



Operations Forecast 2008-11

Saskatchewan Institute of Applied Science and Technology

Approved by the Board of Directors
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 **SIAST**
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Mission

SIASST is Saskatchewan's primary public institution for the development and delivery of post-secondary technical education and skills training. We share knowledge, provide skills training and engage in applied research, meeting the needs of students, employers and our communities.

Vision

SIASST is a leader in superior education, focused on students and lifelong learning – a catalyst for advancing the social and economic prosperity of Saskatchewan.

Executive Summary

Global demand for natural resources and a rebounding agricultural market have led to growth in most sectors of the Saskatchewan economy and set the scene for significant expansions to potash, uranium and oil and gas operations. Across Saskatchewan, employers already experiencing labour shortages are scrambling to identify sources of skilled labour and technical personnel.

SIAST hopes to meet the challenge of generating more trained personnel. A master plan for SIAST Kelsey Campus facilities, however, to be released in the fall of 2008, predicts this campus must be ready for annual student enrolments to double within 20 years to more than 9,000 full-time students. Similar pictures can be painted for SIAST Wascana, Woodland and Palliser campuses. With its campuses either already full or over capacity, the institution is currently not positioned to respond to labour market demands. Furthermore, SIAST is facing several challenges to its funding base and ability to sustain its current operations.

SIAST has a long history of responsiveness to technical education and skills training needs. Through partnerships with business and industry, we ensure our programs match opportunities in the real world. SIAST is prepared to respond to the need for additional training seats, but is unable to do so without substantial and immediate investments in both infrastructure and ongoing operating funding requirements.

Highlights of Funding Needs

In this 2008-11 Operations Forecast, SIAST requests the following funds from the Ministry of Advanced Education, Employment and Labour to address unsustainable challenges to its funding base and to implement new initiatives that support Saskatchewan's labour market needs.

AY 2008-09

- A total of \$300 million in one-time capital funds for infrastructure requirements are required over the next three years (2008-11) to ensure SIAST campuses are positioned to accommodate the increasing volume of students requiring skills training and education.

AY 2009-10

- Additional \$4.9 million in ongoing operating funding in 2009-10, consisting of \$2.1 million to cover existing budgetary shortfall and assumed funding and \$2.8 million for inflationary increase.
- Ongoing funding for personnel compensation increases of \$10.5 million in 2009-10.
- Incremental ongoing funding of \$2.9 million for targeted program expansions in 2009-10 and \$300,000 in 2010-11.

- \$900,000 in new ongoing operating funding to be shared equally between the Regina Trades and Skills Centre (RTSC) and the Saskatoon Trades and Skills Centre (STSC) is required to assist in sustainability of the centres and to increase training opportunities.
- \$207,000 in new ongoing operating funding is required to staff the new drop-in learning centre at Mount Royal Collegiate.
- \$156,000 in new ongoing funding is required for operating the Mount Royal Collegiate early childhood demonstration centre.
- \$432,000 in new ongoing operating funding is required to support SIAST human service programs at Mount Royal Collegiate.
- \$2.3 million in one-time capital funding is required to repurpose the industrial training shops at SIAST Woodland Campus to increase apprenticeship training capacity.
- \$103,000 in new ongoing operating funds is required to maintain the essential skills consultant position.
- \$643,000 in new ongoing operating funding is required to convert eight cost-recovery programs to regular tuition fee-paying programs.
- \$422,000 in new ongoing operating funding will be required to continue an Internationally Educated Nursing Assessment (IEN) competency assessment service.
- \$57,000 in new ongoing operating funding is required to deliver tuition-free language training to ESL students.
- \$103,000 for a full-time ongoing nursing faculty position is required to advance research and scholarly activity.

AY 2010-11

- Inflationary increases of \$3.1 million in 2010-11 and \$3.3 million in 2011-12.
- Ongoing funding for compensation increases of \$11.4 million in 2010-11 and \$12.4 million in 2011-12.
- \$3.9 million in new ongoing operating funding and \$3.4 million in one-time start-up funding are required in 2010-11 and beyond to add 300 program seats in programs that will produce graduates with economically valuable skills.

Introduction

SIAST is a major contributor to post-secondary technical education and skills training in the province of Saskatchewan, recognized nationally and internationally for its expertise and innovation. Our programs touch every sector of the economy – agriculture, applied/visual media, business, construction, energy, forestry, health care, life sciences, manufacturing, minerals, recreation and tourism, technology and transportation.

More than 11,000 students are registered in SIAST programs, and we draw 29,000 additional course registrations. About half of the students registered in programs come directly from high school or other post-secondary institutions; the other half come from the workplace. And they come to SIAST for a variety of reasons: to prepare for new careers, upgrade their skills or take customized training.

SIAST operates campuses in Moose Jaw, Prince Albert, Regina and Saskatoon. We extend our reach province-wide by partnering with regional colleges and Aboriginal educational institutions, and by providing courses and programs through continuing education and distance education.

SIAST has a long history of responsiveness to technical and community education needs. Through partnerships with business and industry, we ensure our programs match opportunities in the real world. Our consultative approach and commitment to practical learning enable our graduates to hit the ground running in their respective fields. According to a study by Saskatchewan Advanced Education, Employment and Labour, SIAST's graduate employment rate of 96.9 percent was well above the provincial and national rates.

