



# Equipping Learners to Propel Canada Forward

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Colleges and Institutes Canada's Submission to  
the House of Commons Standing Committee on Finance –  
Pre-budget Consultations in Advance of Budget 2024

Submission Version 2.0

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CANADA

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## **Recommendations**

### **1. Supporting the Supporters**

**Recommendation 1:** Amend the Canada Social Transfer (CST) escalator to align with the Canada Health Transfer, with funding increases set at a minimum of 3% or at the rate of nominal GDP.

**Recommendation 2:** Establish data-sharing agreements with provincial/territorial governments to monitor the utilization of CST funds and assess system outcomes.

### **2. Giving Learners a Place to Call Home**

**Recommendation 3:** Ensure students' unique housing needs are reflected in federal housing policies, programs and data.

**Recommendation 4:** Invest \$2.6 billion over three years in a new Student Housing Loan and Grant Program, to be administered by the Canada Mortgage and Housing Corporation (CMHC), with the objective to add 40,000 student beds across Canada.

- i. Enable post-secondary institutions to obtain grants and loans to develop student housing projects, with additional supports for housing that supports students from vulnerable populations;
- ii. Support both new builds as well as projects to buy and repurpose existing buildings to develop new purpose-built student housing.

### **3. Supporting Learners in a Globalized World**

**Recommendation 5:** Transition the Global Skills Opportunity pilot to a permanent program and increase the funding envelope to \$200 million over five years with \$40 million ongoing annually.

**Recommendation 6:** Fund the International Education Strategy (IES) adequately to strengthen Canada's global education brand.

**Recommendation 7:** Increase the Government of Canada's spending on international assistance as well as its investments in technical education systems.

### **4. Advancing Reconciliation**

**Recommendation 8:** Substantially increase the investment in the Post-Secondary Student Support Program, the University and College Entrance Preparation Program, and the Inuit and Métis Post-Secondary Education Strategies.

### **5. Supporting Learners' Mental Health**

**Recommendation 9:** Invest \$500M over four years to support student mental health at Canada's post-secondary institutions.

### **6. Leveraging College Applied Research to Support Canada's Small Businesses**

**Recommendation 10:** Invest \$24M over 3 years to establish up to 10 Climate Adaptation Hubs led by colleges, to harness the power of applied research to support local communities and businesses in adapting to climate change.

**Recommendation 11:** Boost innovation by reviewing eligibility for Tri-Council and Canada Foundation for Innovation programming, with particular focus on expanding eligibility to Canadian colleges to access funding opportunities.

## Introduction

Over **95%** of Canadians and **86%** of Indigenous peoples live within **50** kilometers of a public college, institute, cégep, or polytechnic.<sup>1</sup> As Canada's most accessible post-secondary education network, colleges are critical to tackling the many multi-faceted challenges facing Canada: inflationary pressures, the drive to net-zero emissions, and housing shortages, amongst others.

The support of colleges will be critical to **propelling Canada forward** while meeting the needs of our increasingly diverse population and addressing labour shortages. With an unwavering commitment to supporting skills development, fostering international competency, driving innovation, and supporting the well-being of learners, colleges are nurturing the next generation of graduates who will lead Canada's economy, society and image on the world stage.

Colleges and Institutes Canada (CICan) presents this submission to bolster the college system and empower institutions with the support needed to cultivate diverse, confident, and resilient leaders and workers, who are prepared to take on the unique challenges facing Canadians. Our proposals focus on tangible, realistic solutions that will fortify our system's ability to collaborate with key partners in achieving these goals. Colleges are ready to help **propel Canada forward**.

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<sup>1</sup> References to 'colleges' refer collectively to publicly-supported colleges, institutes, cégeps, and polytechnics.

## **1. Supporting the Supporters**

As workplaces undergo rapid transformation, so does the training of Canadians. Moving Canada forward requires an adaptable, highly skilled workforce, complemented by support for learners' growth and development. The Canada Social Transfer is crucial in providing federal funding for the post-secondary sector, with colleges receiving approximately \$1.8 billion annually. With Canada facing a skilled labour shortage, its vital colleges continue to receive the support needed to fulfill their critical role in producing highly-skilled and future-ready workers to fill the gap.

In the first quarter of 2016, there were 86,000 job vacancies for individuals with a college education; as of the Q4 2022, this number has risen to 217,000 vacancies – a 152% increase over six years. RBC further projects 3.1 million jobs could be affected by Canada's green transition in the next decade, demanding additional skills training.

A consistent escalator for the CST enables college program stability and growth. CIGan recommends the CST increase by the rate of nominal GDP growth annually, with a 3% floor.

CIGan further recommends the federal and provincial/territorial governments establish data-sharing agreements to monitor the utilization of CST funds and assess the outcomes of the system. These agreements will help ensure colleges receive the funding necessary to support learners to propel Canada forward.

## **2. Giving Learners a Place to Call Home**

Propelling Canada forward means that everyone has a place to call home. Students are one of many groups particularly affected by Canada's housing crisis, leading to higher stress levels, longer commute times, and vulnerability to substandard housing.

According to Cushman & Wakefield, Canadian post-secondary institutions manage 155,000 beds for students, with a further 50,000 purpose-built student beds available off-campus. With 2.1 million students in Canada, 1.9 million students need to find private housing in rental markets, further crunching supply and intensifying competition for safe, adequate housing. Rental demand surged in 2022 across Canada, in part due to the return to on-campus learning. Many regions saw a reduction in vacancy rates, partly attributable to student demand.

