

Alberta's Knowledge Economy: Building the Future of our Province

Student recommendations for the 2014 Government of Alberta Budget

With over 4 million people now calling Alberta home and the lowest median age of all the provinces, the opportunity for Alberta to capitalize on investments in post-secondary education is greater now than ever before. While the unexpected cuts to base operating funding made in the 2013 provincial budget have placed our post-secondary institutions in a difficult position, Budget 2014 represents an opportunity to reinvest in ways that will most significantly benefit the new learners entering the system and students already working towards the completion of their degrees.

Alberta has a strong economy and is a leader in Canada in terms of economic growth and employment growth. However, many of our post-secondary graduates find themselves unemployed or underemployed upon completion. The loss of the Student Temporary Employment Program (STEP) leaves Alberta as the only province across Canada that does not have a program to help students gain the practical hands-on skills and job knowledge to help them transition into careers and their new role as tax-paying citizens.

In order to continue building Alberta, we will need to rely on a strong knowledge economy. With projections of a shortage of over 144,000 workers in our province by 2021 and up to 80% of these positions requiring post-secondary education, we need more university graduates. Restoring funding to the post-secondary system and ensuring that this funding is being targeted to where it most benefits learners is imperative if we are going to increase the number of students graduating from institutions across our province.

For Budget 2014, CAUS recommends the following:

- **Tying tuition increases to CPI to ensure that post-secondary education remains affordable and predictable for Alberta students and the families that support them**
- **Putting the tuition cap back into the Post-Secondary Learning Act**
- **Establishing the Rural and Aboriginal Bursary promised in the 2012 election to improve participation rates amongst these underrepresented groups**
- **Creating a new student employment program with an initial investment of \$7.1 million**
- **Targeting a new student employment program to long-term opportunities for students with direct links to their area of study and/or desired employment goals**
- **Funding a one-time capital package to be delivered to universities over a period of years on an equitable basis to remedy accumulated deferred maintenance liabilities**
- **Creating an annual funding envelope to universities to provide adequate ongoing preventive maintenance**
- **Reinvesting in post-secondary institutions, and more importantly, ensuring that the funding model is stable and predictable**
- **Establishing a long-term plan for investing in post-secondary, recognizing that it is the key driver of our continued prosperity**

ENSURING TUITION IS AFFORDABLE AND PREDICTABLE FOR ALBERTA FAMILIES

In the lead up to the 2013 provincial budget, Premier Allison Redford promised that “we are not going to balance our budget on the backs of post-secondary students. We will not raise tuition.” Students were relieved - as even before the budget was tabled, our institutions were lobbying the Government of Alberta to raise tuition beyond the tuition cap of CPI.

Current and future students, as well as the families that support them, need certainty when planning for the costs of obtaining a post-secondary education. Alberta's tuition cap has helped to provide a measure of predictability in the cost of post-secondary over the last decade, especially when compared to other provinces across the country that experience drastic fluctuations in tuition costs due to frequent changes between increases and freezes. Government, students, and Albertans alike endorse Alberta's tuition cap policy.

In 2010 the Government of Alberta allowed certain Alberta post-secondary institutions to introduce specific, one-time “market modifiers” to account for discrepancies resulting from freezing tuition in 2004. As institution administrators look for ways to increase revenue sources to offset the 7% budget cuts, now, more than ever, it is important to close the loophole on future increases beyond the cap.

Tying tuition to CPI is a clear choice for students and their families. Students are calling for the tuition cap to be put back into the Post-Secondary Learning Act.

Students recommend:

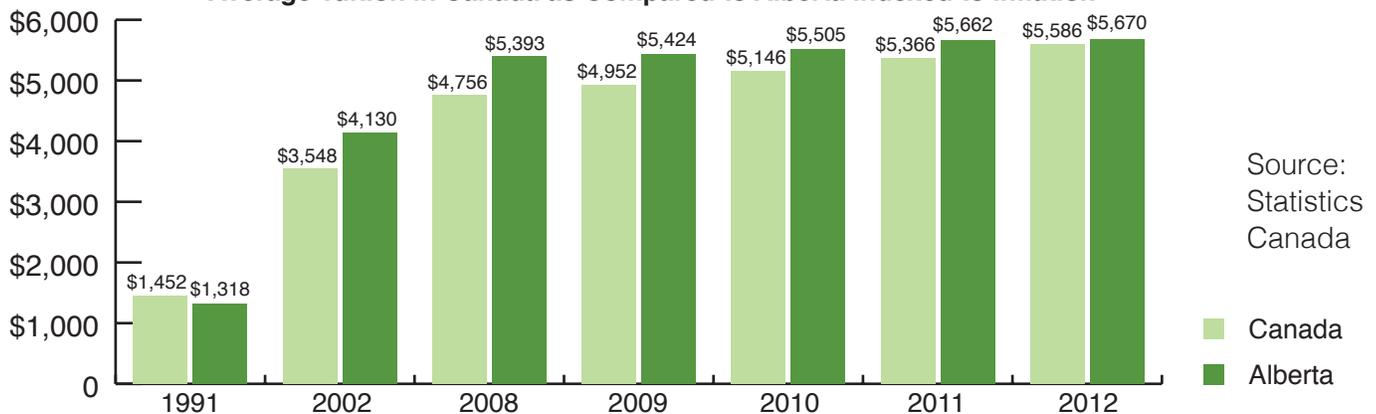
- **Tying tuition increases to CPI to ensure that post-secondary education remains affordable and predictable for Alberta students and the families that support them**
- **Putting the tuition cap back into the Post-Secondary Learning Act**