Building Saskatchewan's 'Human Capital'

Saskatchewan has entered a period of economic growth, one driven by the world's thirst for natural resources. Multi-billion dollar expansions to potash, uranium and oil and gas operations in Saskatchewan will require SIAST to train thousands more apprentices and engineering technologists over the next 10 years to construct and operate new plants. Coupled with predicted ongoing shortages of nurses and healthcare professionals and residential and commercial trades people, it is not surprising that a master plan for SIAST Kelsey Campus to be released in the fall of 2008 predicts this campus must be ready for annual student enrolments to double within 20 years to over 9,000 full-time students.

SIAST is far from being ready. Campuses are already full or have exceeded physical capacity. Recent and rapid increases to nursing education and apprenticeship training at SIAST Kelsey Campus in Saskatoon necessitated temporary solutions to expanding physical capacity using a multi-site approach through leasing space throughout the city. Many of these facilities are not suited to training and this situation cannot be sustained beyond a two-year horizon. Scenarios are similar at SIAST Wascana, Woodland and Palliser campuses. SIAST is prepared to respond to the need for increased quantities of individuals participating in skills training, but substantial investment in capital and operating funds must be made by the province over the next three years.

To meet Saskatchewan's labour force development needs, SIAST must:

- Add to the footprint of SIAST campuses through the acquisition of land and new buildings.

- Expand seat capacity and implement new programs that meet labour market needs.
- Enhance capability for individuals to engage in higher level skills development within Saskatchewan through the introduction of unique degrees.
- Leverage partnerships with other educational institutions, as well as with government and industry to achieve the goals of the training system.
- Develop innovative solutions to provide access to training for students and/or employers in their local community, at home or in the workplace.
- Continue marketing and recruitment efforts to ensure that college level education and careers maintain a high profile.
- Ensure that Aboriginal people have access to education and training that will enable them to become full participants in the economic growth of the province.
- Provide new immigrants to Saskatchewan with access to language training, credential recognition and recognition of prior learning (RPL) services.
- Develop and implement an integrated technology strategy that meets the needs of programs, students and service providers.

10-Year Planning Horizon; Yearly Action Plan

SIAST's business planning process involves three distinct components:

1. **Strategic visioning** will be the cornerstone of SIAST's planning process. It sets out the purpose, guiding principles and priorities of the institution. The strategic visioning process is defined by a 10-year horizon. It began in earnest at the board of directors' July 2007 retreat and will be completed by September 2008.
2. The **operations forecast** anticipates program, equipment and facility requirements necessary to meet the province's multi-year labour force needs. It highlights where provincial government investment in SIAST is most urgently needed in the next three years, with particular emphasis on the first year of the plan.
3. The **operating and capital plan** details the actions and planning assumptions underlying SIAST's operating and capital budget. It allocates resources annually, outlining financial estimates, plans and accountabilities for the next three years. It is SIAST's internal action plan; initiatives are aligned with the province's budget letter and SIAST's strategic plan and operations forecast.

Board of Directors' Strategic Agenda

Priorities 2008 – 09

The SIAST board of directors' strategic agenda establishes the organization's framework for decision-making and guides the achievement of institutional priorities. The development of a long-range strategic plan, which will flow from a 2007-08 visioning project, will further enhance this strategic focus.

Working closely with the Minister of Advanced Education, Employment and Labour, senior management, educational partners and representatives from business and industry, the board strives to ensure it is apprised of and responds to the needs of students and the province's labour market. At an annual board retreat, government officials and management representatives join the board as it develops SIAST's strategic agenda for subsequent years. A well-developed enterprise risk management process, along with current trends and projected needs and developments, drive the decision-making process. In addition, the board considers how best to meet the labour market needs of Saskatchewan by working collaboratively within the education system. Building on a foundation of quality education and technical training, the board has identified four strategic priorities for the 2008-09 planning period.

Strategic Priority: Student-centred Learning

SIAST will continue to develop a student-centred learning environment that is increasingly responsive to student needs. We will:

- Increase recruitment, retention/completion rates of students, particularly Aboriginal learners.
- Improve educational and student support services to meet the needs of our non-traditional learners and diverse student body, particularly our Aboriginal students and new immigrants to Saskatchewan.
- Respond to evolving needs and technologies through innovative modes of instruction such as technology enhanced learning, prior learning recognition and co-operative education.
- Pursue degree-granting status in five areas: addictions counselling, architecture, nursing, psychiatric nursing and technology administration.

Strategic Priority: Partnerships

SIAST will continue to develop partnerships that advance the effectiveness of the post-secondary education system. We will:

- Maintain interactive and reciprocal partnerships with the regional colleges, Saskatchewan Apprenticeship and Trade Certification Commission, other educational institutions, Saskatchewan Labour Market Commission and Ministry of Advanced Education, Employment and Labour.
- Continue to develop relationships and partnerships with Aboriginal organizations and communities.
- Become more flexible, innovative and responsive in initiating, facilitating and expanding partnerships, linkages and economic development efforts, including co-teaching initiatives where appropriate, with employers throughout Saskatchewan.

- Continue to increase employer and industry participation in planning and investments in education and training.
- Maintain existing partnerships and pursue new opportunities with the K-12 school system.

