



Ministry of
Advanced Education

2008/09 – 2010/11
Service Plan

February 2008



National Library of Canada Cataloguing in Publication Data

British Columbia. Ministry of Advanced Education.

Service Plan. — 2002/03/2004/05

Annual.

Continues: British Columbia. Ministry of Advanced Education. Service Plan.
ISSN 1705-3137.

ISSN 1705-3137 = Annual service plan – British Columbia.
Ministry of Advanced Education

1. British Columbia. Ministry of Advanced Education —
Periodicals. 2. Postsecondary education – British Columbia —
Periodicals. 3. Postsecondary education – British Columbia —
Periodicals. I. Title. II. Title: Ministry of Advanced Education annual service
plan.

LC176.2.B7B74

353.8'8'0971105

C2003-960010-6

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Published by the Ministry of Advanced Education



Message from the Minister and Accountability Statement

It is my pleasure to present the Ministry of Advanced Education
2008/09–2010/11 Service Plan.

We are committed to ensuring that British Columbia's post-secondary education system continues to deliver excellent and accessible education to B.C. students. We have a high-quality university sector, and an equally high-quality system of comprehensive community colleges, university colleges, specialized institutes and private post-secondary institutions.

Campus 2020: Thinking Ahead was launched by Premier Gordon Campbell two years ago to focus on the future of post-secondary education. The initiative was the first comprehensive look at higher education in British Columbia in 45 years. The review encompassed five months' consultation, visits to 18 communities across the province, and more than 200 written and electronic submissions.

As we move into the next phase of Campus 2020, we are continuing to work closely with students, post-secondary institution presidents and board chairs, and other partners to determine the special role institutions will play as we move towards becoming the best-educated place in North America.

The development of an Education Quality Assurance designation will become British Columbia's brand for post-secondary education for both public and private institutions and will be used around the world to promote high quality, reputable and credible B.C. post-secondary institutions. It will enable students to readily see which institutions, both public and private, are "recognized" as having met established quality assurance standards.

We plan to capitalize on our potential as Canada's pacific gateway to North America. We will improve our competitiveness and productivity through education. Since 2001 we've funded almost 22,000 new post-secondary student spaces — including doubling the number of first-year training spaces for medical students and increasing nursing seats by 82 per cent.

Through consultation with Aboriginal communities, we have developed an Aboriginal Post-Secondary Education Strategy to help close the higher learning education gap between Aboriginal and non-Aboriginal people. The strategy includes scholarships, targeted programs, transition support and strengthening partnerships to help Aboriginal students start, stay in, and succeed in post-secondary education and training.

Since 2001 we have committed \$1.2 billion to improve campuses and provided government investments of more than \$1.5 billion for research and innovation across the province. We are working to enhance B.C.'s capacity for innovation to improve our productivity, competitiveness and prosperity.

The Ministry of Advanced Education *2008/09–2010/11 Service Plan* was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared. All material fiscal assumptions and policy decisions as of February 19, 2008, have been considered in preparing the plan, and I am accountable for achieving the specific objectives in the plan.

A handwritten signature in black ink that reads "Murray Coell". The signature is written in a cursive style with a large, prominent initial "M".

Honourable Murray Coell
Minister of Advanced Education and
Minister Responsible for Research and Technology

February 19, 2008

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Purpose of the Ministry

The Ministry of Advanced Education provides leadership and direction, establishes policy, and provides funding to the post-secondary system and to the research and technology sector. The Ministry also provides financial assistance to students. The public benefits of post-secondary education are far-reaching and include: providing people, communities and employers with needed knowledge, skills and training, as well as enabling citizens to participate fully in our society.

The Ministry of Advanced Education shares with the Ministry of Education primary responsibility for Government's first Great Goal: "Make British Columbia the best-educated, most literate jurisdiction on the continent." The Ministry is also a key partner with the Ministry of Economic Development on the fifth Great Goal: "Create more jobs per capita than anywhere else in Canada" through providing well-educated and skilled labour, and targeting areas of skills shortages.

The majority of public services for which the Ministry is responsible are delivered by institutions and organizations within the public post-secondary system and the research and technology sector. The institutions, like those in other provinces, have a significant and appropriate degree of autonomy from government. This allows them the necessary independence to determine how to deliver programs and courses effectively, provide education and training to students, undertake research and serve the educational needs of their communities. Various mechanisms, such as legislation, funding agreements and reporting requirements, ensure accountability for public funds.

British Columbia also has a diverse private post-secondary sector that offers a range of education and training programs including degrees, career training and English as a Second Language. Private degree granting and career training institutions are subject to legislative and regulatory frameworks.

