

Operations Forecast

2013-14



Approved by the SIAST Board of Directors
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Institutional Context

Introduction

The Saskatchewan Institute of Applied Science and Technology (SIAST) is Saskatchewan's primary public institution for post-secondary technical education and skills training, recognized nationally and internationally for its expertise and innovation. SIAST's programs touch every sector of the economy – agriculture, media, business, construction, energy, health care, hospitality and tourism, life sciences, manufacturing, mining and minerals, technology and transportation. SIAST fuels economic growth in Saskatchewan by providing qualified graduates to meet labour market demand.

Through program and course registrations, SIAST serves almost 26,000 distinct students. Nearly 13,200 FLE students were enrolled in SIAST programming in the most recent academic year. SIAST operates campuses in Moose Jaw, Prince Albert, Regina and Saskatoon, and extends its reach province-wide by partnering with regional colleges and First Nations and Métis education institutions, as well as 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, SIAST ensures programs match opportunities in the real world. A consultative approach and commitment to practical learning enable SIAST graduates to hit the ground running in their respective fields. Contributing at a high level to Saskatchewan's social and economic development, SIAST provides the skills and technical training that the province needs to grow and prosper.

Mandate

Under the Saskatchewan Institute of Applied Science and Technology Act, SIAST may provide:

- (a) Courses and programs of study, instruction or training in academic, scientific, trade, technical, technological and vocational fields of education;
- (b) University programs by agreement and on the basis agreed to with any university within or outside Saskatchewan, at locations established by the Lieutenant Governor in Council and designated by the Minister;
- (c) Courses or programs of instruction or training that have been determined to be required with respect to a trade pursuant to The Apprenticeship and Trade Certification Act, 1999;
- (d) Courses, programs and seminars of a continuing education nature;
- (e) Credit programs where those programs are provided through a regional college as defined in the Regional Colleges Act;
- (f) Career counselling and basic education upgrading;
- (g) Services to governments, corporations, persons or other bodies with respect to courses or programs SIAST provides or expertise or facilities it possesses, on any terms that SIAST considers appropriate;
- (h) Any other post-secondary education and training-related functions or activities that may be prescribed by the Lieutenant Governor in Council.

Vision

A global leader in innovative education, valued for student success and advancing social and economic prosperity.

Mission

SIAST 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 communities.

Values

Ethics – We adhere to high standards of ethical behaviours and personal accountability. We do the right thing based on sound principles, good character and caring for others.

Innovation – We encourage entrepreneurial thinking that cultivates creativity, agility and ongoing learning in the pursuit of excellence.

Diversity – We embrace diverse cultures, heritages and opinions in our efforts to enrich the learning and work environment and foster inclusive decision making.

Leadership – We achieve results by working effectively with others to engage, support and inspire action. We motivate others through our vision, our courage to take risks and our commitment to our goals.

Communication – We engage in honest, focused consultation and in the open exchange of ideas to inspire informed decision making, build relationships and foster authentic partnerships.

Strategic Themes

In 2009, SIAST embarked on a journey of renewal involving a 10-year strategic plan, *SIAST 2.0 defining tomorrow*. As Saskatchewan's primary provider of skills and technical training, SIAST contributes to economic development and social well-being within the province by focusing initiatives on a well-defined set of strategic themes:

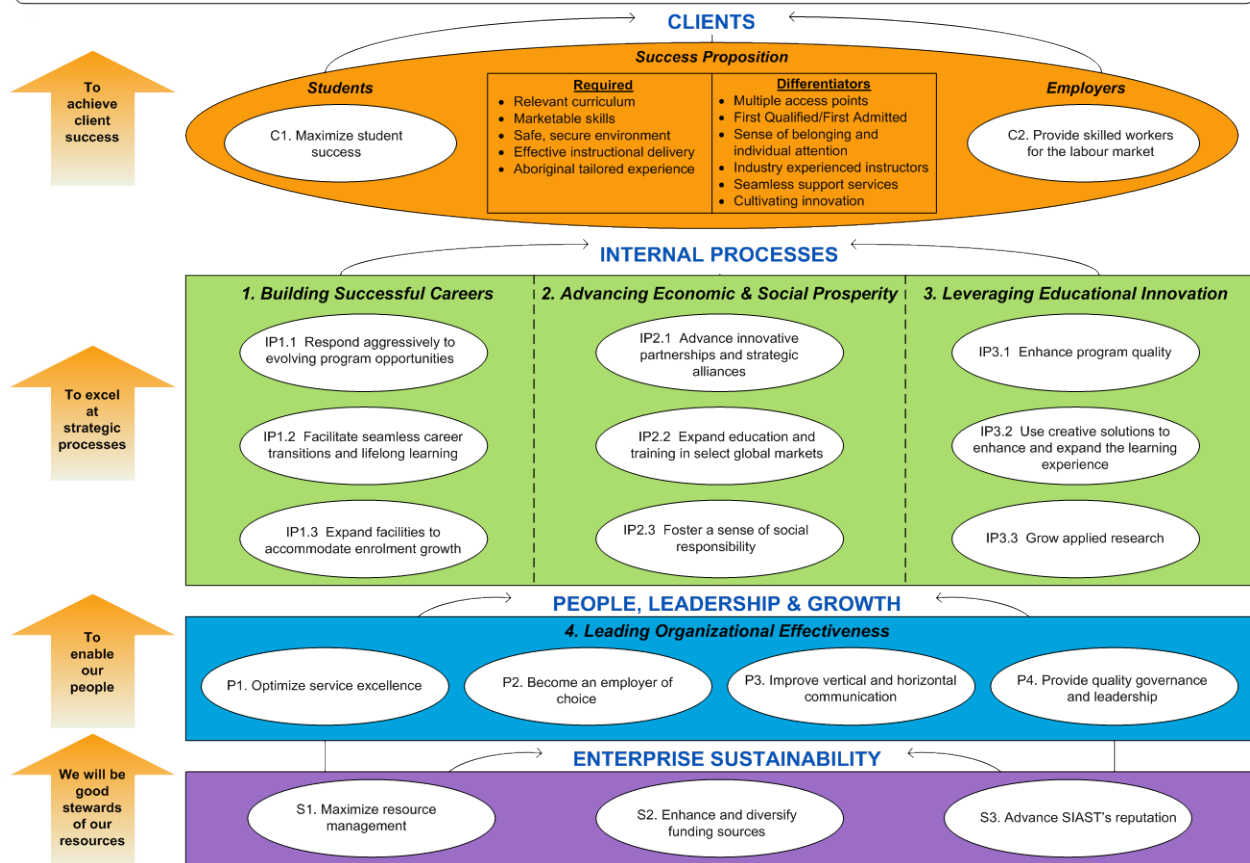
- *Building successful careers.*
- *Advancing economic and social prosperity.*
- *Leveraging educational innovation.*
- *Leading organizational effectiveness.*

Strategy Map and Strategic Goals

To ensure SIAST demonstrates accountability to its varied stakeholders and focuses on initiatives to maximize available resources, a balanced scorecard strategy management framework has been adopted. Significant progress has been made in the development of performance measures. The first SIAST scorecard was presented to the board of directors in November 2011. Work continues on the identification of targets and benchmarks. A structured approach to enterprise risk management complements SIAST's work in strategic planning and performance measurement. The strategy map below illustrates how SIAST integrates its planning and performance measurement processes.

SIAST Strategy Map

Vision 2009-2019: A global leader in innovative education, valued for student success and advancing social and economic prosperity.
Mission: SIAST 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 communities.
Our Strategic Destination 2010-2013: Within the next three years, SIAST will increase the number of career-ready graduates and training completions by 15%.



Financial Requirements AY 2013-14

SIAST's Operations Forecast provides an opportunity to present the Ministry of Advanced Education (AE) with financial information to assist the Ministry in developing its budget for the Saskatchewan post-secondary system. Guidelines issued by the Deputy Minister for development of the Operations Forecast emphasize the 2013-14 budget is expected to focus on sustainable funding and fiscal restraint. SIAST was asked to provide information, as follows:

1. Status quo – cost to maintain operations at 2012-13 levels
2. Expected impact – 0% growth target and 2% growth target
3. Sustainability measures – 2011-12 and 2012-13
4. Initiatives – new operating and capital initiatives

SIAST strategies match government priorities, as do SIAST's primary outcomes of enhancing student success and providing an educated workforce to meet the increasing skill requirements of the province. The institution continues to meet government expectations by demonstrating responsible fiscal management and by delivering effective, efficient and innovative programs and services to the public.

Status Quo Budget Requirement Scenario

SIAST requires the following additional funding to notionally maintain programs and resources at the same levels as 2012-13. (See Appendix A for further details on status quo expenditures.)