Strategic Priority: Employee Recruitment and Retention

SIAST will continue to improve recruitment and retention of talented and diverse faculty, staff and administrators to achieve excellence throughout the organization. We will:

- Develop a recruitment and retention plan to support a representative workplace.
- Offer competitive compensation and clear performance measures.
- Advance a review of out-of-scope pay bands.
- Offer opportunities to employees to pursue professional growth and achievement, including the opportunity to pursue applied research opportunities.
- Develop a well-defined succession plan for management.

Strategic Priority: Facilities

To meet the changing needs of the labour market, SIAST will develop and upgrade facilities, equipment and technology essential to the effective delivery of programs and student support services beyond the four campuses. We will:

- Obtain financial support to provide SIAST with requisite facilities for instruction and student support initiatives such as student residences, inner city housing and online learning.
- Investigate and pursue the potential of capital fundraising as a way to enhance SIAST's effectiveness.
- Ensure that space utilization reflects the changing needs of SIAST and the province.
- Enhance the efficient and effective use of existing and future space.
- Seek public-private partnerships to address capital challenges, thereby accelerating our response to employer and labour market needs.

The Saskatchewan Environment

Economic Factors

The good news for Saskatchewan is the provincial economy is firing on all thrusters and the outlook is upbeat for all major sectors. Saskatchewan is forecast to be in the enviable position of having the fastest growing economy in Canada, with an average annual growth rate of 3.5 percent over 2008-10. A provincial government surplus attributed to excess resource royalties, land sales and tax revenues is predicted to exceed \$2 billion for 2008-09. Indeed, Saskatchewan is realizing its promise and has entered a long-awaited time of prosperity.

- **Agriculture:** The price of grains and oil seed crops has escalated after a sustained period of depressed prices. Global food shortages and growing emphasis on renewable fuel from agricultural products are driving the increase. Rising input costs, such as fertilizer and fuel, and weather may temper the success of the farming economy, but optimism is high as record amounts of seed and land were sown this spring. Cattle and livestock producers are similarly buoyed as emerging world economies demand more meat in their diets.
- **Construction:** The boom in residential and commercial construction, driven by the strong economy and positive net in-migration, is expected to continue and be joined over the next three years by large industrial and engineering construction projects. These projects are driven by record high prices and demand for minerals, oil and agricultural products and by the need for more environmentally friendly solutions to power generation. Construction expenditures are anticipated to exceed \$8 billion in Saskatchewan in 2008, which is double the amount spent in 2004, and are forecast to continue to climb significantly over 2008-11.
- **Oil and Gas:** Continuing growth has created the potential for Saskatchewan to surpass Alberta in conventional oil production within the next five years. While Alberta experiences a forecast decline of 15 percent in drilling and exploration activity in 2008, Saskatchewan is set to enjoy a 4 percent increase. The new Bakken field in southeast Saskatchewan is touted as the largest conventional oil discovery in Canada since 1957, while the Shaunavon play in southwest Saskatchewan is also receiving considerable attention. Optimism for economic recovery of petroleum from Saskatchewan's northern tar sands continues to grow as the price of crude oil soars.
- **Manufacturing:** The slump in manufacturing experienced in eastern Canada is not being felt in the west. Along with Alberta, Saskatchewan's manufacturing sector is experiencing an overall growth rate unmatched by other provinces, which owes much to spin-off economic activity from the natural resources boom. Manufacturing increases have been highest in non-metallic minerals, plastic and rubber, fabricated metal products and machinery production. The value of Saskatchewan's manufacturing shipments in 2007 was \$10.68 billion and is forecast to increase 15 percent in 2008.
- **Minerals:** The province's mining industry is aggressively expanding operations to take advantage of rich Saskatchewan deposits of potash and uranium to satisfy world-wide demand for fertilizer and nuclear power. Optimism for production of diamonds is building as exploration continues in what may be the world's largest diamond-bearing kimberlitic field, located north of Prince Albert. Drilling activity for oil in northeast Saskatchewan near the community of Hudson Bay has instead discovered

what could be a significant deposit of high-quality coal. Coal deposits in Saskatchewan already exceed those of oil and gas in terms of potential future energy value.

Labour Market Conditions

A booming economy combined with an aging population, higher rates of retirement, historical out-migration of youth, declining birth rates and increasing competition from other provinces for skilled workers are causing labour shortages across all industry sectors. Health care and the construction sectors are hardest hit. While Saskatchewan is leading the country in economic growth, a shortage of skilled labour will be a major barrier to sustaining this growth. The Saskatchewan Employment Forecast developed by the Ministry of Advanced Education, Employment and Labour is projecting a total of 79,300 employment opportunities in the province during the period 2006-11, with more than one quarter of these being new positions generated by economic growth.

Available Workforce

The provincial government is taking steps to lure professionals and skilled workers to Saskatchewan. Expatriates attracted by the booming economy and lower cost of living have been returning home, pushing the population to more than one million. In addition, the province is attracting higher proportions of immigrants with post-secondary education and employment skills. The provincial goal is to attract 7,500 immigrants in 2008-09 through international recruitment strategies, foreign credential recognition initiatives and efficiencies in processing applicants.

Saskatchewan's Aboriginal youth are a rapidly growing segment of the population, contrasting sharply with a declining non-Aboriginal youth population. It is projected that Aboriginal people will make up 16.8% of the working age population by 2017. Although progress is being made, Aboriginal people are still largely underrepresented in the workforce. Non-completion of high school, numeracy and literacy deficiencies, social and economic deprivation, together with lack of acceptance by employers, have all served to keep First Nations and Métis people from participating fully in the economic fortunes of the province. This must change if Aboriginal youth are to become an integral component of Saskatchewan's post-secondary population and future skilled workforce.

