
***REPORT OF THE WORKING GROUP ON ACCESSIBILITY
TO POST-SECONDARY EDUCATION
IN
NEW BRUNSWICK***

Hon. Elvy Robichaud
Minister of Education
Province of New Brunswick

Dear Minister:

On behalf of the Working Group on Accessibility to Post-Secondary Education in New Brunswick, I am pleased to submit our final report. The Working Group has provided a range of recommendations, some of which can be considered for immediate implementation and others which require further consultation with provincial departments, industry, students, and post-secondary institutions.

The issue of accessibility encompasses many factors. The Working Group has noted that other initiatives on accessibility are already underway, including a major study by the Council of Ministers of Education, Canada (CMEC) which considers financial and non-financial barriers to accessibility. Student financial aid is undergoing a review at a national level. The Working Group has allowed for New Brunswick's position to be clarified to make more effective input to the discussions of accessibility at a national level.

The Report represents a major commitment of time and effort by the members of the Working Group. I wish to convey my appreciation for their work and the quality of their input, as well as the advice and input of other groups such as the Premier's Council on the Status of Disabled Persons and the New Brunswick Association for Community Living. I also wish to acknowledge the work of the staff of the Department of Education who provided important support over and above their normal assignments.

Thank you, and best wishes.

Sincerely,

Trevor Holder, Chair

cc: Bernard Lord, Premier

TABLE OF CONTENTS

MEMBERS OF THE WORKING GROUP	i
EXECUTIVE SUMMARY	ii
1. INTRODUCTION: THE WORKING GROUP	1
<i>Background</i>	
<i>Mandate</i>	
<i>Principles</i>	
2. POST-SECONDARY EDUCATION IN NEW BRUNSWICK	4
3. STUDENT FINANCIAL ASSISTANCE	5
4. POST-SECONDARY TRENDS	8
<i>Widening Gap between Rich and Poor</i>	
<i>Increased Personal Financial Burden</i>	
<i>Low Participation Rate for Students with Disabilities</i>	
<i>Projected Shortage of Graduates</i>	
<i>Increased Need for Advanced Study</i>	
5. RECOMMENDATIONS	13
<i>Promoting Value</i>	
<i>Promoting Planning</i>	
<i>Limiting Barriers and Burdens</i>	
<i>Aiding Transitions</i>	
<i>Encouraging Graduates to Stay</i>	
6. SUMMARY OF RECOMMENDATIONS	22

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EXECUTIVE SUMMARY

Access to learning opportunities is not a luxury. It is a necessity. In today's knowledge-based society it means everything – economic growth, vibrant communities, quality of life.

The Premier of New Brunswick recognized this as a priority when he set up the Working Group on Accessibility to Post-Secondary Education, announced on June 8, 2000. This Working Group brought together individuals from a broad cross-section of post-secondary perspectives: student groups, high schools, universities, community colleges, private sector trainers, government and community. The group also benefited from presentations from the Premier's Council on the Status of Disabled Persons and from the New Brunswick Association for Community Living. The Working Group's task was to make recommendations that would: improve current financial assistance programs; ease transitions from secondary school to the post-secondary level and into the workforce; promote awareness of the value of post-secondary education and encourage graduates to stay in New Brunswick.

The Group focussed primarily on New Brunswick youth, though it also considered ways to improve access to learning opportunities for those already in the workforce. The Group did not undertake any new studies. It reviewed existing information. This information reveals a growing problem with access particularly for single parents, aboriginal students, the disabled, and students from poorer backgrounds. The Group also noted a lower participation rate in postsecondary studies among the province's francophone population.

The Working Group concludes that there is an increasingly serious problem of accessibility that needs to be addressed on the short- as well as the long-term. In particular the task force notes the following:

- *Needs assessments that are too low relative to real costs:* Current loan limits are too low and do not reflect the full cost of post-secondary education, including books, living expenses, extra fees, computer requirements and so on. This creates an unrealistic “ceiling” for aid.
- *The widening “access gap” between rich and poor:* According to a 1995 national survey, 70% of high school graduates with university-educated parents went on to university as compared with 30% of those whose parents had a high school diploma or less. Other influences such as peer perceptions, parental expectations, and the attractiveness of “making money now” add to financial disincentives.
- *Increased levels of student indebtedness:* Responsibility for funding has shifted increasingly from the taxpayer to the student through tuition increases and increased reliance on loans rather than bursaries. At the present time, 95% of student assistance

comes in the form of loans. In 1999-2000, the average level of debt for those New Brunswick post-secondary graduates with loans was \$16,091, with the average for university graduates being \$25,000. The number of Maritime post-secondary graduates whose debt exceeds \$30,000 increased from 8 in 1993-94 to 994 in 1996-97, a jump of 12,325%, suggesting an increased personal financial burden.

- *Increased need for study beyond the first degree or diploma and the increased debt load:* Preliminary data from the Maritime Provinces Higher Education Commission's 2000 Graduate Follow-up of 1996 graduates reveals that half of them have returned to school to get another credential with an inevitable impact on total indebtedness.
- *Persistent barriers to access for students with disabilities:* The emphasis on "inclusion" in the public system has yet to be translated into increased access to post-secondary opportunities.
- *Need to strengthen labour force transitions and qualifications:* As a percentage of the total 1998 population of 25 to 54 year olds, New Brunswick ranked ninth among the provinces (and 26 % below the Canadian average) for the number of university degrees and eighth (about 3 % below the Canadian average) for the number of college and trade graduates.

