



POST-SECONDARY FUNDING REVIEW

THOMPSON RIVERS UNIVERSITY STUDENTS' UNION



July 15, 2022
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INTRODUCTION

We at the Thompson Rivers University Students' Union (TRUSU) have been calling for a comprehensive review of the block grant system for the public post-secondary education in BC since 2014. This included submitting letters of support for a re-evaluation to the Ministry of Advanced Education from every municipality in our catchment region, over 4000 individual pledges of support from campus and community members calling for a re-evaluation, and numerous other actions. We thank the BC Government for initiating this review process and look forward to participating throughout the review process over the next year and beyond.

To inform this initial submission we hosted a focus group at TRU with students, faculty, staff, and administrators on June 28, 2022 and asked them for feedback on the five questions asked of us. Our below submission reflects this session. We look forward to participating with a community focused lens and sharing knowledge from our campus at every available opportunity with Don Wright, Dan Perrin, and others over the next year.

WHAT ARE THE MOST IMPORTANT CONTRIBUTIONS THE PSE SYSTEM MAKES TO THE ECONOMIC, SOCIAL, AND ENVIRONMENTAL HEALTH OF BC?

Economic Health

Contrary to popular opinion, public education provides a substantial benefit for taxpayers. Increases in educational attainment lead to substantial increases in lifetime income, which correspondingly moves people into higher tax brackets. The public costs to make higher education more accessible through subsidizing the costs for individuals is far outweighed by these tax benefits. Statistics Canada indicated that median income in 2016 for those with a high school diploma was \$55,774 compared to \$82,082 for those with a bachelor's degree.

Public education also creates a valuable and skilled labour force for employers across the province. Particularly in our current environment of a lack of available workers in many sectors this is important. Looking to the future, higher skilled areas such as tech will need a growing number of workers.

Research and innovation is another area that significantly benefits from public education. This is an area that is crucial for the economic future of the province and universities will be the driving force behind it.

Social Health

The post-secondary education system is the best available tool for British Columbians of all backgrounds to better themselves. It is the primary tool to facilitate social mobility regardless of your wealth, age, sex, gender, or other factors. But in order for this system to continue to play this important role in the social health of our society it needs to continue to be accessible for all peoples.



In addition to social mobility, public discourse is another area of social health that universities play a major role in. For example, here in Kamloops a number of faculty members have contributed to housing research and best practices, an issue that impacts residents across the province. Key medical advancements also help with public discourse, for example in April 2020 UBC was already publishing on COVID-19. Finally, in a broader way institutions across BC help to establish new social norms that move forward our society as a whole.

Environmental Health

The higher education system is the foundation for increasing our understanding of ecosystems and the natural world. The vast majority of people in this field across the province start their work and education through a public university in British Columbia. Perhaps even more directly, many research projects that contribute to public knowledge are funded through universities. For example, in our region in the south interior, most rattlesnake research is done through TRU. This type of work ultimately contributes to funding, training, and ongoing support for managing large areas of the natural world in BC.

Further, universities are early adopters and testing grounds for environmental research. Most businesses or non-profits would not have the resources or risk tolerance to engage in creating new knowledge in environmental fields. As a result, this work trickles down to many other areas of our society.



WHAT COULD THE SYSTEM BE DOING DIFFERENTLY TO ENHANCE ITS CONTRIBUTIONS TO THE ECONOMIC, SOCIAL, AND ENVIRONMENTAL HEALTH OF BC?

Economic Health

The most impactful thing that the PSE system could be doing differently to enhance its economic contributions is to increase the educational attainment level of British Columbians across all demographics. BC is already doing a relatively good job this, ranking 2nd among provinces with 29.9% of British Columbians having a bachelor's degree or higher, which is above the Canadian average of 28.5%. However, we should be aiming to increase this level in the coming decades across all income and social demographics as education becomes increasingly important both individually and collectively. This could be done in many different ways, including lowering fees, providing more comprehensive student financial aid, communicating better the assistance that is already available, providing education in areas of the province that are underserved, as well as many other options. Regardless of the method chosen, the system needs to meet the needs of British Columbians from all areas of the province in order to successfully increase educational attainment.