Awareness and renewed interest in trades, technical and health-related careers are evident in high schools. New strategies, greater effort and appropriate investments are required to ensure adequate numbers of youth consider career paths and SIAST programs that will satisfy the economic and labour market needs of Saskatchewan.

Fundamental Needs

Funding for Ongoing Operations

SIAST is projecting a deficit of \$1.8 million for 2008-09. As a result of a one-time unanticipated surplus in 2007-08, SIAST is able to absorb this deficit from accumulated net operating assets. However, the factors contributing to the deficit are ongoing, driven in large part by inflation and unfunded out-of-scope salary increases from prior years. This shortfall is not sustainable beyond the next fiscal year. SIAST will not be able to maintain current levels of programming into 2009-10 and beyond without an infusion of additional operating funding.

The current year's projected \$1.8 million deficit assumes funding of \$326,000 will be maintained to allow for ongoing operation of the Cytotechnology program and continuation of the nursing mental health coordinator positions. This funding has not yet been confirmed and will need to be added to the operating grant for future years.

- **Fundamental Need:** AEEL to provide an additional \$2.1 million of ongoing operating funding in 2009-10 to cover the existing budgetary shortfall and assumed funding.

Funding for Inflationary Costs

SIAST has received funding increases in recent years, but virtually all have been targeted. SIAST continues to have very limited capacity to respond to changes in the environment, enhance programs and services, or address ongoing inflationary pressures. These ongoing unfunded inflationary cost increases compound yearly, and can no longer be absorbed without seriously compromising SIAST's ability to maintain a reasonable standard of quality.

Although the most recent Consumer Price Index (CPI) for Saskatchewan indicated an inflation rate of 3.2 percent, this is based on consumer goods purchased by a typical household and does not adequately reflect the variety of purchases made in an organization such as SIAST. A significant portion of SIAST's purchases are in the nature of industrial equipment and materials, which are better represented by an index such as the Raw Materials Price Index (RMPI) published by Statistics Canada. The RMPI is currently tracking significantly higher than the CPI, showing an inflation rate of 27.1 percent for the past year. SIAST believes that a blended rate of 9 percent is an appropriate reflection of the inflationary pressures currently faced by our programs and service departments.

- **Fundamental Need:** AEEL to provide an additional \$2.8 million to cover inflationary costs of 9 percent in 2009-10 and provide further inflationary increases of \$3.1 million in 2010-11 and \$3.3 million in 2011-12.

Funding for Compensation Increases

SIAST's compensation levels have fallen further behind the market due to significant growth in competition for positions. This is most prevalent for positions in industries such as scientific and technical services, construction, mining/oil/gas and health. Recruitment and retention is becoming increasingly difficult throughout the organization, especially as we attempt to draw individuals from these industries to educate and train students whose potential earnings upon graduation exceed that of our experienced

instructors. SIAST is currently using temporary market supplements, where practical, to mitigate salary shortfalls. These are not an appropriate long-term solution, and lack of resources prevents their implementation for all affected positions even in the short-term. Currently, 215 academic positions are compensated with temporary market stipends at an average amount of \$7,000 annually, which amounts to 10 percent of the average salary for faculty.

The in-scope professional staff who support academic operations are also in demand. SIAST competes with both private and public sector employers across western Canada for information technology, finance, human resources, facilities and communications staff. Most recently, SIAST implemented market stipends for positions in the finance and facilities areas, and has considered doing so for information technology personnel and lab technologists. SIAST has also identified the need for a more competitive compensation plan for out-of-scope staff in order to build and retain a strong leadership team. This plan needs to be implemented for the 2009-10 academic year.

SIAST's collective bargaining agreement expires at the end of the 2008-09 fiscal year. This is an opportune time for SIAST to negotiate a contract with a compensation system that attracts and retains qualified faculty and staff. We estimate incremental funding equivalent to 9 percent of core salaries and benefits in each of the next four years will be required to bring compensation levels in line with the market and reduce recruitment and retention issues to acceptable levels.

- **Fundamental Need:** AEEL to provide ongoing funding for compensation increases of \$10.5 million in 2009-10, \$11.4 million in 2010-11 and \$12.4 million in 2011-12.

SIAST requests that the government not set a mandate for salary increases, but allow the institution the flexibility to negotiate collective agreements and to structure compensation as required within overall funding levels.

Funding for Targeted Health Care Program Initiatives

Incremental funding for Year 2 of the nursing programs and medical diagnostics programs expansions are required. Changes in the training environment, such as the segmented facility approach in Saskatoon and Regina for NEPS and other programs, have resulted in increased costs, and funding fell short of what was required for 2008-09. Approximately \$241,000 of this shortfall has been built into SIAST's revenue budget in anticipation of additional funding. The remainder was absorbed from SIAST's existing resources, primarily by redirecting the allocation for indirect costs, which has reduced the ability of support areas to respond to the increased demands. Full funding for these expanded programs will be required in 2009-10 and onward.

One-time capital funding has been provided for the construction of the interprofessional simulation learning centre at SIAST Kelsey Campus. Ongoing funding to operate the lab will be required.

