

## **BUDGET MUST ADDRESS CANADA'S SKILLS DEFICIT**

### **Skills shortage will become economic power outage, warns college association President**

*Statement from the President of the Association of Canadian Community Colleges, Mr. James Knight, on the need for Tuesday's federal Budget to address Canada's critical skills shortage.*

**Ottawa, February 22, 2008** - Canada's skills shortage will become an economic power outage unless it is addressed head-on. Unlike the fiscal deficit that was erased from the country's books in the 1990's, this deficit is largely hidden from view but will be just as crippling to our country's economy.

In the construction sector alone, 250,000 new workers are needed over the next seven years to fill the positions of retirees and meet new demand--this drives up costs and shuts down construction sites. In Alberta, where the resource sector has been fuelling an economic boom, the situation has reached critical proportions.

Canada's colleges are where many of those needed skills are developed and honed. Yet, our colleges face chronic underfunding that limits their capacity to meet the needs of Canada's economy.

Chronic space shortages that force colleges to turn students away; equipment that is out of date, all point to a capacity crunch that is limiting Canada's ability to compete in a global economy.

As Canada's most important skills trainers, our colleges badly need an infusion of new capital in their infrastructure, and to acquire leading-edge technology. As a recent Canadian Apprenticeship Forum and Construction Sector Council study shows, colleges need approximately \$609 million to upgrade their trades equipment alone so that at least 80 percent would be considered modern and up-to-date.

The capacity issues faced by our institutions have roots that extend to the fiscal deficit fight of the 1990s. What is needed in Tuesday's budget is a clear federal commitment to addressing this situation.

We have choices to make. As our country braces for more economic uncertainty we can invest in a skilled workforce that can compete with the best the world has to offer, or we can continue to turn students away from our colleges, and force employers to fight among themselves for an ever-more scarce resource.

Tuesday's budget will tell us what choices we have made.

For more information:

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