Canada's response to the housing crisis should take into account students' unique housing needs and ensure they are reflected in federal housing policies, programs and data. This move would provide CMHC with the latitude and evidence to target programming and investments aimed at supporting student housing. This type of student housing would relieve pressure on the broader housing market and provide more space in the private rental market for other vulnerable groups and Canadians broadly.

CICan further recommends the Government of Canada invest \$2.6 billion over three years in a new Student Housing Loan and Grant Program, administered by the CMHC to add 40,000 student beds across Canada. This program would:

- Enable post-secondary institutions to obtain both grants and loans to develop student housing projects, with additional support for housing that supports students from vulnerable populations.
- Support new builds as well as projects to buy and repurpose existing buildings, including high-density residence-style student housing units.

### **3. Supporting Learners in a Globalized World**

Canadians take pride in our world-class education system, which helps propel Canada forward by exporting Canadian education and creating international opportunities for our own students. As a sought-after destination for international learners, our ability to expose Canadian students to other countries' cultures and experiences becomes imperative.

To that end, CIGan supports the submission made by the Global Skills Consortium to support student outbound mobility.

More broadly, CIGan recommends the Government of Canada adequately fund Canada's International Education Strategy based on the scope of activities outlined therein. Maintaining Canada's international competitiveness and ensuring our students have the competencies and global skills necessary to contribute to global challenges, create inclusive environments, and maintain a competitive edge is critical to propelling Canada forward.

Furthermore, the [World Bank](#), ILO and UNESCO have recognized the importance of increased investment in skills in all countries, particularly for low- and middle-income countries. Strong technical education systems can help developing countries meet the Sustainable Development Goals through efficient and sustainable employment and productivity supports. CIGan recommends that the Government of Canada increase its international assistance envelope, in line with the government's own commitment to achieve the UN Sustainable Development Goals (SDGs), and its investments in strengthening technical education systems.

#### **4. Advancing Reconciliation**

Reconciliation propels Canada forward. Central to this is addressing the historic, intersectional barriers facing Indigenous peoples' access to post-secondary education. These include financial barriers, insufficient academic preparation, discrimination, difficulties relocating, intergenerational trauma, and others.

Unfortunately, Indigenous peoples lag the non-Indigenous population (88.9%) in high school credential attainment. Given that Indigenous peoples are among the fastest-growing populations in Canada and high school attainment rates continue to improve, the demand for access to post-secondary education will exceed the funding available through Indigenous Services Canada. As Canada's largest post-secondary network, colleges are uniquely placed to help meet this demand.

CICan echoes the concerns of Indigenous communities regarding the Post-Secondary Student Support Program, the University and College Entrance Preparation Program for First Nations and Inuit post-secondary students, and the Inuit and Métis Post-Secondary Education Strategies. As [noted by the Assembly of First Nations](#), current program funding does not "reflect inflation, the rise in student costs, the rise in student graduation rates from secondary school, and population growth."

CICan recommends additional funding to meet both existing and expected demand for these critical programs to ensure continued Indigenous economic and social mobility. These steps will allow Canada to fully capitalize on our human potential, propelling Canada forward.

## 5. Supporting Learners' Mental Health

Supporting the health and well-being of our learners is vital to propelling Canada forward and ensuring that no one gets left behind.

Recent data from the Canadian Alliance of Student Associations reveals three-quarters of post-secondary students have struggled with their mental health during their studies with half of students accessing mental health services through their institutions. Unfortunately, 1 in 3 students reported that on-campus services do not meet their needs, citing wait times as the top barrier.

The Liberal Party of Canada's 2021 platform committed \$500M over four years for on-campus counsellors, and the mandate letter of the Minister of Mental Health and Addictions reaffirmed a commitment to support postsecondary institutions.

CICan urges the Government of Canada to fulfill its commitments to support on-campus mental health services. Colleges are doing their part, for instance by contributing to the development of the first [National Standard for Mental Health and Well-Being for Post-Secondary Students](#). The Government's investment should enable various mental health clinicians to provide care to campus communities, reflecting a model of stepped mental health care that enables the right intervention at the right time. Ensuring that students receive the support they need is key to propelling Canada forward.



## 6. Leveraging College Applied Research to Support Canada’s Small Businesses

A key step to propelling Canada forward is ensuring graduates enter a strong research & innovation (R&I) ecosystem that they can continue to advance, yielding benefits to Canadian businesses and driving opportunity. Colleges play an important role in Canada’s research landscape, focusing on impact-oriented applied research that produces tangible outcomes for Canadian businesses and not-for-profits.

(2021-2022)

**College Applied  
Research Ecosystem**

**\$433M**

In Research Activity

Supported collaborations with over

**8,800**

on

**8,154**

**Partners**

**Projects**



Creating over

**6,400**

**New products,  
services, prototypes,  
and processes**



**62%**

of partners were small- and medium-sized businesses



As college applied research continues to grow, colleges stand ready to play their role in adapting to our changing climate. In fact, in 2021-2022, 15% of all college applied research projects focused on clean technologies. To leverage the experience of the college applied research network in helping Canada adapt, CIGan recommends that the Government of Canada invest in up to 10 Climate Adaptation Hubs, made up of post-secondary institutions but led by colleges, which support applied research aimed at addressing Canada’s climate adaptation needs.

More broadly, Canada’s colleges can make a broader contribution to Canada’s R&I ecosystem. To that end, CIGan recommends the Tri-Council undertake a review of programming to ensure access for college applicants to enable our ecosystem to further enhance its impact. Enhancing colleges’ ability to compete for funding is key to ensuring equity of opportunity in Canada’s innovation ecosystem – and will enable colleges, and its graduates, to help propel Canada forward.