



Federation of
Post-Secondary Educators
of BC

**Presentation by Cindy Oliver, President
Federation of Post-Secondary Educators**

**to the
Select Standing Committee on Finance
And Government Services
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The Federation of Post-Secondary Educators (FPSE) welcomes the opportunity to present our views on the February 2008 provincial budget. Our organization represents over 10,000 faculty and staff who teach in BC's public and private post-secondary education system. Our members work in a variety of disciplines, everything from traditional university degree programs to technical and trades training as well as a vast array of Developmental Education programs.

FPSE recognizes the important work of this Committee. Gathering public input into the budget making process and forwarding your recommendations to the Minister can, to some extent, be a frustrating process because what you hear and recommend to the Minister has often been overlooked in the subsequent provincial budget. That was certainly the case over the last two years when your reports made special mention of the problems facing adult learners in our public post-secondary education system. Those learners were being held back, in part, by a tuition fee policy that was misguided. Fortunately, the Minister of Advanced Education announced that, starting in September, Adult Basic Education (ABE) would become tuition-free.

It was a significant change in our view even though the actual dollars involved were not. The announcement will probably cost the Ministry about \$15 million to implement. Within an annual budget of over \$2 billion, including contingencies of about \$300 million, the ABE announcement was certainly well within the Ministry's fiscal capacity.

For FPSE, the significance of the ABE announcement was that it represented six years of continual lobbying and pressure by organizations like ours and the Canadian Federation of Students. Our objective has been to point out to the provincial government that the general policy of tuition fee de-regulation is both punitive and short-sighted. The fact that the Minister has finally conceded that ABE should be tuition-free is at least an acknowledgement that it's time to re-think the entire tuition fee policy and the priority that the government places on post-secondary education.

Certainly the general public is looking for a change in tuition fee policy from the provincial government. We have polled on this question since 2003. Our polling firm, Ipsos Reid, has tracked the public's views on tuition fees and the numbers, from a provincial government perspective, show that the policy is clearly out-of-step with the priorities of a majority of BC voters. In the early phase of tuition fee de-regulation, about 40% of those asked thought tuition fees in BC were "too high". That percentage figure has climbed steadily. In the most recent survey, over 55% said tuition fees were too high.

A strong majority of British Columbians think that students are bearing the brunt of the government's tuition fee policy. About 75% think that student debt is preventing students from completing their post-secondary education. An even stronger majority—about 85 %—think that one of the best ways to solve the current skills shortage is for the provincial government to invest more in public post-secondary institutions.

We are encouraged by the degree of public support for that last fiscal priority because we know, from first hand experience, that our public post-secondary institutions have been chronically under-funded over the last six years. In fact, if you look at real per-student operating grants from the province to public post-secondary institutions, they have stagnated over the last six years. It won't be until 2008 before real per-student funding actually gets back to the level it was in 2001.

Throughout that period, BC has continued to miss an important opportunity to both improve access and affordability within the public post-secondary education system and address what has now become a very urgent problem: our growing skills shortage. FPSE has maintained that the policy of tuition fee de-regulation combined with the chronic under-funding that exists within our public post-secondary system is exacerbating a skills shortage that we should have put resources towards six years ago.

What's disturbing in all this is that the longer it takes to make decisive fiscal steps towards addressing the skills our province needs to grow, the more we put at risk the future growth of our province. We know, for example, that 73% of all new jobs will require some form of post-secondary education or training—a diploma, degree, certificate or completed apprenticeship. However, we also know that only 60% of the current workforce has that level of education. Add in the demographic changes that are on-going in the labour force and it is clear that BC's approach to post-secondary education is not positioning us to address these problems in an effective way.

The current policy of tuition fee de-regulation is also a basic question of fairness. For many member of this Committee who were fortunate enough to access the public post-secondary education system in the 1970s and 1980s, your tuition fees accounted for about 15-18% of the total cost of your post-secondary education. The public treasury assumed the rest of the costs. For today's students that percent figure has almost doubled. Tuition fees now account for 25-30% of the cost.

It is important for this Committee to remember that the wages of first time job-seekers have certainly not doubled. In fact, if you look at the so-called training wage of \$6 per hour, the combination of high costs and low wages is simply pricing too many potential students out of the opportunity to advance their skills. This at a time when BC needs to see more people with the kinds of skills that post-secondary education provides.

It would be a terrible mistake to continue to pursue the status quo when it comes to setting fiscal priorities for the 2008 budget. In post-secondary education, continuing the status quo will only guarantee that our skills shortage gets worse and that we continue to squander an important opportunity to take action. Our success, both socially and economically, will depend in large measure on the extent to which we are prepared to invest in the skills and knowledge that our province will need.

With that objective in mind, FPSE would like to conclude by giving the Committee members some specific suggestions for what those priorities should be in the 2008 provincial budget:

- 1) Make affordable public post-secondary education a major priority in the February 2008 provincial budget. We know there is a skills gap that we need to close. We know as well, that our skills shortage can only be solved by investing more in post-secondary skills.
- 2) Give post-secondary institutions the funding necessary to improve program options as well as program content. We need to ensure that post-secondary institutions have proper funding to provide the full range of program options that students need to complete their post-secondary education.
- 3) As a specific target for better funding, the 2008 provincial budget should allocate an additional \$200 million for post-secondary education. That would represent a 10% lift in the Ministry of Advanced Education's budget and would put it in a position to bring real per-student funding back to the level it was in 2001.
- 4) Endorse the Canadian Federation of Student's call for tuition fee relief. The CFS has in previous budget consultations asked for a 10% reduction in tuition fees. We support that call and believe that such a move would send a strong signal

to existing and potential post-secondary students that BC is serious about supporting those interested in post-secondary education.

- 5) Bring back the student grant program. It was eliminated in 2001-02 and has simply added to the growing debt burden that is discouraging students from either entering or completing their post-secondary education.

Thank you for the opportunity to detail our priorities for the 2008 provincial budget. Our province faces a number of important challenges in the area of post-secondary education and this budget offers an opportunity to make meaningful fiscal commitments to address those challenges.

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