Funding will be required for the reinstatement of the Occupational Therapist Assistant/Physical Therapist Assistant program, as requested by Saskatchewan Health. Savings related to prior closure of this program have been repurposed and are no longer available. Additional resources will be required to restore the program.

- **Fundamental Need:** SIAST requires incremental ongoing funding for targeted program expansions in the amount of \$2.9 million in 2009-10 and \$300,000 in 2010-11.

Responding to Market Requirements

The potential for long-term prosperity for Saskatchewan, its industries and its citizens is significant. Whether or not this potential is realized will depend largely on the province's skills agenda and the next steps taken. The looming skills shortage created by a hot economy and the upcoming retirement of the baby boomer generation presents a substantial challenge that must be addressed. Employment rates are historically high, but the province must do more to increase the quantity and quality of skilled people ready and able to enter the workforce.

Specifically improvements must include:

- Higher participation rates in skills training and post-secondary education. The typical SIAST student is 26 years old and has been working at relatively low-skill, low-paying jobs since leaving high school. Vocational programs must be promoted at high school level, including a greater awareness of the advantages of career-ready training starting at age 18 or earlier.
- Low-skill workers must be provided with more opportunities to develop their careers through continuing education, work-based training, distributed learning, PLAR, mobility of credit, apprenticeship, certificates, diplomas and degrees. Higher skill levels must be encouraged and opportunities for training must be easily accessible.
- Expansion to SIAST's range of programming is essential. SIAST must participate in demand-driven, short-duration training for entry-level skill positions, while also introducing degrees in select program areas to ensure that innovation and leadership skills are effectively developed across hitherto unserved occupational clusters.
- Aboriginal people are underrepresented in the workforce despite making up 13.7 percent of the working age population. Skills matter to both the economic and social health of communities. Low levels of literacy and numeracy experienced by many Aboriginal people contribute to poverty and inequality, and are a barrier to participation in labour market opportunities. A fundamental change is necessary to address the issues preventing Aboriginal people from developing various levels of skills.
- Immigrants must be provided with more expedient credential recognition and access to language training. Refugees must be provided with assessment and appropriate skill development, including language, literacy and essential workforce skills.
- Applicants to high-demand SIAST programs that train and educate students for occupations experiencing worker shortage should not be turned away because of insufficient seat capacity. Seat expansions to these programs must occur.
- Physical capacity for apprenticeship technical training must be expanded to meet market demand.

New Initiatives and Funding Requests

2009-10

Trades and Skills Centres

Both the Regina and Saskatoon Trades and Skills Centres are successfully providing entry-level skills to underemployed and unemployed youth. Participation by Aboriginal youth is high at 40 percent. The short training programs are demand driven, with industry dictating the skills in short supply. An increase in

operating budgets to \$1 million for each of the centres will assist with greater sustainability of these initiatives and permit an increase in the number of youth trained and employed. In addition to the cost of delivering training, operating budgets support full-time job coaches, centre management office and the ancillary costs of running a training centre.

- \$900,000 in new ongoing operating funding to be shared equally between the Regina Trades and Skills Centre (RTSC) and the Saskatoon Trades and Skills Centre (STSC) is required to assist in sustainability of the centres and to increase training opportunities.

SIAST has received approval and been allocated capital funds to facilitate the following three initiatives at Mount Royal Collegiate. Operating funds are now required to support these initiatives:

Drop-in Learning Centre at Mount Royal Collegiate

A drop-in learning centre for adult learners will open at Mount Royal Collegiate in September 2009. The centre will be used to provide a variety of services to the local community, including assessment of job readiness skills, help with learning issues, assessment of readiness for post-secondary studies, promotion of programs offered through STSC and placement in Adult Basic Education courses and programs as appropriate. Two FTE faculty positions will be required to keep the centre open during the day and early evening.

- \$207,000 in new ongoing operating funding is required to staff the new drop-in learning centre at Mount Royal Collegiate.

Early Childhood Demonstration Centre

This new demonstration centre will be operational at Mount Royal Collegiate by September 2009. Its opening will coincide with the relocation of SIAST Kelsey Campus' Early Childhood Education programs. In addition to serving as a live laboratory, the centre will provide day care spaces for 50 children for students and staff attending SIAST programs at Mount Royal Collegiate and STSC programs. As this is a demonstration centre, additional dollars over and above normal day care centre expenditures are necessary for salary and non-salary expenditures.

- \$156,000 in new ongoing funding is required for operating the Mount Royal Collegiate early childhood demonstration centre.

Human Service Programs at Mount Royal Collegiate

The relocation of five human service programs from SIAST Kelsey Campus to Mount Royal Collegiate will result in increased costs for delivery due to replication of service functions, including information technology support, registration, counselling, learning assistance, Aboriginal student support, library requirements and administrative support. The equivalent of 4.5 additional staff will be required.

- \$432,000 in new ongoing operating funding is required to support SIAST human service programs at Mount Royal Collegiate.

Apprenticeship Capacity

Immediate capital funding is required to ensure that industrial training shops at SIAST Woodland Campus are reconfigured to permit projected expansions to the electrician and carpenter apprenticeship intakes.

- \$2.3 million in one-time capital funding is required to repurpose the industrial training shops at SIAST Woodland Campus to increase apprenticeship training capacity.

