



SIAST

SASKATCHEWAN INSTITUTE OF
APPLIED SCIENCE AND TECHNOLOGY

Investing in Canada's Prosperity

SIAST Brief to the House of Commons Standing Committee on Finance

August 2011

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The Saskatchewan Institute of Applied Science and Technology (SIAS) is an internationally recognized provider of skills and technical training. Through partnerships with business and industry, we ensure that curriculum matches opportunities and needs in the workplace, an approach that results in high employer satisfaction with SIAS graduates. Our consultative approach and commitment to real-life learning contribute to a consistently high graduate employment rate. Our enrolment is 17,000 full-load equivalent; we serve 26,000 distinct students at campuses in four cities and through extensive distance programming. About half our students come directly from high school or post-secondary institutions, and half come from the workplace.

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Executive Summary

Recent economic turmoil will not halt the inevitable demographic shift threatening the stability of Canada's labour market supply. Regardless of periodic economic fluctuations, the country's work force continues to age and retire, while at the same time, demand for workers continues to grow, and participation in the labour market is expected to decline.

Ensuring that Canada can compete globally in both the near- and long-term requires a stronger national focus on post-secondary education, especially in the areas of labour market participation, market-driven technical education and skills training, and solutions-oriented research. To all three areas, the college sector brings significant expertise.

SIAST urges the federal government to collaborate with provincial and territorial governments, the private sector and all educational sectors on development of a national action plan for advanced education. At the same time, in its upcoming budget, the federal government should allocate resources towards:

- Improving educational outcomes of Aboriginal people.
- Increasing the proportion of research funding allocated to colleges.
- Increasing targeted investment in post-secondary education.

Improving Educational Outcomes of Aboriginal People

As recently as this summer, the Auditor General of Canada reported that the education gap continues to grow between on-reserve First Nations people and other Canadians. The 2011 June Status Report of the Auditor General said that 41 percent of people living on reserves have completed high school compared to 77 percent of other Canadians.

Canada's Aboriginal population is a largely untapped talent pool that we can no longer afford to ignore. Education of Aboriginal Canadians is a first step toward ensuring that this segment of the population is equipped to participate fully in the economy as the country's traditional labour force shrinks. Additionally, as the Association of Canadian Community Colleges (ACCC) notes, raising the educational and employment levels of Aboriginal Canadians will result in increased tax revenue for government and in significant reductions in government expenditures.

The 2011 federal budget commitment to expand basic education in the north was a small but positive step in the right direction. Canada needs to do a better job of helping Aboriginal youth complete high school, while at the same time investing in basic education for adults and in removing barriers to post-secondary success for Aboriginal Canadians.

At SIAST, where a long-standing commitment to education equity has resulted in Aboriginal enrolment that is consistently near 20 percent, a recent study nevertheless identified multiple barriers to program completion. Our study resulted in 21 recommendations that ranged from providing assistance with the application process to the provision of support in key personal and academic skills. Our intent is to eliminate the program completion gap between Aboriginal and non-Aboriginal students, and we challenge the federal government to

match that aspiration. An Aboriginal Affairs and Northern Development Canada goal to have 75 percent of First Nations people match the educational attainment of other Canadians by 2028 simply isn't good enough.

Recommendation: SIAST supports the ACCC recommendation to the House of Commons Standing Committee on Finance to commit to raising the education attainment rates of Aboriginal people to national averages.

Increasing the Proportion of Research Funding Allocated to Colleges

The federal government's commitment in its 2011 throne speech to invest in research by private enterprise, colleges and universities is an important acknowledgment of the contribution colleges can make to future prosperity through innovation. The essential next step is to increase the proportion of funding allocated to colleges. Currently, as noted by ACCC, the federal government's funding level for research at colleges is 1.25 percent of what it provides for research at universities and hospitals.

Though their extensive connections with small- and medium-sized enterprises, colleges are in a unique position to collaborate on research focused on productivity improvements, new opportunities and real-world challenges. Canada's 150 colleges engage with employers on an ongoing basis to ensure programs are relevant to labour market needs and, increasingly, to collaborate on applied research initiatives. Illustrating the value that business places on its college connections, ACCC reports that during the recent economic recession, the private sector sustained its applied research funding for colleges, which had increased from \$4 million to \$45 million during the three previous years. Partnerships with companies increased seven-fold during the same period. The research capacity of colleges is validated also by the increase in the number of colleges eligible to apply for Natural Sciences and Engineering Research Council (NSERC) funding – up almost 500 percent to 64.

Applied research at colleges doesn't just help SMEs hone their competitive edge, by involving students, it develops an innovative mindset within tomorrow's workforce. College grads will be the single largest segment of that workforce: Human Resources and Skills Development Canada (HRSDC) estimates that the number of college graduates in the workforce will increase 7.4 percent to 6.8 million over the next seven years, compared with 4.8 million university grads.

Recommendation: SIAST supports the recommendation by ACCC to the Standing Committee on Finance to allocate five percent of federal research and development funding to applied research partnerships between colleges and small- and medium-sized enterprises.

Increasing Targeted Investment in Post-Secondary Education

To compete on a global stage, Canada needs to develop a stronger national approach to education, particularly post-secondary education. It is especially important that funds be earmarked for the college sector. As indicated above, people with college credentials will be the largest demographic segment in demand by the labour market in the years ahead. ACCC points out, however, that tens of thousands of potential workers are unable to train for their chosen careers due to competition for limited seats in high-demand program areas.

At SIAST, through ingenuity in resource management, we've been able to accommodate significant increases in demand in recent years. Already one of the country's largest college-sector institutions, our enrolment is up 30 percent over four years, and our graduate employment rate is consistently above 90 percent (after six months). We are increasingly developing our national and international presence, brokering programs in such countries as India and Vietnam, and putting in place initiatives to increase international enrolment and immigration. Sustaining this level of activity requires additional investment.

The federal government's recent Knowledge Infrastructure Program was a much-appreciated step in the right direction, as was the Government of Canada's 2008-09 increase in the Canada Social Transfer (CST) for post-secondary. However, more needs to be done. SIAST supports the ACCC suggestion that the expiry of the CST in 2014 would be an appropriate time to establish a dedicated post-secondary transfer fund with accountability requirements.

Recommendation: SIAST fully endorses the recommendation by ACCC to the Standing Committee on Finance to establish a \$3.8 billion separate post-secondary education transfer, with accountability requirements to Parliament, and to increase the transfer by at least three percent annually.

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