Requested Increases to Base Funding for AY 2013-14	Amount
2012-13 Net Operating Assets (NOA) draw	1,929,000
Aboriginal Student Achievement Plan (ASAP)	0
SCBScN - offset for tuition loss	(156,000)
Tuition increase – 4%	(500,000)
2012-14 in-scope collective agreement settlement	5,600,000
2012-14 out-of-scope cost-of-living compensation increases	356,000
Movement through salary bands	500,000
Inflationary increase	662,000
Total	\$8,391,000

SIAST received significantly less funding than required to sustain operations in AY 2012-13, with the elimination of the capital grant and a substantial shortfall in funding for the settlement of 2009 -2012 collective agreement. SIAST has been put in the untenable position of not being able to meet its fundamental collective bargaining agreement obligations. Much of this shortfall was addressed through sustainability measures implemented in AY 2012-13; however, a \$1,929,000 shortfall remains. This shortfall will be absorbed from SIAST’s accumulated net operating assets (NOA) in AY 2012-13, **utilizing the entire available balance**. This shortage will need to be addressed for AY 2013-14.

Assumptions

- The \$600,000 ASAP funding was rolled into SIAST’s base grant for AY 2012-13 and is now assumed to be ongoing.
- The \$156,000 is a reduction to the \$1,372,000 provided to offset for the Saskatchewan Collaborative Bachelor of Science in Nursing (SCBScN) tuition loss in AY 2013-14.
- Based on preliminary indications from the Ministry of Advanced Education, the \$5,600,000 in-scope settlement costs assume wage increases in the range of 0 to 2% for AY 2012-13 and AY 2013-14. Note that this estimated amount includes retroactive funding relating to AY 2012-13 which will need to be paid on settlement of the agreement.
- The \$356,000 out-of-scope cost of living compensation increases assume an increase in salary in the range of 0 to 2% for AY 2012-13 and AY 2013-14.
- Movement through the salary bands represents the additional salary costs incurred as a result of employees’ regular annual increments due to seniority as per the collective agreements. \$500,000 is an estimate based on the experience of recent years.
- The \$662,000 is based on an inflationary increase of 2% using the following calculation:

Inflationary Increase	Amount
2012-13 total budgeted non-salary expense	75,466,000
Deferred capital contributions (515)	(6,778,000)
Cost of goods sold	(5,377,000)
Accommodations grant	(30,197,000)
Total	\$33,114,000
Inflation @ 2%	\$662,000

Tuition Fee Increase

SIAST anticipates a tuition fee increase of 4%. Although this is higher than growth in the consumer price index, proposed SIAST tuition fees are competitive with other college tuition fees in neighbouring provinces and considerably more affordable than university tuition fees within the province. Saskatchewan students pay just 11% of the real cost of their SIAST program of study.

A 4% increase in tuition fees would net \$500,000 in additional revenue.

Expected Impact – 0% and 2% Growth Target Budget Scenarios

If SIAST is unsuccessful in receiving the additional funding requirements outlined in the status quo budget request and the revenue from the tuition fee increase, then SIAST would be short more than \$8.5 million for AY 2013-14. The institution would need to prioritize its operations resulting in an estimated impact to 150 instructor and staff positions together with suspension of several academic programs and educational services. Likewise with a 2% increase scenario, SIAST would be short more than \$6 million resulting in an estimated impact to 115 instructor and staff positions with associated program reductions. This large reduction in full-time equivalent positions would cause an even larger number of staff layoffs resulting in significant internal disruption (due to “bumping”) and external reputation damage. The 0% scenario would reduce the SIAST headcount by more than 1,500 students and the 2% scenario would reduce the student headcount by more than 1,100. In addition, it would severely hamper student access to the affected programs with increases to SIAST’s already lengthy waitlists. (See Appendix A for further details on funding impact scenarios.)

Other Funding Requirements for AY 2013-14

SIAST requires **\$2,478,000** to reinstate its capital grant. This is equivalent to the amount funded four years ago (2009-10) and does not take into consideration inflation. No sustaining capital grant was provided in AY 2012-13. Given the hands-on, capital intensive nature of much of SIAST’s programming, the current lack of capital funding represents a significant impediment to SIAST’s long-term ability to provide high quality training to SIAST students and to meet current labour market expectations. The ability to gain efficiencies offered by new equipment and technologies also requires ongoing investment in capital infrastructure.

A claim is outstanding against SIAST due to alleged misinterpretation of PEPP pension contribution eligibility information provided in the past to part-time employees. The one-time liability has been estimated at **\$5,400,000**, although final amounts could vary significantly. Should settlement payments be required during AY 2012-13 or AY 2013-14, SIAST has no ability to pay out this money without impacting operations.

New SIAST Program Initiatives

Funding for New SIAST Initiatives	One-time Capital	Ongoing Operating
Advanced Care Paramedic ¹	260,000	195,000
Bachelor of Science in Psychiatric Nursing	11,000	84,000
Mining Engineering Technology	200,000	130,000
SIAST Kelsey Campus Renewal ²	10,700,000	--
Total	\$11,171,000	\$409,000

¹ An industry partner has expressed interest in a potential capital contribution of \$260,000 to fund one-time capital.

² See Appendix B for full proposal.

First Project Priority is a New Technology Centre at SIAST Kelsey Campus

Over the past five years, SIAST has undertaken significant planning to substantiate the need for renewal of its Kelsey Campus. To this end, SIAST has undertaken various reports, studies and consultations. Appendix B contains a vision document entitled *SIAST Kelsey Campus Renewal: A Contemporary Urban Campus - Vision for the Future*. This proposal summarizes key findings of these planning documents and presents a vision for a contemporary urban campus featuring a modern Technology Centre.

SIAST Kelsey Campus renewal will revolve around an innovative and exciting **urban campus concept**. In close proximity to the Saskatoon downtown and core neighbourhoods, it will foster a sense of social responsibility, community and environmental sustainability. It will make SIAST a more attractive destination for much sought after international students.

First and foremost, this campus renewal will expand the skilled work-force training capacity of SIAST Kelsey Campus. This design will create a learning environment that fosters collaborative and multi-disciplinary learning, student and industry dialog, and a supportive atmosphere for applied research. Next, this renewal will position SIAST as it transitions from a college into a Polytechnic. This investment will change the way that technical education is delivered in the Province of Saskatchewan and will raise the level of technical training to that of an equal partner alongside the province's outstanding universities. This vision offers a long-term solution that will help SIAST remain relevant in the marketplace for the next fifty years or longer.

The building of a Technology Centre is SIAST's top infrastructure priority in Year 1 of the SIAST Kelsey Campus renewal. This building will accommodate students in Mining Engineering Technology, Mechanical Engineering Technology, CAD/CAM Engineering Technology, Electronic Systems Engineering Technology and Computer Systems Technology. The project will provide SIAST with a 180-seat lecture theatre, much-needed additional classroom, laboratory and office space, as well as student space for studying, food concessions and interacting.

The first year of the SIAST Kelsey Campus renewal project requires an infrastructure investment of **\$10.7 million**. The cash flow requirement over the six-year construction project is shown below. Following discussion with the Ministry of Advanced Education, SIAST is proposing a three-way split for funding¹ - capital grant, fundraising and loan.

SIAST Kelsey Campus – Project Cash Flow – 6 Years (\$ millions)						
2013	2014	2015	2016	2017	2018	Total
\$10.700	\$47.000	\$50.000	\$47.857	\$27.500	\$39.500	\$222.557

¹ Personal communication David Boehm, Assistant Deputy Minister, Ministry of Advanced Education, and David Walls, Provost and Vice-President Academic, SIAST. August 8, 2012.

The cash flow requirement for the project, including project cost, building operating costs, inflationary factor (2%), and loan interest are outlined below. Interest is based on the assumption of financing one-third of the project costs at 3% over 20 years.

SIAST Kelsey Campus - Total Cash Flow - 8 Years								
	2013	2014	2015	2016	2017	2018	2019	2020
Project Cost	10,700,000	47,000,000	50,000,000	47,857,000	27,500,000	39,500,000		
Operating Costs	0	0	0	0	4,379,000	4,379,000	5,889,000	5,889,000
Inflationary Factor	214,000	1,898,800	3,060,400	3,944,956	3,317,992	5,535,881	875,610	1,010,902
Interest	105,521	605,692	1,117,384	1,590,589	1,825,980	1,978,912	1,888,887	1,796,130
Total Costs	\$11,019,521	\$49,504,492	\$54,177,784	\$53,392,545	\$37,022,972	\$51,393,793	\$8,653,497	\$8,696,032

Sustainability Measures

Although Saskatchewan has been more fortunate recently than some jurisdictions, SIAST typically operates in a government environment designed to maintain status quo funding for the programs and services it provides. Provincial budgets and tuition fee increases over the previous four years have for the most part lagged collective agreement settlements, out-of-scope salary increases and inflationary pressures. Some targeted funding has been received and appreciated. SIAST's overall program headcount enrolment has grown almost 50% over the last 10 years. Many new program initiatives and services to students and employees have been implemented due largely to entrepreneurial activities involving revenue generation and cost-recovery programs. SIAST has been innovative in how, when and where it delivers academic programs to an ever-expanding student base and wherever possible has made the best use of educational technology to do so.

SIAST must have a sustainable financial strategy to ensure it is adequately resourced. To simply maintain the status quo with respect to academic programs, delivery techniques and services would be shortsighted. In a competitive post-secondary global environment, SIAST must constantly adopt and adapt to new information and educational technologies. SIAST must exhibit contemporary space for its students to learn and interact, and be endowed with up-to-date equipment housed in facilities that support both teaching and applied research.