Significant provincial reinvestment is needed to help close the access gap for New Brunswick students. This is particularly true of "high risk" groups – those from lower socioeconomic backgrounds, those who come from communities where there is little exposure to post-secondary institutions, those with personal educational challenges (for example, learning, emotional or physical disabilities), or those, like single parents, who have family responsibilities. This reinvestment should be large enough to make a difference. It should be based on needs assessments that are much more realistic in terms of true costs than those currently in use and should focus primarily on assistance targeted to New Brunswick students most in need. A viable package of assistance could also include loan remission programs or other initiatives discussed in this report, as well as incentives to help retain our graduates in the province. Programs for graduate students should also be considered.

This provincial reinvestment will need to be leveraged and enhanced if it is to be truly effective. The Working Group suggests that government explore endowment funds or other mechanisms to aid external fund raising or "matching." In addition, the Group feels the province should make strong representations for enhanced assistance from the federal government, particularly since previous cutbacks in federal transfer payments have had as negative an impact on education as they have on healthcare. Finally, it is important that government continue to provide realistic increases in operational and capital assistance to post-secondary institutions to allow them to maintain competitive, quality programs.

Money alone is not enough however. There is a definite need, according to the Working Group's findings, for "outreach" promotional campaigns that are targeted towards parents and students least likely to think of post-secondary education as a viable option. This

includes information on the life-long benefits of further education, direct exposure to the post-secondary education environment, assistance with financial planning, and links to special programs for students with disabilities. Attention should also be paid to the transition from secondary through the first year of post-secondary to minimize unnecessary dropouts or costly “false starts.” The latter will require much greater information-sharing (particularly among administrators and counsellors) between the post-secondary and public school systems.

In fact, the Working Group feels quite strongly that better mechanisms need to be put in place to share information and coordinate programs across the entire K-12 to workforce transition. It recommends the creation of periodic roundtables to bring together practitioners from the public school system, various types of post-secondary institutions, employers, government, and community associations to review current developments and work out ways to address them collaboratively. The Group also feels more serious efforts need to be made to look at post-secondary education as an investment by all sectors of government and not just an education department cost. Data and indicators need to be improved to allow governments and stakeholders to assess trends and impacts of current strategies as the basis for developing further changes and new initiatives as needed in the future.

The Working Group further recommends that government review the effectiveness of job opportunity information and assistance available to graduating students, as well as at ways of increasing work-related experience during the post-secondary years. As for continuing education, the government could consider incentives for employers as has been done in other jurisdictions to encourage employers to support learning in the work environment.

A detailed report is attached that reflects the Working Group deliberations. It includes 18 recommendations as well as the rationale for these recommendations.

1. INTRODUCTION: THE WORKING GROUP

- *Background*
- *Mandate*
- *Principles*

Background

On June 8, 2000 Premier Bernard Lord announced the creation of a Working Group on Accessibility to Post-secondary Education. The Working Group members come from a broad cross-section of post-secondary perspectives: student groups, high schools, universities, community colleges, private sector trainers, government and community. Our task has been to make recommendations to improve accessibility to post-secondary education in New Brunswick, while taking into account the province's fiscal realities.

Post-secondary accessibility is a highly complex issue, one that stimulates a great deal of research at both the national and regional levels. The Working Group's job did not include duplicating, or filling existing gaps, in this work. Instead, we reviewed the available research through the prism of our own experience and understanding of New Brunswick's situation and requirements.

After an initial group session to set out the parameters, we divided into four sub-committees, each responsible for examining a different aspect of post-secondary accessibility. Each sub-committee reviewed relevant work undertaken by such agencies as the Council of Ministers of Education, Canada (CMEC) and the Maritime Provinces Higher Education Commission (MPHEC). We also benefited from presentations from the Premier's Council on the Status of Disabled Persons and from the New Brunswick Association for Community Living. We held two further group sessions to assess each sub-committee's preliminary findings and to work them into a cohesive set of recommendations.

The 18 recommendations in this report fall into two broad categories: immediate actions to improve specific situations and longer range undertakings designed to promote an environment of opportunity. Our vision in making these recommendations is of a New Brunswick where student progress is not limited by social, financial and environmental barriers to post-secondary education, and where graduates of our post-secondary institutions can employ their education and training and contribute to the province's wellbeing. We view this report as the first in a series of steps to achieving that aim.

Mandate

The mandate of the Working Group was to:

- Present options for improving the current financial assistance program in order to address the issue of accessibility to post-secondary education more effectively and to reduce the impact of indebtedness on students who remain in New Brunswick after completing their education;
- Identify strategies that will make it easier for students in New Brunswick to make the transition from high school to post secondary education, between the different post-secondary institutions, and from educational institutions to the labour market and vice versa;
- Identify strategies to promote awareness of the value of post-secondary education; and
- Identify strategies that will encourage students to remain in New Brunswick after completing their education.

Principles

The Working Group believes that accessibility is not just about “getting in;” it is also about quality, relevance, accountability, affordability (student and taxpayer). It is about creating the best possible environment for students to make individually appropriate learning choices. In undertaking our task, we subscribed to the general principles relating to post-secondary education articulated by the CMEC and the MPHEC:

- Quality – continuous improvement in the quality of programs, institutional practices and teaching
- Accessibility – program delivery, and support services that optimize post-secondary education availability
- Relevance – effective and responsive interaction among learners, the work force and the community
- Accountability – evidence of value, sustainability, and cost-effectiveness of public and learner investment
- Scholarship and Research – commitment to the pursuit of knowledge.