Essential Skills

SIAST continues to play a major role in the area of essential skills, both provincially and nationally, through the provincial distribution of Test of Workplace Essential Skills (TOWES) tests, TOWES site administrator training, and connecting with business and industry. Several major businesses have used essential skills to address recruitment, retention and skill upgrading needs. Attention to essential skills is expected to increase in response to labour force recruitment and retention issues.

SIAST has addressed this need, in part, through the establishment of an essential skills consultant position and through partnerships with other key stakeholders across Canada, including other Canadian colleges, chambers of commerce, Human Resources and Social Development Canada, Association of Canadian Community Colleges and SkillPlan. In addition, SIAST pursues opportunities to further develop and upgrade faculty in skill areas relevant to essential skills. Internally, SIAST has endorsed and implemented the application of essential skills and TOWES tests in several program areas. The pilot phase is complete and future plans are to build on the significant momentum achieved to date.

- \$103,000 in new ongoing operating funds is required to maintain the essential skills consultant position.

Grant Funding for Cost-Recovery Programs

Given the critical shortage of nursing and health professionals, affordability and access to education should be improved by reducing the cost of tuition to programs that currently function on a cost-recovery basis. Basic Critical Care Nursing, Psychiatric Nurse Re-entry, Practical Nurse Re-entry, Nursing Re-entry, Occupational Health and Safety Practitioner, Basic Diabetes Education for Health Care Providers, Advanced Diabetes Education for Health Care Providers and Medical Laboratory Assistant are the eight programs that would be impacted and in which students would pay regular tuition fees.

- \$643,000 in new ongoing operating funding is required to convert eight cost-recovery programs to regular tuition fee paying programs.

Internationally Educated Nurses Competency Assessment Centre

The SIAST Nursing Division was chosen by the Saskatchewan Ministry of Health to implement an Internationally Educated Nursing Assessment service for a one-year funded pilot project in 2008-09. Funding will be required to continue this service beyond the pilot.

- \$422,000 in new ongoing operating funding will be required to continue an Internationally Educated Nursing Assessment competency assessment service.

Language Training for Immigrants

SIAST wishes to offer language training courses with free tuition to recent immigrants. Six classes with a capacity of 10 participants each will prepare 60 students for the workforce or further education. Training will be delivered in Saskatoon at Mount Royal Collegiate or scheduled outside of core hours at SIAST Kelsey Campus.

- \$57,000 in new ongoing operating funding is required to deliver tuition-free language training to ESL students.

Nursing Scholarly Activity

Expectations established by the Canadian Association of Schools of Nursing (CASN) with respect to scholarly activity and SIAST's need to further applied research within the nursing field require that a full-time faculty research and scholarship position be established.

- \$103,000 for a full-time ongoing nursing faculty position is required to advance research and scholarly activity.

2010-11 and Beyond

Program Capacity Increases

There is a need to develop new certificate and diploma programs and to expand existing programs that support skill development necessary to sustain the province's growing economy. These programs include Advanced Care Paramedic, Medical Laboratory Technology, Dental Assistant, Power Engineering Technology, Instrumentation Engineering Technology, Chemical Engineering Technology, Petroleum Engineering Technology, Mining Engineering Technology, Civil/Environmental/Water Resources Engineering Technology, Mechanical Engineering Technology, CAD/CAM Engineering Technology and Computer Networking Technician. The predicted shortages and need for skilled workers in these fields is staggering. The ongoing cost of operating these program additions is \$3.9 million and will require a \$2 million start-up investment in equipment and \$1.4 million in one-time development costs. It is important to note that none of these initiatives can proceed without the investment in facilities outlined in the section on infrastructure requirements.

- \$3.9 million in new ongoing operating funding and \$3.4 million in one-time start-up funding are required beyond 2010 to add 300 program seats in programs that will produce graduates with economically valuable skills.

Development of Degrees

A proposal for SIAST to become a baccalaureate degree granting institution in a number of strategic program areas is being developed. It is anticipated that there will be no additional costs to deliver 350 seats in a Bachelor of Nursing program (September 2010) compared to the 2008-09 delivery costs for Years 1 and 2 of the current NEPS program. Costing for other degree programs will be developed in the 2009-12 operations forecast.

Infrastructure Requirements

SIAS T Campuses

In order to address requested program expansions to nursing education and apprenticeship training in Saskatoon, additional facilities are required at SIAS T Kelsey Campus. A space deficit of 20 percent already exists, and the fragmented approach adopted to accommodate recent expansions is not sustainable beyond a two-year horizon. Furthermore, there is little flexibility to plan future forecasted program expansion requirements for health-related and engineering technology occupations.

The 2006-07 student enrolment at SIAS T Kelsey Campus was 5,478. This is a 26 percent increase in enrolment in daytime programs in the 10-year period between 1997 and 2008. It also represents 40 percent of SIAS T's total enrolment. A facility master plan for SIAS T Kelsey Campus will be finalized in the fall of 2008, but a preliminary draft forecasts that population growth in Saskatoon and the need to train more people for the Saskatchewan labour market will drive student enrolment to 9,110 students by 2016. Although a dollar figure to acquire land adjacent to the existing campus, build new structures and extend existing buildings has not been finalized, it is estimated that at least \$200 million in capital funds will be needed. Time is of the essence if SIAS T is to contribute to the demand for more skilled workers. Decisions on the acquisition of land have to be made immediately, with construction to begin soon after.

