the "Research Scholarships as part of a Practicum" Program and find financial partners to reinstate it.
- Provide ad hoc support to researcher training initiatives in fields with strongly growing needs (example of partnership in the Bioinformatics Consortium).
- Strengthen monitoring of the quality of guidance of students in training (Scholarship Program, Strategic Alliances).
- Institute various measures to promote reconciliation of studies and family.
- Implement tracking of our scholarship recipients.

2.1.2 Facilitate the scientific succession in the universities and career startup for new researchers

Over the next seven years, university faculty will be renewed at a very fast pace due to mass retirements. The total needs of Canadian universities by 2011 are estimated at 30,000 candidates, with Québec accounting for about one fifth of these requirements. Recruiting of very good candidates is an increasingly difficult task.

The Fund's action seeks to give Québec universities a comparative advantage in recruiting these new researchers and in the startup of their research career. It also seeks to assure postdoctoral interns likely to contribute to this scientific succession of the best possible integration into our Research Centres.

♦ Improve our support to recipients of Postdoctoral Fellowships

- Maintain our support to 58 recipients of Postdoctoral Fellowships, including 15 new ones in 2003-2004.
- Following the joint study of the three Funds on the status of postdoctoral researchers, make a proposal to the Board of Directors on options for improving our support.

♦ Facilitate career startup for new researchers

- Maintain financial support for career startup for 179 researchers, including 74 new ones in 2003-2004.
- Facilitate the eligibility of researchers with industrial experience.

2.2 Adjust and improve the targeting of our support action to the emergence of new team research currents

Most of the new research currents today can be found at the interface of disciplines and areas of expertise, and the traditional boundaries between fields are being abolished (as in bioinformatics or nanotechnology). The Team Research Projects Program specifically seeks to create Strategic Alliances of researchers from different areas of expertise and disciplines, necessary to carry out innovative projects in these original research currents. This approach is complementary to that of the NSERC, which is still essentially disciplinary. However, the funds available under this Program are clearly insufficient to hope to provide real support to the emerging and highly

innovative research in a large number of teams. The Board of Directors has decided to improve the targeting of its action for this orientation.

- ♦ Maintain our support to 174 team research projects, including 58 new ones in 2003-2004.
- ♦ Postpone the fall 2003 Competition to spring 2004, given the financial uncertainty and the projected shortfall of \$3.4 million in 2004-2005. This is a very difficult decision, with serious consequences, for a program that plays a crucial role in the emergence of new forces in Québec research and which directly affects the financial support to the succession of highly skilled personnel.
- ♦ Mandate an Endeavour to reflect on improving the targeting of the Team Research Projects and adjusting the Fund's support to the emergence of Excellence Centres in research.

2.3 Consolidate the Strategic Alliances in the key fields in NSE

This Program of the Fund seeks to create Strategic Alliances of the best researchers in fields or technologies on the leading edge, and thus strengthen Excellence Centres in research that have major potential spinoffs for Québec. This is a unique way to develop networking of researchers from the different universities and alliances with industrial and institutional partners. This Program essentially funds the human infrastructure of these groups.

The Strategic Alliances also make it possible to consolidate and ensure the profitability of the considerable investments by Québec and the CFI in state-of-the-art scientific equipment and facilities, and play a very important role in support to several Québec initiatives in research and innovation, such as development in the optic-photonic, oceanography and marine technology, nanotechnology, climate change, aluminium processing, aerospace innovation, northern research and other fields.

The specific actions for 2003-2004 are as follows:

- ♦ Maintain our support to the 25 Strategic Alliances recognized by the Fund, including nine new ones recognized by the Fund, including nine new ones accepted in April 2003, which cover the following fields: high-tech materials, transportation, aluminium, aquatic environment, innovation in aerospace, mathematics, geochemistry and geodynamics, parasite control, and decision analysis.
- ♦ Seek to fund five additional Strategic Alliances in 2004-2005 (third and last Competition for now in fall 2003), to complete a first level of coverage of the major priority fields for Québec.
- ♦ Implement the monitoring and evaluation mechanisms.
- ♦ Improve the planning tools, in partnership with the scientific communities and the Ministère du Développement économique et régional (MDER).
- ♦ Promote international scientific cooperation: follow-up of the mission to Belgium (networking of Excellence Centres) and exploration of possibilities of cooperation with the INRIA (France, information technology).

2.4 Accentuate and target our effort in favour of enhancement, transfer and innovation, by building the necessary partnerships for their full success

The third pillar of the Fund's action seeks to facilitate interaction between research, training and innovation, by promoting lasting interactions between research communities and users of knowledge in priority sectors for Québec.