More specifically, we saw our objectives on accessibility to be:

- Making post-secondary education accessible to all qualified students;
- Improving the access to post-secondary education of students from disadvantaged backgrounds;
- Promoting measures to increase the affordability of post-secondary education for both individuals and taxpayers; and
- Reversing the trend that has seen students become increasingly reliant on loans.

In the following pages, the Working Group gives a picture of post-secondary education in New Brunswick and the current student aid system, presents a survey of trends affecting post-secondary accessibility in the province, assesses key issues and makes recommendations to improve accessibility.

2. POST-SECONDARY EDUCATION IN NEW BRUNSWICK

Traditionally post-secondary education in New Brunswick meant university or community college, with most courses given in a classroom setting. Today the scene is much more varied. There are scores of private trainers whose offerings run the gamut from long-distance trucking to advanced computer technology.

New Brunswick's four public universities, 11 New Brunswick Community College campuses (including the New Brunswick College of Craft and Design) and the private training sector have adopted distance learning technologies to aid students' accessibility. Teaching takes place in traditional settings, through self-directed computer-based training packages, over the Internet, or in hybrid combinations. Indeed, with public entities like TeleEducation NB and major private courseware developers like SmartForce and LearnStream among others, the province has developed a strong international reputation and role in online learning.

The growing popularity of private training programs can be seen in statistics on students receiving financial assistance in the province. In 1993-94, 72.5% of assistance went to university students, 17.1% to community college students, and 6.7% to students taking private training (with an additional 3.7% going to students in other types of study). By 1999-2000, those percentages had changed significantly: assistance to university students had dropped to 53.2%; the figure for community college students moved up 8.5% to 25.6%, while the percentage for students at private sector institutions jumped 13.5% up to 20.2% (with an additional 1% in the "other" category).

Distribution of Student Financial Assistance		
Institution	1993-1994	1999-2000
University	72.5%	53.2%
Community College	17.1%	25.6%
Private Training	6.7%	20.2%
Other	3.7%	4.7%

3. STUDENT FINANCIAL ASSISTANCE

The student financial assistance picture is a complicated one, with a variety of grants, loans and debt assistance measures. There are both federal and provincial components to student assistance, where both governments work together to simplify and streamline this process for students. In later sections of this paper, we address specific elements of student assistance, including assessing need and estimating the real costs of post-secondary education. To put these in context, in this section we present a brief overview of the current system.

The current mandate of the provincial government's Student Financial Assistance Program is:

... to provide New Brunswickers with financial need, access to post-secondary education, and to encourage them to complete their studies in a timely and successful manner. Financial assistance is determined based on financial need and is intended to supplement, but not replace, the applicant's own resources and the resources of the applicant's immediate family. Student financial assistance is a last resort program when a student's own resources cannot cover all the basic costs of attending post-secondary studies. Not all costs will be covered because there are maximum amounts available under each program.¹

In 1999-2000, Student Financial Assistance awarded over \$130 million in student aid to New Brunswick students. Applications in New Brunswick are assessed according to a formula and criteria established by the federal government and delivered by the provincial governments. The formula deducts resources already available to the student from allowable costs to come up with the assessed need. Resources include those of the parents of dependent students and of the spouses of students who are married or are living common law.

¹ *New Brunswick Student Financial Assistance Program Information Guide for 2000-2001*, (Fredericton, NB: Government of New Brunswick, 2000), p. 3

The following chart shows available programs:

Program	Dollar Figure	Comments
Canada Students Loans (CSL)	Allocated at 60% of assessed need to a maximum of \$165 per week of study	Federally-sponsored, provincially administered for full-time students. Interest-free for students while studying (Federal Government pays the interest). Repayment with interest on the outstanding amount beginning the first day of the seventh month after leaving studies
New Brunswick Student Loans (PSL)	Allocated at 40% of assessed need up to a maximum of \$110 per week of study	Provincially-sponsored and administered for full-time students. Interest-free for students while studying. Repayment with interest on the outstanding amount begins on the first day of the seventh month after leaving studies
New Brunswick Bursaries	Maximum of \$50 per week of study for students with no dependents, \$40 per week of study for married or single parents with dependents, who also receive a federal supplement	Non-repayable provincially financed grants. Demonstrated need must be greater than maximum student loans available
Canada Student Loans	Maximum of \$4,000 at any one time	Federally-sponsored, provincially-administered for part-time students. Interest payments begin one month following negotiation of loan. Principal and interest repayment begins six months after end of studies
Canada Study Grants:		
Students with Dependants	Maximum of \$40 per week of study for students with one or two dependents, \$60 per week of study for students with three or more dependents, maximum of \$3, 120 per year	Non-repayable, federally sponsored
Student with Disabilities	Maximum of \$5,000 per year	Non-repayable, federally-sponsored
High-need Part-time Students	Maximum of \$1, 200 per year	Non-repayable, federally-sponsored
Women in Doctoral Studies	\$3,000 per year maximum for up to three years	Non-repayable, federally-sponsored. Need established by full-time CSL application, for study in an eligible field

