

# Alberta 2023 Election Primer

On Post-secondary Issues – For MRFA Members

Last Updated: Friday, May 5



## Purpose of this Primer

In the lead-up to the May 29 provincial election, we need to do our best to ensure that post-secondary issues are on the political agenda. This includes getting our messages out publicly and reminding candidates that high-quality, affordable, accessible post-secondary education (PSE) matters for Alberta's students, citizens, and communities.

This primer provides you, as a member of the Mount Royal Faculty Association<sup>1</sup>, with a concise summary of the main parties' PSE policy commitments made in the lead-up to Election Day. To help put these commitments in context, it provides a brief overview of the state of PSE in Alberta today. Most importantly, the primer articulates overall messages about the Association's positive vision for PSE in our province and suggests ways that members can take these issues up when speaking with friends, neighbours, and candidates for political office.

## Background: The State of PSE Policy in Alberta Today

Developments over recent years have led to serious affordability concerns for students and their families, who are increasingly shouldering the cost of public education. Deep funding cuts threaten the quality of education and hamper efforts to address longstanding challenges such as Indigenization and decolonization, equity, overreliance on short-term employment practices for delivering the majority of credit instruction at our University, and intensifying workloads and class sizes. Increased control by government and private interests threaten the institutional autonomy necessary to support freedom of inquiry, learning, and critique.

Over the past four years:

- The government unveiled its *Alberta 2030* plan to thoroughly transform public PSE, focusing on:
  - A larger say for the private sector overall
  - Stronger alignment of educational programs with employer priorities
  - Greater prioritization of research commercialization
- By 2022-23, cumulative funding cuts represented a \$400M per year (14%) reduction in operating funding for Alberta's post-secondary institutions – much higher per-student when accounting for inflation and projected enrolment growth
  - These cuts have helped to subsidize a cut to the corporate tax rate (now 8% – the lowest in Canada)
- "Performance-based" funding was introduced<sup>2</sup>

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<sup>1</sup> The Association is non-partisan in that it does not support a particular political party or candidate for office. However, we do take positions on matters of public policy, and the provincial election represents a great opportunity to ensure that PSE issues are part of the mix as provincial policy choices gain increased attention in the lead-up to Election Day.

<sup>2</sup>See the appendix to this primer for more on performance-based funding.

- 40% of remaining operating funding is “at risk”, based on government-set performance metrics (e.g., student employment outcomes)
- Targeted funding has been prioritized over base operating funding
  - Only small envelopes of targeted funding have been made available in the past year for very specific government priorities, with the government picking academic program winners and losers (therefore influencing areas of faculty capacity and thus the direction of scholarly inquiry at our universities)
  - E.g., at MRU: \$2.6M/year ×3 years for computing and business programs and \$2M/year ×3 years for aviation
  - The three-year nature of these funding commitments introduces budget uncertainty and undermines the longer-term planning and capacity building needed to support stable educational programs
- The government is requiring institutions to realize greater “own source” revenue, including from private funders and especially from higher student enrolments
- Tuition fees have risen by over 30% (much higher in some programs)
  - Previously cut student aid dollars have reappeared over the past year, but reintroduced as bursaries for low-income learners who enrol in government-approved programs, therefore exercising government influence over students’ educational choices
  - Increases in overall student-aid funding are not sufficient to keep pace with tuition plus enrolment growth and are set to fall again after 2023
- The government has created a pathway for for-profit career colleges to be categorized as independent academic institutions under Alberta’s Post-secondary Learning Act, paving the way for private businesses to receive shrinking public funding

## Overall MRFA Messages

Our key messages on public PSE for this election:

### **1. A large-scale and long-term reinvestment in public PSE is needed.**

This includes reversing the deep cuts to operating funding over the past four years. It will support lower tuition, providing relief for students and working families while maintaining the public support necessary for strong universities, colleges, and polytechnics that are able to attend to the myriad challenges and opportunities our society faces.

This also includes providing regular increases in line with inflation and enrolment growth and ensuring that current and future caps or reductions in tuition fees – however welcome – are accompanied by inflationary backfill to base operating grants. The alternative is a PSE system that is stretched increasingly thinly, is more beholden to private interests, and is more brittle in the face of economic shocks.

### **2. End performance-based funding and the overuse of targeted funding.**

Performance-based funding and the replacement of base funding with smaller envelopes of time-limited targeted funding represent government overreach, whereas healthy public PSE is

founded on freedom of inquiry, learning, and critique. Ending these policies will allow Alberta's post-secondary institutions to serve as vital resources to their many publics over the long term.