The traditional vector of this action is the Concerted Action Program (Partnership-Oriented Research Program). However, the work of the Strategic Innovation Networks Endeavour has made it possible to analyze several Canadian and international models better adapted to corporate culture, needs and practices than the exiting Concerted Action Program. These networks seek the construction of interfaces between research communities and industry, particularly small and medium-sized business, and the development of precompetitive and applied research on the basis of industry decisions, integrating the players in transfer of technology, particularly the College Centres for the Transfer of Technology (CCTT). Nearly fifty partners have been consulted on the Endeavour's proposals.

The following are the specific actions for 2003-2004:

♦ **Intellectual Property Action Plan**

- Participate in the follow-up to implementation of the Intellectual Property (IP) Action Plan in the academic community, and to the promotion and diffusion of best practices.
- Work with Valorisation-Recherche Québec (VRQ) to conduct a study on international best practices regarding IP management in the case of university-industry cooperative research projects.

♦ **Partnership-Oriented Research (Concerted Actions)**

- Maintain all of our commitments to our partners, particularly for the seven Programs or Competitions launched in 2002-2003 (Nutraceuticals and Functional Foods; Dairy Production and Processing, Forest Management and Environment, Boreal Forest in the Saguenay, Highway Safety), and at the beginning of 2003-2004 (Marine Sciences and Technology, Rural Environment).
- Present an Action Plan in fall 2003 prioritizing the next developments in accordance with the appropriate models and partnerships, and aiming at increasing our investment's leverage.

♦ **Other priority initiatives**

- Offer the MDER a tool to support concerted action and leadership in sectorial innovation, based on the work of the Strategic Innovation Networks Endeavour (business plan).
- Develop a joint research and innovation support strategy in the health technology field, in cooperation with the FRSQ and VRQ (business plan).
- Participate in the development of a Québec research and innovation strategy in the nanotechnology field, in cooperation with government and private partners, and particularly with the Nano-Québec network (business plan).

2.5 Improve the organization's image and efficiency

- ♦ **Implement a dynamic communication plan that supports this action plan**
- ♦ **Assure the quality of management of our special mandates**

These are primarily the following mandates:

- Management of the Scholarship Program for the three Research Funds
- Evaluation of all Québec projects submitted to the CFI's 2003 Competition

- ♦ **Develop our watch and listening mechanisms**
- ♦ **Improve our performance planning, monitoring and evaluation mechanisms**
- ♦ **Improve the quality of financial monitoring**
- ♦ **Implement the Canadian common CV**
- ♦ **Maintain the quality of delivery of our electronic services** (researchers, students, partners)

2.6 Prepare the 2005-2008 Triennial Plan

In accordance with the request of the Minister, Mr. Michel Audet, the *2005-2008 Triennial Plan* will be prepared for the beginning of the 2004-2005 fiscal year.

Fonds québécois de recherche sur la nature et les technologies - 2003-2004 ACTION PLAN

3. SUMMARY TABLE

Target 1. Strengthen, innovate with and improve the targeting of our action to promote the succession

Objectives	Means of action	Results indicators
<ul style="list-style-type: none"> ◆ Facilitate the development of a sufficient number of highly skilled personnel with the required competencies 	<ul style="list-style-type: none"> ◆ Develop a comprehensive Action Plan promoting high value-added innovative strategies for the succession ◆ Strengthen the contribution of the Excellence Award Program 	<ul style="list-style-type: none"> ◆ Tabling of the Action Plan with the Board of Directors for fall 2003 ◆ Number of Master's and Doctoral Scholarships, success rate, award rate, coverage rate of Québec NSE students by the Fund and the NSERC
		<p>Number of measures adopted and degree of implementation of proposals under these measures</p> <p>(Reinstatement of the "Research Scholarships as part of a Practicum" Program, support to training initiatives, tracking of scholarship recipients, reconciliation of studies and family)</p>
<ul style="list-style-type: none"> ◆ Facilitate the scientific succession in the universities and career startup for new researchers 	<ul style="list-style-type: none"> ◆ Improve our support to recipients of Postdoctoral Fellowships ◆ Facilitate career startup for new researchers 	<ul style="list-style-type: none"> ◆ Number of Postdoctoral Fellowships, success rate, coverage rate ◆ Follow-up of the joint study of the three Québec Funds on the status of postdoctoral interns ◆ Number of new researchers funded, success rate by field and gender, number of measures adopted facilitating eligibility of industrial researchers, proportion of researchers with experience in industry