Debt Assistance Measures:		
Canada Millennium Bursaries	Average award is \$3,000 to a maximum of \$15,000 over four years	For current full-time students, with one year post-secondary completed, demonstrating high financial need and merit. Financed by the federal government, the program was initiated in 1999-2000. Bursary is sent directly to the institution
Interest Relief		Federally sponsored for CSL, provincially-sponsored for PSL. Interest is paid to keep loans in good standing. Applicants must have a total family income below a level determined by family size and the size of their monthly loan payment, along with other criteria
Debt Reduction in Repayment	Up to 50% of CSL principal or a maximum of \$10,000, and up to 50% of PSL principal or a maximum of \$4,000	Federally-sponsored for CSL, provincially-sponsored for PSL. Five years must have passed since borrower left post-secondary studies. Available only to those who have exhausted all interest relief options
Tax Credits		Income tax credits are now available for interest paid on outstanding student loans

Disbursements are made to qualifying student applicants in the following order:

1. Canada Student Loan
2. New Brunswick Student Loan
3. Canada Study Grant for students with dependants
4. New Brunswick Bursary

4. POST-SECONDARY TRENDS

- *Widening Gap between Rich and Poor*
- *Increased Personal Financial Burden*
- *Low Participation Rate for Students with Disabilities*
- *Projected Shortage of Graduates*
- *Increased Need for Advanced Study*

The benefits of post-secondary education have been addressed in many studies. For individuals, they range from increased life expectancy to greater income security to higher lifetime earnings. People with university degrees, for example, have an unemployment rate less than half that of the average worker, while their annual earnings are 56% more than the average.² Furthermore, Government of Canada projections indicate that a great majority, perhaps 70%, of future job opportunities will go to those with university, college or other forms of post-secondary education. For communities, especially as our economy becomes increasingly knowledge-based, the value of an educated population is also clear. In a recent discussion paper, the MPHEC summed up the benefits:

*The role of the post-secondary sector in a knowledge society is increasingly being emphasized. In its last university poll, Maclean's magazine noted that "for the first time in years, there is strong consensus that universities are critical – perhaps pivotal – to the country's future success" (p.51). Benefits of universities to a region include: providing an educated and skilled work force, attracting industry and investment, creating new opportunities to expand beyond our traditional economic base through knowledge transfer, providing expertise in all areas of social and economic policy, and contributing to the cultural and social fabric of the community.*³

Regardless of these clear individual and community benefits, a significant number of New Brunswick high school students do not go on to post-secondary study, despite the province's high percentage of high school graduates.

In 1997 New Brunswick was second only to Québec among the 10 provinces in the ratio of secondary school graduates to the total population aged 18, and at 85% was 10 percentage points higher than the Canadian average. However, our overall labour force lags behind national education levels. As a percentage of the total 1998 population of 25 to 54 year-olds, New Brunswick ranked ninth among the provinces (and 26% below the Canadian average) for the number of university degrees and eighth (about 3% below the national average) for the number of college and trade graduates. Among non-aboriginal

² Colette, Médard and Maurice Beaudin, *Multi-year Funding Plan for New Brunswick Universities*, (Fredericton, NB: Government of New Brunswick, August 1999), p. i.

³ MPHEC, *Securing Our Future – A Renewal Strategy for Post-secondary Research in Atlantic Canada* (Fredericton, NB: MPHEC, August 2000), p. 1

25 to 29 year-olds, New Brunswick ranked eighth for university graduates and sixth for college and trade graduates. For the aboriginal population, New Brunswick stood second among the provinces for university graduates and third for college and trade graduates.

In 1998 (the most recent year for which such data are available), the university participation rate was nearly 25% in New Brunswick.⁴ After several years of rapid annual growth, the university participation rate increased from 24.1% in 1993 to 24.7% in 1998. The community college participation rate, while much lower than the university participation rate, increased from 4% in 1993 to 6.8% in 1997. Paradoxically, the 18-to-24 age group as a whole has seen its size decrease over the same time period, from 80,308 in 1993 to 74,147 in 1998.

The overall participation rate for all forms of post-secondary education (university, community college and private training) is more difficult to assess with certainty due to gaps and discrepancies in data collection. While above 30%, it is difficult at this time to assess it more precisely.⁵ The Working Group does recommend that the collection and analysis of more meaningful data on accessibility receive a high priority.

New Brunswickers express a great deal of interest in pursuing their education. In 1997, the MPHEC conducted a survey with Grade 12 students in the Maritimes as part of its study on accessibility. Fully three quarters of that group expressed an interest in furthering their education beyond the secondary level. Unfortunately, there was no follow-up survey done with that group of students; it is therefore difficult to assess how many did go on the following year. However, a study conducted by the PEI government reveals that a vast majority of those who expressed a desire to pursue their education and qualified for their desired program did indeed enroll in some form of post-secondary education. It is also important in this context to take into account other findings of the MPHEC'S study on accessibility:

...student decisions to pursue or not to pursue post-secondary studies are multidimensional. At work is a complex maze of motivations and barriers dealing with a range of issues from personality traits to socioeconomic background to the cost of post-secondary education, and debt loads. There are varying inter-

⁴ University participation rate is the university enrolments expressed as a percentage of 18-24 year-old population in the province.