The Ministry's expanded mandate for research and technology includes oversight of: funding to the British Columbia Knowledge Development Fund and contributions to research organizations such as Genome British Columbia; internship funding for graduate students; the Premier's Technology Council and British Columbia Innovation Council;¹ and a leadership role in ensuring all research investments across government align with the objectives of the BC Research and Innovation Strategy.

¹ As a Crown agency, the British Columbia Innovation Council conducts its affairs at arms length from Government and publishes its own service plans and annual reports, separate from those of the Ministry. The Ministry is also responsible for the Knowledge Network which was recently established as a Crown agency.

The Ministry provides direct service to the public through administration of StudentAid BC, which provides loans and grants to eligible post-secondary students for education and living costs. The Ministry is also responsible for ensuring the loans it provides are repaid by students once their studies are completed and debt management tools are available to former student borrowers experiencing hardship in repayment.

Strategic Context

To prosper in the years ahead, British Columbia must adapt to global environmental and economic changes and to a labour shortage strongly affected by an aging workforce. British Columbia's colleges, university-colleges, institutes, and universities are an integral part of responding to these pressures. Citizens with post-secondary education benefit from low unemployment rates, high lifetime earnings, and an awareness of the world around them. Business benefits from a literate, skilled workforce and the research and development capacity of the post-secondary system. From an economic standpoint, investment in improving adult literacy skills provides profitable returns. A study on public investment in skills demonstrated that a one per cent increase in literacy skills among Canadians would drive annual sustainable Gross Domestic Product growth of 1.5 per cent (\$18.4 billion).²

Jurisdictions outside British Columbia — such as Ireland and Scandinavia — have successfully adapted to globalization and labour-market pressures by investing in post-secondary education. British Columbia can look to these jurisdictions to ensure prosperity in a changing world.

Economic Growth and an Aging Workforce

According to British Columbia's independent Economic Forecast Council, the B.C. economy grew 3.1 per cent in 2007, lower than the 3.4 per cent expected at the start of the year. B.C.'s economic growth is expected to moderate somewhat, with 2.8 per cent growth in 2008, followed by growth of 3.0 per cent in 2009 and average growth of 2.9 per cent for the 2010 through 2012 period.³

British Columbia's labour market is shaped by the parallel pressures of strong economic conditions and the aging of the baby boom generation. Unemployment has reached a 30-year low, as a record number of workers approach retirement. Between 2005 and 2015, there will be over one million job openings in British Columbia. This growth will result from the creation of 461,000 new jobs and 652,600 vacancies from retirement. These factors produce the strongest labour market pressures in a generation.⁴

² Coulombe, Serge and Jean-Francois Tremblay, "Public Investment in Skills: Are Canadian Governments Doing Enough?" C.D. Howe Institute Commentary ISSN 0824-8001, October 2005.

³ Economic Forecast Council, December 2007

⁴ Ministry of Advanced Education, "Employment Outlook for British Columbia: COPS BC Unique Scenario for 2005 to 2015," February 2007.

Filling new openings and vacancies will create strains throughout the economy, both in terms of the availability of workers and the costs of securing skilled labour. The post-secondary system has a key role to play in filling this gap. Other strategies, such as delayed retirement, inter-provincial migration, and immigration (the historic response to Canada's low birth rate), supplement rather than replace education and training. More than 70 per cent of employment openings in British Columbia (new jobs and those created by retirement) will require at least some post-secondary education. Occupations requiring a university degree or higher will face the most competition for workers.

Climate Change and the Green Economy

British Columbia is confronted with global warming and rising energy prices. The Mountain Pine Beetle Epidemic demonstrates the harmful impact of climate change on British Columbia's economy. Other changes, such as rising sea levels, will affect diverse sectors in future years. Concern is also mounting over air, food and water quality. Meanwhile, global decline in fossil fuel reserves has driven energy prices to record-levels, increasing inflationary pressures on British Columbia workers and business.

Action today can avert serious economic and social consequences in the future. British Columbia is endowed with rich, renewable sources of clean energy and with a growing pool of knowledge on how to mitigate and adapt to climate change and protect air, food and water quality. The post-secondary system can assist British Columbia's communities in the transition to a green, sustainable economy, deploying research capacity to solve global problems.

Globalization and the Knowledge Economy

New technologies and globalization have transformed employment in North America and Europe. From a natural resource base, British Columbia's economy has diversified. Despite some growth in mining and in oil and gas, employment in the primary resource sector fell from 55,100 jobs in 1996 to 43,800 jobs in 2006.⁵ Automation has reduced reliance on manual labour, while some manufacturing and processing have moved to Asia and other developing economies.

