



Canadian Colleges and Institutes –
Advanced Skills and Innovation for Economic and Social
Development in Rural and Remote Communities

Submission to the House of Commons Standing Committee on
Human Resources, Skills and Social Development and the Status of
Persons with Disabilities

Association of Canadian Community Colleges

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Association of Canadian Community Colleges

The Association of Canadian Community Colleges (ACCC) is the national and international voice of Canada's 150 publicly-funded colleges, institutes, polytechnics, cégeps and universities with a college mandate (hereinafter referred to as colleges). With campuses in 1,000 urban, rural and remote communities, these institutions educate learners of all ages and from all socio-economic quarters. They partner with small- and medium-sized enterprises (SMEs) to share expertise in applied research and innovation.

Colleges are the advanced skills educators of choice. Advisory Committees comprising local employers ensure that college programs align with employers' requirements and operate on the leading edge of skills identification, economic trends, and market shifts. Colleges support business growth and sustainability by supplying graduates with advanced skills, re-skilling displaced employees, offering customized education, and providing applied research and development support. They help the disadvantaged gain access to post-secondary education, in particular Aboriginal peoples, the disabled and newcomers to Canada.

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Recommendations

Opportunities for the Government of Canada to Enhance Skills Development and Innovation in Rural and Remote Communities

Improving the Efficiency of Existing Federal Skills Development Programs

- Examine current federal student financial assistance, training programs and post-secondary tax incentives to eliminate fragmentation, short-term funding and inequities for learners, including needs associated with transportation, child care and learning support services.
- Include provisions in the Aboriginal Skills and Employment Training Strategy to allow Aboriginal organizations and colleges to plan and coordinate educational activities on a regional level and to provide longer programs to upgrade literacy levels if required before moving to employment-oriented programs.

Building on Federal Investments in Skills Development and Innovation

- Sustain federal investments to improve broadband access and services critical for effective delivery of distance education programs.
- Expand support for adult basic education to other northern communities.
- Continue to invest in essential skills development, in particular to improve literacy and soft skills in Aboriginal communities.
- Provide opportunities for partnerships between Aboriginal communities, the private sector and colleges, similar to the Aboriginal Skills and Employment Partnership Program, which ends March 2012.
- Allocate five percent of federal investment in research and development to applied research partnerships between colleges and small- and medium-sized enterprises (SMEs).
- Facilitate SME access to the Scientific Research and Experimental Development Tax Incentive Program by linking it to the Natural Sciences and Engineering Research Council's College and Community Innovation Program.

Learning from Research on Rural Development

- Support research on amenity-based rural development to assess the economic potential of rural and remote communities.

Introduction

The Association of Canadian Community Colleges (ACCC) welcomes the opportunity to contribute to the study on *Skills Development in Remote Rural Communities in an Era of Fiscal Restraint* undertaken by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

The Canadian Chamber of Commerce report *The Business Case for Investing in Canada's Remote Communities* calls for a comprehensive strategy that examines, measures and communicates to all Canadians the link between our collective future and remote communities. This report emphasizes the importance of relevant and flexible skills development to accommodate the economic realities of rural and remote communities.

We commend the Standing Committee for examining skills development to maximize the opportunities in Canada's rural and remote communities. This forward-looking approach will secure Canada's economic recovery. Given the skills shortages in many sectors, Canada must increase the number of Canadians with advanced skills by improving access for groups that traditionally do not pursue post-secondary studies, including Canadians living in rural and remote communities and in particular First Nations, Métis and Inuit peoples.

This brief describes the role of colleges in supporting skills development in rural and remote communities. In the context of fiscal restraint, the brief focuses on efficiencies and investments made through existing federal programs, enhancing college-industry partnerships within rural and remote communities and improving Aboriginal education outcomes.

The Extensive Reach of Colleges in Rural and Remote Canada

There is a college or institute within commuting distance of 97 percent of the Canadian population, compared to 80 percent for universities.¹ Colleges have extensive reach across Canada's remote and rural communities, are often the only post-secondary institution in the area and are a valuable resource in providing Canadians in rural and remote regions with equitable access to post-secondary education and skills. Rural colleges and regional campuses of urban colleges serve as hubs of community response and local socio-economic well-being. They offer programming and service delivery modes for advanced skills development to support innovation and improve productivity of rural small- and medium-sized enterprises (SMEs).

Aurora College, Yukon College and Nunavut Arctic College have main campuses as well as extensive networks of learning centres serving nearly every remote community in the territories.

Distance education is particularly effective for serving learners in remote and rural areas. Colleges are key partners in provincial distance learning networks serving remote communities. For example, the *Alberta North* network has 87 Community Access Points offering distance education programs from five northern Alberta colleges. *Contact North* provides access to education and training through a network of 94 access centres in Northern Ontario, linking students to colleges and universities via the internet and supporting interaction between faculty and students.

¹ Frenette, M. (2003). Access to College and University: Does Distance Matter? Ottawa ON: Statistics Canada. Catalogue no. 11F0019MIE – No. 201.

