Government
of Alberta,
You Can't
Keep Cutting
Class

An open letter from the students' associations of your province.

Students' associations are independent organizations charged with promoting the welfare of those enrolled at Alberta's post-secondary institutions, whether they're aiming for a diploma or a doctorate. The students we represent span colleges, polytechnics and universities, across rural, urban, and online campuses. Though the needs and experiences of our students are diverse, we stand behind this recommendation together.

February 11th 2025

By the Numbers...

Dear Government of Alberta,

Today, we twenty-five students' associations of Alberta urge you to restore operating grant funding for the province's public and nonprofit post-secondary institutions (PSIs). Since cuts began in 2019, Alberta has dropped from being Canada's third-most educated province to its sixth, and PSIs that were once a source of provincial pride owe billions in outstanding maintenance.

The more than 290,000 students we represent are increasingly expected to pick up the tab. Constituting 6% of Alberta's population, they are also community members and voters in thirty constituencies, with aspirations of building a stronger Alberta.

We write not just with concern for our students—though there are many reasons to be troubled. They shoulder more education-related debt than ever in a province with Canada's lowest minimum wage and second-highest level of food insecurity, exacerbated by poor youth employment prospects. We are also alarmed at what all this means for the future of the province they will inherit, and how underfunding PSIs could cost Alberta its competitive edge.

# The issue

Alberta has a proud history of well-resourced and world-leading higher education. From founding Canada's oldest provincial research institute in 1921 to being one of the first provinces to explore artificial intelligence in the 1980s, our PSIs have traditionally laid the groundwork for prosperity and kept our province ahead of the curve. Yet PSIs saw their funding reduced by nearly a third between Budgets 2019 and 2022, with more recent investments unadjusted for inflation.

Now, our PSIs must rely on raising tuition and fees, or pursuing unreliable commercial ventures. Charging a premium to international students offset some of the shortfall, but study permit restrictions may spell an end to that arrangement.

Domestic students were thankful for the 2% annual cap on tuition fee increases introduced in 2023. At a time when budgeting has never been more crucial, they appreciated the support and stability provided by this measure. Nevertheless, the price of everything else continues to climb, from living expenses to mandatory non-instructional fees.

Some PSI programs receive funds through Targeted Enrolment Expansion (TEE), which aims to fill current gaps in Alberta's workforce by creating seats for high-demand fields like technology, healthcare, and trades. However, it is impossible to know which industries of tomorrow we are depriving by focusing on select sectors, as innovation can materialize in unexpected places. Robust operating funds afford PSIs the flexibility required to provide an interdisciplinary education and quickly address evolving labour needs.

Furthermore, TEE funds cannot go towards secondary services that are crucial for carrying students through to graduation, ranging from academic advising to wellness programs. Since cuts began, we have seen a surge in demand for our campus foodbanks and mental health initiatives. We care deeply about the students we represent and wish to avoid further decline in not just the quality of their education, but their health.

The cost of learning feels especially unfair to our students when we consider that higher education will be, for many, a necessity. Since 2015, the share of jobs in Canada requiring

31%

of college students will graduate with an expected debt of at least \$25,000, while **60%** of bachelor's students can expect the

Statistics Canada: Student debt from all sources, by province of study.

## 77%

of post-secondary students are struggling to pay for basics—among them those who are already supported financially by family.

Embark survey, 2023

#### 8 in 10

U.S. employers feel PSIs instill well-rounded soft and hard skills; 77% of Canadian employers are open to hiring less experienced candidates with more soft skills than technical experience.

AAC&U: The Career-Ready Graduate (2023) & Censuswide survey (2023).

#### 100%+ more

students accessed the food insecurity programs or food banks offered by some Albertan students' associations in 2024 compared to 2023.

#### Since 2019...

the cost of tuition for some diplomas, trades programs, and certificates rose anywhere from 20% to 70%, while the average cost of undergraduate tuition rose nearly 26%.

PSI calendars (2018-2024) & Statistics Canada: Canadian and international tuition fees by level of study.

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was the grade Alberta received for innovation from the Conference Board of Canada in 2021, with no indication that our report card has improved since. post-secondary credentials more than doubled. Surveys have found that North American employers prefer candidates with a mix of soft and technical abilities that PSIs are uniquely positioned to provide. PSI graduates of all disciplines are likelier to find work than high school graduates, perhaps because any qualification can represent skills with broad applications—like creative thinking, problem-solving, or simply an aptitude for learning.

Higher education yields a reliable return on investment that stretches beyond the recruitment process. A review of countries including Canada and the United States found that a 1% bump of graduate skills in the workforce can boost economic productivity by 0.5%. Graduates pay most of Canada's tax revenue, are less likely to need social assistance, and are more likely to start their own business than those with less formal education. With the proper tools, our students can contribute to Alberta in ways that benefit everyone.

Of course, this is predicated on students viewing Alberta as a desirable place to learn. Alberta has lost more PSI students to other provinces than it gains since 2007. Working-age residents with a post-secondary credential are less likely to have earned them locally than counterparts in Ontario or Quebec. The province spends millions on healthcare, K-12 education, and public infrastructure for Albertans as they grow up, only to lose them to more competitive systems of tertiary education.

If our PSIs cannot keep the talent we have, nor attract it from other places, we will be forced to pin our hopes on poaching graduates from elsewhere. While Alberta's PSIs and students are more than willing to do the work to reverse this state of managed decline, they will need the right resources to get started.

## Our recommendation

In our capacity as individual students' associations, we have made suggestions since cuts began on how to build a PSI funding model that meets the needs of Alberta and Albertans. Today, we unite in our stance that public and nonprofit PSIs must see renewed investment if we are to train and retain the best of the best.

We recommend that Alberta begins working towards reinstating PSI operating grant funding to 2019 levels, accounting for inflation and enrolment growth, thus restoring meaning to the term of publicly funded post-secondary institutions.

When we as a province succeed in offering a first-rate education, we do our part to safeguard the Alberta Advantage for generations to come. It is our sincere hope that the students we represent get to experience it.

Signed,

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## Just 1%

more graduate skills in the workforce can boost productivity by up to 0.5%, found a review of countries including Canada & the U.S.

National Institute of Economic and Social
Research, 2013: The relationship
between graduates and economic
growth across countries.

### The ROI

reported by Ontario for every \$1 spent on higher education is \$1.36. In the U.K., every \$2 (CAD) spent returns \$25 to the economy.

Government of Ontario release (2023) & London Economics: The economic impact of higher education (2024).

## 14,000

students left Alberta in 2019, as part of a trend since 2007 of disproportionately losing post-secondary students to other provinces.

Macdonald-Laurier Institute: Alberta 2023 & Beyond.

## 60%

of working-aged Albertans with any form of postsecondary qualification earned them in Alberta. 70% of Ontario graduates & 83% of Quebec graduates earned theirs locally.

Statistics Canada: Location of study compared with location of residence.



Alberta Students' Executive Council



Students' Union, University of Calgary



Graduate Students'
Association,
University of Calgary



University of Lethbridge Students' Union



Students' Association of Mount Royal University



SAIT Students' Association



University of Alberta Students' Union



Graduate Students' Association, University of Alberta



Athabasca University Students' Union



Athabasca University Graduate Students' Association



Students' Association of Bow Valley College