

Canadian Federation of Students - Nova Scotia

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

During this period of economic recovery, the best approach to obtain sustained economic growth is to invest in people and education. According to the Organization for Economic Co-operation and Development, for every individual who attends post-secondary education in Canada, there is a \$3.20 public return for every \$1.00 that is publicly-invested into the system for that student. It has been estimated that 70 per cent of jobs in Canada require some form of post-secondary education. As the country faces a shifting global economy that is increasingly knowledge-based, it is crucial that the federal government recognizes the need to ensure that a college or university education is accessible for anyone who wishes to pursue one. However, Canada's long-term economic prosperity is threatened by the high upfront cost of post-secondary education and the alarming levels of student debt accumulated by students across the country. Federal transfers to the provinces for post-secondary education as a proportion of GDP have been cut in half over the past two decades. The distribution of the remaining funding, on a per-capita rather than per-student basis, negatively impacts Nova Scotia, which represents just under three percent of the Canadian population but provides post-secondary education to four percent of Canada's students. This gap results in decreased funding to institutions and higher-than-average tuition fees: compared to the Canadian average of \$5,300, Nova Scotia residents pay an average of \$5,936 per year in tuition fees while out-of-province students pay an average of \$6,436. As students and their families pay for higher fees, there are fewer resources to be invested in the rest of the provincial economy. Recommendation: The federal government should implement a federal Post-Secondary Education Act, modeled after the principles of the Canada Health Act. This Act should be accompanied by dedicated cash transfers to the provinces with funding allocated for: - Progressively increasing per student funding for post-secondary education to reach back to 1992 levels; - Progressively reducing tuition fees to reach back to 1992 levels; and - Investing in college and university infrastructure by eliminating deferred maintenance.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

A financial commitment to the post-secondary education system is a commitment to sustained economic recovery and directly creates quality jobs. Nova Scotia's post-secondary system plays a significant role in the province's economy. In many rural communities, such as Church Point, Wolfville, and Antigonish, colleges and universities are among the largest employers. Acadia University, for example, accounts for 33.9 percent of total employment and almost 90 percent of income generated in Wolfville. Further, according to the Government of Nova Scotia, the province's 11 universities contribute \$1.18 billion into the provincial economy annually and directly or indirectly create employment for roughly 18,518 people with most of the jobs being year-round and full-time. An additional 6,700 jobs are

also attributable to the Nova Scotia Community College (NSCC) system. Funding for education and training must be viewed as an avenue to ensure that Nova Scotia has a stable and prosperous economy over the long-term and not as a short-term stimulus measure. To address the skills training needs of the current generation and increasing youth unemployment rates, immediate steps must be taken to ensure youth have access to the education, services, and work experience required to participate in Canada's economy. Recommendations: 1. Reopen the Service Canada Centres for Youth in order to ensure youth have access to the services required to face a challenging labour market. 2. Increase investment in youth employment strategies and work in collaboration with education and youth employment stakeholders to respond to the needs of young Canadians looking for work. 3. Boost funding for the Canada Summer Jobs program, which provides work opportunities for students while supporting important community organisations and services.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