The 2006 Census demonstrated that colleges are go-to institutions for Aboriginal people – 62 percent in post-secondary education were at a public college or institute compared to 16 percent at a university.² Colleges reach out to Aboriginal youth through pro-active recruitment activities to ensure they are aware of post-secondary pathways that link to potential careers. Many Aboriginal learners come to college as adults for upgrading programs that ladder into post-secondary certificate, diploma and degree programs. Colleges also offer wrap-around support services to ensure Aboriginal learners graduate and transition to the employment market.

Challenges and Barriers to Accessing Skills Development in Rural and Remote Communities

As noted in the Canadian Chamber of Commerce report, current education funding models disadvantage rural communities. The complexity of financial assistance mechanisms often discourages learners from participating in postsecondary education. Colleges are often faced with having to piece together funding sources tied to the eligibility criteria for different learners. In many cases, the funding does not address other challenges such as transportation, access to child care and learning support services. Offering a wide array of support services to ensure learners succeed and transition to employment is critical. However, the delivery of effective student support services in rural areas is complex and costly.

Improving the Efficiency of Existing Federal Skills Development Programs

A key need is to improve the efficiency of existing federal programs that support skills development and address the barriers faced by people living in rural and remote areas.

Financial Assistance for Post-secondary Education and Training

People from rural and remote communities are less likely to pursue post-secondary education. The student financial assistance system is extremely complex with a mix of federal and provincial/territorial loans and grants programs, Aboriginal-specific student assistance, scholarships and bursaries, retraining programs through employment insurance and tax incentives. This complexity discourages potential learners. A 2011 study in northern Alberta found that rural residents have particularly low levels of awareness about government-led financial aid, non-financial resources and support programs.³ Federal student financial assistance, training programs and post-secondary tax incentives should be examined with the goal of eliminating fragmentation, short-term funding and inequities.

Aboriginal Skills and Employment Training Strategy (ASETS)

Through the Aboriginal Skills and Employment Training Strategy (ASETS) funded through Human Resources and Skills Development Canada (HRSDC), colleges are contracted by Aboriginal organizations to provide skills upgrading. In jurisdictions where there are numerous ASETS agreement holders, meeting specific learning needs while capitalizing on volume efficiencies is challenging. A single ASETS agreement holder may not have enough students to run some programs, but collectively ASETS holders could support a program for 15 to 20 learners from different rural communities. Efficiencies could be achieved if provisions in ASETS allowed Aboriginal organizations and colleges to plan and coordinate education activities on a regional level. In addition, more flexible criteria would enable these programs to fund longer programs if required, to upgrade learners' literacy levels before moving into employment-oriented programs.

² Statistics Canada 2006 Profile of Aboriginal Children, Youth and Adults.

³ A New Aurora: Increasing Rural and Northern Access. Alberta Students Executive Council. December 2011.

Building on Federal Investments in Skills Development and Innovation

The Government of Canada supports skills development in remote and rural communities through initiatives that improve access to broadband, adult basic education in the North and essential skills development; foster industry partnerships and invest in college applied research partnerships with SMEs.

Broadband Access

The goal of the *Broadband Canada: Connecting Rural Canadians* program is to ensure that more than 98 percent of Canadians have access to broadband services. Colleges want to strengthen distance education programs and improved broadband is critical. Budget 2011 announced the National Research Council of Canada's *Digital Technology Adoption Pilot Program*, an \$80 million three year investment to accelerate the adoption of digital technologies by more than 600 SMEs. Colleges will help deliver the program by providing access to services, education, expertise and use of facilities and diagnostics that SMEs may not otherwise be able to afford. This program complements broadband access and demonstrates how colleges work with private sector partners to improve service delivery, including in rural and remote areas.

Nunavut Arctic College used the Knowledge Infrastructure Program funding to develop a cyber-system to expand programs offered at a distance and online, in particular by brokering programs from post-secondary institutions in the south.

Literacy and Essential Skills Development

The investment in adult basic education in the North announced in Budget 2011 is a positive measure for skills development, participation in post-secondary education and employment outcomes. Colleges are primary providers of upgrading programs for adults. Many colleges serve disadvantaged northern communities from British Columbia to Labrador. These too could provide more adult basic education with adequate resources.

The knowledge-based economy requires advanced and essential employability skills such as document comprehension, critical thinking and problem solving. The Federal Framework for Aboriginal Economic Development identified the lack of basic skills (including literacy and soft/essential skills) as a barrier to Aboriginal economic development. Colleges' experience with essential skills is key to providing people living in rural and remote communities with transferable skills for employment. ACCC is working with HRSDC to increase the essential skills and employability of Aboriginal people, newcomers to Canada, unskilled workers and the unemployed. A National Framework will be created for Essential Skills development including a national repository of essential skills resources. Relatively modest investments in upgrading essential skills can yield significant gains in productivity.

Fostering Industry Partnerships

Colleges work closely with Program Advisory Committees comprising local employers to develop and update curricula and to provide students with work placements and internships, ensuring that college graduates have the leading edge knowledge and the practical skills required by employers.