Transitioning from studies into employment is one of the most challenging times for students to navigate over the course of their lives. Currently, individual institutions take responsibility for this area, but often the experience even within a single institution is vastly differently depending on the program of study. Some programs do an excellent job of helping students transition out of studies and into employment, but in many areas of our institutions this support remains inadequate. We believe there could be significant benefits for the economic health of the province for there to be a more centralized strategy in this area.

As outlined in the previous section, we believe research and innovation to be very important for the future economic health of the province. That being said, this is not our area of expertise. We are confident that other organizations in the sector will be better positioned to provide commentary and recommendations in this area on what could be done differently.

Social Health

The current funding system, as far as we can tell, is based on Full Time Equivalent (FTE) measurements and funding. This system does not adequately take into account the varying costs to educate students from different backgrounds or regions. For example, the cost to educate a student from a new immigrant family who is using English as a second language may be significantly different than for other students. A new funding model needs to recognize that equal funding across the system may not mean the same level of funding across the system.

The province needs to continue to improve provincial student financial aid to eliminate barriers to accessing post-secondary education for all British Columbians. Financial barriers are one of the most common reasons why individuals choose not to study. These barriers impact those in most need of

accessing education. In order to increase educational attainment BC needs to continue to increase need-based grants offerings. We also need to communicate better to potential students from high-barrier backgrounds what assistance is already available in order to lower perceived barriers to entry.

To increase the social health of the province we could also be much more proactive in how we approach recruitment and onboarding across the sector. The current system incentivizes institutions to compete with each other to attract students who can pay the most, are most likely to be successful, etc. Conversely this often leaves behind less attractive students. This creates competition between regions of the province that might most need social investment compared to other regions where social investment is cheapest to provide.

Environmental Health

We believe that this is an area where government and institutions across the sector are already doing quite a good job. We therefore do not have significant recommendations for this area. A particular area that was raised here in our focus group is that there could be a stronger role for government to set direction on environmental issues that impact the entire province such as fires and floods as these become more common and extreme in the future.



WHAT DO YOU SEE AS THE KEY ECONOMIC, DEMOGRAPHIC, SOCIAL AND TECHNOLOGICAL TRENDS THAT WILL IMPACT POST-SECONDARY EDUCATION IN BC OVER THE NEXT 30 YEARS?

Economic Trends

The BC economy has undergone drastic changes over the past 30 years. Looking to the next 30 years the rate of change will likely only increase. Based on this, the PSE system needs to be nimble enough to respond to changing trends in tourism, resource extraction, tech, etc.

Inflation and cost of living has been one of the most concerning issues for British Columbians in the last few years. On top of this, the expanding housing market has only increased income disparity between peoples from different ages, backgrounds, and geographic regions of our province. The PSE sector will be impacted by these same trends in significant ways as we look to the future. Many students are price sensitive, both domestically and internationally, and as costs of living continue to increase universities will need to be much more proactive in their approaches to these issues.

International students have been one of the most significant economic trends in PSE over the last twenty years. Their role in the system has largely grown into being a financial crutch for institutions to generate revenue outside of the block grant system. This has caused significant challenges in how institutions relate to the provincial funding model. Looking ahead, the number of international students studying in BC is likely to only increase. A new funding model will need to account for this large revenue stream in the system.

“The funding system needs to also be flexible enough to respond to unanticipated trends over the next 30 years”

Faculty member at TRU

Demographic Trends

The split between urban and rural British Columbians is significant and reflected across economic lines, voting trends, educational attainment, and many other areas. Where people are living and how they are interested in accessing education over the next 30 years will be important to consider for the PSE sector.

One of the fastest growing demographics both in BC and across the country are indigenous peoples. Statistics Canada indicates that this demographic growth will outpace other Canadians for the foreseeable future, particularly in BC, Alberta, and Ontario. On top of this, Indigenous Canadians are significantly younger than other Canadians, with a median age of only 29.1 years old compared to

41.4 years for the rest of the population. Educational attainment among this demographic therefore has the potential to increase at a very rapid pace. The PSE system in British Columbia should be planning for this.