The new knowledge economy is grounded in the service sectors and in occupations that require post-secondary education and training. Growing demand for workers in health care, information technology and the skilled trades exemplifies this trend. Responding to labour market pressures will require a combination of strategies including re-focussing efforts on recruitment and

⁵ Statistics Canada, *Labour Force Survey* (2006), Annual Averages.

retention at institutions and increasing capacity in education programs such as nursing, medicine and trades apprenticeships, in addition to other measures by employers such as competitive compensation packages.

Productivity gains in the global knowledge economy are realized through research, development and innovation, and through increasing literacy levels. British Columbia ranked fourth in Canada in research and development spending in 2004, accounting for 1.5 per cent of GDP.⁶ Continued diversification of the provincial economy — and sustained economic growth — depend on research and innovation-intensive industries, such as clean technology,⁷ life sciences, high technology, new media and engineering. Government and the private sector can contribute to future economic growth by investing in research and innovation today.

Harnessing Diversity

Despite the current labour shortage in the province, workforce participation and post-secondary attainment do not reflect British Columbia's rich diversity. Aboriginal people, who account for 5 per cent of the population and the fastest-growing segment of 15-24 year-olds, continue to be under-represented. Unemployment among working-age Aboriginals in 2006 was three times the rate for non-Aboriginals (13.1 per cent compared with 4.6 per cent). The high-school completion rate for British Columbia's Aboriginal youth was 65 per cent in 2006, compared with nearly 80 per cent among non-Aboriginal youth; only 6 per cent of Aboriginals held university degrees, a quarter the proportion in the non-Aboriginal population.⁸

Immigrants also face challenges in British Columbia's labour market despite strong educational credentials. Very recent immigrants (those arriving in the past five years) are more than twice as likely to hold a post-secondary degree compared with the general working-age population (54 per cent compared with 26 per cent). A remarkable 18 per cent of these immigrants hold graduate degrees (compared with 6 per cent of their Canadian-born counterparts). However, university-educated immigrants are four times as likely to be unemployed.⁹

In the context of British Columbia's globalizing economy and aging workforce, the post-secondary system can be more responsive to under-represented groups, leading to successful integration into the labour force and a stronger economy.

⁶ BC Progress Board, *Strategic Considerations for BC's Future: Issues and Trends 2007 Report*, June 2007.

⁷ The means to create electricity and fuels with a smaller environmental footprint, such as with wind power, solar power and biofuels.

⁸ BC Stats. "Labour Market Characteristics of the Off-Reserve Aboriginal Population in BC," *Earnings and Employment Trends*, April 2007.

⁹ Statistics Canada *Labour Force Survey Immigration Series* (September 2007); BC Stats, "Labour Market Characteristics of the Immigrant Population in B.C.," *Infoline*, 5 October 2007.

Campus 2020

The Ministry received the report it commissioned on the future of post-secondary education called *Campus 2020 Thinking Ahead: The Report*. The Ministry is working on a transformative plan to implement recommendations made by the Report.

The Ministry has already taken action on: making Adult Basic Education tuition-free, undertaking a review of student financial assistance, and announcing a review of the act governing private career colleges. This Service Plan foreshadows many of the actions the Ministry will be taking as part of Campus 2020. However, the Ministry's position on some of the recommendations is not explicitly incorporated into the plan as consultation with our partners is still ongoing.

Promoting Healthy Lifestyles

As a preliminary step towards meeting Government's *ActNow* objectives, the Ministry worked with the public post-secondary institutions to provide healthier choices in campus vending machines.

In addition to supporting BC Public Service initiatives such as the Provincial Employee Fitness Society, Ministry staff have endorsed the spirit of *ActNow* by engaging in the Victoria Times Colonist 10 km run, boot camp fitness classes and a walking club.