RURAL AND ABORIGINAL BURSARY

On June 4, 2012, Premier Allison Redford released her mandate letter to cabinet ministers. Closing the participation gap between underrepresented groups in post-secondary is among the ambitious goals presented to all Ministers in the letter. A new bursary program targeted to rural and aboriginal students, as was announced during the 2012 provincial election, would be an important step in achieving this impressive goal. The project was expected to start in 2013/14 with \$18 million and gradually increase to \$25 million by 2021/22.

The rural and aboriginal bursary program promised to improve access to education in remote and rural communities and facilitate fuller participation from students in these communities. As Alberta continues to have the lowest post-secondary participation rate in Canada, CAUS believes that this approach is critical to ensuring a strong future for our province. However, as of the writing of this document, CAUS is

Average Tuition in Canada as Compared to Alberta Indexed to Inflation



Source:
Statistics
Canada

Canada
Alberta

not aware of any actions taken to make the bursary program a reality.

It is well established that both aboriginal and rural students are underrepresented at post-secondary institutions. Aboriginal Albertans form 6% of our province's population, the third highest in the country after Manitoba and Saskatchewan. However, as of 2006 aboriginal post-secondary educational attainment in Alberta was still 17% below our non-aboriginal population, while having the fastest growing population of any demographic group. Rural students face not only the challenge of physical distance between their home towns and locations of universities in larger, urban centres, but must overcome barriers such as low parental educational attainment and higher costs of living. The aboriginal and rural bursary promised by the Progressive Conservative government would be a much-needed step to assisting these underrepresented groups in overcoming the challenges that prevent them from obtaining post-secondary education. CAUS is eager to be involved in discussing how the promised bursary should best be used and implemented.

In September 2012, CAUS published *Towards a Representative Post-Secondary Community: Increasing Access to Alberta Rural and Aboriginal Communities*, a research paper that made several key recommendations on how the proposed bursary should be implemented.

Key recommendations for the bursary program as put forward by CAUS include:

- Alberta Enterprise and Advanced education work with Alberta Education to better prepare students in K-12 for university and college admission, education success, and work habits
- Applying for the new bursary becomes a part of the same application as student loans
- Limit the eligibility of the new bursary to rural students living in areas under 10,000 in population

- Allow North American Indian, Treaty/Registered/Status Indian, Non-Status Indian, Métis or Inuit, who self identify in student loan applications access to the bursary
- Allow students to be eligible for the bursary for up to four years of post-secondary education, in programs that are at least 2 years of length
- The size of the award should be \$2,500 for rural students, and \$4,000 for aboriginal students per academic year

Students recommend:

- **Establishing the Rural and Aboriginal Bursary promised in the 2012 election to improve participation rates amongst these underrepresented groups**

STUDENT EMPLOYMENT PROGRAM

Although Alberta is fortunate to have the youngest population in Canada, it is still facing the challenges that come with a growing population of aging citizens. As a result, our young people will be required to take on a greater role within the workforce in coming years as they step up to fill the positions vacated by retiring professionals.

The Student Temporary Employment Program (STEP), originally introduced in 1972, was suspended in March of 2013 after providing Alberta's students with temporary full-time summer employment opportunities for over forty years. The decision to suspend the program was made due to shifting priorities within Human Services to focus on vulnerable Albertans, including children at risk, adults with disabilities, and individuals experiencing homelessness. While students would agree that the program could have been improved, STEP made a meaningful, lasting impact by encouraging employers to create summer jobs that helped students obtain the applied skills and valuable work experience needed to transition into lifelong careers as tax-paying citizens. After making significant

investments in Albertans' education from K-12 and through post-secondary, STEP was a program that helped generate a larger return on those investments by making young Albertans more immediately employable after graduation.

At the cessation of the program, STEP had an operating budget of \$7.1 million and provided thousands of students with temporary summer employment at many not-for-profit and governmental organizations. Through the use of matching grants, many organizations that would not otherwise have been able to hire a student as additional support for the summer months were able to increase their contributions to the local community while providing meaningful job experience to young Albertans. Overall, STEP had a relatively small budget that made an enormous impact for students and community organizations - a strong investment by any definition. Moreover, the loss of STEP leaves Alberta as the only Canadian province without a student employment program.

