



BUDGET 2015
SUBMISSION
DECEMBER 2014

RECOMMENDATIONS

The Council of Alberta University Students (CAUS) represents over 100,000 undergraduate university students in Alberta: students who will go on to become the doctors, nurses, engineers, educators, artists, scientists, entrepreneurs, and other skilled professionals that be will needed to fill many of the over 96,000 labour space shortages expected by 2023.

While Alberta continues to be a leader in Canada's economic growth, current oil price forecasts will undoubtedly have an impact on how the provincial government decides to allocate funding in Budget 2015.

Public funding in post-secondary education sees one of the highest returns on investment for both government and taxpayers of any sector receiving provincial government funding. Beyond the benefit to the individual student, there are also tremendous benefits to society, as university graduates have been shown to use fewer government services, are among the most productive and innovative members of society, and have also been shown to contribute the most in income taxes compared to citizens that did not receive a post-secondary credential.

While cuts to post-secondary institutions in the 2013 budget continue to have an impact, CAUS is hopeful that the promise Premier Jim Prentice made during the leadership race to restore the remainder of the funding cut in 2013 will be realized in Budget 2015. Additionally, we hope that other key investments are made to build a strong post-secondary system for our province, ensuring Alberta's continued prosperity.

For Budget 2015, CAUS recommends the following:

- Removing the loopholes in the Tuition and Fee Regulation, ensuring a true tuition cap that limits increases solely to CPI and keeps post-secondary education within the ability of all Alberta students to attend.
- Putting the tuition cap back into the Post-Secondary Learning Act.
- Providing ongoing support in the amount of \$3 million a year in student mental health funding to the University of Alberta, the University of Calgary, the University of Lethbridge, and expanding the program to also include MacEwan University and Mount Royal University.
- Creating a student and graduate employment program that offers meaningful job opportunities to current students and recent graduates.
- Immediately restoring \$100 million in operating funding to Alberta post-secondary institutions, and encouraging individual institutions to eliminate existing Mandatory Non-Instructional Fees.
- Taking \$17 million of the funding currently going towards the Completion Incentive Grant program, and reallocating it to targeted, up-front, needs-based grants for Alberta learners.
- Establishing an \$18 million bursary program to assist Aboriginal, rural, and low-income students to attend post-secondary, and improve the participation rates amongst these underrepresented groups.

TUITION & MANDATORY NON-INSTRUCTIONAL FEES

Mandatory non-instructional fees and market modifiers – loopholes in the current Tuition and Fees Regulation – continue to be one of the top issues of concern for both current and future university undergraduates in Alberta. As post-secondary institutions continue to feel the ripple effects of the \$147 million cuts made to base operating funding in Budget 2013, administrators hoping to increase alternative revenue streams for their university budgets have consistently looked to these loopholes.

Since the 1990's tuition in Alberta has nearly tripled in real dollars, controlling for inflation. In recognition of the impact of these significant increases, the provincial government tied tuition to inflation in 2006. This policy, known now as the Tuition and Fees Regulation or as the “tuition cap” to students, provides current and future students, as well as the families that support them, a certain measure of predictability when planning for the cost of post-secondary education.

With the Tuition and Fees Regulation set to expire in 2016 and in anticipation of the need to renew the regulation, this past summer a working group brought stakeholders together to discuss potential changes. Initially, CAUS was optimistic that the work undertaken by this group would address the problems with market modifiers, mandatory non-instructional fees, and the international student differential. While some improvements were eventually suggested to improve the international student differential, the mandatory non-instructional fees discussion left students disappointed with the understanding that this loophole is likely to remain open and unchanged.

Perhaps even more concerning than the lack of interest in regulating mandatory non-instructional fees, was the surprise announcement made in July 2014 by Premier and Minister of Innovation and Advanced Education, Dave Hancock, that the government would once again be accepting proposals for market modifiers – even though Alberta students had been promised these massive tuition hikes were a “one-time only” tool for adjusting tuition levels in 2010. If the current proposals are approved, their impact will be felt beyond those targeted faculties – all programs could be at risk, and tuition increases will no longer be truly limited to increasing by inflation.

It is incredibly important to students and their families that the cost of post-secondary education remains affordable and that its predictability is ensured through increases tied to CPI. CAUS is calling on the provincial government to remove the loopholes that permit the use of market modifiers and mandatory non-instructional fees as well as to uphold the promise of true CPI increases by placing the tuition cap back into the Post-Secondary Learning Act, rather than maintaining the illusion of a cap that can be circumvented by the loopholes it contains.

CAUS RECOMMENDS:

Removing the loopholes in the Tuition and Fee Regulation, ensuring a true tuition cap that limits increases solely to CPI and keeps post-secondary education within the ability of all Alberta students to attend.

Putting the tuition cap back into the Post-Secondary Learning Act.