⁵ In any case, the way the traditional participation rate is calculated – total enrolment as a percentage of the total population aged 18-24 – is more measure of current teaching loads than a good indicator of student access. A simplified example will clarify the difference. Assume that the total 18-24 population is 70,000, with 10,000 at each of the seven age levels (18, 19, 20, 21, 22, 23 and 24), and that each year 4,000 students start a four-year university program and another 4,000 begin a one-year community college or similar program total annual university and community college enrolments could therefore reach 20,000, to produce a traditional participation rate of 28.6 per cent (comprised of 22.9 per cent for the university sector and 5.7 per cent for the college sector). But the **annual access rate** – new students (8,000) as a percentage of the population aged 18 (10,000) – would actually be 80 per cent. In addition, the proportion of people who enter the labour force with post-secondary education and training will be much higher than indicated by the traditional participation rate.

relationships and compounding effects between these issues any one of which can surface at any time as a major factor in student decision making. To simplify the decisions students make about post-secondary education down to a single issue, such as the more utilitarian “dollars and cents” concerns, academic performance, or the more nebulous attitudinal and motivational drivers, all to the exclusion of other issues, is to miss the point entirely. In actual fact, it is understanding how all of these issues interact with each other which is of paramount importance.⁶

It is in this context, we present the following post-secondary trends:

Widening Gap between Rich and Poor

The socioeconomic status of a student’s family is still a critical indicator of post-secondary participation. High school students with university-educated parents are more likely to attend university. According to a 1995 national survey, 70% of high school graduates with university-educated parents went on to university. Only 30% of high school graduates whose parents had a high school diploma or less went on. Analysis of current trends further reveals a widening gap in university participation by family socioeconomic status. According to the 1986 and 1994 national surveys, the gap in participation rates between young people from high socioeconomic status families and those from the middle or low groupings is increasing.

Increased Personal Financial Burden

“Between 1994-95 and 1999-2000, tuition fees at New Brunswick’s four universities increased 41%.”

Responsibility for funding post-secondary studies over the past few years has shifted increasingly from the taxpayer to the individual student, through tuition increases and changes in student aid structure. Though government grants remain a primary source of university revenue, tuition fees account for an increasing percentage of operating funds – up to 30.8% in 1997-98, from 21% in the early 1990s.⁷ Between 1994-95 and 1999-2000, tuition fees at New Brunswick’s four universities increased 41%.⁸ For comparison, the inflation rate over the same period was 9.1%.⁹ At the same time, financial aid has moved more towards loans and away from bursaries. In 1992-93, of total assistance of close to \$62.2 million through the New Brunswick Student Aid Program, \$17.5 million was in bursaries and grants compared to \$44.6 million (or 72% of the total) in loans. By 1998-99, with a total of \$129.6 million in assistance, \$7.83 million was in bursaries and grants compared to \$122.9 million in loans.¹⁰ In percentages, that means that 94% of student assistance now comes in the form of loans. In 1999-2000, the

⁶ MPHEC, *Accessibility to Post-secondary Education in the Maritimes* (Fredericton NB: October 1997), p. 39.

⁷ Collette and Beaudin, p. 35.

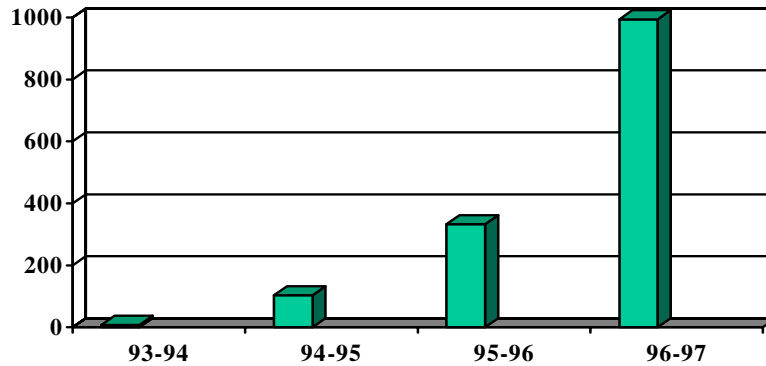
⁸ Sources: MPHEC and *Ibid.*, p. 35.

⁹ Statistics Canada

¹⁰ Source: NB Department of Education, Student Financial Services Branch

average level of debt for those New Brunswick post-secondary graduates who needed to borrow was \$16,091; for university graduates it was over \$25,000.¹¹ Even more alarming is the number of Maritime university students graduating with a debt load of more than \$30,000, which jumped an astounding 12,325% between 1993-94 and 1996-97 (from 8 to 994).¹²

Number of Maritime University Graduates with \$30,000+ Indebtedness



Source:MPHEC

Low Participation Rate for Students with Disabilities

Despite increasing public emphasis on inclusion, the numbers of students with disabilities in the K-12 public school system are not reflected in the post-secondary setting. Universities, community colleges and other training facilities are still not fully barrier-free in terms of physical access. Students with disabilities face a range of other barriers, too, including: lack of awareness, limited information about sources of financial support and delays in funding, lack of adequate encouragement, guidance and mentoring, insufficient transition support and so on.

Projected Shortage of Graduates

Low birth rates and net migration patterns have caused, the actual number of young people graduating from New Brunswick high schools to fall by 4 per cent between 1988 and 1999. Current enrolment numbers indicate that the number of high school graduates will fall even more sharply over the next decade. New Brunswick faces a growing shortage of candidates for post-secondary education and as a consequence there could be substantially fewer university, college and other post-secondary graduates to enter the work force in the years ahead. In this environment, a failure by the province to ensure that the largest possible number of qualified high school graduates proceed to post-secondary education will have a double impact. It will mean lost opportunities for the

¹¹ Source: *Ibid.*

¹² Source:MPHEC

individuals involved; and a reduced competitiveness for those industries and occupations which depend on a labour force with a high level of education and skill to succeed in today's global economy.