SIAST has managed its financial resources avoiding deficits and generating occasional small operating surpluses. It has been innovative in accommodating increasing numbers of students, maximizing use of its physical assets, implementing new programs to match labour market needs of industry and employers, and demonstrating high program quality and customer service. Maintaining this level of excellence requires entrepreneurial approaches that involve the pursuit of public and private funding, conducting revenue-generating activities and engaging in new business opportunities to sustain and grow our post-secondary education undertakings.

SIAST is known for its entrepreneurial flair and “get-it-done” approach. SIAST trusts it will be encouraged to develop sustainable sources of revenue to fund growth and innovation and hopes that its enterprising qualities will be met in future with incentives not disincentives. Discussion is required around retention of SIAST surpluses with a focus on investments that leverage revenue generation and sustainability.

SIAST supports the government's efforts to ensure the sustainability of programs and services. To this end, SIAST has implemented a number of sustainability measures in AY 2010-11 and AY 2011-12, as follows:

2010-11

- Significant increase to divisional vacancy management targets.
- Significant increase to divisional continuing education revenue targets.
- One-time capital budget reductions.
- Increased administrative fees revenue targets.
- Implementation of parking fees for staff.

- Program reductions, suspensions or deletions (e.g. Applied Photography, various Business programs, Early Childhood Education, Electronics Engineering Technology, Recreation and Tourism Management, etc.).

2011-12

- Full year of staff paid parking plus introduction of paid student parking.
- Continuation of program reductions.

2012-13

Sustainability measures planned in AY 2012-13 include:

- Administrative efficiencies, including development of an alternate budget framework.
- Investigation of differential tuition fees for selected programs.
- Program rationalization with savings directed to new program development.
- Revenue generation including an analysis of the various SIAST business lines.
- Capital fundraising campaign that forms parts of the overall financial strategy to generate funds for infrastructure improvement and expansion.
- Lean: SIAST learned recently that it has been identified, along with both universities, for a Lean initiative. The goal of this production system is the overall elimination of “waste” and creation of “value” for the end customer. The first step will involve Lean training for SIAST personnel including senior-level managers. This training will allow SIAST managers to supplement critical skills required to address inefficiencies in business processes and to improve overall organizational performance. Following this training, SIAST expects to have a number of Lean initiatives underway in 2012-13. While not a cost reduction exercise, Lean will improve end customer satisfaction and improve organizational effectiveness. SIAST recognizes that a front-end investment is required to initiate the Lean system.

Alignment of SIAST Initiatives with Strategic Priorities of the Government

SIAST's strategies must link to the strategic and operational planning efforts of the province. This portion of the Operations Forecast considers the Ministry of Advanced Education strategic directions for 2012-13. These priorities form the headings below under which are detailed the opportunities and challenges facing SIAST. Proposed initiatives are featured which, in SIAST's view, advance government's priorities while ensuring the institution is fulfilling its mandate and vision.

1. Improving employment and education outcomes for First Nations and Métis peoples

SIAST's overall enrolments of First Nations and Métis peoples exceed the Aboriginal population of the province at 18% of SIAST's student headcount. These enrolments come from the growing Aboriginal population within the major cities, as well as Aboriginal students who relocate from their reserves and communities to attend a SIAST program.

First Nations and Métis youth comprise Saskatchewan's fastest-growing population segment – an important demographic facing significant education and employment challenges. Responsive to demographic trends, SIAST's approach to education equity has generated significant achievements in First Nations and Métis enrolment. In order to maintain momentum, SIAST continues to pursue initiatives designed to ensure that it meets the skills and technical training needs of First Nations and Métis learners, as well as the future human resource needs of employers.

Implementation of the institution-wide Aboriginal Student Access Program (ASAP) continues with the realignment of services, creating new support programming and addressing institutional barriers to student completion. With ongoing support from the Ministry of Advanced Education, ASAP continues with the implementation of the pro-active applicant support strategy, introduction of the external advisory committee, appointment of the Aboriginal Community Advisor, and continued expansion of the Aboriginal Student Retention Model.

To gauge the success of these efforts, SIAST closely monitors Aboriginal student success including graduation rates, graduate employment and graduate satisfaction. SIAST has implemented a variety of initiatives to improve Aboriginal students' access to and success at SIAST with the aim of closing the equity gap.

2. Ensuring post-secondary education remains accessible and affordable through new initiatives for students and families

Saskatchewan saw its population growth exceed the national average between 2006 and 2011, at 6.7%.² With this strong growth, Saskatchewan's population topped one million in the 2011 Census, an increase of more than 65,000 people from 2006.¹ Saskatchewan's population is geographically dispersed and highly rural, with 53% of the population living outside of SIAST's four campus cities. To ensure all residents have access to high-quality skills training regardless of where they live and work, SIAST provides courses and programs through a variety of distance delivery methods. SIAST offers more than 500 courses via distance learning, including more than 200 through online learning. Last year, SIAST enrolments in distance education exceeded 15,000. Recognized both nationally and internationally for its e-learning initiatives, SIAST continues to build its complement of online courses. Live-streaming video into remote sites is one of the newest innovations SIAST intends to expand with appropriate investments. SIAST has also been a leader in expanding access through prior learning assessment and recognition (PLAR).

To support accessible and affordable education, SIAST has participated in the new Saskatchewan Innovation and Opportunity Scholarship program for post-secondary students by matching funds raised through private sector and community-based partners. In the 2011-12 FY, SIAST had \$476,888 in donor funding used to support Ministry of Advanced Education matching dollars. This has allowed SIAST to offer scholarships for innovation and excellence that target students in fields where innovative work is being done, including mining, energy, agriculture/biotechnology, the environment, science and engineering.

In response to the ever-changing needs of business, industry and the labour market, SIAST's portfolio of more than 150 programs is continually under review. SIAST engages in training needs assessments on an ongoing basis in order to monitor and respond to trends. SIAST uses program advisory committees extensively to ensure that its program portfolio and curriculum content are aligned with the real-life needs of business, industry and the labour market. More than 700 experts serve on SIAST's program advisory committees.

In 2012-13, SIAST plans to introduce or expand the following programs:

Advanced Care Paramedic Program Expansion

SIAST has received pressure from the College of Paramedics and SIAST's own program advisory committee to double the number of seats in the Advanced Care Paramedic diploma program to address a shortage and industry recruitment challenges. An industry partner has requested that SIAST increase capacity by one cohort of 20 seats for the Advanced Care Paramedic (ACP) program. The partner wants to help increase the supply of paramedics to compensate for a large number of hires they will likely make in the construction phase of a new development. The industry partner will most likely make a one-time capital contribution (\$260,000) to support a cohort in Saskatoon. This doubles the current 20-seat capacity available at SIAST Wascana Campus. This donation is dependent on the allocation of operating funds. The cost of implementing the ACP program expansion in AY 2013-14 has been identified as \$195,000.

² Statistics Canada, 2011 Census.

Bachelor of Science in Psychiatric Nursing

SIAST is planning to develop and deliver a Bachelor of Science in Psychiatric Nursing (BScPN) program. Currently, there is no Bachelor of Science in Psychiatric Nursing available in Saskatchewan. SIAST views the introduction of a BScPN as an important step necessary in filling gaps in health care in Saskatchewan due to increased client needs and in response to today's changing world of increasingly more sophisticated job requirements as practitioners move through their careers. SIAST has listened to the provincial community and has responded by formulating a proposed degree that can provide numerous benefits to Saskatchewan, achieve a labour market demand, meet the needs of professional associations, address prospective client needs and respond to identified student requests.

A formal proposal will be submitted to the Ministry of Advanced Education with an anticipated implementation date for the new degree of September 2013. A preliminary proposal is currently going through the degree quality assurance review process as a case study. A labour market analysis has been completed, the organizational self-assessment has been completed and the external panel site visit has occurred, and the program self-evaluation has occurred including a panel site visit. The program is also being examined by the Interim Quality Assurance Board (IQAB), and public consultations related to the proposed BScPN are expected to conclude in the fall of 2012. The cost of implementing the BScPN program in AY 2013-14 has been identified as \$84,000 (operating) and \$11,000 (capital). Costs will increase to \$313,000 (operating) and \$15,000 (capital) in 2014-15.

Mining Engineering Technology Diploma – Year 2

SIAST's Technology Division recently launched a new two-year Mining Engineering Technology (MET) diploma program. The program, designed with input from industry experts, provides hands-on training in mining design and operation. It applies scientific principles to basic mining engineering problems in both hard and soft rock mining environments. The two-year diploma program covers surface and underground surveying, mine ventilation, ground control and mine planning and design using a combination of classroom and hands-on learning. The first intake of 25 students in the Mining Engineering Technology program took place in August 2012. The program was oversubscribed by 21 qualified applicants.

The MET program is housed in the newly refurbished building at 55 - 33rd Street in Saskatoon until the proposed Technology Centre is constructed. The cost of implementing the second year of the MET diploma program in AY 2013-14 has been identified as \$130,000 (operating) and \$200,000 (one-time capital).