### 3. **Protect institutional autonomy.**

Forcing institutions to rely on “own-source” revenue is not only bad for affordability, but it opens the door to greater control by private interests. Strong public support for our universities, colleges, and polytechnics means that they can focus on their core educational, research, and community-engagement missions in service of the public interest.

## UCP Election Commitments and Responses

### Key Elements of UCP Policy

- [Set tuition fee increases at 2% per year](#) starting in 2024-25
- Implement the plans in [Alberta Budget 2023](#), including:
  - Offsetting funding cuts with higher tuition revenues, including from higher enrolments
- Continue the *Alberta 2030* plan that transforms PSE to increasingly serve the private sector

### Some Responses to UCP Policy

- Setting tuition increases to 2% per year, starting the academic year after next, does nothing to address the acute affordability crisis students and their families are already facing.
- The >30% increase in tuition fees since 2019 represents the shifting of the cost of public education onto students and families – the result of deep funding cuts. These funding cuts need to be reversed. It's time for a large-scale and long-term reinvestment in public PSE. Small envelopes of three-year targeted funding aren't the answer.
- Performance-based funding doesn't work (see appendix).
- Let candidates and others know about your direct experiences related to decreased public support for PSE (e.g., the stresses of increasingly high tuition fees, rising class sizes with less personalized attention to learner needs, the hollowing out of staff support for core teaching and research functions, or the extremely high reliance on precarious, course-by-course employment practices for delivering the majority of our credit instruction).

## NDP Election Commitments and Responses

### Key Elements of NDP Policy

- [Freeze tuition fees](#) at 2022-23 levels and limit future increases to inflation
- Provide \$200M in funding to create a [downtown campus](#) in Calgary, as a hub that brings PSE and business closer together in support of economic diversification

### Some Responses to NDP Policy

- The attention to tuition relief is a good start, but it still locks in most of the >30% increase in tuition fees since 2019, which represents the shifting of the cost of public education onto student and families – the result of deep funding cuts. Public funding is the other side of the tuition-relief coin. These funding cuts need to be reversed. Dream bigger on affordability: It's time for a large-scale and long-term reinvestment in public PSE.

- The vision for the downtown campus is unclear and doesn't speak to the pressing need for restored operating funding at already-existing campuses.
- NDP messaging has been largely about PSE as workforce training for economic benefits. Dream bigger on the role of PSE in Alberta.
- Undo the performance-based funding regime brought in by the UCP in 2020 (see appendix).
- Let candidates and others know about your direct experiences related to decreases public support for PSE (e.g., the stresses of increasingly high tuition fees, rising class sizes with less personalized attention to learner needs, the hollowing out of staff support for core teaching and research functions, or the extremely high reliance on precarious, course-by-course employment practices for delivering the majority of our credit instruction).

## For More Information

For more, see our membership-approved [advocacy goals](#). From their preamble:

*The Association affirms its commitment to a vision of universal, equitable access to affordable, high-quality public post-secondary education (PSE), comprising diverse programs of study and scholarship that grow our knowledge and understanding and that uphold our University's responsibilities to its many publics—that is, to healthy PSE as a public good. This is a vision of PSE in which all members of the academic staff play a decisive role in shared governance and participate meaningfully in protecting and strengthening the conditions necessary for robust academic work. We commit to engaging with the public on these issues. In committing to these goals, we recognize and oppose the neoliberal project<sup>3</sup> that seeks to recast PSE as little more than the narrowly conceived servant of private interests.*

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<sup>3</sup> See our recent [teach-in](#) for more on this topic.

## Appendix: Primer on Performance-based Funding

So-called “performance-based” funding (PBF) is an approach taken by governments to steer publicly funded PSE institutions into alignment with government policy objectives. PBF has been widely criticized in the research literature for its failure to meet stated policy objectives in jurisdictions where it has been attempted, while introducing side effects that create new problems and make existing problems worse.

In 2020, Alberta’s Post-Secondary Learning Act was amended to introduce a PBF regime for public post-secondary institutions, implemented via investment management agreements (IMAs) that each institution’s board of governors must enter into with the Minister of Advanced Education. IMAs link institutions’ operating funding to government-identified metrics. As this regime is phased in, the Government of Alberta has indicated that eventually up to 40% of annual operating funding will be “at risk” should the targets set in IMAs not be met by the institution.

In Alberta, tying an “at risk” portion of already-shrinking public funding to government-set metrics, combined with policy that prioritizes limited envelopes of targeted funding, threatens to compound the problems accompanying ongoing funding cuts while eroding institutional autonomy and students’ and faculty members’ freedom of inquiry and educational choice.