Goals, Objectives, Strategies and Performance Measures

Goal 1: Excellent public and private post-secondary education that meets the needs and aspirations of British Columbians, especially in supporting the needs of an educated workforce

Objective 1.1: British Columbians have opportunities to attend post-secondary education

- Achieving this objective will ensure that an integrated public and private post-secondary system has sufficient space to accommodate the needs of students who want to pursue a post-secondary education. It will also ensure graduates meet employers' demands for highly skilled workers and institutions respond to their communities' needs for education and skills training.
- The customary challenges associated with the objective, such as ensuring spaces are available when and where they are needed; matching operating, capital and financial aid capacity at the right place and time; and managing the regional variation in demand for programs, have been exacerbated by the strong economy's affect on people's decisions on whether or not to attend programs.
- Recent enrolment growth has been slower than previously forecast owing to the very strong B.C. economy. In response, the Ministry has moved some of the planned seats into specific key programs. The Ministry has announced that 2,500 new graduate seats will be created to respond to the needs of the knowledge economy and to meet the research and innovation agenda government is leading. In addition, some of the seats are being used for health-related programs to increase the number of doctors, nurses and other health professionals, and for trades training to address skills gaps and shortages in specific occupations.

Strategies

- Develop a new framework for the post-secondary system, clarifying mandates, roles and responsibilities.
- Target post-secondary growth to meet the new labour market.

Performance Measure 1: Total student spaces in public institutions

Performance Measure	2007/08 Forecast ²	2008/09 Target	2009/10 Target	2010/11 Target
Total student spaces in public institutions. ¹	186,700	200,642	206,668	207,325

¹ Total student spaces now includes apprenticeship training Full-Time Equivalents. The targets include Industry Training Authority growth up to 2009/10 but not for 2010/11 which is to be determined.

² Data Source: 2007/08 Post-Secondary Institutional Full-Time Equivalent Interim Report.

Performance Measure 2: Total credentials awarded

Performance Measure	2007/08 Forecast ²	2008/09 Target	2009/10 Target	2010/11 Target
Total credentials awarded. ¹	48,686	49,465	50,306	51,229

Data Source: Ministry of Advanced Education, Central Data Warehouse and The University Presidents' Council of British Columbia database.

¹ This measure includes all credentials awarded for programs that lead to a formal qualification (as opposed to a certificate of attendance) at all public post-secondary institutions. This includes all forms of post-secondary education from vocational training to graduate programs; however, it does not include credentials awarded by the Industry Training Authority.

² 2007/08 target.

Discussion

The number of spaces at public post-secondary institutions and the number of credentials awarded are two measures that indicate the capacity of the public post-secondary system to, first, enrol students and, second, for those students to complete their programs. The results of the first measure are influenced by many factors, including the Ministries of Advanced Education and Economic Development¹⁰ providing funding for seat allocations. The results of the second measure are jointly influenced by the Ministry and its partners: the Ministry provides funding; the institutions meet their target number of seats; and students complete programs. It should be noted that both enrolments and completions can soften in a vibrant economy where students are often hired before completing their programs. There are both positive and negative aspects to this dynamic.

¹⁰ Apprenticeship allocations are done through the Industry Training Authority, for which the Ministry of Economic Development is responsible.

The target for total student spaces is based on a plan to increase student spaces in the post-secondary education system to meet labour market demand. Student spaces are allocated throughout the Province to support regional access and to maintain the reduced Grade Point Average entrance requirements at universities.

In general terms, the number of credentials awarded is affected by the capacity of the system; the more students enrolled, the more credentials awarded. However, it should be noted that credentials awarded today are the result of funded student spaces in the past, as it can take several years of studies before students earn their credentials. For this reason, targets for credentials are partly based on previous years' funded student spaces in the public post-secondary system.

Objective 1.2: Post-secondary education is accessible and affordable for students

- Achieving this objective will ensure that opportunities are available for students to pursue post-secondary education throughout the province.
 - Challenges associated with this objective are ensuring that barriers to education are minimized and consideration of shifts in the composition and size of B.C.'s population are made. Barriers include financial and geographic limitations; shifts include increasing migration to B.C. and an increasing Aboriginal population. A significant number of those migrating to B.C. are new immigrants with at least a baccalaureate level of education, but whose first language is not English. This has an impact on the demand for English as a Second Language education.
 - Growth in the Aboriginal population highlights the need for culturally sensitive programming. It also increases the need for supports to help Aboriginal learners make the transition from secondary education to post-secondary education, an important step in post-secondary education participation. For information on Aboriginal education initiatives in the Province, visit: www.aved.gov.bc.ca/aboriginal.
 - There continues to be a significant portion of adults in the province with low levels of literacy. The Ministry supports these individuals' efforts to achieve the level of learning required to reach their full potential in the modern economy. There are many individual, social and economic benefits to improving literacy skills and effective strategies need to be developed and implemented to increase adult literacy levels and enable the creation of a skilled and productive workforce. For more information, visit: www.aved.gov.bc.ca/literacy.
 - Initiatives and supports are important for encouraging First Generation Learners — children from families without a history of post-secondary education.