3. Investing in programs and services that most effectively meet the needs of people with barriers to employment

SIAST recently approved a strategic framework for a diversity program at SIAST which expands the current representative workforce program and its principal focus on measures in support of Aboriginal employees. The enhanced vision is that: "SIAST values diversity. We are an inclusive community which supports all of us to work to our fullest potential, regardless of our ethnicity, disability, or gender, in order to enrich the learning and work environment of our educational institute." The goal is that the SIAST workforce achieves an understanding and practice of inter-cultural competency and embraces the benefits of a diverse workplace.

The SIAST Diversity Plan will undertake a number of action items. Components of the plan include:

- Create a formal statement of commitment to a diversity plan framework.
- Designate responsibility of the diversity plan framework.
- Develop a communications strategy for a diversity plan.
- Develop a diversity leadership council to instil currency to diversity initiatives.
- Monitor diversity initiatives and analyze organizational measures on an annual basis.
- Initiate accountability measure for all senior managers.
- Renew SIAST commitment to increase the representation levels of equity group members.
- Renew SIAST accountability to a diversity program.

4. Providing strategic support for research and innovation initiatives

To further support the success of employers and students, SIAST provides applied research services. The Office of Applied Research and Innovation works with external clients to facilitate the introduction and commercialization of new technologies by capitalizing on the expertise of SIAST's highly qualified and skilled personnel. SIAST focuses on practical solutions for real-world problems. SIAST is eligible to apply for research funding through the National Science and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council of Canada (SSHRC).

SIAST is positioning itself to capture sustainable applied research opportunities that leverage its core capabilities. It is presently conducting an evidence-based assessment of its capacities and market intelligence on related opportunities among the key sectors in Saskatchewan's economy. This assessment will:

- Provide proof of core capabilities and define internal areas of focus.
- Provide proof of sustainability and tangible market options.
- Support creation of strategic program plans that integrate internal capacity, market options, SIAST mandate and provincial priorities.
- Guide program development, business development and industry engagement.

5. Supporting the successful settlement and integration of newcomers in our workplaces and communities

Many new immigrants have arrived in the province over the past five years either through initiatives such as the Saskatchewan Immigrant Nominee Program (SINP) or as refugees. The province received more than 28,000 immigrants between 2006 and 2011, compared with approximately 9,500 between 2001 and 2006.³ A majority of new immigrants speak little English or French. The federally funded Language Instruction for Newcomers to Canada (LINC) has more than doubled in enrolment in recent years at SIAST and now stands at more than 400 seats. There are still many waitlisted for the program as SIAST has insufficient space to expand enrolments further. SIAST is already offering additional classes on weekends and in the evenings. Although this is a federally funded program, SIAST requests that the provincial training allowance (PTA) continue to be available to participants in the LINC program, thus helping immigrants with the opportunity to become participants in the Saskatchewan labour force.

³ Statistics Canada, 2011 Census.

A dramatic increase in the number of international students who attend SIAST programs in the province is planned and will centre on Business and Technology programs at SIAST Palliser Campus. The development of English as a Second language (ESL) capacity has been promoted as a key element that will permit SIAST to be competitive with other institutions in the global recruitment drive for international students. A significant incentive for international students to come to Saskatchewan is the ability of SIAST graduates to acquire work permits under the Saskatchewan Immigrant Nominee Program (SINP).

SIAST's international education initiatives are vital in today's economy. They contribute to the development of an internationally and inter-culturally competent workforce within Saskatchewan. The Conference Board of Canada has identified a positive correlation between international education and gross domestic product, innovation, international trade and foreign investment.⁴ It is widely recognized that international students contribute substantially to the local Saskatchewan economy. SIAST is actively recruiting international students and plans for even greater growth in this area over the next several years.

6. Enhancing the effectiveness and efficiency of programs and services to ensure the best use of public funds

SIAST will develop criteria to rank its academic programs using a vitality index to assist in the rationalization of its program offerings and in developing program performance measures. Programs will be ranked firstly using critical criteria such as, qualified applicants, enrolment, retention, graduate and employment statistics. Secondary criteria will include cost/FLE, alternative avenues to receiving training, student satisfaction with their program and employer satisfaction with the program graduates.

Program review is governed by policy with each SIAST program receiving annual reviews of enrolment, graduation and employment data plus six yearly major reviews specific to relevancy of curriculum content. Suspensions, deletions or downsizing of existing programs and implementation of new programs have been a continuous process at SIAST and so refreshment of programs is built into the SIAST culture of ensuring its academic programs meet the needs of employers and students. It is not expected therefore that this exercise will find any "low hanging fruit" in the quest to free up resources to reallocate to new and emerging priorities. Difficult decisions will likely ensue around which programs to retain. At the request of Advanced Education, SIAST will ensure the ministry is part of the decision-making process and that industry and other stakeholders are consulted.

Additional information related to this important priority is included in the previous section entitled ***Sustainability Measures***.

⁴ Alberta Education. Retrieved August 24, 2012. From <http://education.alberta.ca/students/internationaleducation.aspx>

Conclusion

The thriving economy in Saskatchewan has significantly increased demand for SIAST trained graduates. Rising enrolments have led to challenges with regard to capacity and infrastructure. Additional operating and capital funding is essential for SIAST to keep pace with future labour market requirements, as well as meeting the changing needs of students including First Nations and Métis, new Canadians, international and remotely-located students.

It is important to keep in mind that SIAST received significantly less funding than required to sustain operations in AY 2012-13. SIAST has been put in the untenable position of not being able to meet its fundamental collective bargaining agreement obligations. Much of this shortfall was addressed in AY 2012-13; however, a \$1,929,000 shortfall remains. This shortfall will be absorbed from SIAST's accumulated net operating assets in AY 2012-13, **utilizing the entire available balance**. This shortage will need to be addressed for AY 2013-14.

If SIAST is unsuccessful in receiving the additional funding requirements outlined in the status quo budget request, then SIAST would be short more than \$8.5 million for AY 2013-14. The institution would need to prioritize its operations resulting in an estimated impact to 150 instructor and staff positions together with suspension of several academic programs and educational services. Likewise with a 2% increase scenario, SIAST would be short more than \$6 million resulting in an estimated impact to 115 instructor and staff positions with associated program reductions. This large reduction in full-time equivalent positions would cause an even larger number of staff layoffs resulting in significant internal disruption and external reputation damage.

SIAST supports the government's efforts to ensure the sustainability of programs and services. To this end, SIAST has implemented a number of sustainability measures in AY 2010-11 and AY 2011-12, and will continue to enhance these efforts in AY 2013-14. With endorsement and support from the provincial government, SIAST will continue to meet the challenge of fuelling economic growth in Saskatchewan by providing qualified graduates to meet labour market demands.

Appendix A

Expected Impact - 0% Grant Increase

Status Quo Expenditures	2012-13	2013-14	% Change
Salaries and Benefits			
Out-of-Scope	9,694,000	10,090,000	
Academic	83,979,000	88,422,000	
Professional Services	28,514,000	30,131,000	
¹ Other	12,755,000	12,755,000	
² Benefits	16,400,000	16,400,000	
Total Salaries and Benefits	\$151,342,000	\$157,798,000	4.3%
³ Other Expenditures	78,531,000	79,193,000	0.8%
Total Expenditures	\$229,873,000	\$236,991,000	3.1%

Funding Impact	2012-13	2013-14	% Change
Total Expenditures	\$229,873,000	\$236,991,000	3.1%
Operating Funding			
³ Base	151,297,000	151,297,000	0.0%
Multi-year Commitments	1,372,000	1,372,000	
Tuition and Fees			
⁴ Tuition Increases	23,367,000	23,867,000	2.1%
⁵ Enrolment Increases		156,000	
Other Revenue	51,908,000	51,908,000	
Total Revenue	\$227,944,000	\$228,600,000	0.3%
⁶ Funding Impact	\$1,929,000	\$8,391,000	

¹ Largely made up of continuing education and contract employees. To the extent these salaries increase, it is assumed that contractual revenue will increase to offset.

² Benefit increases are included within the related employee group salary increases.

³ Other expenditures and base funding both include capital spending, as outlined in the 2012-13 OCP.

⁴ Assumes 4% tuition increase on core tuition. Tuition on cost recovery programming is calculated in a different manner and not directly affected by general tuition fee increases.

⁵ Tuition increase related to SCBScN program. Impact of overall enrolment changes is difficult to forecast given the additional costs associated with increased student intake. Currently no net contribution from enrolment increases is anticipated.