The suite of PBF metrics in question is directly related to the Alberta government’s economic policy objectives. The introduction of PBF is one component of the *Alberta 2030* plan, whose express aim is to transform post-secondary education by giving the private sector a larger role in the governance of post-secondary education, aligning programs with labour markets, and prioritizing research commercialization. With respect to education, the *Alberta 2030* vision for the role of a university is to operate a market-responsive, market-feeding pipeline of human capital.

PBF and other components of the *Alberta 2030* plan constitute dangerous government overreach that threatens well-recognized principles of university autonomy and collegial governance. Institutions ought to be attentive to the needs and interests of their many publics in which they are embedded—good education and scholarship are not insular. Economic interests and private sector wants are not irrelevant, but these should not be used as justifications for undermining democratic shared governance or to instrumentalize university education, thus overriding other important aspects of a university’s overall academic mission, which is for the common good of society. Put simply, a university loses its most fundamental academic and societal value when led by the nose.

### Two High-level Overviews of PBF in Canada:

Spooner, M. (2019). Performance-based funding in higher education. *CAUT Education Review*. Canadian Association of University Teachers. [https://www.caut.ca/sites/default/files/caut-education-review-performance-based\\_funding\\_in\\_higher\\_education.pdf](https://www.caut.ca/sites/default/files/caut-education-review-performance-based_funding_in_higher_education.pdf)

Spooner, M. (2021, spring). The ugly side of performance-based funding for universities. *Academic Matters*. Ontario Confederation of University Faculty Associations. <https://academicmatters.ca/the-ugly-side-of-performance-based-funding-for-universities-2>

### Some Academic Literature on PBF:

Estermann, T., & Claeys-Kulik, A.-L. (2016). Performance-based funding of universities in Europe. *International Higher Education*, 85, 31–33. <https://doi.org/10.6017/ihe.2016.85.9250>

Abstract: Performance-based funding of universities is often perceived as a useful tool by policy makers, both to increase the transparency of public spending by linking it to measurable indicators, as well as to incentivize and reward the achievement of certain policy goals. However, the analysis reveals that the expectations towards performance-based funding are often too high and that it should be used with caution due to the various effects that are difficult to control.

Ortagus, J. C., Kelchen, R., Rosinger, K., & Voorhees, N. (2020). Performance-based funding in American higher education: A systematic synthesis of the intended and unintended consequences. *Educational Evaluation and Policy Analysis*, 42(4), 520–550. <https://doi.org/10.3102/0162373720953128>

Abstract: This systematic synthesis examines the intended and unintended consequences of performance-based funding (PBF) policies in higher education. Within this synthesis, we focus particularly on evidence from research studies with strong causal inference designs in an effort to understand the impacts of these policies. PBF adoption is generally associated with null or modest positive effects on the intended outcomes of retention and graduation, but there is also compelling evidence that PBF policies lead to unintended outcomes related to restricting access, gaming of the PBF system, and disadvantages for underserved student groups and under-resourced institution types. PBF policies including equity provisions for colleges that enroll or graduate underserved student groups have been found to offset some of these unintended consequences. Based on this synthesis, we offer policy recommendations and directions for future research on PBF policies, including the need to consider variation in policy design and the broader state policy context.

Rabovsky, T. (2014). Support for performance-based funding: The role of political ideology, performance, and dysfunctional information environments. *Public Administration Review*, 74(6), 761–774. <https://doi.org/10.1111/puar.12274>

Abstract: As performance-based mechanisms for accountability have become increasingly commonplace in the public sector, it is apparent that administrative reactions to these reforms are central in determining their effectiveness. Unfortunately, we know relatively little about the factors that drive acceptance of performance-based accountability by administrative actors. This article employs data collected from an original survey instrument to examine the perceptions of presidents at American public colleges and universities regarding performance funding. The author finds that acceptance of performance as a basis for funding is driven by a variety of factors, including the partisanship of the state legislature, organizational performance (measured by institutional graduation rates), dysfunction in the external information environment, and the political ideology of university presidents.

Ward, J., & Ost, B. (2021). The effect of large-scale performance-based funding in higher education. *Education Finance and Policy*, 16(1), 92–124. [https://doi.org/10.1162/edfp\\_a\\_00300](https://doi.org/10.1162/edfp_a_00300)

Abstract: The use of performance-based funding that ties state higher education appropriations to performance metrics has increased dramatically in recent years, but most programs place at

stake a small percent of overall funding. We analyze the effect of two notable exceptions—Ohio and Tennessee—where nearly all state funding is tied to performance measures. Using a difference-in-differences identification strategy along with a synthetic control approach, we find no evidence that these programs improve key academic outcomes.