



July 28, 2022

VIA EMAIL- aestfundingformulareview@gov.bc.ca

Don Wright
Engagement Lead
Post-Secondary Funding Formula Review

Dear Don,

Re Initial Submission to the B.C. Public Post-Secondary Funding Review

On behalf of B.C. General Employees' Union (BCGEU) members across the province, we appreciate the opportunity to provide an initial submission to the Public Post-Secondary Funding Review. The BCGEU represents more than 85,000 workers in various sectors and occupations throughout British Columbia. Our diverse membership includes workers throughout the public and private sectors, including more than 4,000 instructional and support staff in public post-secondary institutions.¹

Public-post secondary funding is of course a central issue for our members in the sector, but it is also a major concern for other BCGEU members who rely on the public post-secondary education to meet the educational needs of themselves and their families. An accessible and well-resourced public post-secondary system will also be essential to training the workforce and capacity for innovation needed to ensure the prosperity of our province going forward, particularly in the current context of technological change and environmental challenges.

Structural reform of B.C.'s ad-hoc and typically underfunded public post-secondary funding system is long overdue. This initial contribution from the BCGEU will focus on principles and objectives we believe should guide the development of a new funding model, rather than specific funding mechanisms or formulae. We nonetheless look forward to discussions regarding specific models and formulae as they come into focus over the course of this iterative consultation process.

¹ BCGEU members in the public post-secondary sector include support staff at Coast Mountain College, Northern Lights College, Okanagan College, Douglas College, the Justice Institute, Kwantlen Polytechnic University, BCIT, and UBC Okanagan, as well as instructors at Okanagan College; Vancouver Island University; Camosun College; Selkirk College; Northern Lights College; and trades instructors at BCIT.

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As we will elaborate over this submission, the five core principles and objectives we would like to see guiding a new public post-secondary funding model in B.C. are:

1. Predictability and stability
2. Ensuring adequate funding
3. Affordability and accessibility for students
4. Regional and institutional fairness
5. Accountability and transparency

1. Predictability and stability

As noted in Mr. Wright's letter to key sector partners, "the method of calculating the grants has become somewhat ad hoc, and less connected to the different costs and outcomes that are relevant to each institution." Annual block grants are relatively arbitrary, with current year grants simply being based on an institution's previous year grant with adjustments for collective agreements, rather than specific programs or student seats.

One of the key problems with this model is the lack of predictability it creates in planning program delivery and related staffing requirements. With annual funding typically not confirmed until July or August of the year, institutions are reluctant to hire new support and instructional staff on a full-time and/or permanent basis, leading to an over-reliance on non-regular, part time and casual positions. Unsurprisingly, these unpredictable labour arrangements are leading to workforce recruitment and retention problems, with many workers seeking more stable employment elsewhere rather than enduring the precarity of temporary positions, short-term contracts and casual work. Lack of stable and predictable funding makes it difficult for institutions to meaningfully address these problems and incentivizes the use of short term "fixes" such as rehiring or recalling retired instructors.

Multi-year funding commitments, based on a clear and predictable formula would help institutions to address this problem and hire more permanent, full-time staff. This will help B.C. public post-secondary institutions recruit and retain the skilled workforce require to deliver high-quality education and training.

2. Ensuring adequate funding

Equally important to predictability and stability is that a new block funding model ensures sufficient resources to meet operating costs, including staffing.

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Operating grant amounts per student declined by more than 20 per cent between 2001 and 2016.² All too often, institutions dealing with these shortfalls are unable to fund enough instructional and support staff positions to address the growing workload in post-secondary institutions. These ongoing funding and staffing shortfalls are compounded as institutions undertake important work to properly address the requirements of students with disabilities and complex/special learning needs. Excessive workloads lead to staff burnout, which in turn contributes to recruitment and retention problems. Moreover, inadequate funding has also led to de facto policies of wage restraint in the public post-secondary sector, which further undermines recruitment and retention efforts. BCGEU members in the sector note that wage issues are particularly pronounced in vocational training programs.

