

Submission to the House of Commons Standing Committee on Finance
Pre-Budget Consultations for the 2017 Federal Budget



Atlantic Provinces Community
College Consortium

Consortium des collèges
communautaires des
provinces de l'Atlantique

July 29, 2016

Summary:

The Atlantic Provinces Community College Consortium (APCCC) represents six publicly funded colleges in the Atlantic Provinces. Member colleges include the Nova Scotia Community College; the College of the North Atlantic; the New Brunswick Community College; Holland College; Collège communautaire du Nouveau-Brunswick; and Collège Acadie Î.-P.-É.

APCCC colleges have 55 campus locations throughout Atlantic Canada. These campuses serve as vital community hubs fostering economic and social development and providing access to education and skill upgrading. Colleges are key partners to government, communities, and business and can play a large role in government's objectives to grow Canada's middle class, strengthen economic growth and enhance quality of life. The APCCC highlights budget measures that can assist government's progress on these key objectives in the following areas:

- Enhanced employability for Canadians;
- Innovation
- Infrastructure.

Enhanced Employment

Atlantic Canada has great opportunity while also facing labour market challenges. In its Major Projects Inventory 2016, the Atlantic Provinces Economic Council (APEC) reports that there are 412 major projects in various stage of development in Atlantic Canada with a value of \$125 Billion and current year spending is expected to be \$12.8 Billion. These projects bring tremendous opportunity.

Despite these opportunities, overall employment in Atlantic Canada continues to be much weaker than the national average. At the same time, employers continue to report challenges in finding the skilled labour they require. This points to the need to improve the skills of the workforce and to more closely align the training and educational programming with the employment opportunities that exist.

Atlantic Canada also faces significant demographic challenges. Population growth is stagnant and rural communities are in decline. Our population is aging quicker than elsewhere in Canada. In its report, The Aging Workforce in Atlantic Canada, APEC reports substantial changes in the composition of Atlantic Canada's workforce. In the 50-plus age cohort, there are now 65,000 more people employed than in 2008, while the 15-49 cohort saw employment falling by

52,000 in that period. This trend will pose significant challenges to employers over the next decade as the older cohort begin to retire.

There is no single solution to addressing the challenges facing Atlantic Canada. Action will be required in a number of areas such as:

- Improving education, training, and employability of youth, indigenous people, and vulnerable populations;
- Improving the essential skills of the unemployed and the under-employed.
- Attracting more immigrants to the region.
- Improving labour market information.

Colleges are in a unique position to assist in boosting employment. Our students can prepare for careers ranging from traditional trades through to highly technical programs such as advanced paramedicine. With programs ranging from one year certificate programs; two year diplomas and applied degrees as well as adult education upgrading, apprenticeship training and customized training with industry, every learner can find an option that fits. Our data shows that over 90% of our graduates are employed.

Our learners have a variety of experiences and a variety of aspirations. We offer a number of ways for students to pursue post-secondary education (PSE). Adult education upgrading supports those looking to advance their secondary school credentials. Introductory programs help students explore PSE options prior to focusing on a pathway. Distance learning opportunities bridge the gap for students who can't attend a physical campus. Partnerships with universities create transfer opportunities and joint programs.

Improving Outcomes for youth; indigenous people, and other vulnerable populations

Youth employment outcomes must be improved. Colleges offer students a diverse range of Work-integrated Learning (WIL) opportunities that allow them to gain experience in real-world environments. However, for many employers, the cost of offering a WIL opportunity to a student is prohibitive. When experiential learning is offered to recent graduates in the form of internships, it facilitates the transition to full-time work. Internship subsidies help employers cover the costs of workplace specific training and give employees the chance to enhance the soft skills that make them fully functional.

Currently, only 1% of Canadian college and institute students go abroad as part of their studies. Lack of global experience impact a graduates' ability to be competitive in a global marketplace. International academic mobility programs enable students to develop a global outlook and contribute to Canada's economic success. Funding support is needed for such programs.

As the main access point to PSE and skills development for Indigenous peoples, colleges play an important role in fostering reconciliation. Access to financial assistance continues to be a key barrier to Indigenous peoples' participation in PSE. Insufficient funding through the Post-secondary Student Support Program (PSSSP) limits opportunities for First Nation and Inuit students to pursue PSE programs.

Colleges and institutes across the country have affirmed their commitment to Indigenous education and are introducing reconciliation programs and services despite budget constraints. Targeted funding to increase reconciliation programming at PSE institutions would strengthen these efforts and contribute to Indigenous student success.

Skills development linked directly to the needs of indigenous communities increases employment opportunities and socio-economic development. Best practice models can be found in colleges throughout Canada including effective models in Atlantic Canada. Investment in these community based skills development partnerships is encouraged.

Recommendations:

1. Introduce financial incentives to help employers offset the costs of hiring co-op students and interns, by allowing them to recoup a portion of the students' wages.
2. Support an industry applied research internship program that includes in-Canada mobility opportunities for young Canadians.
3. Fund an international academic and research mobility program for college students - growing skilled, innovative, globally connected and competitive citizens.
4. Increase PSE opportunities and indigenous student success by increasing access to non-repayable student financial assistance for indigenous students seeking a post-secondary education, including increased allocations to the Post-Secondary Student Support Program (PSSSP).
5. Invest \$26M in a Reconciliation through PSE Program to support reconciliation programming at PSE institutions.