⁶ 2012-13 Net Operating Assets (NOA) draw

Expected Impact - 2% Grant Increase

Status Quo Expenditures	2012-13	2013-14	% Change
Salaries and Benefits			
Out-of-Scope	9,694,000	10,090,000	
Academic	83,979,000	88,422,000	
Professional Services	28,514,000	30,131,000	
¹ Other	12,755,000	12,755,000	
² Benefits	16,400,000	16,400,000	
Total Salaries and Benefits	\$151,342,000	\$157,798,000	4.3%
³ Other Expenditures	78,531,000	79,193,000	0.8%
Total Expenditures	\$229,873,000	\$236,991,000	3.1%

Funding Impact	2012-13	2013-14	% Change
Total Expenditures	\$229,873,000	\$236,991,000	3.1%
Operating Funding			
³ Base	151,297,000	153,534,000	1.5%
Multi-year Commitments	1,372,000	1,372,000	
Tuition and Fees			
⁴ Tuition Increases	23,367,000	23,867,000	2.1%
⁵ Enrolment Increases		156,000	
Other Revenue	51,908,000	51,908,000	
Total Revenue	\$227,944,000	\$230,837,000	1.3%
⁶ Funding Impact	\$1,929,000	\$6,154,000	

- ¹ Largely made up of continuing education and contract employees. To the extent these salaries increase, it is assumed that contractual revenue will increase to offset.
- ² Benefit increases are included within the related employee group salary increases.
- ³ Other expenditures and base funding both include capital spending, as outlined in the 2012-13 OCP.
- ⁴ Assumes 4% tuition increase on core tuition. Tuition on cost recovery programming is calculated in a different manner and not directly affected by general tuition fee increases.
- ⁵ Tuition increase related to SCBScN program. Impact of overall enrolment changes is difficult to forecast given the additional costs associated with increased student intake. Currently no net contribution from enrolment increases is anticipated.
- ⁶ 2012-13 Net Operating Assets (NOA) draw

Supplementary Salary Detail

Out-of-Scope Employees	
Budgeted FTEs	99
Period covered by collective agreement	N/A
Annual increase provisions	Equivalent to in-scope; Assumed to be in the range of 0 to 2% for 2012-13 and 2013-14
Details:	
Salary 2012-13	\$9,694,000
Merit increases	40
Economic increases	356
¹ New positions	--
Salary 2013-14	\$10,090,000

In-Scope Academic Employees	
Budgeted FTEs	1,053
Period covered by collective agreement	July 1, 2012 – June 30, 2015; Currently outstanding
Annual increase provisions	Assumed to be in the range of 0 to 2% for 2012-13 and 2013-14
Details:	
Salary 2012-13	\$83,979,000
Merit increases	343
Economic increases	4,100
¹ New positions	--
Salary 2013-14	\$88,422,000

In-Scope Professional Services Employees	
Budgeted FTEs	539
Period covered by collective agreement	July 1, 2012 – June 30, 2015; Currently outstanding
Annual increase provisions	Assumed to be in the range of 0 to 2% for 2012-13 and 2013-14
Details:	
Salary 2012-13	\$28,514,000
Merit increases	117
Economic increases	1,500
¹ New positions	--
Salary 2013-14	\$30,131,000

¹ Other than as part of new initiatives separately identified in the Operations Forecast, no new positions have currently been identified for 2013-14, and no related funding has been requested.

Appendix B

SIASST Kelsey Campus Renewal: A Contemporary Urban Campus - Vision for the Future



SIAST Kelsey Campus Renewal: A Contemporary Urban Campus Vision for the Future

Approved by the SIAST Board of Directors

September 21, 2012

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1.0 Introduction

The Saskatchewan Institute of Applied Science and Technology (SIAST) is Saskatchewan's primary public institution for post-secondary technical education and skills training, recognized nationally and internationally for its expertise and innovation. Through program and course registrations, SIAST serves almost 26,000 distinct students with programs and courses that touch every sector of the economy. SIAST operates campuses in Moose Jaw, Prince Albert, Regina and Saskatoon and provides a large number of courses and programs through distance education.

Addressing facility issues at the SIAST Kelsey Campus is SIAST's most pressing capital need. The main SIAST Kelsey Campus, located at Idylwyld and 33rd Street in Saskatoon, includes more than 53,000 square metres of instructional floor space. Despite concerted efforts to increase distance-learning opportunities and improve space utilization, SIAST Kelsey Campus faces serious space constraints. As a stopgap measure, SIAST Kelsey Campus has been expanded to seven buildings and centres, in addition to the main campus (Appendix A). To meet the mounting demand for apprenticeship training, investigation is underway with the Ministry of Central Services to lease an additional 888 square metre building on behalf of SIAST. This crisis management approach to space planning and building acquisition is not sustainable.

Over the past five years, SIAST has undertaken significant planning to substantiate the need for renewal of SIAST Kelsey Campus. This proposal summarizes key findings of these planning documents and presents an exciting vision for a contemporary urban campus featuring a modern Trades and Technology Complex. It provides high-level financial information and proposes immediate next steps. Government endorsement and support are required to make this vision a reality.

2.0 Rationale

A wide variety of internal and external factors support the need for renewal of SIAST Kelsey Campus. Collectively these factors create strong rationale for this expansion. This section outlines the key factors that form the foundation of this proposal.

2.1 Labour Forecast

A critical relationship exists between economic development activities in the Province of Saskatchewan and the programs taught at SIAST Kelsey Campus. Saskatchewan has enjoyed unprecedented prosperity in recent years. Many private and public sector forecasts suggest this trend will continue and that the province will rank first in Canada in economic growth in 2012-13. Sustaining this pattern in the longer term, however, requires a strong focus on labour market development. Glen Hodgson, senior vice-president and chief economist of the Conference Board of Canada, warns that despite Saskatchewan's recent population boom, "growth in the labour force will slow to around 0.5 percent

annually after 2015, putting a damper on the province’s growth potential unless additional action is taken to grow the workforce.”¹

Employers are already experiencing skills shortages that will only become more severe as the workforce ages. Under a baseline scenario, hiring requirements in the Saskatchewan mining industry are expected to be more than 15,000 over the course of the next decade.² In an expansionary scenario, hiring requirements are projected to reach more than 21,600, representing a near doubling of the current mining workforce in the province.² Tradespeople and technologists trained by SIAST form the backbone of the Saskatchewan mining industry workforce. The construction industry, another sector highly dependent on SIAST trainees, forecasts demand for 9,000 workers over 10 years.³

Saskatchewan will be competing with employers across Canada and especially with neighbouring provinces for these workers. Key trades and occupations are highly mobile and may be attracted to opportunities outside the province. A seven-year projection by Human Resources and Skills Development Canada, for instance, estimates that the Canadian labour market will need 6.4-million college graduates versus 4.8-million university graduates.⁴ While migration into Saskatchewan has been rising over the past decade, in-migration alone will not meet Saskatchewan’s requirements for skilled labour.

SIAST provides an attractive return on investment in terms of graduate retention. According to a SIAST survey of its 2010-11 graduates, one year after graduation 95% of respondents employed in training related positions stayed in Saskatchewan. A Ministry of Advanced Education, Employment and Immigration study in 2007 found that 88% of SIAST graduates remained in Saskatchewan when they launched their career, compared to 66 percent of University of Saskatchewan graduates and 78% of University of Regina graduates.⁵ Employers give SIAST graduates top marks – 99% say they would hire a SIAST graduate again. By investing in SIAST, the government will help ensure employers have continued access to the skilled labour force they need to achieve economic growth.

The provincial government should ensure its post-secondary investments are aligned with labour market needs to allow the training system to keep pace with demand. At SIAST, enrolment has increased 30% over four years. Apprenticeship training increased by 57% from 2006-07 to 2010-11, and that figure increases to 83% when 2005-06 is included. SIAST, particularly SIAST Kelsey Campus, lacks sufficient space to sustain this level of activity. The campus accepted 1,271 new students into certificate and diploma programs in September 2012, but left 895 qualified applicants unable to gain a seat. Additional space is needed to support areas where labour market needs are most critical, including programs that support mining, construction and manufacturing sectors.

¹ Glen Hodgson. Saskatchewan Business Magazine, Saskatchewan Forum 2012, June 2012.

² Mining Industry Human Resources Council. Saskatchewan Mining Industry Hiring Requirements and Talent Availability Forecasts, 2011.

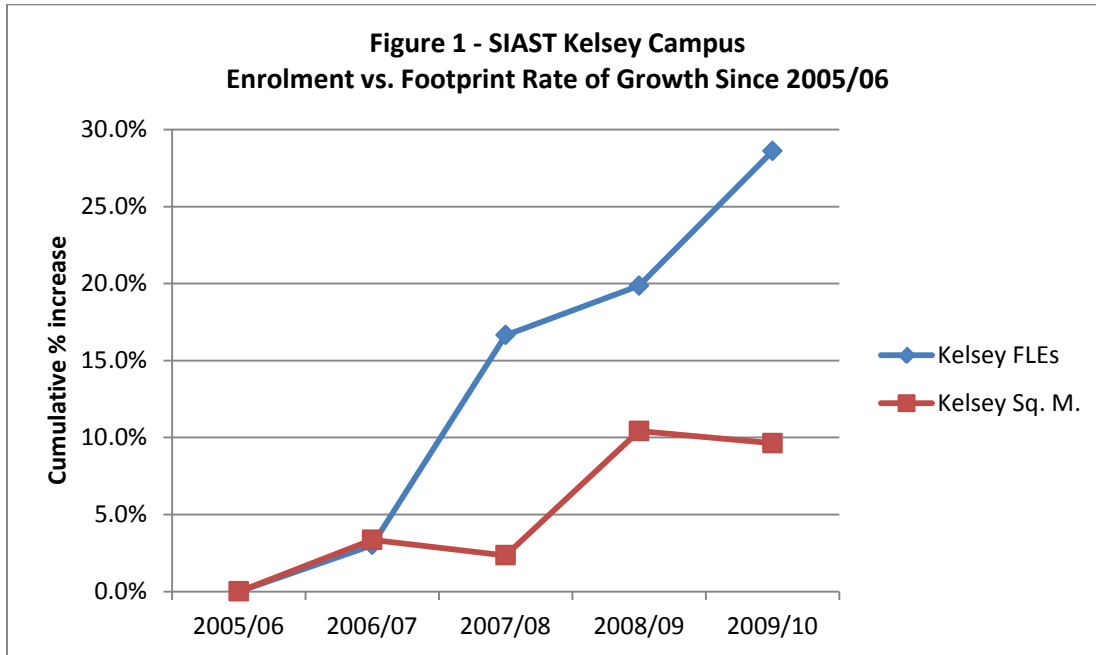
³ Construction Sector Council. Construction Looking Forward: An assessment of construction labour markets for Saskatchewan from 2011–2019, 2012.