Strategies

- Reduce financial barriers for students.
- Improve participation for under-represented groups, especially Aboriginals, immigrants and first generation learners.

Performance Measure 3: Per cent of former students' monthly income used for education loan repayment

Performance Measure	Baseline	2007/08 Forecast	2008/09 Target	2009/10 Target	2010/11 Target
Per cent of former students' monthly income used for education loan repayment:					
Former certificate, diploma and associate degree programs	4% ^{1,3}	≤ benchmark	≤ benchmark	≤ benchmark	≤ benchmark
Baccalaureate programs	7% ^{2,3}	≤ benchmark	≤ benchmark	≤ benchmark	≤ benchmark

Data Source: Former certificate, diploma, and associate degree students data are from the B.C. College and Institute Student Outcomes Survey. Baccalaureate graduates data are from the Baccalaureate Graduate Survey.

¹ 2007 survey data are the latest available.

² 2006 survey data are the latest available.

³ The monthly payments are calculated using a 9.5 year amortization period (the period used for federal consolidated student loans) and the interest rate is set at 2.5 per cent above the Bank of Canada rate at the time of calculation.

Discussion

The benefits of post-secondary education are well documented. Ensuring the cost of post-secondary education is balanced with manageable debt upon graduation illustrates Government's commitment to providing affordable, accessible, high-quality and relevant post-secondary education.

The Ministry aims to focus efforts on reducing financial barriers to maintain high participation rates, especially for under-represented groups who tend to be most debt averse. Approximately half of all full-time public post-secondary students acquire government student loans, and of those about 40 per cent pay off their loans within two years.

This is the first year this data is being presented. One method to illustrate the affordability of post-secondary education is to relate students' total educational-related costs to the financial benefit they receive from their education. Comparing debt levels and income beyond graduation provides a measure of affordability that will assist the Ministry in ensuring that all

British Columbians have access to post-secondary education. It should be noted that the data used for this measure are based on surveys of former students who still had education-related loans outstanding at the time of the survey.

The target is to keep the percentage of monthly income used to pay off education loans equal to or lower than current levels. A lower debt to income ratio indicates a more affordable post-secondary education.

Performance Measure 4: Transition rate of high school students to post-secondary education

Performance Measure	Baseline ¹	2007/08 Forecast ²	2008/09 Target	2009/10 Target	2010/11 Target
Transition rate of high school students to post-secondary education.	67.1%	≥70%	≥70%	≥70%	≥70%

Data Source: Ministry of Education, Student Transitions Project Research Report 2007.

¹ Latest data available are based on the three year transition rate of the 2001/02 grade 12 cohort.

Discussion

This is a new measure. It reflects how well students are able to make the transition from secondary school to post-secondary education within three years. The measure indicates the percentage of high school students who complete their grade 12 program, and subsequently enrol in at least one course at a public post-secondary institution. Improving the success of B.C. students in this key transition is an important way to improve access and participation in post-secondary education.

In February 2007, the *Outlook for British Columbia: COPS BC Unique Scenario for 2005 to 2015* stated that “more than 70 per cent of expected employment openings (newly created jobs and replacement openings) are expected to require some post-secondary education.” The target for this measure is set at 70 per cent to reflect the expected educational requirements of the economy.

Objective 1.3: B.C.’s institutions provide a high quality learning environment and meet standards of excellence

- Achieving this objective means that B.C.’s post-secondary students are assured a high standard of excellence in the education and training they receive and that the needs of students, employers and citizens are met.

- A challenge associated with this objective is ensuring that information is collected at a level of detail that makes it useful for post-secondary educational institutions and that it is used to encourage improvements in the quality of education and training programs.
- B.C.'s public post-secondary institutions are autonomous organizations. They manage their own affairs and determine their education programs and courses. The Ministry uses an Accountability Framework to ensure the institutions are accountable for the public resources they use.
- The BC Council on Admissions and Transfer (BCCAT) facilitates admission, articulation and transfer arrangements among B.C. post-secondary institutions. The number of active transfer agreements between institutions has increased by almost a third since 2004, making the credits that students earn more transferable than ever before. This gives students more flexibility and options in their post-secondary education.

Strategies

- Ensure public confidence in B.C.'s post-secondary system.
- Encourage innovation in the post-secondary system, including new ways of addressing the diversity of life-long learners by providing flexible, adaptable options.
- Reinforce a culture of quality and excellence for B.C.'s post-secondary institutions.

