



CLASSROOMS + COMMUNITIES

Education Key to
Canada's Competitiveness

A submission to the 2019 budget consultations from
the Federation of Post-Secondary Educators of BC

AUGUST 2018



RECOMMENDATIONS *to the GOVERNMENT of CANADA*

1 Increase federal transfers for post-secondary education.

2 Implement the Truth and Reconciliation Commission's calls to action, including calls pertaining to education. Remove financial barriers to post-secondary for Indigenous students.

3 Reduce or cease interest on student loans for all students, and increase financial assistance for low-income students.

4 Fund developmental programs at public post-secondary institutions including English Language Learning.

5 Increase trades and apprenticeship program funding to keep pace with demand.

INTRODUCTION

The key to Canada's competitiveness is our people. Our population is as diverse as our geographic boundaries are expansive, and the education and skill of workers across Canada speak to the quality of the training provided through our education system.

Post-secondary educators underpin our education system. Canadians look to faculty and staff to teach fields as varied as auto repair and business administration; employers rely on a strong post-secondary system to teach employees needed skills and knowledge. Our society relies on affordable, comprehensive post-secondary access to provide opportunities for career development and self-discovery. Post-secondary institutions drive local economies both as employers and training centers. Local institutions allow workers who need retraining to stay in their community.

Our post-secondary funding structure has not kept pace with the current reality, where post-secondary is increasingly a necessity for full economic participation. The cost for learners and stress on educators in managing funding shortfalls is not sustainable.

We need renewed government investment to capitalize on the opportunities offered by the post-secondary sector. We must revitalize and decolonize our post-secondary systems and structures to turn the tide on rising inaccessibility. It is with these key challenges in mind that we make the following recommendations to the House of Commons Standing Committee on Finance.

RECOMMENDATION 1

Increase federal transfers for post-secondary education.

In 1996 the federal government changed how funding for post-secondary was allocated to the provinces. The current post-secondary funding system is trending towards privatization through higher tuition fees and resulting student loans, even as post-secondary education is quickly becoming mandatory for employment (as research from the Office of the Parliamentary Budget Officer shows). The rising cost of post-secondary education creates a barrier to access for many Canadians. Under today's post-secondary funding structure, enrollment favours students from higher income families who have already attained post-secondary education; these families receive the most benefit from tax credits, and are best able to help students cope with the expense of higher education.¹

Sustainable funding would relieve fiscal pressures at institutions, pressures that have led to poor working conditions and increased use of precarious, underpaid sessional labour across the country. This funding would signal that post-secondary institutions should not be run to profit administrators, but rather to create a skilled, educated population able to enjoy the social and economic benefits of post-secondary education in all aspects of their lives, while contributing to Canada's economic competitiveness.

¹ Canada. Office of the Parliamentary Budget Officer. Federal Spending on Postsecondary Education, Elizabeth Cahill and Nigel Wodrich. (Ottawa, May 5, 2016.), 4.

RECOMMENDATION 2

Implement the calls to action of the Truth and Reconciliation Commission, including the calls pertaining to education. Remove financial barriers to post-secondary for Indigenous students.

The Hon. Senator Murray Sinclair has said, “education is what got us into this mess – the use of education at least in terms of residential schools – but education is the key to reconciliation.”

Last fall, BC expanded tuition-waivers for former youth in care, increasing eligibility from 11 public post-secondary institutions to all 25. As a result, 229 students accessed post-secondary education in the four months following the announcement (compared to 189 students the previous year).² With the Indigenous youth population growing quickly,³ and traditional funding sources long overwhelmed, tuition waivers offer an effective method of removing the financial barrier of post-secondary education for these students.