SIAS T Kelsey Campus was built in the early 1960s and necessary infrastructure repairs and upgrading of existing structures to reflect modern technology, contemporary delivery methodologies and appropriate student support spaces are required. These add a further estimated \$40 million to capital funding requirements. Another \$9 million is required to refurbish and repurpose the E.A Davies building.

One-time additional capital funding of \$4 million is required to complete the reacquisition and repurposing of the entire Parkway building at SIAS T Wascana Campus in Regina. This will provide accommodation for the second-year NEPS expansion and permit further expansion of nursing education in Regina. Parkway must be ready for occupation in June 2009. New buildings and modernizing of the existing building are required at SIAS T Wascana Campus for 2011 to relieve current overcrowding, permit future expansions in health sciences, engineering technology and industrial programs, and provide a much-needed multipurpose event and fitness centre. The cost is anticipated to be \$27 million.

In addition to the above facility improvements, SIAS T requires repurposing and modernizing of its SIAS T Palliser and SIAS T Woodland campuses to accommodate expansion to apprenticeship training, engineering technology and industrial training, provide secure campuses and ensure technology is available and used to its fullest in the delivery of training and education. SIAS T anticipates needing \$11 million to complete changes at SIAS T Palliser Campus and \$9 million for SIAS T Woodland Campus.

- A total of \$300 million in one-time capital funds for infrastructure requirements are required over the next three years (2008-11) to ensure SIAS T campuses are positioned to accommodate the increasing volume of students requiring skills training and education.

Emphasis has been placed on public and private partnerships for projects that contribute to economic development in Saskatchewan. SIAS T supports such an endeavour and is working on a fund development campaign through which it hopes to raise \$30 million from private individuals and companies within the next three years for capital projects. The costs of a world-class skills training

system should be shared by government, employers and individuals. A much clearer balance of funding responsibility needs to be developed with well-defined principles attributed to economic benefit. In the meantime, government must provide the bulk of funding to ensure the necessary training capacity is in place to provide sufficient skilled workers to sustain Saskatchewan's economic growth.

SIAST believes it appropriate to transfer responsibility for its buildings, associated budgets and amortization accruals from the Ministry of Government Services to SIAST. We believe this autonomy will permit the institution to better plan, manage and fund its own future building infrastructure needs beyond those described in this section.

Student Housing

SIAST expects to begin construction in the 2008-09 academic year on a 36-unit student family housing complex in Prince Albert.

Given the shortage of affordable rental properties in Saskatoon, the need for a 72-unit family complex in this city is also critical. Aboriginal students with families living outside Saskatoon would benefit from this project.

Planning will begin immediately on this venture. Funding would come from a variety of sources, including the Saskatchewan Housing Corporation, corporate sponsors and those with Aboriginal interests. A mortgage to finance the balance is expected, but additional government funding may be required to ensure the project is viable. It is estimated that a 72-unit family housing complex close to SIAST Kelsey Campus would cost \$16 million.

Financial/Budget Requirements

Schedules A and B attached provide further information on the costing of the initiatives outlined in the SIAST Operations Forecast 2008-11. Schedule A provides a summary of annual costs for each initiative, along with anticipated ongoing costs. Schedule B details the initiative costs by year and provides further information on the various factors used to derive costs.

**Schedule A
SIAST Operations Forecast 2008-11
Financial Requirements Summary**

	Funding Required			
	2008-09	2009-10	2010-11	Ongoing
<u>Fundamental Needs</u>				
Existing Budgetary Shortfall		1,800,000	1,800,000	1,800,000
Cytotechnology & Nursing Mental Health Coordinators		326,000	326,000	326,000
Inflationary Costs*		2,800,000	5,900,000	9,200,000
Compensation Increases*		10,500,000	21,900,000	34,300,000
Targeted Health Care Program Initiatives		2,850,000	3,200,000	3,200,000
<u>Responding to Market Requirements</u>				
Trades and Skills Centres**		900,000	900,000	900,000
Drop-in Learning Centre at Mount Royal Collegiate		207,000	189,000	189,000
Early Childhood Demonstration Centre		156,000	147,000	147,000
Human Service Programs at Mount Royal Collegiate		432,000	391,000	391,000
Apprenticeship Capacity		2,300,000		
Essential Skills Consultant		103,000	94,000	94,000
Grant Funding for Cost-Recovery Programs		643,000	643,000	643,000
Internationally Educated Nurses Competency Assessment Centre		422,000	395,000	395,000
Language Training for Immigrants		57,000	51,000	51,000
Nursing Scholarly Activity		103,000	94,000	94,000
Program Capacity Increases			7,281,000	3,891,000
<u>Infrastructure Requirements***</u>				
<u>Kelsey Campus</u>				
Land Acquisition and New Construction	66,000,000	67,000,000	67,000,000	
Infrastructure Repairs and Upgrades	12,000,000	14,000,000	14,000,000	
Infrastructure - E.A. Davies Building	3,000,000	3,000,000	3,000,000	
<u>Wascana Campus</u>				
Complete Reacquisition of Parkway Building	4,000,000			
New Construction and Modernization	9,000,000	9,000,000	9,000,000	
<u>Palliser Campus</u>				
Redevelopment and Modernization	3,000,000	4,000,000	4,000,000	
<u>Woodland Campus</u>				
Redevelopment and Modernization	3,000,000	3,000,000	3,000,000	
Funding Required	100,000,000	123,599,000	143,311,000	55,621,000

* Annual increases in ongoing inflationary funding and compensation increases will be required. The ongoing numbers as presented assume a 9% increase for each.