Performance Measure 5: Student assessment of quality at public institutions — overall satisfaction

Performance Measure	2007/08 Forecast	2008/09 Target	2009/10 Target	2010/11 Target
Student assessment of quality at public institutions — overall satisfaction:				
Former certificate, diploma and associate degree students	>90%	≥ 90%	≥ 90%	≥ 90%
Baccalaureate graduates	>90%	≥ 90%	≥ 90%	≥ 90%

Data Source: Former certificate, diploma and associate degree students data are from the B.C. College and Institute Student Outcomes Survey. Baccalaureate graduates data are from the Baccalaureate Graduate Survey.

Discussion

One of the major objectives of the post-secondary system is to provide a quality education to students. How satisfied they were with their education experience is an understood and accepted measure of quality.

The results of student overall satisfaction for the last several years have measured above 90 per cent. The target is set at above 90 per cent. As surveys are developed for private post-secondary institutions, satisfaction levels comparable to those of the public institutions will be expected.

Objective 1.4: Institutions offer courses and programs that are relevant to the needs of students and B.C.'s economy

- Achieving this objective will ensure that education and training offered through the post-secondary education system are relevant to the knowledge, skills and abilities needed in the labour market. In addition, the purpose of post-secondary education is to educate citizens who can respond to B.C.'s social and economic challenges and opportunities.
- Challenges associated with this objective are to address the current needs of students and employers by providing an appropriate array of programs, and to respond to the demands of a dynamic provincial economy. This includes addressing skill shortages in certain highly skilled occupations and in rural and northern areas, and responding to the needs of diverse industries, ranging from construction to the creative and knowledge-based sectors.

Strategies

- Target specific skills shortages by increasing the number of spaces available in health professions, skilled trades, technical careers and other professions where shortages are evident.
- Increase opportunities for Aboriginal learners and for graduate study, including graduate scholarships and internships.

Performance Measure 6: Student outcomes — unemployment rate

Performance Measure	Baseline	2007/08 Forecast ³	2008/09 Target	2009/10 Target	2010/11 Target
Student outcomes — unemployment rate:					
Former certificate, diploma and associate degree students	6.1% ¹	Less than the unemployment rate for those with high school credentials	Less than the unemployment rate for those with high school credentials or less	Less than the unemployment rate for those with high school credentials or less	Less than the unemployment rate for those with high school credentials or less
Baccalaureate graduates	3.9% ²	Less than the unemployment rate for those with high school credentials or less	Less than the unemployment rate for those with high school credentials or less	Less than the unemployment rate for those with high school credentials or less	Less than the unemployment rate for those with high school credentials or less

Data Source: Former certificate, diploma and associate degree students data are from the B.C. College and Institute Student Outcomes Survey. Baccalaureate graduates data are from the Baccalaureate Graduate Survey.

¹ 2007 survey data are the latest available.

² 2006 survey data are the latest available.

³ It is not known what the unemployment rate for those with high school credentials will be over the next three years. However, for each annual report, the Ministry will assess this measure by using the unemployment rate for those with high school credentials or less at the time of the writing of the report.

Discussion

One of the major objectives of a post-secondary education is to provide people with knowledge and skills so they can obtain employment. In addition, it provides skilled labour for the economy. This measure provides some indication of how successful former students were in making the transition from post-secondary education to employment.

To indicate this, the measure compares former post-secondary students and graduates' unemployment rates with the unemployment rate for British Columbians with high-school credentials or less.

It is a well observed trend that the more education people have, the greater their chances of being employed. Therefore, the target for this measure is that former students and graduates should have a lower level of unemployment than those people with high school credentials or less.

Goal 2: Excellent research and innovation that supports economic and social development

Objective 2.1: Post-secondary institutions have the capacity to undertake research initiatives and activities

- Achieving this objective will ensure that researchers in B.C. have the resources and facilities necessary to fulfill the Ministry's research goal.
- Challenges associated with this objective are the longer nature of the research cycle, often spread over many years, and the difficulty of obtaining data on research capacity in university colleges, colleges, institutes, non-profit research organizations, and the private sector.
- A large proportion of research funding is provided by the federal government and other agencies through external competitions. Therefore, the amount of federal funding is dependent on how successful B.C. researchers and scientists are in winning research awards.

Strategies

- Expand graduate programs at B.C.'s research universities.
- Increase research activity at B.C.'s research universities and other institutions.

Objective 2.2: Research activities lead to applied benefits

- Achieving this objective will ensure that research activity in B.C. produces results with relevant social and economic benefits.
- Challenges associated with this objective are the longer nature of the research cycle, often spread over many years, and the difficulty in tracking the commercialization of research and quantifying its benefits.