² British Columbia. Ministry of Children and Family Development. Improved supports for youth leaving government care take effect April 1. (Victoria, 2018, March 29). <https://news.gov.bc.ca/releases/2017PREM0076-001509>

³ Statistics Canada. (Ottawa, 2017, October 25). Aboriginal peoples in Canada: Key results from the 2016 Census. [https://www150.statcan.gc.ca/n1/en/daily-quotidien/171025/dq171025a-eng.pdf?st=BcLC8acSCBC/Radio Canada](https://www150.statcan.gc.ca/n1/en/daily-quotidien/171025/dq171025a-eng.pdf?st=BcLC8acSCBC/Radio%20Canada).

⁴ British Columbia. Ministry of Advanced Education, Skills and Training. New minister wraps up tour of public post-secondary institutions. <https://news.gov.bc.ca/releases/2017AEST0052-001496>

RECOMMENDATION 3

Reduce or cease charging interest on student loans for all students, and increase assistance for low-income students.

Tuition has increased dramatically in the last ten years, leading to huge post-graduation debt-loads. In September 2017, the BC government cut provincial student loan interest rates in half,⁴ but debt remains a burden on students. Learners face the multi-pronged hardship of historically high student debt levels compounded by rising interest rates, low wages, precarious work, and high costs of living.

RECOMMENDATION 4

Reinstate funding for developmental programs at public post-secondary institutions including English Language Learning (ELL).

Before 2015, Ottawa transferred dollars to BC to fund English language training through the Canada-British Columbia Immigration Agreement. When the agreement expired, federal funding was not replaced. Instead, post-secondary institutions began charging \$1600 / term tuition for formerly free programs. The move was disastrous: enrollment plummeted as tuition proved to be insurmountable for students, and the administration of loans and grants to replace government funding was more costly than the program itself.

Last year, the province resumed funding Adult Basic Education and English Language Learning programs. These programs are now tuition-free, and enrollment is increasing. We commend Premier John Horgan's government on restoring access to these programs. However,

not all developmental programs are covered under this funding arrangement, leaving some learners to continue to navigate a labyrinth of forms and grants for their education. As the benefits of learners accessing these programs and the potential increase in income tax revenue ⁵ is shared between the provincial and federal levels of government, so too should the funding of these programs.

Increased funding for developmental programs at public post-secondary institutions also smooths the learning and career transition for those who immigrate to Canada. Immigration is a federal responsibility coordinated with the provinces, but better coordination of support for newcomers is needed to ensure access to language and general educational opportunities are available.⁶ Part of federal responsibility is to fund supports for those who have immigrated or sought refuge in Canada. Governments should promote accessing education through public post-secondary institutions because the infrastructure and teaching expertise exists, as does the admissions structure that can track student progress, satisfaction, and provide learning supports along the way to simplify the tracking and collection of student learning outcomes.

RECOMMENDATION 5

Increase funding for trades and apprenticeship programs to keep pace with demand.

Budget 2018 allocated funds for apprentices in designated red seal programs through taxable grants, employment insurance, and tax credits for employers. However, these cover only a small part of the cost of education, leaving learners to contend with high costs of training during their apprenticeship.

CONCLUSION

Access to post-secondary education creates profound change for individuals and communities. Government funding for post-secondary institutions supports communities by keeping learners and workers close to home during career retraining, helping to overcome disruptions in employment. Assisting provinces with post-secondary funding would improve Canada's competitiveness by ensuring public access to skills and education, now and in the future.

In summary, we recommend increased government funding to expand post-secondary access for learners of all ages and backgrounds.

Thank you for the opportunity to submit our recommendations for the 2019 budget.

⁵ British Columbia. BC Stats. Summary of Lifetime Earnings <https://www2.gov.bc.ca/assets/gov/education/post-secondary-education/data-research/lifetime-earnings.pdf>

⁶ Office of the Auditor General of Canada. Report on Settlement Services for Syrian Refugees—Immigration, Refugees and Citizenship Canada. (Ottawa, November 21, 2017) http://www1.oag-bvg.gc.ca/internet/English/parl_oag_201711_03_e_42668.html



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