6. Invest in community based, skills development partnerships to provide essential skills and employment skills training that supports the economic development of indigenous communities.

Essential Skills

One in five working-age adults lack basic literacy and numeracy skills, and one in seven does not have sufficient qualifications for their current job. Business and industry groups confirm that employers need increased support to improve the essential skills of their employees. The federal government should address this high demand for essential skills training, including literacy, numeracy, critical thinking, digital technology, teamwork and continuous learning. As leaders in essential skills development, colleges and institutes can contribute significantly to addressing these skills challenges.

Recommendation:

7. Government should consider measures to invest in essential skills, such as providing more flexibility in labour market agreements. Models should be considered that focus on pre-employment and essential skills upgrading leading to a specific career path.

Attracting More Immigrants to Atlantic Canada

The APCCC welcomes the recent initiative to attract as many as 2,000 more immigrants to the Atlantic region. We encourage the federal and provincial governments to continue to monitor this initiative and adjust future immigration targets in concert with labour market needs. Atlantic colleges stand ready to be key partners to support this initiative with our ability to provide language training, skills upgrading and tailored training.

Recommendation:

8. Continue the Atlantic Immigration Initiative and explore partnership with Atlantic colleges to provide necessary supports.

Improved Labour Market Information

Lack of timely, reliable, supply and demand labour market information (LMI) negatively impacts Canada's economic growth. As the LMI Council begins its work, there is a critical need to

address the gaps in supply-side data, particularly for colleges. The federal government must improve data collected on public colleges and institutes to capture data for all students and graduates from upgrading, diploma, certificate, bachelor, post-graduate and apprenticeship programs.

Colleges employ many tools in making programming decisions including community and industry consultation, as well as analysis of labour market information. In many cases, the consultation with key partners is as important as the analysis of available data. These consultations can validate or question the data and can focus on emerging trends and expectations. That focus on the future is critical when making programming and investment decisions.

Recommendations:

9. Improve Statistics Canada data collection on all public colleges and institutes to ensure enrolment and graduation data is available for the full range of education programs.

10. Labour Market Ministers should consider holding periodic regional forums to bring together business and industry leaders and other stakeholders to discuss labour market issues, trends, and expectations as a means to add value and understanding to available data.

Innovation

Improved productivity is necessary for Canada to remain competitive in the global marketplace. Productivity gains would also assist with the demographic and labour market challenges that Atlantic Canada is facing. Businesses need to develop and test new products, adopt innovative processes and adapt technologies to gain competitive advantages. In particular, our small and medium sized enterprises (SMEs) need targeted applied research and rapid technology transfer support to make their products, processes and services more effective and competitive. However, SMEs typically lack the expertise and resources needed to improve their competitiveness.

Colleges are particularly well positioned to assist SMEs become more competitive. Our close working relationships with business and community partners give us insight into their needs and the opportunities that exist. Supplying SMEs with highly skilled graduates assists businesses through the infusion of new ideas and information on the latest technology. In addition, applied research programs in Atlantic colleges are leading to commercialization opportunities. Many of our research programs focus on small projects with quick completions and are geared at working with SMEs on business solutions. College students are an integral part of college

applied research activity. Through applied research projects, students gain hands-on experience to address real world challenges, improve their competitiveness in the job market, and gain entrepreneurial experience.

Colleges in Atlantic Canada have increased their applied research capability and are participating in world-class projects. College support partner-driven innovation. However, funding limitations and program constraints force colleges and institutes to turn away a growing number of prospective partners. Colleges and institutes produce more than 42% of post-secondary graduates but access just 2.4% of federal funding for higher education research, largely due to the funding program parameters. Federal support can assist in growing research and innovation activity among colleges and their community and business partners by:

- Utilizing the potential that exists in colleges by increasing funding for capacity building and research infrastructure;
- Creating more Technology Access Centres;
- Providing base funding to support student and faculty engagement and business development activities; and
- Connecting regional economic development agencies (ACOA) to support college R&D services for SMEs and local business clusters.

Recommendations:

11. As part of the development of an Innovation Action Plan, ramp up federal investments in college applied research over five years from \$75 million to \$300 million per year. This should include a re-design of programs to make funding more available to colleges and build upon existing applied research capacity and research infrastructure.
12. Continue to grow investments in Technology Access Centres.
13. Better utilize regional economic development agencies (ACOA) to connect college research abilities to emerging business clusters and growth opportunities.

Infrastructure

Infrastructure continues to be an area of need for colleges in Atlantic Canada. Prior investments through the Knowledge Infrastructure Program and the recent Strategic Infrastructure Program have been welcomed, but there are many more needs. Many colleges are at, or near capacity, with waitlists for high demand programs. Deferred maintenance and

the need to improve the environmental impact and sustainability of legacy buildings remain a concern. Also, investments are required to upgrade capital instructional equipment to ensure students develop skills on equipment found in the workplace and enhance their employment opportunities. Modern facilities and equipment are essential to world-class college system and to the development of world class talent.

Recommendation:

14. Establish a longer term College capital program to ensure institutions have current and relevant instructional equipment and adequate facilities to meet the demands of the workplace.