Strategies

- Establish better linkages with industry and business.
- Improve commercialization of research.

Performance Measure 7: Total research funding from all sources

Performance Measure	2005/06 Baseline ¹	2007/08 Forecast	2008/09 Target	2009/10 Target	2010/11 Target
Total research funding from all sources.	\$616 million	≥ benchmark	≥ benchmark	≥ benchmark	≥ benchmark

Data Source: Data for sponsored research funding are obtained from the Canadian Association of University Business Officers, and reflect revenue reported by public post-secondary institutions to the association for two years previous. Therefore, 2005/06 actual reflects 2003/04 academic year data.

¹ 2005/06 data are the latest available.

Discussion

This measure assesses public post-secondary research capacity — the resources that public institutions have at their disposal for research and innovation. It includes the funding institutions receive from all sources, including the federal and provincial governments.

The target is to increase the amount of research funding each year. It is assumed that the greater the funding available for research initiatives, the more research and development activities will occur and that these activities will spin off applied benefits and commercialization opportunities.

Resource Summary

Resource Summary Table

Core Business Areas	2007/08 Restated Estimates ¹	2008/09 Estimates	2009/10 Plan	2010/11 Plan
Operating Expenses (\$000)				
Educational Institutions and Organizations...	1,707,437	1,776,024	1,865,138	1,859,591
StudentAid BC.....	136,728	132,381	135,323	143,113
Debt Service Costs and Amortization of Prepaid Capital Advances.....	289,917	310,883	325,359	343,011
Research and Innovation.....	11,910	13,441	13,473	11,973
Executive and Support Services.....	19,049	19,265	19,560	19,579
Total	2,165,041	2,251,994	2,358,853	2,377,267
Full-time Equivalents (Direct FTEs)				
Executive and Support Services.....	228	235	235	235
Total	228	235	235	235
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Executive and Support Services.....	2,160	1,840	1,840	1,840
Total	2,160	1,840	1,840	1,840
Capital Plan (\$000)				
Educational Institutions and Organizations...	300,860	200,000	200,000	200,000
Total	300,860	200,000	200,000	200,000
Other Financing Transactions (\$000)				
Student Aid BC (loan repayments and new loans)				
Receipts	70,000	86,000	96,000	108,000
Disbursements	270,000	250,000	260,000	270,000
Net Cash Source (Requirements).....	(200,000)	(164,000)	(164,000)	(162,000)

¹ These amounts have been restated, for comparative purposes only, to be consistent with the presentation of the 2008/09 *Estimates*. Schedule A of the *Estimates* presents a detailed reconciliation.

Resource Summary: Public Post-Secondary Institutions

Public Post-Secondary Institutions	2007/08 Restated Estimates	2008/09 Estimates	2009/10 Plan	2010/11 Plan
Combined Income Statement (\$000)¹				
Total Revenue	4,169,424	4,491,841	4,655,620	4,729,821
Total Expense	4,160,742	4,400,451	4,590,946	4,709,907
Operating Results	8,682	91,390	64,674	19,914
Gain (Loss) on sale of capital assets (if applicable)	0	0	0	0
Net Results	8,682	91,390	64,674	19,914

¹ This combined income statement includes estimates from all the public post-secondary institutions, and the Knowledge Network. Numbers do not include the elimination entries required to consolidate these agencies with the government reporting entity.

Leading Edge Endowment Fund Service Plan

Organizational Overview

In 2002, the Government of British Columbia established a \$45 million Leading Edge Endowment Fund (LEEF) to support 20 permanent British Columbia Leadership Chairs based on a 50-50 cost sharing partnership between government and private/non-provincial government sectors.

A Society was created for the purpose of administering LEEF. This involved establishing 19 “Sponsored” Chairs in addition to one British Columbia Leadership Chair, the International Collaboration on Repair Discoveries (ICORD) Chair at the University of British Columbia. Each Chair is supported in perpetuity through an endowment of \$4.5 million, managed by the host institution. The endowed Chairs are designed to attract world-class faculty, strengthen the province’s capacity for innovative research, promote British Columbia as a centre for cutting-edge research, enhance economic development and position the province as a leader in the knowledge-based economy.

In addition, government has provided \$11.25 million to establish nine Regional Innovation Chairs (RIC) at colleges, university colleges and institutes. Each RIC has an endowment of \$2.5 million. The LEEF Society is responsible for administering the RIC fund.

The Society also receives charitable donations to support graduate student awards, held in conjunction with each British Columbia Leadership Chair.

