

Submission to the House of Commons Standing Committee on Finance

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Recommendation

That the government invest \$100 million in Saskatchewan Polytechnic's Saskatoon Campus Renewal Project to stimulate job creation in the wake of the COVID-19 pandemic, while enabling the institution to deliver programming in new and creative ways through high technology, state-of-the-art labs and innovative learning spaces, for the economic and social benefit of Saskatchewan residents, employees and employers alike.

Introduction

The Covid-19 pandemic has fully demonstrated the devastating magnitude of disruption on economic stability, the Canadian workforce, and the health and well-being of our communities. The pandemic reminds us that how we respond to rapidly changing situations—situations where sometimes the answers are unclear and out of reach for lack of information—can have a profound and lasting effect on our future.

Like other provinces, the magnitude of the COVID-19 disruption on Saskatchewan's economy was staggering, with employment and economic activity dropping to levels not seen in decades. Yet, even before the pandemic's emergence, disruption had been all around us—at our workplaces, our educational institutions, and in everyday life. Emerging technologies, shifting demographics and a variety of global factors have been driving change at levels not seen since World War II.

Much like the ripples that form when a stone is thrown into the water, there is a ripple effect to disruption. We witnessed this a century ago following the Great Depression, when mechanization forever changed how and where we worked and lived. That ripple effect saw people leave farms for other opportunities, which helped to diversify the economy.

As the federal government turns its attention to growing the economy in the aftermath of the COVID-19 pandemic, investments in projects to equip Canadians to respond to future disruptive events are vital. Investments in post-secondary institutions like Saskatchewan Polytechnic—institutions with a reputation for producing graduates with the skills and know-how to keep Canada healthy, safe and functioning in difficult times—will be critical to achieving this.

Saskatchewan Polytechnic's Response to the First Wave of the Pandemic

In May 2020, my colleagues at [Polytechnics Canada](#) noted in a [submission to this Committee](#) the important role that frontline workers have played during the COVID crisis. Citing nurses and personal support workers, paramedics and other first responders, technology professionals and skilled tradespeople, manufacturers and farmers, they pointed out that many of these essential workers had one thing in common: a polytechnic education.



As the President and CEO of Saskatchewan's only polytechnic, I am deeply cognizant of the tremendous positive impact our graduates have had on Saskatchewan's economy and its communities these past five months. I have heard many accounts of sacrifices by our frontline workers to ensure Canadians' health and safety, about being away from family and friends, and about their compassion and strength.

While the pandemic has disrupted nearly every aspect of Saskatchewan Polytechnic, our commitment to student success remains resolute. In fact, it has shown how we as an institution, when faced with an unprecedented challenge, could adapt and respond with impact. Specifically, when it became clear in March 2020 that limiting large gatherings would help slow the spread of the coronavirus, Saskatchewan Polytechnic was able to transition more than 90 percent of programs for remote delivery in a matter of a few days. This is a remarkable achievement.

Adapting to change is something polytechnics are very familiar with because of our close connections to business and industry. Working with more than 700 industry professionals who comprise our Program Advisory Committees, we constantly refine programming based on labour market needs and conditions. We also continuously research best methods for program delivery, and work diligently to meet the needs of our students, many of whom are older and have families and jobs to juggle.

Our plan for the Fall 2020 semester involves a two-pronged (hybrid) approach with online and limited in-person class delivery. Work has long been underway ensuring that all students and employees who must return to campuses this fall are able to safely distance and have access to PPE for all on-campus contact.

The COVID-19 pandemic forced employees and students to vacate our campuses quickly and restricted our ability to educate and train learners. Like other post-secondary institutions, the pandemic has meant changes to programming, and has negatively impacted international enrolment and finances. While we are unsure when the situation will return to "normal," we are also cognizant that scientists globally predict that it is only a matter of time before another pandemic emerges. Canada and Saskatchewan must have a workforce with the skills to keep our economies strong and competitive no matter the disruption. Having a new tech-focused campus would enable Saskatchewan Polytechnic to

deliver the training that businesses require to help them pivot quickly to respond to the challenges and seize opportunities they will face.

Saskatchewan Polytechnic Saskatoon Campus Renewal Project

As Saskatchewan Polytechnic continues to address the economic and social fallout from the pandemic, we urge the Finance Committee to endorse our recommendation that the Government of Canada invest in the Saskatchewan Polytechnic Saskatoon Campus Renewal Project.

Recently, Saskatchewan announced a \$7 billion infrastructure stimulus program to support recovery from the pandemic, and while the Investing in Canada Infrastructure Program (ICP) is an excellent program, it does not take into account projects that are less than an ideal fit within the ICP due to strict criteria. However, re-energizing the Post-Secondary Institutions Strategic Investment Fund (SIF) to deliver shovel worthy projects, like the Saskatchewan Polytechnic Saskatoon Campus Renewal Project, would not only get people back to work, it would help ensure that Canada continues to have the workforce of employees and entrepreneurs with the skills essential to keep the country competitive and innovative.

An investment, in partnership with funding received provincially and through support from companies and donors, would support sectors that require hands-on, applied instruction, such as health care and skilled trades—sectors that are vital for a post-pandemic sustainable recovery. Such an investment would accelerate digital transformation and create the virtual labs, enhanced simulation and smart classrooms to properly equip tomorrow’s workforce.