Increased Need for Advanced Study

Post-secondary graduates increasingly feel a need for further study beyond a first degree. The most recent MPHEC Graduate Follow-up Survey of the Class of 1996 in 2000 (preliminary data only) reveals that half of them have returned to school to obtain another credential. This trend is even more pronounced if one looks only at the individuals who graduated with an undergraduate degree in 1996; 55% of these graduates have enrolled in another formal post-secondary program. Graduates also enroll in less formal types of programs and courses (for example, business-related, computer-related, or self-improvement courses).

While the analysis pertaining to the level of debt taken on by graduates pursuing another degree is not complete, it suggests that an important proportion of graduates returning to school already had debt upon completing the degree they obtained in 1996 and are borrowing even more to further their education.

It is thus clear that while there is a need for post-secondary education that goes beyond a first degree, based on preliminary data, this need appears to translate into increased indebtedness for too many graduates. It is too early to tell what impact this increased level of debt will have on accessibility. However, based on the MPHEC 1997 study on the issue, it is clear that the greater the debt load, the more likely students from lower socioeconomic segments of the province will think twice about furthering their education.

5. RECOMMENDATIONS

- *Promoting Value*
- *Promoting Planning*
- *Limiting Barriers and Burdens*
- *Aiding Transitions*
- *Encouraging Graduates to Stay*

Promoting Value

Decisions about post-secondary education can begin very early in a student's public school career. Parents with post-secondary education tend to encourage their children to carry on with their studies, but not all primary and secondary students live in environments that value further study. Their relatives, peers and community may not see the point of going on. Their families may have little information on the benefits of post-secondary education and the different options.

The Working Group strongly believes in promoting the value and benefits of post-secondary education. We also believe careful thought has to be given to the design of such promotion so that it doesn't simply "preach to the converted." Thus, we recommend that both general promotion and specific programs to reach "high risk" students be undertaken. These efforts could include such traditional promotional efforts as workshops at parent-teacher meetings, for example, and hand-out materials, as well as a range of outreach programs. Examples of outreach programs are matching "high risk" students with post-secondary mentors (ideally from their own schools or regions) and involving the students in trips to post-secondary institutions and special events. Such programs can involve a variety of partners, including educational institutions, community groups and the private sector.

To promote the value of post-secondary education, the Working Group recommends that:

1. **Government take the initiative to work with institutions to develop strategies to:**
 - **Publicize the lifelong advantages that post-secondary education brings in terms of career options, income, health and personal satisfaction;**
 - **Publicize the importance of post-secondary education to New Brunswick's socioeconomic wellbeing;**

- **Inform middle school and high school students about the value of and variety of post-secondary education options and the importance of the choices they make.**
2. **Government continue to work with partners to design and implement outreach programs specifically targeted to “high risk” K-12 students.**

Promoting Planning

The Working Group saw a great deal of evidence to indicate that parents and students are often inadequately informed about the total costs of post-secondary education. Tuition costs are only one among many. Living expenses are a major financial issue for many students. Many institutions across Canada are adding course fees, materials fees and other surcharges that are essentially tuition under another name. In addition, a computer is now essential for much post-secondary study. Parents and students often do not know about the range of financial assistance options. Being inadequately informed about the costs and financial options can have two negative effects: some students may wrongly assume there is no way they can afford to continue their studies; others may grossly underestimate the amount of money they need.

Parents and students also need assistance in planning how to manage the costs, and budget their resources accordingly. The earlier the planning begins, the better prepared they will be. That is why we believe that parents should be informed about Registered Education Savings Plans (RESPs)¹³ as a mechanism to begin saving for post-secondary education right from the start of their children’s schooling, if not sooner.

To promote financial awareness and planning, the Working Group recommends that:

3. **Government and appropriate partners develop and implement communications campaigns to provide parents and students in K-12 information on:**
 - **Post-secondary education costs;**
 - **Financial options;**

¹³ An RESP (Registered Education Savings Plan) provides a way to accumulate savings of up to \$4,000 per year (and \$42,000 over the life of the plan) for the purpose of meeting future post-secondary education costs. Amounts invested in an RESP earn income, tax free, until required for educational purposes. In addition, the federal government provides a Canada Education Savings Grant equal to 20 per cent of amounts contributed, to a maximum grant of \$400 per year with a maximum total grant of \$7,200 over the life of the plan. The earlier contributions are made, the greater the total amount which will be available to cover educational costs.”

- **RESPs;**
- **Financial planning, and**
- **Money management.**

Limiting Barriers and Burdens

As we noted in *Section 4: Post-secondary Trends*, the Working Group is very aware of the increasing debt borne by many post-secondary students. In this context, it is important to note that compared to other provinces, New Brunswick spends one of the highest percentages of its Gross Domestic Product (GDP) on post-secondary education.¹⁴ Furthermore, the Government of New Brunswick has announced increased financing to universities at a rate of 2% a year for the three year period from 2000-01 to 2002-03. However, institutional operational and infrastructure costs keep rising, while previous cutbacks in federal transfer payments have had as negative an impact on education as they have on healthcare. The result is that government investment is being increasingly replaced by individual investment, in the form of increased tuition fees. Without realistic increases in operational and capital assistance to post-secondary institutions, this situation will get worse. Student access will be further limited by increased costs, while educational quality may decline as institutions are forced to cut corners. To reverse this trend, the Working Group believes the province needs both to significantly boost its own investment in post-secondary education and to make strong representations for enhanced assistance from the federal government.