The best way to address the challenges associated with Canada's aging population and skills shortage is to invest in educating the new workforce. Beyond ensuring that college and university education is affordable for Canadians generally, the federal government should ensure access for the growing Aboriginal population, which has increased by over 45% since 2001. The Aboriginal median age of 25 is nearly 20 years younger than the general median age of Nova Scotia. Despite the federal government's responsibility for Aboriginal education, high tuition fees and the lack of adequate funding has left thousands of First Nations, Inuit and Métis people behind. As long as the funding for the Post-Secondary Student Support Program remains capped at two percent, the education gap between Aboriginal and non-Aboriginal peoples will continue to widen. The federal government can also draw students from abroad to address the skilled labour shortages in the country. The international student population has grown rapidly in Canadian colleges and universities, as people around the world recognize the value of studying and working in Canada. International students contribute \$8 billion to the Canadian economy annually and most students remain in the country to work after graduation. Despite the doubling of international student enrolment in Maritime universities in the last decade, overall enrolment decreased in Nova Scotia and New Brunswick. Recommendations: 1. Remove the funding cap on increases to the Post-Secondary Student Support Program and ensure that First Nations, Inuit and Métis learners are provided adequate funding to attend post-secondary education. 2. Protect programs that directly benefit Aboriginal youth (such as Halifax's Kitpu Youth Centre) by providing them with employment opportunities and the resources to pursue post-secondary education. 3. Strengthen Canada's reputation as country of choice for studying by regulating tuition fees charged to international students and combining the Off-Campus Work Permit and Post-Graduation Work Permit into the Study Permit (Student Visa). 4. Inject an additional \$10 million to Statistics Canada's branch for the collection and analysis of post-secondary education statistics, in order to track the impact of student debt, completion times and retention rates on fulfilling Canada's labour-market demands.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

Canada's ability to be productive and remain competitive in the knowledge-based economy depends on its capacity to be innovative. Graduate programs are a key element to success in this area. Enhancing graduate studies encourages creative research by faculty and students, developing highly skilled people

that become leaders in a changing economy. The modest increases to the research granting councils in recent years have not kept up with the increase in graduate enrolment, while government funding for research has shifted toward the priorities of the private sector. Together, this means there is less funding in general for more students, and specifically less funding for curiosity-driven research, which leads to job creation and critical discoveries. Private sector-funded research, by contrast, is limited in its application and value. One of the few sources of direct funding to graduate students at the federal level is the Canada Graduate Scholarship, which is administered through the three research granting councils – Social Sciences and Humanities Research Council, Natural Sciences and Engineering Research Council and Canadian Institutes of Health Research. However, the amount of funding going to graduate students for research has stagnated and most graduate students face significant financial barriers to completing their degrees. Graduate students in Nova Scotia pay an average of \$7,350 per year in tuition fees, while the Canadian average has reached over \$5,600. High fees compounded with student debt from an undergraduate degree result in historically low degree completion and increased out-migration of Nova Scotia students to pursue better financial opportunities in other provinces. This leads to lost investment in the education system and the loss of skilled innovators for the labour market. Pursuing higher education is now a high-risk endeavour as students accrue ever-increasing debts. Recommendations: 1. Increase fundamental research funding by 20 percent to support the long-term capacity of universities and graduate students to conduct innovative research. 2. Increase funding to the Canada Graduate Scholarships and distribute funding proportionately among the granting councils to reflect enrolment. 3. Remove targeted research funding earmarks within the granting councils and award research funding based on academic merit determined through a peer-review process.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

Federal and provincial government cuts to post-secondary education funding have forced students to take on more education-related debt than any previous generation, as middle class earnings have largely stagnated in the past twenty years. As a result, Canadians are making sacrifices to prepare themselves for an evolving workplace. Skyrocketing tuition fees and the prevalence of loan-based financial assistance have pushed student debt to historic levels. This past year, over 425,000 students were forced to borrow in order to finance their education. The average debt of students in Nova Scotia after graduation is over \$30,000. The Canada Student Loans Program is currently issuing \$1 million dollars per day in new loans, which has pushed the total value of outstanding student loan debt disbursed through the program to exceed a staggering \$15 billion. Under these circumstances, youth are averse to accumulating debt loads relating to the pursuit of post secondary education. This is resulting in a failure of the post-secondary education system to train a domestic work force capable of meeting Canada's economic demands. Recommendations: 1. The government should, in consultation with the provinces, invest in Canada's youth to cut student loan debt by 50% over the next three years, thereby reducing the current outstanding loans disbursed through the Canada Student Loans Program to under \$7.5 billion by 2015. This will provide greater financial mobility for Canada's next generation of workers to succeed in a volatile job market. 2. Increase the value and number of up-front grants available to students by redirecting funds currently used on education-related tax credits and savings schemes to the Canada Student Grants Program.