Target 2. The emergence of new team research currents

Objectives	Means of action	Results indicators
<ul style="list-style-type: none"> ◆ Adjust and improve the targeting of our support action to the emergence of new team research currents 	<ul style="list-style-type: none"> ◆ Maintain support to 174 team research projects, including 63 new ones 	<ul style="list-style-type: none"> ◆ Number of projects funded, grant rates by field
	<ul style="list-style-type: none"> ◆ Postpone the fall 2003 Competition to spring 2004 	
	<ul style="list-style-type: none"> ◆ Mandate an Endeavour to reflect on the Program's orientations 	<ul style="list-style-type: none"> ◆ Tabling of the Endeavour report in December 2003

Target 3. FQRNT Excellence Centre infrastructure in key fields in natural sciences and engineering

Objectives	Means of action	Results indicators
<ul style="list-style-type: none"> ◆ Consolidate our support to achieve a first level of coverage of the main priority fields for Québec 	<ul style="list-style-type: none"> ◆ Support the 25 Strategic Alliances, including the 9 new Strategic Alliances recognized in April 2003 	<ul style="list-style-type: none"> ◆ Number of Strategic Alliances, researchers, supervised students, international collaborations
	<ul style="list-style-type: none"> ◆ Fund 5 new Strategic Alliances 	<ul style="list-style-type: none"> ◆ Sectors covered by the Strategic Alliances
<ul style="list-style-type: none"> ◆ Implement the monitoring and evaluation mechanisms 	<ul style="list-style-type: none"> ◆ Implement the Strategic Alliances Register in winter 2004 	<ul style="list-style-type: none"> ◆ Monitoring and evaluation report, first results of the performance indicators
<ul style="list-style-type: none"> ◆ Improve our planning tools in conjunction with the scientific communities and the MDER 	<ul style="list-style-type: none"> ◆ To be developed under the MDER's Québec Competency Card project 	<ul style="list-style-type: none"> ◆ Steps completed
<ul style="list-style-type: none"> ◆ Promote international scientific cooperation 	<ul style="list-style-type: none"> ◆ Follow up the mission to Belgium and explore the possibilities of cooperation with the INRIA (France, information technology) 	<ul style="list-style-type: none"> ◆ Steps completed

Target 4. Accentuate and target our effort in favour of enhancement, transfer and innovation, by building the necessary partnerships for their full success

Objectives	Means of action	Results indicators
<ul style="list-style-type: none"> ◆ Support the implementation of the Intellectual Property (IP) Action Plan 	<ul style="list-style-type: none"> ◆ Participate in follow-up of implementation of the IP Action Plan ◆ Conduct a study in cooperation with VRQ on international best practices regarding IP in university-industry cooperative research 	<ul style="list-style-type: none"> ◆ Number and nature of the actions taken under follow-up of the IP Action Plan ◆ Degree of completion of the study
<ul style="list-style-type: none"> ◆ Prioritize the development of partnership-oriented research (Concerted Action) by increasing leverage 	<ul style="list-style-type: none"> ◆ Maintain all of our commitments to the partners 	<ul style="list-style-type: none"> ◆ Number of programs, partners, regions represented and sectors covered, amounts invested, leverage, researchers and students involved
<ul style="list-style-type: none"> ◆ Develop other priority initiatives with the partners 	<ul style="list-style-type: none"> ◆ Develop an Action Plan ◆ Offer the MDER a tool to support concerted action and leadership in sectorial innovation 	<ul style="list-style-type: none"> ◆ Tabling of the Action Plan in fall 2003 ◆ Development of a business plan following the work of the Strategic Innovation Networks Endeavour.
	<ul style="list-style-type: none"> ◆ Develop a joint research and innovation strategy in the health technology field 	<ul style="list-style-type: none"> ◆ Business plan in partnership with the FRSQ and VRQ
	<ul style="list-style-type: none"> ◆ Participate in the development of a Québec research and innovation strategy in the nanotechnology field 	<ul style="list-style-type: none"> ◆ Business plan in cooperation with government and private partners

Target 5. Improve the organization's image and efficiency

Objectives	Means of action	Results indicators
<ul style="list-style-type: none"> ◆ Improve the quality of services and the organization's efficiency 	<ul style="list-style-type: none"> ◆ Implement a dynamic communication plan ◆ Assure the quality of management of our special mandates ◆ Develop our watch mechanisms ◆ Improve our performance planning, monitoring and evaluation mechanisms ◆ Improve the financial and administrative monitoring mechanisms ◆ Implement the Canadian CV ◆ Maintain the quality of delivery of our electronic services 	<ul style="list-style-type: none"> ◆ Approval of the communication plan at the October 2003 Board meeting ◆ Management of the Scholarship Programs for the three Research Funds Evaluation of all Québec projects submitted to the 2003 Competition of the Canada Foundation for Innovation ◆ Recurring information on the major programs, interventions and trends in NSE at the Canadian and international levels ◆ Monitoring and evaluation processes and indicators implemented ◆ Scorecards ◆ Entry of the three Québec Funds in summer 2003 ◆ Customer satisfaction rate, degree of accessibility to administrative and information technology services, maintenance of computer security, number of calls and processing time of requests for information