Significant provincial reinvestment in student assistance is necessary if we are to help close the access gap for New Brunswick students. This student assistance should be based on needs assessments that are much more realistic in terms of the true costs of post-secondary education than those currently in use and it should focus primarily on bursaries targeted to New Brunswick students most in need.

At the same time, to make this provincial reinvestment truly effective, it must be leveraged and enhanced. In addition to making strong representations to the federal government, the Working Group suggests government explore endowment funds or other mechanisms to aid external fund raising or “matching.”

The Working Group also believes that New Brunswick would benefit from making timely interventions during the development of new federal and private sector funding programs. For example, the federal government’s Millennium Fund distributes scholarship funds to provinces in proportion to their percentage of Canada’s population rather than on the basis of the proportion of their students enrolled in higher education, a pattern which would have been more favorable to New Brunswick. Effective

¹⁴ Collette and Beaudin, p. 29.

involvement in the early development stages of such programs could result in criteria more beneficial to the province.

There are obvious, significant differences in students' abilities to handle the total costs of post-secondary education. The Working Group feels that assistance efforts should focus on those New Brunswick students most "at risk" in terms of access and completion. We have looked at a number of specific measures as potential components of a strategy to appropriately balance government and student investment in post-secondary education. We tackled the issue from two perspectives: front-end accessibility (loans and other assistance); and back-end accessibility (income-based rebates, interest rates and loan forgiveness).

When it comes to front-end accessibility, the Working Group believes current needs assessments are inadequate, not properly taking into account the full range of post-secondary expenses (living costs, tuition, extra fees, books, purchase of a computer, etc.). We are also concerned that the criteria for access to loans are too restrictive, with unrealistic assessments of required parental contributions. As a result, a significant number of students are unable to cover all expenses with the combined amount available from parents, loans and part-time work. Many students would put it even more starkly, saying that they simply do not have enough to live on.

The Working Group also discussed the need to determine what is a reasonable distribution of inflationary costs between students and governments (federal and provincial). One suggestion was for a sharing formula to prevent disproportionate downloading of increased costs.

Other front-end issues we discussed included:

- Providing tuition subsidies for needy New Brunswick students;
- Increasing the incentives for investing in RESPs, and
- Establishing a government bursary matching fund to encourage private sector investment in student assistance. Students receiving such bursaries should not lose other grants they may have received; rather bursaries should be used to reduce the amount of loans.

When it comes to "back-end accessibility", the key consideration is easing the fears of those who hesitate to go on to post-secondary studies because of the burden of debt they will face afterwards. The Working Group looked at a number of options. These included an integrated income-based rebate program; this would be of particular help to those who have difficulty finding work or who become unemployed. We also examined partial loan forgiveness programs for students who complete their studies within the expected time frame (with due consideration for special circumstances) and for students who chose to work in New Brunswick during their loan repayment period. This second option would

have the additional benefit of encouraging graduates to employ their skills in the province.

In addition to financial barriers, students with disabilities often face other difficulties in obtaining access to post-secondary education. These include actual physical barriers as well as negative institutional and instructor attitudes and lack of awareness.

Another area of access involves opportunities for ongoing education for those already in the workforce. With the growth of the knowledge economy has come a growing recognition of the importance of lifelong learning – to personal satisfaction and advancement, company viability and competitiveness and regional economic wellbeing. The Working Group feels New Brunswick as a whole would benefit from a policy designed to encourage companies to invest in mutually beneficial employee training.

To address these varied barriers to post-secondary education and to reduce student financial burdens, the Working Group makes the following recommendations.

To reduce the barriers to post-secondary education and the indebtedness of students, the Working Group recommends that Government:

- 4. Invest significant new money in student assistance, and focus primarily on bursaries targeted to New Brunswick students most in need.**
- 5. Request federal government to re-examine current needs assessment criteria and formulas for student aid to more accurately reflect the true costs of post-secondary education.**
- 6. Examine the efficacy of existing student assistance programs, including such elements as**
 - Debt levels**
 - Interest rate levels**
 - RESPs**
 - Bursaries**
 - Subsidies, and**
 - Financial arrangements in the repayment of student loans;**

- 7. Develop an aggressive strategy to strengthen New Brunswick's representations to the Government of Canada for increased post-secondary funding;**
- 8. Make timely interventions during the development of federal, and other, post-secondary funding programs;**
- 9. Establish a fund to match monies institutions raise for need-based bursaries;**
- 10. Develop a policy to encourage companies to invest in mutually beneficial employee learning;**
- 11. Institute partial loan forgiveness programs for students who choose to work in New Brunswick during their loan repayment period;**
- 12. Give the Department of Education the responsibility to work with the Premier's Council on the Status of Disabled Persons to propose measures to improve the access to post-secondary education of people with disabilities.**

Aiding Transitions

The Council of Ministers of Education Canada (CMEC) recently stressed that there is a need to gather more data on students' transitions and pathways: from secondary to post-secondary; from year to year through graduation; between institutions; and from a post-secondary institution to the labour market. The Working Group wishes to reiterate the statement made by CMEC. The Working Group recognizes that there are initiatives underway that will help fill that gap. Statistics Canada Enhanced Student Information System (ESIS, piloted by Maritime institutions with the support of the MPHEC) will provide much better data on many of these transitions and pathways. However, the Working Group notes that ESIS will not provide contextual evidence of factors influencing students' transitions. As a result, the Working Group is urging the government to examine the possibility of supplementing the data collected through ESIS with an additional study. This study would provide more information on various learning pathways, and some guidance for public policy development to ensure that students' transitions are as smooth as possible.