Corporate Governance

LEEF is a British Columbia Society and registered federal charity, with its own constitution and bylaws, under the responsibility of the Ministry of Advanced Education. LEEF is governed by a nine-person board of directors. The Directors of the Society are:

- Jack Blaney, Commissioner, International Joint Commission, Chair, Fraser Basin Council and President Emeritus, Simon Fraser University
- Gordon Campbell, Premier
- Murray Coell, Minister of Advanced Education
- Colin Hansen, Minister of Economic Development
- Chaviva Hosek, President and CEO, The Canadian Institute for Advanced Research

- Judith Isaac-Renton, Director, Laboratory Services, B.C. Centre for Disease Control, Professor, Medical Microbiology, Department of Pathology and Laboratory Medicine, UBC
- Hassan Khosrowshahi, Chairman, Inwest Investments Ltd.
- R. Hector MacKay-Dunn Q.C., Senior Partner, Farris, Vaughan, Wills and Murphy LLC
- Martha Salcudean, Chair LEEF Board of Directors, Professor Emerita, Weyerhaeuser Chair, and Former Associate VP of Research and Dept. Head, Dept. of Mechanical Engineering, UBC

Goals and Strategies

Through a competitive peer review process all 29 of the Chairs have now been allocated. The Chairs are in the following sectors:

- Health: ten Chairs;
- Technology: four Chairs;
- Environment: five Chairs;
- Social: six Chairs; and
- Economic Development: four Chairs.

LEEF must now ensure the matching funding is in place for each Chair, and that a suitable nominee has been confirmed for each Chair. The Ministry of Advanced Education and LEEF are aiming for a March 31, 2009, wrap-up date.

It is estimated that LEEF will have approximately \$7 million in accumulated investment income remaining after all Chairs have been endowed. Prior to dissolution, the Society will need to determine how to allocate these remaining funds, within the terms of its constitution. At present these funds are classified as an “unrestricted appropriation” and are used to cover administration and operating expenses, as permitted by the Society’s constitution and bylaws.

Summary Financial Outlook

(\$ in thousands)	FISCAL 2006/07 Actual ¹	FISCAL 2007/08 Projected ²	FISCAL 2008/09 Projected ²	FISCAL 2009/10 Projected ³
REVENUE				
Grant Income ⁴	3,500	26,500	15,000	
Interest	1,756	1,300	800	
	5,256	27,800	15,800	
EXPENSES				
LEEF Chairs	3,500	26,500	15,000	
Operations	286	296	300	
Other ⁵			7,057	
	3,786	26,796	22,357	
EXCESS (Revenue over Expenses)	1,470	1,004	(6,557)	
NET ASSETS (Beginning of year)	4,083	5,553	6,557	
NET ASSETS (End of year)	5,553	6,557	0	
FTEs	2	2	2	

¹ Figures from the LEEF Audited Financial Statements for the year ended March 31, 2007.

² Figures provided by the LEEF Society.

³ No projections are provided for Fiscal Year 2009/10 as it is anticipated that LEEF will have been dissolved and all funds dispersed.

⁴ Grant income is drawn from "deferred contributions" on hand and reported in the year a Chair award is made.

⁵ Allocation to be determined by the LEEF Board.

Ministry Contact Information

General information

E-mail: AVED.WEBMASTER@gov.bc.ca

Media inquiries

Public Affairs Bureau

Telephone: 250 952-6508

Facsimile: 250 356-6942

Student loans, grants, bursaries, scholarships, and special programs

StudentAid BC

Telephone: 250 387-6100

Telephone: B.C. Lower Mainland: 604 660-2610

Telephone: Anywhere else in Canada/U.S. (toll-free): 1 800 561-1818

TTY line for deaf and hearing impaired: 250 952-6832

Facsimile: 250 356-9455

Facsimile (toll-free in Canada): 1 866 312-3322

Website: www.studentaidbc.ca

Degree Authorization Act

Degree Quality Assessment Board Secretariat

Telephone: 250 387-5163

Facsimile: 250 356-8851

E-mail: AVED.DQABsecretariat@gov.bc.ca

Website: www.aved.gov.bc.ca/degree-authorization/board/welcome.htm

Private Career Training Institutions Act

Private Career Training Institutions Agency

Telephone: 604 660-4400

Telephone (toll-free): 1 800 661-7441

Facsimile: 604 660-3312

E-mail: info@pctia.bc.ca

Website: www.pctia.bc.ca/

Hyperlinks to Additional Information

Legislation: www.aved.gov.bc.ca/publications/legislation.htm