4. 2003-2004 BUDGET

Financial Resources

Revenue from the Government	2003-2004		
	Recurring	Non-recurring	Total
Grants			
Government grants ⁽¹⁾	24,213,445		24,213,445
Other revenue ⁽²⁾	2,170,000		2,170,000
Deferred grant ⁽³⁾		7,506,722	7,506,722
Subtotal	26,383,445	7,506,722	33,890,167
Scholarships			
Government grants ⁽⁴⁾	9,123,755		9,123,755
Other revenue ⁽⁵⁾		175,000	175,000
Deferred grant ⁽⁶⁾		500,000	500,000
Subtotal	9,123,755	675,000	9,798,755
Operating			
Government grants ⁽⁷⁾	2,175,900		2,175,900
Other revenue ⁽⁸⁾		1,281,024	1,281,024
Accumulated surplus as at 31/03/03 ⁽⁹⁾		258,942	258,942
Subtotal	2,175,900	1,539,966	3,715,866
Total	37,683,100	9,721,688	47,404,788

- (1) Out of the government grant recorded in the Estimates, an amount of \$24,213,445 is allocated to grants.
- (2) Other revenue totalling \$2,170,000 comes from the MEQ (Quinquennial University Investment Plan).
- (3) The Fonds Nature et Technologies is rigorously planning its expenditures over a three-year horizon to accompany the development of two programs while respecting the commitments for subsequent years. These are two strategic programs: Strategic Alliances and Concerted Action.
- (4) Out of the government grant recorded in the Estimates, an amount of \$9,123,755 is allocated to scholarships.
- (5) In 2003-2004, additional appropriations of \$175,000 are forecast for additional scholarships (Order-in-Council 189-2002).
- (6) Following the creation of the new Fund, a certain number of adjustments have been made to the conditions of eligibility for scholarship programs. Within the context of triennial budget planning, the necessary funds have been forecast to deal gradually over the next few fiscal years with the increase in demand resulting from these adjustments.
- (7) The basic government grant recorded in the Estimates as a management grant is \$2,175,900.
- (8) Additional revenue of approximately \$1,281,024 comes from the CFI (\$85,000), management of MEQ scholarships (\$50,000), management of FQRSC and FRSQ scholarships (\$746,024) and estimated interest income (\$400,000).

(9) Use of the accumulated surplus as at March 31, 2003.

In addition to the resources allocated by the Ministère du Développement économique et régional are the amounts invested by the Fund's financial partners in the Concerted Action Programs. The memoranda of understanding stipulate that a certain percentage of the contributions, varying according to the Concerted Actions, is deducted to ensure their management.

Table 3— Complementary

Revenue from the partners	2003-2004
Grants	
Concerted Action – partners' share	2 223 921
Operating (other revenue)	
Management fees – Concerted Action	512 579

Forecast expenditures for the 2003-2004 fiscal year

Transfer budget Fields and programs concerned	2003-2004 Allocation
Succession	
Scholarships	9,798,755
Establishment of new researchers (individual component)	3,151,905
Establishment of new researchers (team component)	130,000
Strategic Program for University Researchers (salary component)	4,325,000
Strategic Program for University Researchers (startup component)	585,000
Subtotal	17,990,660
Innovative team research projects	
Team Projects Program	10,920,688
MRST/MEQ/FQRNT Joint Program (secondment from teaching duties for college researchers)	280,000
Subtotal	11,200,688

Transfer budget Fields and programs concerned	2003-2004 Allocation
Excellence Centres research infrastructure	
Strategic Alliances Program	10,521,000
Research Centres	1,753,500
Subtotal	12,274,500
Strategic Innovation Networks	
Concerted Action Program (excluding the partners' share)	2,255,871
Subtotal	2,255,871
Other Programs	
Special projects	200,000
Three-Fund Network	35,000
Research journals and transfer of knowledge	64,970
Subtotal	299,970

Transfer budget Fields and programs concerned	2003-2004 Allocation
Recovery	(332,767)
TRANSFER BUDGET SUBTOTAL	43,688,922
Operating budget ¹	
Salaries	2,434,560
Other	1,793,885
Subtotal	4,228,445
TOTAL	47,917,367

1. The operating budget is composed of the basic government grant (\$2,175,900) and additional revenue of \$1,281,024. To these sums an amount of \$512,579 is added from the Concerted Action partners to assure management of these Programs. The forecast deficit for the 2003-2004 fiscal year is therefore \$258,942 \$, which will be covered from the surplus as at March 31, 2003.

2003.09.05