MENTAL HEALTH on CAMPUS

The ability of students to care for their mental health and well-being is important not only to their academic success, but also to their resilience and success following graduation. There is no better place for us to reach our young citizens and assist them in identifying and seeking assistance for the mental health challenges they may face than the many campuses across Alberta.

A funding allocation of \$3 million a year for a period of three years was made available to the University of Alberta, the University of Calgary, and the University of Lethbridge in January 2013. As we approach the final year of guaranteed funding a commitment is desperately needed for our institutions to keep existing supports in place for our students. The improvements that have been made to the mental health support systems on these campuses will drastically fall away should stable, ongoing funding support not be put in place.

Although MacEwan University and Mount Royal University were not part of the original funding initiative, they have recently both received \$250,000 in mental health funding for each of the next three years. While this is a step in the right direction, CAUS believes that funding to both MacEwan and Mount Royal should be aligned with the other three university campuses in Alberta. The 33,000 undergraduates at MacEwan and Mount Royal face the same pressures as their peers at the University of Alberta, the University of Calgary, and the University of Lethbridge, yet they do not benefit from the same level of support for mental health services on campus.

CAUS continues to advocate for increased mental health funding to our institutions to address the growing mental health crisis on our campuses. Students attending university benefit most by the ability of our institutions to put government funding towards existing mental health services; allowing them to offer more counselling sessions, hire more psychologists, and decrease the wait times for students to be seen by mental health professionals.

Our student associations continue to be strong partners in working on decreasing the stigma associated with mental health, providing feedback and support for university run mental health programs, as well as providing programs and services ourselves. Peer support counselling, student food banks, events focused on decreasing stress while increasing awareness of mental health are all important parts of student association operations - but more needs to be done on all of our campuses to improve mental health for the entire community. Student associations are prepared to do their part, and with government support, we know institutions will improve their capacity as well.

CAUS RECOMMENDS:

Providing ongoing support in the amount of \$3 million a year in student mental health funding to the University of Alberta, the University of Calgary, the University of Lethbridge, and expanding the program to also include MacEwan University and Mount Royal University.

STUDENT EMPLOYMENT PROGRAM

During the 2014 spring session of the legislature, the Minister of Jobs Skills Training and Labour stated that a new student employment program was being developed to take the place of the Student Temporary Employment Program (STEP), which was suspended in March 2013. It was anticipated that, while the new program would not be in place for students to benefit from during summer 2014, it would be rolled out in the fall and ready for the following summer.

Unfortunately, the only similar initiative that has been discussed since the mention of creating a new student employment program has been the Youth Employment Initiative (YEI) Pilot - a trial program that would target only youth aged 30 and under who have completed a post-secondary degree and are unemployed or underemployed. Such a program falls far short of what Alberta is capable of offering its students in terms of support in developing the skills necessary to meet expected skilled labour shortages. This program's limited mandate would not assist students enrolled in post-secondary studies gain the valuable work experience and learn the applied skills that help them in making quicker, successful transitions to the work force. Ultimately, the ideal work program would ensure students do not end up underemployed or unemployed in the first place.

In past discussions with Alberta Jobs, Skills, Training and Labour the new program is planned for three years at \$3 million per year – far less than STEP at \$7.1 million and far below what is needed. CAUS believes the proposed program should be expanded both in terms of funding and scope.

As students who are actively engaged in their studies are most easily able to integrate new skills into their overall learning, encouraging their participation in an employment program would have tremendous impact. Many students who are presently enrolled in post-secondary in our province are in need of support in finding jobs over the summer months due to the present Alberta economic situation. Providing meaningful employment opportunities over the summer months can greatly assist these students in transitioning to stable, rewarding careers following graduation.

Combining the best of both the proposed YEI along with the elements of STEP that were working well, we can see a program that helps both non-profit organizations, students, and recent graduates. CAUS looks forward to working with the Ministries of Innovation and Advanced Education and Jobs, Skills, Training, and Labour to further develop a meaningful employment program.

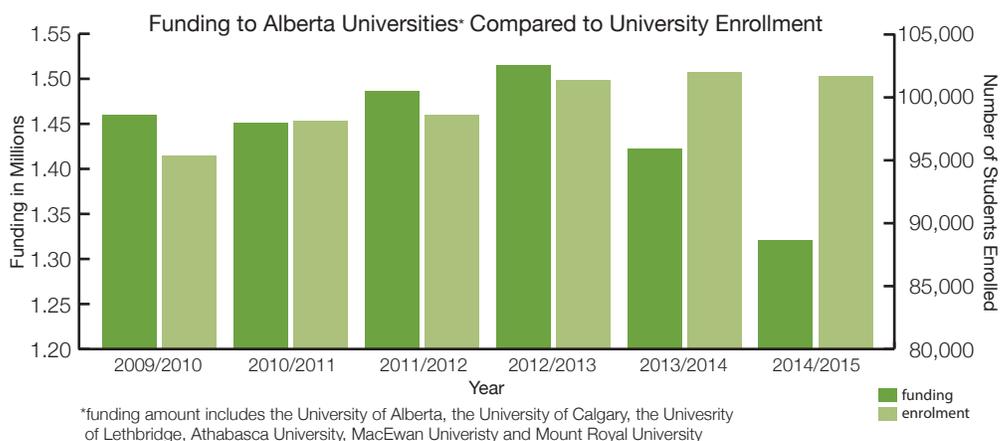
CAUS RECOMMENDS:

Creating a student and graduate employment program that offers meaningful job opportunities to current students and recent graduates.