Inadequate block funding has also seen institutions increasingly turning to other sources of revenue to make up shortfalls, often with problematic consequences. Increased student fees undermine accessibility and are the most obvious negative consequence of funding shortfalls. Other notable examples include the growing reliance of many programs on revenue from charging higher fees to international students (potentially resulting in reduced program capacity for domestic students), as well as institutions turning to measures like increasing parking fees (a problem for students in areas without adequate transit access) in desperate efforts to address revenue shortfalls. Perversely, inadequate revenue also incentivizes institutions to allocate scarce resources to fundraising efforts rather than to instruction and program delivery.

3. Affordability and accessibility

The new funding model should also ensure that public post-secondary education is affordable and accessible to all B.C. students. Since 2001, the cost of post-secondary education in B.C. has increasingly been shifted to students, largely in the form of tuition fees. This creates unnecessary upfront barriers to those seeking post-secondary education and training.

A new funding model should be based on reducing student fees to an absolute minimum, and instead focus on funding the system on a “cost recovery” basis through progressive income and business taxes. Research by the Canadian Centre for Policy Alternatives and others has shown that tuition costs can be more than recovered through fair taxation on the increased incomes resulting from post-secondary education, not to mention the added value and productivity a skilled and well-educated workforce brings to B.C. employers.³

² Inflation adjusted figure, as cited in FPSE, “It’s time to Open the Doors to post-secondary education in B.C.”, Sept. 6, 2016. Available online at: <https://fpse.ca/sites/default/files/inline-files/FPSE%20Position%20Paper%20FINAL%20E2%80%93%20September%206%2C%202016.pdf>

³ See Iglia Ivanova “Paid in Full UPDATE Who Pays for University Education in BC?”, CCPA-BC, 2012. Available at: https://policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2012/01/CCPA_Paid_in_Full_2012_web.pdf)



4. Regional and institutional fairness

The new funding model should also ensure a balanced and fair distribution of funding and resources across B.C.'s regions, types of post-secondary programs and institutions.

Geographically, a new funding model should increase post-secondary education resources, staffing and spaces in smaller centres, rural and northern areas, with particular attention paid to supporting PSE access for Indigenous people living outside major population centres. Training and educational opportunities are limited in many of these areas, and travel to larger centres is not always a viable option, for a range of economic, family and cultural reasons.

In terms of PSE institutions and programs, it is crucial that a new funding model distributes resources equitably. Rather than focusing primarily on increased funding for high profile research universities in major centres, a new model should ensure increased resources also flow to the regional institutions, trades programs and vocational training that will be crucial to the future of workers across B.C. and to the success of the B.C. economy as a whole.

5. Accountability and transparency

A new funding model should also incorporate improved accountability measures, including monitoring and standardized metrics to ensure funding is allocated efficiently to program delivery and improvements, including adequate frontline staffing. PSE institution administration and executive staffing and compensation increased disproportionately between 2002 and 2016, and anecdotal accounts suggest that reclassification was sometimes used as a way to evade a freeze on executive compensation.⁴ Well-designed monitoring systems and metrics will also be crucial for assessing changing funding needs within individual institutions and through the public PSE system as a whole.

In addition, a common wage grid for public PSE support staff across B.C. could help ensure a more transparent, fair and efficient allocation of funding for compensation throughout the system, while also improving workforce recruitment and retention. While college and trades instructors represented by the BCGEU are typically paid according to a common salary grid across the province, compensation for support staff is negotiated separately for each institution and varies widely. These pay discrepancies are further exacerbated by a lack of consistency in job classifications and evaluations between institutions in the

⁴ As noted in a 2016 FPSE report, “the number of administrators has increased by 50 per cent since 2002, and their salary bill has almost doubled over the same period. There is currently a freeze on executive compensation, but reclassifications or new classifications get around that.” See: <https://fpse.ca/sites/default/files/inline-files/FPSE%20Position%20Paper%20FINAL%20E2%80%93%20September%206%2C%202016.pdf>

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sector. A common wage grid would allow for more consistent and transparent allocations of funds and help ensure that funds are being used efficiently to improve services.

Conclusion

The BCGEU welcomes this review of public post-secondary funding in B.C. and looks forward to further engagement with the government and sectoral stakeholders over the course of this process. We hope that this consultation will be an important step towards building a better-resourced, more stable, fairer, and more transparent PSE funding model, and ultimately a better, more accessible public post-secondary education and training system across British Columbia.

Sincerely,

Stephanie Smith
President

RD/MM
MoveUP

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