⁴ Human Resources and Skills Development Canada, Canadian Occupational Projection System, 2009.

⁵ Ministry of Advanced Education, Employment and Immigration. Post-Secondary Graduates Survey, 2007.

2.2 Facility Constraints

SIAST Kelsey Campus enrolment growth has far outpaced facility growth (Fig. 1). Five years ago, the Kelsey Master Plan 2008 to 2031 reported the campus was operating at 120% capacity.⁶ Last year, the SIAST Kelsey Campus Facility Capital Plan and Utilization Study identified numerous and significant facility deficiencies at SIAST Kelsey Campus, including a 475-seat shortfall.⁷ The report concluded a requirement for 22,000 square metres of new space.



All SIAST campuses are short of space due to enrolment increases of 30% over four years. SIAST Kelsey Campus has combined teaching and non-teaching space of 69,621 square metres and 4,199 FTE enrolments (based on on-campus students for AY 2010-11).⁸ This equates to a square metre per FLE ratio of 16.58.

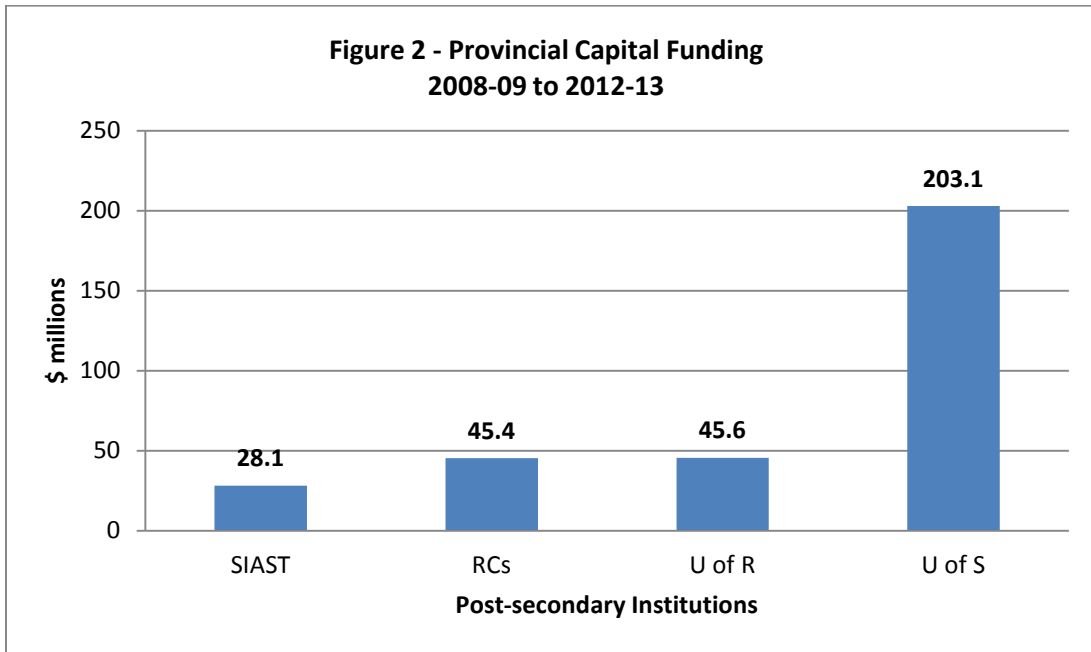
The Council of Education Facility Planners suggests space afforded students at Canadian high schools range between 9 and 15 square metres per student. When compared to the North American APPA recommendations of 25 square metres per student for colleges and universities, SIAST Kelsey Campus is woefully short of space and its facilities are over extended. SIAST maintains that particular attention is required at SIAST Kelsey Campus to address crowded spaces, growing enrolments and the need to bring 50-year-old facilities up to contemporary standards for college learning.

⁶ Kelsey Campus Master Plan 2008 to 2031, Cornerstone Planning Group in association with R.G. Cooper Architect Ltd., Sept. 2008

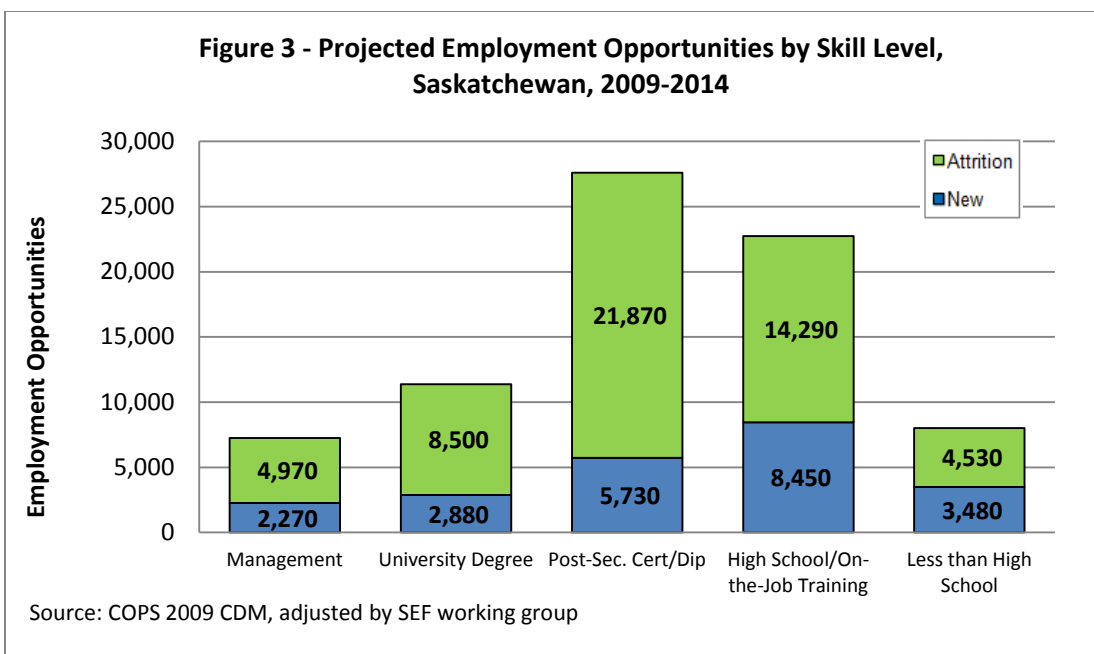
⁷ SIAST Kelsey Campus Facility Capital Plan and Utilization Study, Stantec, June 2011

⁸ The square metres per full-load equivalent (FLE) was calculated using SIAST’s 2011 revised definition of FLE enrolment, which is based on credit hours. The new formula compensates for differing program durations, including the typically shorter duration of apprenticeship levels. The SIAST Kelsey square metres include space at the SIAST Administrative Offices, the Heavy Equipment Truck and Transport building and SIAST Kelsey Ave W Centre, and include the students at these locations.

SIAST has waited patiently while other Saskatchewan post-secondary institutions have received significant provincial government capital funding to support their growth and expansion (Fig. 2). In this respect, SIAST’s last place rank is particularly disconcerting given its prominent role in sustaining the provincial economy. Surprisingly, provincial capital investment in regional colleges (RCs) has outstripped investment in SIAST.



Furthermore, a five-year projection by the Ministry of Advanced Education estimates that the Saskatchewan labour market requires nearly two-and-a-half times more college graduates compared to university graduates (Fig. 3). Despite this forecast, capital investment in SIAST, Saskatchewan’s primary supplier of college graduates, lags significantly behind the investment in Saskatchewan’s universities.



2.3 Space Utilization

It is imperative that SIAST demonstrate optimized use of current space prior to undertaking expansion at SIAST Kelsey Campus.

As part of the SIAST Kelsey Campus Facility Capital Plan and Utilization Study, a comprehensive utilization study was performed. Focusing on the time use of space for a two-year period from July 2009 to July 2011, the study compared room use patterns with industry standards. Multiple datasets were used to generate sufficient data to develop the critical components of the study. The data showed that in one 18-week period, demand for seats exceeded the target for 14 out of the 18 weeks. The study concluded that the SIAST Kelsey Campus learning environment is at least 475 seats short.