FUNDING for PSE INSTITUTIONS

During his recent successful leadership campaign, Mr. Prentice pledged “to restore Alberta’s post-secondary funding cut in 2013.” This re-investment in our province’s future is sorely needed. The value for dollar of investing in the training and development of our young people produces one of the best returns relative to other options and benefits all Albertans.

While institutions were promised 2% increases for each of the next 3 years in the 2012 PC platform, they were forced instead to react to unpredictable cuts and, in the best case, 0% increases to base operating funding. Meanwhile, enrollment rates continued to increase. Although our institutions are incredibly innovative and can succeed at finding efficiencies, it is impossible for them to make smart decisions on budgetary adjustments when they are not given adequate time to make these changes.



The initial cut to operating funding - the single largest cut to the system in over 20 years - continues to be felt in our classrooms in the form of higher faculty-student ratios, reduced course and lab offerings, and cuts to programs and services all across campus. Restoring this cut, and investing in Alberta’s future is a key promise Mr. Prentice made in his leadership bid and a promise that students expect the Government of Alberta to keep. Budget 2015 is the ideal time to follow through on that promise and immediately restore \$100 million in operating funding to our institutions.

Simply adding funding to the system without expecting results would be far from ideal. When the 2013 cuts were made, students were assured that the impacts would not fall on their backs in the form of tuition increases or additional fees. True to that commitment, CAUS suggests institutions that see funding restored eliminate the mandatory non-instructional fees levied on students as a direct result of the 2013 funding cuts.

CAUS RECOMMENDS:

Immediately restoring \$100 million in operating funding to Alberta post-secondary institutions, and encouraging individual institutions to eliminate existing Mandatory Non-Instructional Fees.

STUDENT FINANCIAL ASSISTANCE

In 2012, the Alberta Student Loan Relief program was cancelled and replaced with the Completion Incentive Grant program. Whereas the loan relief program offered a substantial amount of assistance to a smaller number of students, the incentive grant program offers between \$1,000 and \$2,000 to every full-time student who has received funding through Student Aid Alberta and is in their final year of study.

While offering a small incentive grant to all students who received financial assistance is certainly appreciated by students, it is difficult to know whether the program is truly incentivizing completion, or simply providing a small amount of assistance to those students who would have finished their post-secondary studies regardless. CAUS believes that the funding going towards the Completion Incentive Grant program could be better used to meet policy objectives if it was administered differently. As such, CAUS suggests taking \$17 million (approximately half) of the money currently used to fund the Completion Incentive Grant program and turning it into targeted, up-front, needs-based grants. Doing so would provide students with the most need the initial financial support they require in order to successfully fund their way through their educational path.

Increasing the financial support available for Aboriginal, rural, low-income, and other underrepresented student groups is another important issue to CAUS, and we were encouraged to see the Speech from the Throne mention targeted supports for Aboriginal and northern learners. CAUS would like to see \$18 million go towards a bursary program that would assist Aboriginal, rural, and low-income students in attending post-secondary in Alberta. Improving participation rates amongst underrepresented groups of students has been a goal of Campus Alberta stakeholders and such a bursary program would go a long way in assisting these students in making the decision to pursue post-secondary studies as well as supporting them on their learning pathway once they are enrolled.

CAUS RECOMMENDS:

Taking \$17 million of the funding currently going towards the Completion Incentive Grant program, and reallocating it to targeted, up-front, needs-based grants for Alberta learners.

Establishing an \$18 million bursary program to assist Aboriginal, rural, and low-income students to attend post-secondary, and improve the participation rates amongst these underrepresented groups.

ABOUT CAUS

The Council of Alberta University Students (CAUS) represents over 100,000 university students across Alberta. We represent undergraduate students from the MacEwan University, Mount Royal University, 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, affordable, and high-quality post-secondary education system in Alberta.

MISSION

To ensure a high quality, affordable, and accessible post-secondary education for Alberta undergraduate students through strong research based advocacy.

VISION

University students are active collaborators in developing a high quality post-secondary sector that is accessible and supportive to all students regardless of background or financial means.

MEMBER ORGANIZATIONS

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COUNCIL of ALBERTA UNIVERSITY STUDENTS