In the Working Group, we also saw a strong need to strengthen discussion and cooperation among the different elements of the secondary system, post-secondary system and labour market. At present, students often receive fragmented and even contradictory advice from these different elements. False starts, inappropriate program or institutional choices and unreasonable expectations of labour market possibilities can be

very costly to students in terms of debt-loads and to society if students lose motivation. Collaboration on these efforts will also help reduce costs and duplications.

The Working Group explored a number of ways to improve information gathering. We also spent considerable time looking at different kinds of forums where representatives of the secondary and post-secondary systems and the labour market could exchange information and increase their understanding of each other's requirements. The goal would be to improve the quality of assistance for students as they move from one situation to another. Different approaches included a training and higher education council, workshops and periodic roundtables. Many members of the Working Group were concerned about establishing a permanent council, with the bureaucracy and cost that would entail, and with the danger of its duplicating the work of other agencies. The consensus, therefore, was to recommend periodic cross-sectoral roundtables, each having a particular focus and relevant representation.

To obtain better information on mobility, student retention and transitions, the Working Group recommends that:

- 13. Government improve the quality and use of post-secondary data for student accessibility, mobility, retention trends and factors.**

To address the issues of transitions between different levels of education, among institutions, and between institutions and the labour force, the Working Group recommends that Government:

- 14. Be responsible for organizing and following up on the recommendations of periodic cooperative roundtables, each addressing specific transition issues with representation from universities, colleges, private sector institutions, employers, government and K-12;**
- 15. Urge post-secondary institutions to renew their efforts to support students' transitions.**

Encouraging Graduates to Stay

A skilled work force is essential to New Brunswick's economic wellbeing. At the same time, a favorable work climate – with good employment conditions, wage levels and personal growth opportunities – is essential to retaining graduates. New Brunswick faces critical shortages in such key areas as information technology, health and certain research specialties.

Strategies to encourage graduates to stay in New Brunswick require targeting key areas and providing incentives to retain this expertise in the face of international competition. In Recommendation 11, above, the Working Group proposed that Government institute

loan forgiveness programs for students who choose to work in New Brunswick during their loan repayment period.

A consistent theme in materials on the transition from education to the workforce from such sources as CMEC, the Conference Board of Canada, the MPHEC, and various federal and provincial departments and agencies, is the need for close links between those responsible for education and the labour market. The Working Group has addressed this, to an extent, in Recommendation 14, above.

We also want to mention in this context NBJobNet as an example of an information mechanism between post-secondary institutions and agencies responsible for social and economic development. NBJobNet, (www.nbjobnet.gnb.ca) a free service of the Government of New Brunswick, offers job listings, résumé postings, and IT training information. It is also involved in a variety of projects to profile the labour force in regions of the province and, in some cases, province-wide.

The Working Group believes that students need to have easily accessible information to help them make informed career decisions. NBWorkinfontet (www.nb.workinfontet.ca) is one example of such a source, providing occupational, career and labour market information in New Brunswick. Many private sector organizations also include career orientation as part of their offerings. We would like to see further promotion of career information sources.

We also want to see career experiences become integral parts of education programs. This could involve further expansion and refinement of New Brunswick Learning Career Opportunity (LCO) programs. These programs are designed to give secondary and post-secondary students career exposure that will help them identify viable careers that fit their own interests and abilities. A Department of Education working group has made a number of recommendations that the Working Group on Accessibility endorses to support LCO programs. They include: clarifying program categories, promoting the program to employers, defining the roles of employers, educators and learners, forming a Ministerial Advisory Group, and developing a centralized data collection mechanism with clear, standardized data definitions.

We see two further major requirements in encouraging graduates to stay in New Brunswick. One is to further incorporate career skills into the K-12 and post-secondary curricula. This will increase student employability and encourage the development of skills in areas where New Brunswick faces critical shortages. The Conference Board of Canada has updated its employability skills profile, providing a measure for such curriculum development. The second is to continue to develop recruitment and retention strategies for areas where there are critical skill shortages.

To increase the number of New Brunswick graduates who remain in the province, the Working Group recommends that:

- 16. Government, institutions and industry partners expand sources of accessible information to students to help them make informed career decisions;**
- 17. Government and institutions further develop curriculum and programs incorporating career skills and career experiences;**
- 18. Government, institutions and industry partners develop further recruitment/retention strategies for areas of critical skill shortages.**

4. SUMMARY OF RECOMMENDATIONS

Promoting Value

To promote the value of post-secondary education, the Working Group recommends that:

1. Government take the initiative to work with institutions to develop strategies to:
 - Publicize the lifelong advantages that post-secondary education brings in terms of career options, income, health and personal satisfaction.
 - Publicize the importance of post-secondary education to New Brunswick's socioeconomic wellbeing;
 - Inform middle school and high school students about the value of and variety of post-secondary education options and the importance of the choices they make.
2. Government continue to work with partners to design and implement outreach programs specifically targeted to "high risk" K-12 students.

Promoting Planning

To promote financial awareness and planning, the Working Group recommends that:

3. Government and appropriate partners develop and implement communications campaigns to provide parents and student in K-12 information on:
 - Post-secondary education costs;
 - Financial options;
 - RESPs;
 - Financial planning, and
 - Money management.

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To reduce the barriers to post-secondary education and the indebtedness of students, the Working Group recommends that Government:

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