SIAST is completing a space utilization study in 2012-13 that will provide temporary relief of overcrowding. To maximize utilization of space, a case study is being conducted involving the creation of a scheduling office at SIAST Kelsey Campus. This case study will inform the institution of better models for room scheduling and improved space utilization. The study will seek to achieve the best possible use of existing training space, examining potential solutions such as extending the training day. As well, SIAST is investigating increases in training through the regional college system and on First Nations reserves. These and other space utilization measures will help SIAST cope with the space crisis at its SIAST Kelsey Campus while facility renewal takes place.

2.4 Distance Education

To minimize the need for additional capital infrastructure, it is vital that SIAST maximize all modes of distance education. Recognized both nationally and internationally for its e-learning initiatives, SIAST continues to build its complement of online courses. SIAST continues to invest in the innovative use of technology to provide education and training opportunities outside the traditional classroom setting. SIAST has significant experience in distributed learning, offering more than 500 courses via distance learning, including more than 200 through online learning. Last year, SIAST enrolments in distance education exceeded 15,000. Live-streaming video into remote sites is one of the newest innovations SIAST intends to expand with appropriate investments. This will help meet current labour market demand while reducing pressure on over-crowded facilities. Nevertheless, many SIAST programs will always require hands-on training in a controlled workshop, laboratory and/or classroom setting.

2.5 Degree Granting

Anticipated degree program development over the next 10 years will exacerbate the facility crisis currently faced at SIAST Kelsey Campus. The *Degree Authorization Act* received royal assent during the spring 2012 session of the Saskatchewan Legislature and is expected to come into force upon proclamation this fall. Expansion of degree granting capability will permit SIAST to respond in a contemporary manner to labour market development opportunities in areas where SIAST has specialized expertise.

2.6 Increased Capacity

SIAST will gain increased capacity as a result of the SIAST Kelsey Campus expansion. Proposed capacity expansion from 2011 to 2017 is outlined below in Tables 1, 2 and 3.⁹ This forecast represents a 39% increase in apprenticeship capacity, an 18% increase in certificate/diploma program capacity and 34% increase in Basic Education capacity. The net result of these expansions will be to increase the head count at SIAST Kelsey Campus in Saskatoon from 6,800 to 9,018 (32%).

SIAST Kelsey Campus is also challenged with a high number of qualified applicants who are required to be waitlisted. For the 2012-13 AY, nearly one-third of qualified applicants (895) to SIAST Kelsey's base certificate and diploma programs were waitlisted and did not get a seat in their program of choice. Programming areas where more than one-third of the qualified applicants were waitlisted due to capacity limitations include:

- Trades and Technology programs – Electrician (79%), Mining Engineering Technology (33%), Industrial Mechanics (32%), Welding (31%),
- Health programs – Practical Nursing (71%), Primary Care Paramedic (44%), Medical Radiologic Technology (45%), Medical Laboratory Technology (41%), Medical Laboratory Assistant (33%)
- Community Services programs – Youth Care Worker (45%); Professional Cooking (41%)

In addition to physical training space limitations, waitlists can be attributed to high student demand (i.e. Medical Laboratory Assistant, Medical Laboratory Technology, Medical Radiologic Technology and Practical Nursing are designated high demand programs).

Table 1: Apprenticeship Capacity Expansion 2011 to 2017

Trade	Additional Intakes	Apprentices	Total Capacity
Carpenter	15	180	960
Heavy Duty Equipment Mechanic	15	180	360
Industrial Mechanics (Millwright)	15	180	492
Motor Vehicle Body Repairer	5	60	180
Plumber	10	140	910
Sheet Metal	10	120	300
Steamfitter-Pipefitter	10	140	280
Truck and Transport Mechanic	10	120	240
Welder	15	180	456
Total	105	1300	4178
<i>This represents a 39% increase in apprenticeship capacity.</i>			

⁹ Source: SIAST Kelsey Campus Facility and Capital Plan and Utilization Study. Stantec. June 2011.

Table 2: Certificate/Diploma Programs Capacity Expansion 2011 to 2017		
Program	Additions	Total Capacity
Advanced Care Paramedic – Year 1	20	20
Advanced Care Paramedic – Year 2	20	20
Auto Body Technician	14	28
Business Certificate	48	96
Culinary Arts Diploma	24	24
Heavy Equipment and Truck and Transport Technician	13	65
Mechanical Engineering Technology – Year 1	12	48
Mechanical Engineering Technology – Year 2	12	48
Medical Laboratory Technology – Year 1	20	40
Medical Laboratory Technology – Year 2	20	40
Mining Engineering Technology – Year 1	24	24
Mining Engineering Technology – Year 2	24	24
Power Engineering Technology – Year 1	12	48
Power Engineering Technology – Year 2	12	48
<u>Programs to Move Back to Main Campus</u>		
Library and Information Technology	24	24
Practical Nursing – Year 1	28	28
Practical Nursing – Year 2	28	28
Total	355	653
<i>This represents an 18% increase in capacity.</i>		

Table 3: Basic Education Capacity Expansion 2011 to 2017		
Program	Additions	Total Capacity
Adult 12	155	775
Adult 10	120	600
Language Instruction for Newcomers to Canada (LINC)	288	600
Total	563	1975
<i>This represents a 34% increase in capacity.</i>		

An examination of SIAST’s student population shows its students are not straight from high school with only 3% of SIAST’s students able to claim such a transition. The average student entering SIAST is 25 years old. Recent enrolment increases at SIAST are a direct result of increased economic activity within the province and have little connection to high school populations. To illustrate this point, the request from the Saskatchewan Apprenticeship and Trade Certification Commission (SATCC) for AY 2012-13 provided the sixth straight year for increased apprentice seats. The number of apprentices attending SIAST per academic year has increased from 2,800 to 5,464 over that six-year period. With Saskatchewan’s growing economy, apprentice numbers will continue to climb. SIAST has no room to accept additional apprentice intakes because its facilities have already exceeded physical capacity. Almost one-half of SIAST’s apprenticeship training takes place at SIAST Kelsey Campus.

An examination of data provided at the June 14, 2011 Governance Leadership Series shows the province does not have enough people completing either high school or post-secondary education. Neither the province nor SIAST can afford to ignore the need to engage a higher percentage of the Saskatchewan

population in post-secondary training (particularly under represented First Nations and Métis people) in an effort to reduce the provincial gap and expand the size of the educated and skilled labour pool. Overall, Saskatchewan has 54% of its population with a post-secondary credential compared to overall Canada which has 60% with post-secondary credentials. A growing gap exists between Aboriginal and non-Aboriginal people with only 35% of First Nations people holding a post-secondary credential. The number of adult learners wishing to complete Adult 10, Adult 12 and other Basic Education programs is increasing as individuals with less than a high school diploma recognize they cannot earn improved incomes or share in better employment opportunities available to the province unless they complete a grade 12 education and subsequently engage in post-secondary training. More than half of the students enrolled in Basic Education programs are Aboriginal. The waitlist time for would-be learners in Basic Education is between 12 and 24 months at SIAST Kelsey Campus for high demand subjects such as Chemistry and Mathematics. Additional physical capacity and increased funding is required to address this issue.

Saskatoon is expanding rapidly as people are attracted to this hub of economic activity. Many are families with children who will be requiring future access to post-secondary education. Increased demand for career-focused college education should be expected as population growth continues. An increasing number of newcomers are immigrants entering the city, and the need for English language instruction has doubled to 400 students over the past three years. If immigration continues to be a priority for the province, then this demand will continue to grow. Many new immigrants are waitlisted for English language instruction, and despite requests to increase intakes for the federally funded program, SIAST has had to decline due to lack of physical capacity.

3.0 Planning

Over the past five years, SIAST has undertaken significant planning to substantiate the need for renewal of SIAST Kelsey Campus. This section summarizes key findings of these various reports, studies and consultations.

3.1 Kelsey Campus Master Plan 2008 to 2031

The Kelsey Campus Master Plan 2008 to 2031 was prepared to assist in defining a series of coordinated development projects that would enable SIAST Kelsey Campus to evolve into an exemplary urban campus of 10,000 students by 2031.¹⁰ The Cornerstone project team concluded that “the existing Kelsey Campus facilities cannot provide a suitable learning environment for SIAST programs at present and cannot accommodate any growth.” Facility constraints are “compromising SIAST’s ability to meet its mandate and provide the quality and volume of educational services that are needed to support Saskatchewan’s economic development goals.” The projected facility requirements for 2016 were about 77% greater than the total existing facilities. The projections largely reflected the anticipated 66%

¹⁰ Kelsey Campus Master Plan 2008 to 2031, Cornerstone Planning Group in association with R.G. Cooper Architect Ltd. (Sept. 2008).

increase in enrolment, and the remaining 11% was to resolve existing space shortages. The 25% increase in facility requirements from 2016 to 2031 paralleled projected enrolment growth. With a five-year time lapse since the creation of the Kelsey Campus Master Plan, the facility situation has become increasingly urgent.