** Funding related to the Trades and Skills Centres will be shared equally between the RTSC and the STSC

*** Indirect costs have not been separately identified for infrastructure projects. However, some portion of the total project costs may need to be allocated to internal project management.

Schedule B
SIAS Operations Forecast 2008-11
Financial Requirements Detail by Year

	2008-09				Totals	FTE's
	Equipment	Facilities	Operating	Indirect Costs		
<u>Infrastructure Requirements</u>						
<u>Kelsey Campus</u>						
Land Acquisition and New Construction		66,000,000			66,000,000	
Infrastructure Repairs and Upgrades		12,000,000			12,000,000	
Infrastructure - E.A. Davies Building		3,000,000			3,000,000	
<u>Wascana Campus</u>						
Complete Reacquisition of Parkway Building		4,000,000			4,000,000	
New Construction and Modernization		9,000,000			9,000,000	
<u>Palliser Campus</u>						
Redevelopment and Modernization		3,000,000			3,000,000	
<u>Woodland Campus</u>						
Redevelopment and Modernization		3,000,000			3,000,000	
Funding Required	-	100,000,000	-	-	100,000,000	-

**Schedule B
SIAST Operations Forecast 2008-11
Financial Requirements Detail by Year**

	2009-10				Totals	FTE's
	Equipment	Facilities	Operating	Indirect Costs		
<u>Fundamental Needs</u>						
Existing Budgetary Shortfall			1,800,000		1,800,000	
Cytotechnology & Nursing Mental Hlth Coord.			326,000		326,000	
Inflationary Costs			2,800,000		2,800,000	
Compensation Increases			10,500,000		10,500,000	
Targeted Health Care Program Initiatives			2,850,000		2,850,000	
<u>Responding to Market Requirements</u>						
Trades and Skills Centres			900,000		900,000	
Drop-in Learning Centre at MRC			170,000	37,000	207,000	2.00
Early Childhood Demonstration Centre			132,000	24,000	156,000	1.00
Human Service Programs at MRC			352,000	80,000	432,000	4.50
Apprenticeship Capacity	200,000	2,100,000			2,300,000	
Essential Skills Consultant			85,000	18,000	103,000	1.00
Grant Funding for Cost-Recovery Programs			643,000		643,000	
IEN Competency Assessment Centre			355,000	67,000	422,000	3.00
Language Training for Immigrants			46,000	11,000	57,000	0.60
Nursing Scholarly Activity			85,000	18,000	103,000	1.00
<u>Infrastructure Requirements</u>						
<u>Kelsey Campus</u>						
Land Acquisition and New Construction		67,000,000			67,000,000	
Infrastructure Repairs and Upgrades		14,000,000			14,000,000	
Infrastructure - E.A. Davies Building		3,000,000			3,000,000	
<u>Wascana Campus</u>						
New Construction and Modernization		9,000,000			9,000,000	
<u>Palliser Campus</u>						
Redevelopment and Modernization		4,000,000			4,000,000	
<u>Woodland Campus</u>						
Redevelopment and Modernization		3,000,000			3,000,000	
Funding Required	200,000	102,100,000	21,044,000	255,000	123,599,000	13.10

**Schedule B
SIAS Operations Forecast 2008-11
Financial Requirements Detail by Year**

	2010-11					
	Equipment	Facilities	Operating	Indirect Costs	Totals	FTE's
<u>Fundamental Needs</u>						
Existing Budgetary Shortfall			1,800,000		1,800,000	
Cytotechnology & Nursing Mental Hlth Coord.			326,000		326,000	
Inflationary Costs			5,900,000		5,900,000	
Compensation Increases			21,900,000		21,900,000	
Targeted Health Care Program Initiatives			3,200,000		3,200,000	
<u>Responding to Market Requirements</u>						
Trades and Skills Centres			900,000		900,000	
Drop-in Learning Centre at MRC			170,000	19,000	189,000	2.00
Early Childhood Demonstration Centre			132,000	15,000	147,000	1.00
Human Service Programs at MRC			352,000	39,000	391,000	4.50
Essential Skills Consultant			85,000	9,000	94,000	1.00
Grant Funding for Cost-Recovery Programs			643,000		643,000	
IEN Competency Assessment Centre			355,000	40,000	395,000	3.00
Language Training for Immigrants			46,000	5,000	51,000	0.60
Nursing Scholarly Activity			85,000	9,000	94,000	1.00
Program Capacity Increases	2,000,000		4,750,000	531,000	7,281,000	
<u>Infrastructure Requirements</u>						
<u>Kelsey Campus</u>						
Land Acquisition and New Construction		67,000,000			67,000,000	
Infrastructure Repairs and Upgrades		14,000,000			14,000,000	
Infrastructure - E.A. Davies Building		3,000,000			3,000,000	
<u>Wascana Campus</u>						
New Construction and Modernization		9,000,000			9,000,000	
<u>Palliser Campus</u>						
Redevelopment and Modernization		4,000,000			4,000,000	
<u>Woodland Campus</u>						
Redevelopment and Modernization		3,000,000			3,000,000	
Funding Required	2,000,000	100,000,000	40,644,000	667,000	143,311,000	13.10