Immigration from other provinces, as well as from outside the country, will also likely continue to increase in the years ahead as BC is one of the most desirable places to live in Canada. The PSE system should also be taking this into account.

Finally, retirement trends should be closely studied when considering the future of the PSE sector. An analysis of which fields will be impacted by retiring populations in more significant ways over the next 30 years will be very informative for funding decisions. Perhaps more specifically, the exiting of baby boomers, as well as newer generations, may also change how people perceive and attend PSE. People may start looking for shorter programs throughout their careers or other similar changes.

Social Trends

Equity, diversity, and inclusion (EDI) related issues will continue to be very important. Universities have been leaders in this area for decades and looking to the future we don't believe this will change.

In the past, higher education was often talked about as a privilege or luxury. This has increasingly been changing though as more jobs require higher levels of skill and training. Looking towards the next 30 years we believe that post-secondary education will increasingly be a necessity for many people. Further, as career change becomes more common, many people may access post-secondary training at multiple points throughout their lives. As a result, the PSE system will need to meet the training needs of all British Columbians in the future.

Technological Trends

The COVID-19 pandemic accelerated remote learning and working at a rapid pace. Moving forward people will increasingly expect greater flexibility in terms of both in-person and distance learning. It will be complicated though, as this will also not be a universal desire. Different programs and demographics will have unique demands in this area.

Learning technology has changed rapidly over the past 30 years. Today, essentially every student has a smartphone and laptop that they use for learning daily. Adapting to new technologies that change the learning environment will be an important technological trend to monitor.

Along with changes in individual learning as a result of new technology, there will also be new administrative tools available for institutions that make it possible for new types of data to be collected and new types of collaboration across the sector. For example, university libraries across institutions could be connected in new ways to better serve learners. Registration and financial aid could also be increasingly interconnected for the benefit of both students and institutions. These are concrete examples, but there will likely be other, more significant changes possible at the department or institutional level that are possible due to new technologies.

HOW DO YOU THINK THE PSE SYSTEM NEEDS TO EVOLVE IN RESPONSE TO THOSE TRENDS?

The responses we heard in our consultation session for this question largely mirrored the conversations on question 2 around changes to the PSE system. As a result, for this section we will direct you back to pages 5 and 6 of our submission.



WHAT MODIFICATIONS TO THE FUNDING FORMULA WOULD YOU RECOMMEND CONSIDERING THE ABOVE?

Clarity on the Funding Model

The PSE sector needs significantly more clarity on how the block grant funding model works. Under the current system it is not clear to institutions, sector unions/associations, or the broader public how the funding model works. Any new model needs to be much more transparent.

A Systematic Approach

As referenced in the consultation letter prompting this report, the McDonald Report originally laid out a vision for a post-secondary education system across the province. Over time this systems-based approach has become less and less clear in BC. As outlined in this document, we believe there are many areas of the PSE system that could benefit from a renewed, systematic approach.

Publicly Connect Outcomes to the Model

Under the current funding system it is not clear that any outcomes are connected to the funding model. A new funding scheme needs to connect outcomes in at least some ways in order to see the system respond to changing trends in BC.

Report Regularly

This review is the first substantial assessment of how PSE is funded in BC in recent history. For a new model to be successful over the next 30 years it will need to build in regular check-in points on provincial goals and trends.

Articulate the Role of International Students

International student enrolment has grown dramatically both at TRU and at other institutions across the province. At TRU revenue from international students has now eclipsed that from domestic students. In order for a new model to be effective it will need to articulate the role of international students in a meaningful way that goes beyond their role in backstopping funding for the sector.

Eliminate Duplication and Competition

PSE institutions across the province often compete for the same students, including spending significant dollars on advertising to potential students in the same geographical regions. A new provincial system should disincentivize this type of behaviour to decrease waste and make better use of institutional resources. Further, institutions need to be incentivized to serve less students that are less attractive to recruit for a variety of reasons.