

Funding cuts

Core funding

Unfortunately, a high quality and fully accessible post-secondary education system has been under threat in Alberta for over a decade. The Alberta government eliminated its deficit through cuts to social programs, cuts that significantly damaged Alberta's post-secondary education system.

Post-secondary education institutions require funds to operate. Adequate funding for institutions assures that post-secondary opportunities are high quality and also helps ensure that the system can meet future challenges. Core government funding to post-secondary education institutions was reduced by 24% between 1993-94 and 2003-04.² These massive cuts took place during a period of 18% enrolment growth, which further compounded the strain on institutions' budgets. Because government funding is inadequate, the institutions are experiencing major financial problems.

Beginning in 1996, the Alberta government began to put money back into the system through an unpredictable system of funding grants. This money, however, fell far short of replacing the funds removed from core funding. Additionally, this system of funding is unpredictable year to year – making long range financial planning at institutions almost impossible.

Costs cut at every corner

Institutions have cut costs at every corner. This has resulted in fewer course and program offerings, fewer faculty and support staff, and larger class sizes. As recently as last winter, most post-secondary education institutions in the province were either operating in deficit or were forecasting deficits at some time in the next three years. Institutions are still struggling to make ends meet despite massive cost cutting measures.

Modest funding improvements not enough

The government is beginning to realize the full extent of the damage it has caused. Advanced Education Minister David Hancock has even used the term "starvation budget" to describe funding for post-secondary education over the previous decade.

The recent government commitment to increase core funding by 6% each year for the next three years is welcome news; but the funding increase does not go far enough. The organization that represents the presidents and board chairs of all the public colleges and technical institutes in the province points out that operating costs rise annually at those institutions at a rate of 5.9%.³ The government funding commitment will barely keep pace with current increases in costs, let alone address the consequences of years of "starvation budget."

An endowment has been created by the government to support a number of broad post-secondary education policy objectives: to improve learning and

teaching quality, to attract and retain faculty and grad students, to foster innovation, and to improve student financial assistance. Based on the funds committed to date, this fund will generate \$11.2 million this year to support these system-wide improvements. To help contextualize this, consider that the University of Alberta saw a \$14.5 million increase in its utility costs alone over the last four years⁴. The lofty system-wide goals of the endowment cannot be accomplished with the amount of money committed. The government vows to contribute more to the endowment but it has not yet committed the money to fulfil its promise.

The funding cuts of the last decade have produced unsettling trends, which continue despite the government's recently announced funding reforms. Affordability, access, and quality are all under threat and all require real solutions and new investment.

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Study space? Workspace? Commercial Space?

Post-secondary institutions have been forced to resort to corporate panhandling in response to crippling government funding cuts. As a result, heavily concentrated corporate advertising has appeared on campus in just about every conceivable location. The corporate campus is relatively new – a beast that hardly existed just a few short years ago, except perhaps on the gymnasium scoreboard. Today at the University of Lethbridge, instructors teach in the Trans Canada Pipeline Classroom and students can venture out onto the Coca-Cola South Patio.

Post-secondary campuses have been quietly rezoned into commercial space. Ubiquitous billboards and advertising posters, exclusivity deals (particularly with soft drinks companies and software providers), aggressive vendors, and a hefty supply of credit card applications characterize today's campuses. While the university or college enjoys a few extra coins in its tin cup, students and staff - even in their own study spaces and workplaces - are sold into the corporate marketplace.

² Statistics Canada, Centre for Education Statistics

³ *Alberta's Colleges and Technical Institutes – The Fiscal Facts*, Alberta Association of Colleges and Technical Institutes, 2004

⁴ *2002-2007 Strategic Business Plan: Update 2005, Leading into the Knowledge-Based World*, University of Alberta, 2005, page 47