

Flexible Provincial Funding for Post-Secondary

Issue:

There are many businesses in Manitoba that are unable to find enough employees with the right skill sets. This situation is placing barriers to economic growth within the province. Post-secondary institutions need to be equipped with tools to respond quickly to labour market needs to address skilled labor shortages when identified.

Background:

Businesses across the province have encountered missed or delayed opportunities due to a lack of available skilled workers. Given the nature of the current labour market needs, most often, colleges are the institutions businesses look to deliver the required training for in-demand jobs. Of the new jobs created in Manitoba that require post-secondary education over the next five years, 60% will be those from colleges.

As institutions directed by labour market needs, Assiniboine Community College (ACC) and Red River College (RRC) maintain strong connections to employers. A 2019 Graduate Satisfaction and Employment Survey found that 91% of recent graduates from ACC, who were seeking work are employed, and nearly four-fifths of these jobs are permanent. The average annual salary is \$45,903. Eighty-eight per cent chose to stay in Manitoba. Further, 85% of recent graduates believed the skills they learned at ACC helped them to secure their current job. At RRC, 94% of recent graduates who were seeking work are employed, 98% of graduates chose to stay and work in Manitoba, and 96% of employers report being more than satisfied with RRC hires.

An external review of colleges conducted by the Higher Education Strategy Associates for the Province of Manitoba revealed that ACC and RRC do not have sufficient flexibility nor funding to offer the number of training spaces required. The report notes that this situation is particularly acute in rural areas.

The agility and responsiveness of colleges for skills training opportunities must make strides to match the pace of businesses. Incremental unrestricted funding would allow educational institutions to address the most pressing labour market needs and deliver the necessary training. This in turn allows businesses to be more competitive in regional and national markets while helping individuals to obtain skilled employment at higher wages.

Resolutions:

That the Provincial Government:

- **Provide incremental unrestricted funding that can be used at the discretion of Manitoba Colleges for the purposes of single or short-term program offerings in response to identified labor market demand in support of economic growth;**
- **Along with key industry stakeholders should review the effectiveness of this funding after three years; and**
- **Work with Manitoba Colleges to establish set criteria that will be used to evaluate each training opportunity to ensure compliance with the expectations for this unrestricted funding.**