This new campus would be designed with an eye to the future, incorporating flexibility to provide the right training at the right time as market opportunities and industry needs change. The current Saskatoon Campus, a collection of 12 different buildings spread across the city, faces severe capacity constraints and is unable to keep up with registration demand.

The current waitlist at the Saskatoon Campus has risen from seven students in 2010 to 1,396 in 2020. The result is that Saskatchewan Polytechnic has had to turn away eligible candidates who then must seek



education and job opportunities elsewhere. This represents a significant loss in potential GDP for the province and a “brain drain” as young people seek training in other provinces. More than 90 percent of Saskatchewan Polytechnic graduates choose to live and work in Saskatchewan following their studies, contributing to local economies and the province’s tax base.

Since the project would entail a major construction initiative, it is expected to generate an estimated 4,027 person years of employment resulting in an estimated \$110 million in federal and provincial tax revenue, \$225 million in labour income, and a \$450 million increment in provincial GDP. In addition to addressing existing space capacity shortfalls, as well as student enrolment increases which we forecast to continue in the future, the project will also have a significant impact on future annual tax revenues and GDP. A 40 percent increase in student enrolment will inject an estimated \$19 million of tax revenue, resulting in an annual GDP impact of \$253 million. Alternatively, a 20 percent increase will generate over \$10 million in tax revenue and annual GDP impact of over \$127 million.

I want to stress that that what is envisioned goes beyond bricks and mortar. The purpose of this project is not about a building, *but rather building long and prosperous careers* for Saskatchewan Polytechnic graduates—the workforce of tomorrow. For this, a flexible learning centre is required, which can be quickly modified to accommodate changing work training needs now and throughout the years ahead.

A new campus in Saskatoon is desperately needed. Current facilities, many of which are more than a half-century old, lack sufficient space in critical learning areas including laboratories, workshops, study rooms, extracurricular, and common gathering areas. A new digitally- rich, learning centred campus, with simulation labs and virtual technology space, will enable the co-location of multidisciplinary programming. As well, a new campus will provide far more efficient uses of space and enable reduction of our overall footprint by 25 percent, which will have a positive impact on our environment (and dovetails with the governmental climate change goals). Equally, a new campus will allow for reconfiguration of learning spaces to meet whatever challenges arise from future disruptive events—something that is extremely difficult right now given the age of much of the current infrastructure.

Saskatchewan Polytechnic has an excellent track record of ensuring its students are employed upon graduation—94 percent found jobs last year, and demand for Saskatchewan Polytechnic graduates continues to climb from industries and employers critical to the province’s economic growth. A new Saskatoon Campus will help develop and expand a skilled labour pool for employers from both private and public sectors, communities and businesses across Saskatchewan and western Canada, sustaining its economic advantages for years to come.

As we look forward to the future, never has polytechnic, applied education been more important in its contribution to the success of Saskatchewan. Saskatchewan Polytechnic is focused on the future to ensure that tomorrow’s workers have the skillsets to adapt, be resilient, and persist in the workforce.

Having facilities to support learner success and provide flexibility to respond to current and future learning needs, to train tomorrow’s workforce to respond and adapt and remain innovative and competitive is imperative. We must be able to deliver programming in new and creative methods through high technology, state-of-the-art labs and innovative learning spaces.

There is no question the ripple effect of the COVID-19 pandemic will be evident for some time. By investing today in sustainable educational infrastructure for the future like the Saskatchewan Polytechnic Campus Saskatoon Renewal Project, a project that is well-advanced in the planning cycle and can be ready for procurement in 2021, you can help us prepare tomorrow’s generation with the skills they require to face new challenges to keep Canada innovative, competitive and able to respond quickly to inevitable disruptions to come.

About Saskatchewan Polytechnic

Since its inception, Saskatchewan Polytechnic has been a market-responsive, adaptable and nimble institute of higher learning.

Saskatchewan Polytechnic serves students through applied learning opportunities at campuses in Moose Jaw, Prince Albert, Regina and Saskatoon, and through extensive distance education opportunities. Programs serve every economic and public service sector. The institution provides the



depth of learning appropriate to employer and student need, including certificate, diploma and bachelor's degree programs, and apprenticeship training. Saskatchewan Polytechnic engages in applied research, drawing on faculty expertise to support innovation needs of employers, and providing students the opportunity to develop critical thinking skills.

With one of the largest post-secondary student enrolments in the province (approximately 19 percent of our students are Indigenous), Saskatchewan Polytechnic has a major impact on Saskatchewan's economy, contributing \$2.2 billion to the provincial economy, according to labour market analytics firm Emsi.

Emsi's analysis indicated that:

- The average diploma graduate from Saskatchewan Polytechnic will see an increase in earnings of \$13,300 annually, compared to a person with a high school diploma or equivalent working in Saskatchewan.
- Over his or her lifetime, a Saskatchewan Polytechnic graduate will earn \$505,000 more than someone who holds a high school diploma.
- Saskatchewan Polytechnic is a good investment for taxpayers. On average, taxpayers will see a 12.4 percent annual internal rate of return for every tax dollar spent to support Saskatchewan Polytechnic.

Saskatchewan Polytechnic is a member of Polytechnics Canada and fully endorses that organization's recommendations to the Finance Committee.