CAUS regards this situation as an opportunity to create a new student employment program, which more effectively targets the career paths students wish to pursue once they enter the workforce. Alberta should invest in a student employment program to ensure that we meet our current and future labour needs and provide youth with the opportunity of training with skilled professionals in preparation of filling the vacant positions left by baby boomers exiting the workforce.

CAUS recommends creating a new student employment program with the same \$7.1 million budget as STEP had at the closing of the program, to give students the experiences that will help them to transition to future careers. The new program should be targeted to longer-term opportunities for students and more importantly, be linked with the field of study the student is pursuing academically or hopes to work in after graduation.

Students recommend:

- **Creating a new student employment program with an initial investment of \$7.1 million**
- **Targeting a new student employment program to long-term opportunities for students with direct links to their area of study and/or desired employment goals**

DEFERRED MAINTENANCE ON RESIDENCES

Deferred maintenance at Alberta's university residences has long been an issue that CAUS believes requires action. As our campus infrastructure continues to age and deteriorate, the problems created by deferred maintenance worsen each year that they are not addressed. While students are supportive of the provincial government's investments in building new infrastructure on our campuses, we also believe in maintaining the buildings that have already been built to maximize the return taxpayers receive on those investments – especially residence buildings, which have been hardest hit by cuts to deferred maintenance funding.

Universities cut spending on deferred maintenance for residences in the 1990s in response to drastic budget cuts at that time, however, despite a restoration in funding to post-secondary, this spending has never been restored and continues to lag behind the current costs of deferred maintenance. The impact on our campuses is remarkable, resulting in institutions cutting preventative maintenance programs and only addressing problems in building systems after a critical failure. More recently, the Alberta 2013 Budget cut funding for the Infrastructure Maintenance Program by 34.5% across the post-secondary system.

CAUS continues to advocate the provincial government for a one-time capital funding package to be delivered to universities over a period of years on an equitable basis to remedy accumulated

deferred maintenance liabilities. CAUS also advocates for an annual funding envelope to universities to provide adequate ongoing preventative maintenance. Let's work together to ensure that we maximize the value of the existing investments in our campus infrastructure.

Infrastructure Maintenance Program Grant Changes Between 2012-13 and 2013-14

Institution	2012-2013 IMP Grant	2013 2014 IMP Grant	% Change
University of Alberta	\$22,512	\$17,405	- 22.7%
University of Calgary	\$15,905	\$ 9,937	- 37.5%
University of Lethbridge	\$ 1,823	\$ 1,782	- 2.2%
TOTAL	\$40,240	\$29,125	- 27.6%

Source: Government of Alberta Budget 2013

Students recommend:

- **Funding a one-time capital package to be delivered to universities over a period of years on an equitable basis to remedy accumulated deferred maintenance liabilities**
- **Creating an annual funding envelope to universities to provide adequate ongoing preventive maintenance**

FUNDING THE SYSTEM

The cuts to post-secondary operating budgets in the 2013 provincial budget came as a shock to our campus communities. The Government of Alberta promised three years of 2% increases and 2013 was to be the first year of that commitment. Instead, comprehensive academic research institutions were faced with a 7.3% cut to their operating funds.

While Premier Redford promised that the budget would not be balanced on the backs of students, the ways our universities are responding to the

decreases in operating funding has inevitably impacted students. Larger class sizes, reduced faculty, cancellation of smaller classes and programs, and increases to the mandatory non-instructional fees that students are required to pay have all had significant impacts on the student experience across Campus Alberta.

Institutions are still struggling with cuts from Budget 2013, and students believe that Budget 2014 is an opportunity for introducing stability and predictability back into the system. CAUS calls on the Government of Alberta to restore funding to institutions, or at the very least, maintain the current operating funding and not further stress the post-secondary system through further, surprising cuts.

Students believe that it is important for the government to invest in post-secondary institutions, but more importantly that the funding model must be stable and predictable. CAUS recommends that the Government of Alberta establish a long-term plan for investing in post-secondary institutions. This plan should incorporate all of the major stakeholders involved, including students, and should take into consideration not just the costs of the current system, but the vision for post-secondary in Alberta into the future, recognizing that strength in post-secondary is the key driver of our continued prosperity.

Students recommend:

- **Reinvesting in post-secondary institutions, and more importantly, ensuring that the funding model is stable and predictable**
- **Establishing a long-term plan for investing in post-secondary, recognizing that it is the key driver of our continued prosperity**

The Council of Alberta University Students (CAUS) represents over 70,000 university students across Alberta. We represent undergraduate students from the University of Alberta, the University of Calgary and the University of Lethbridge to the public, government, and other post-secondary education stakeholders.

Based in Edmonton, CAUS is a non-partisan and active advocacy group looking to ensure an accessible and quality post-secondary education system in Alberta. CAUS is committed to:

- Representing, promoting and defending common interests of Alberta university students;
- Seeking a fully accessible, high quality system of education in Alberta;
- Promoting and supporting the provision of effective student services;
- Providing a forum for the exchange of information among Alberta post-secondary students;
- Representing Alberta university students to all levels of government with a united voice; and
- Promoting the importance of an accessible education system.

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