Research on college-led rural knowledge clusters funded by the Rural and Cooperatives Secretariat demonstrated how colleges work with business partners to support rural economic development. Knowledge clusters were established by three rural colleges: College of the Rockies to support tourism development in the East Kootenay Region; Collège Boréal in northern Ontario to assist communities to transition to value-added forest and bio-energy products; and Nova Scotia Community College to support rural SMEs in small coastal communities to transition from a natural resource-based economy to a more knowledge-based economy. The research confirmed the benefits of a cluster approach and the pivotal role of colleges in supporting rural economic development. A best practices guide for implementing the College Cluster Model was published.

The Federal Framework for Aboriginal Economic Development aims to strengthen Aboriginal entrepreneurship, develop Aboriginal human capital, enhance the value of Aboriginal assets and forge new and effective partnerships. The human capital and partnerships goals are cross-cutting and key to supporting entrepreneurship, increasing the value of assets and generally fostering Aboriginal economic and social development. Partners typically include the private sector and colleges. The Aboriginal Skills and Employment Partnership (ASEP) program is an excellent example. Colleges are partners in 12 of the 23 ASEP projects across the country, mostly serving rural and remote communities. Unfortunately, ASEP expires in March 2012.

In another example, ACCC is partnering with Noront Mines, the Aboriginal Human Resource Council and a consortium of colleges on a model for Aboriginal employment and business development in the Ring of Fire. Training interventions will feature performance based programming in two streams: one for employment in trades in the construction and mining sectors and the second for business development. Funding will be drawn from a combination of public and private sectors. The goal is to create 1,530 well-paying jobs and 150 new businesses.

Increasing the Productivity of SMEs in Rural and Remote Areas

Colleges in rural areas also play a critical role with industry partners to enhance competitiveness and productivity. Faculty and students focus on incremental improvements to products, processes and services.

Across the Northern regions, college research institutes such as the Yukon Research Centre and the Aurora Research Institute are working with industry partners to develop marketable cold weather tools, gas hydrate production technology and Arctic internet connectivity that meet the needs of northerners.

Applied research activities extend and enhance the college mandate to produce highly qualified skilled professionals by providing students with opportunities to work directly with industry.

The Natural Sciences and Engineering Research Council's (NSERC) College and Community Innovation (CCI) Program supports collaborative applied research partnerships with SMEs. The CCI Program has been instrumental in advancing economic development in urban, rural and remote regions.

As a result of a CCI grant, the Centre for Research & Innovation at Grand Prairie Regional College in northern Alberta is working with 16 industry partners on applied research projects that contribute to a reduction of the region's waste and convert natural process atmospheric pollutants into useful products.

Researchers at College of the North Atlantic's (CNA) Burin campus are developing a pump that has the potential to benefit isolated communities and could result in the development of an onshore aquaculture industry.

The NSERC-CCI Program is working well and further investment in this program would substantially increase the capacity of SMEs to raise productivity through innovation. The Canada Foundation for Innovation's College-Industry Fund launched in December 2010 will further enhance the capacity of colleges to support business innovation by providing state-of-the-art, industry-relevant research infrastructure. Federal allocations for college applied research represent just 1.25 percent of the \$2.9 billion of federal research funding allocated annually for the higher education sector. Further federal investment to five percent would increase the capacity of colleges to contribute to SME success. The Scientific Research and Experimental Development (SR&ED) Tax Incentive Program, which encourages Canadian businesses to conduct research and development, is an excellent program. However the administrative complexities often discourage SMEs from applying. A top-up of the SR&ED credit for firms working with the post-secondary sector has proven effective in Ontario, Quebec and Manitoba. Coupling it with eligibility for the CCI Program would not only simplify administration, but also motivate companies to develop relationships with colleges focused on R&D.

Learning from Research on Rural Development

The Canadian Chamber of Commerce report highlighted the need for a federal strategy to be founded on strong research about the economic potential of Canada's rural and remote communities.

A Regional Innovation Chair in Rural Economic Development established at Selkirk College in British Columbia aims to improve the economic climate of rural communities by supporting evidence-based planning and decision-making. The work of the Regional Innovation Chair includes: developing capacity for sound decision-making in matters related to economic development by providing relevant research data, analysis and skills development; assisting in the diversification of the regional economy through the promotion of innovation and technology transfer; and supporting provincial and national networks that undertake applied research on the revitalization of rural communities and regions.

Recent research on rural development indicates that amenity-based rural development may be a promising approach, particularly if the definition of amenity is broadened from the traditional focus on natural resources to include cultural and system amenities.⁴ ACCC is exploring opportunities with the Rural and Cooperatives Secretariat to undertake research on how colleges, as a key part of the system amenities in rural communities, can serve as catalysts for an innovative rural economy.

⁴ Vaugeois, N.L. Goodwin, B., Knoglinger, P. McDonald, D., and Whitney-Squire, K. (2011). Preparing for Amenity Based Rural Development in Canada.