The master plan recommended expanding the existing main campus into a contemporary urban campus concept. Acquisition of key properties in close proximity to the main SIAST Kelsey Campus was critical to the feasibility of this approach. The Master Plan study ruled out replacing all SIAST Kelsey facilities with a new campus. This option presented major challenges for acquiring a suitable building site, and the estimated cost exceeded \$650 million (in 2008 dollars) excluding land.

3.2 SIAST Kelsey Campus Facility Capital Plan and Utilization Study

Stantec Engineering completed the SIAST Kelsey Campus Facility Capital Plan and Utilization Study in June 2011.¹¹ In preparing this study, SIAST worked closely with the Ministries of Government Services and Advanced Education as well as academic stakeholders through a consultative planning process.

The capital plan and utilization study concluded that:

- A number of potential safety shortcomings exist in the current facilities, and the configuration of spaces, furniture and equipment is so substandard that it threatens continued operation of existing programs at current levels.
- Scheduled use patterns in learning environments consistently exceed industry benchmarks for these types of facilities.

Given these critical findings, the report set out a phased “roadmap” for future facilities improvements. The recommended scenario presented opportunities to deal with the existing space shortfall, potential safety issues and business risks, making it a long-term, valued-added solution. It was deemed to be cost-effective while maximizing return on investment.

3.3 Fundraising Readiness and Planning/Feasibility Reports

This past year, Ross W. Marsh & Associates Inc. was retained by SIAST to conduct a two-part capital campaign readiness program – an internal organizational readiness phase and a campaign planning/feasibility study.¹² The goal was to assess the readiness of SIAST to launch a fundraising campaign for renovated and expanded spaces and program enhancement.

Key observations of the fundraising feasibility study included:

- Respondents overwhelmingly see SIAST as “important” or “very important” to the province.

¹¹ SIAST Kelsey Campus Facility Capital Plan and Utilization Study, Stantec (June 2011).

¹² Fundraising Readiness Review Report (August 2011) and Fundraising Planning/Feasibility Study Final Report (March 2012), Ross W. Marsh & Associates Inc.

- There is strong acceptance in principle of the campaign; the vast majority of respondents said they “agreed” or “agreed somewhat” with the project case summary.
- Important SIAST strengths were seen as:
 - Great technical programs and training that meet the needs of industry.
 - SIAST’s critical role in the Saskatchewan economy.

Marsh found that SIAST has the ability to execute a private-sector campaign of a minimum of \$35 million provided that the provincial government funds no less than \$25 million for the same priorities for which private sector funds are sought. Likewise, “the more the Province funds SIAST’s identified priority needs the more private sector donors will do the same, if a campaign is correctly positioned and marketed.” The fundraising study concluded that a \$35-million capital campaign in the private sector is feasible if a lead gift of \$10 million is realized. Discussions with a potential lead donor are currently underway. SIAST anticipates greater fundraising capacity once conceptual design of the contemporary urban campus is complete with the innovative new Trades and Technology Complex as its focal point.

3.4 SIAST Kelsey Campus Expansion - Sector Consultations Summary

As part of the capital planning process, SIAST and the Ministry of Advanced Education understood it would be important to hear the perspectives of industry stakeholders and employers who represent the demand side of the labour market to assess their future training needs, identify options to address the training requirements, and evaluate the need for expanded SIAST facilities in Saskatoon.¹³ In March 2012, three separate industry focus groups were conducted with stakeholders from the Business sector, the Health sector and the Trades and Technology sector. A total of 27 industry partners took part in the three focus groups.

Focus group highlights:

- All sectors affirmed the demand for workers exceeds the supply provided currently by post-secondary institutions, and in most cases the demand will continue to increase in the foreseeable future.
- Key drivers increasing the training demand were: growing economy with thriving and new industries; population increases and changes (aging, Aboriginal, immigration); the need for essential skills such as math, communication and interpersonal skills.
- Perceived important factors impacting increases in labour supply were the location of training near the demand; providing training opportunities for employees such as after hours, variable start dates and part-time options; distance training; onsite training; mobile or portable units; and utilizing locations in smaller centres.
- Sector groups were reluctant to affirm or discount the need for the capital expansion of the Saskatoon SIAST facilities; however, they acknowledged the pressures that SIAST was experiencing.

¹³ SIAST Kelsey Campus Expansion - Sector Consultations: Consultation Summary, Laura Soparlo Consulting (May 2012).

The sector consultations concluded that:

“The bottom line is that industry wants their training needs and demands met. They expect SIAST to invest wisely into different and innovative methodologies to meet the demand. Given the changing landscape of Saskatchewan, the sector groups are non-committal towards the decision to investment in the capital expansion of Kelsey campus in Saskatoon. It is important that SIAST pay due diligence to exploring all options to supply the current and future demands of the workforce and not just focus on capital expansion as the only solution. A thorough and strong business case for capital expansion in Saskatoon would be supported as long as it reflected and embraced other options to meet the demand as identified by industry in the consultations.”

3.5 SIAST Student Association Kelsey and Woodland Campuses

The SIAST Student Association Kelsey and Woodland Campuses shares SIAST’s concerns about the inadequacy of the SIAST Kelsey Campus facilities.¹⁴ In January 2012, the student association executive, on behalf of its membership, met with the Advanced Education Minister to express its serious concerns. In March 2012, the student association hosted a focused panel for the Minister with various SIAST Kelsey students sharing personal stories about how their education and training experience has been negatively impacted by persistent facility challenges.

These vignettes voice the students’ concerns in their own words:

- “In some lab spaces, doing something as simple as washing your hands cannot be done to industry standards because the sinks are not large enough to follow proper protocol.” – SIAST Kelsey Campus BScN student.
- “Myself and many of my peers have been at the receiving end of issues such as losing our classrooms because of mold issues, or chronic illness because certain areas of the school do not have proper (or any) ventilation. We have been moved from classroom to classroom on an hourly basis in an attempt to accommodate all of the other normal classes on campus.” – SIAST Kelsey Campus Mechanical Engineering Technology student.
- “We represent the campus at 4th Avenue. We don’t have access to amenities like the student clinic, learning services, student association, counselling services, peer support, gym and fitness classes or even things like the library services. Which is ironic considering we are in the Library Technician program.” – SIAST 4th Ave Librarian Technician student.

These stories represent a small sample of the student concerns. The association has also identified the lack of “positive” space that is designated as LGBTQ friendly. More than 50 post-secondary institutions across Canada offer such a space for their student members. This represents one of many serious deficits that exist on the SIAST Kelsey Campus.

¹⁴ Caitlin Grant, President, SIAST Student Association Kelsey and Woodland Campuses, personal communication August 16, 2012.

4.0 Vision

4.1 Urban Campus

SIAST Kelsey Campus renewal will revolve around an innovative and exciting **urban campus concept** (Table 4). In close proximity to the Saskatoon downtown and core neighbourhoods, it will foster a sense of entrepreneurship, social responsibility, community and environmental sustainability. It will make SIAST a more attractive destination for much sought after international students.

First and foremost, this campus renewal will expand the skilled work-force training capacity of SIAST Kelsey Campus. This design will create a learning environment that fosters collaborative and multi-disciplinary learning, student and industry dialog, and a supportive atmosphere for applied research. Next, this renewal will position SIAST as it transitions from a college into a Polytechnic. Polytechnics are characterized as degree-granting and industry-responsive post-secondary education institutions.¹⁵ They are committed to creating new jobs by helping industry (especially small- and medium-sized businesses) grow through applied research and innovation.¹⁵ This represents SIAST's future.

This investment will change the way that technical education is delivered in the Province of Saskatchewan and will raise the level of technical training to that of an equal partner alongside the province's outstanding universities. This vision offers a long-term solution that will help SIAST remain relevant in the marketplace for the next fifty years or longer.

Table 4: SIAST Kelsey Campus Renewal: Project Components

Component	Description
SIAST Kelsey Technology Centre	The new Technology Centre will house essentially all SIAST Kelsey Technology programs except for the Power Engineering Technology program. The centre is currently sized at 140,000 square feet (13,000 square metres). The Mining Engineering Technology program would relocate to this new centre. Areas within SIAST Kelsey that become vacated by their move to the centre will be rehabilitated so that Practical Nursing and Library and Information Technology can relocate from 4th Avenue South to the main campus. This building will also house a large lecture theatre to meet the current needs of classes larger than 140 students. It may be connected with other SIAST Kelsey buildings by a bridge/pathway to create an integrated campus complex. Minor renovations to the 55 - 33rd Street MET building will be required so that new programs can be located there.

¹⁵ PolytechnicsCanada. Retrieved September 5, 2012. From <http://www.polytechnicscanada.ca>

Table 4: SIAST Kelsey Campus Renewal: Project Components	
Component	Description
SIAST Kelsey New Motive Power Centre	The Motive Power Centre will become home to the Heavy Equipment and Truck and Transport Technician (HETT), Agricultural Machinery Technician, Automotive Service Technician and possibly Auto Body Technician programs. The facility will include classrooms and staff offices. The centre will be located in an industrial area due to the nature of the large equipment associated with these programs. The building will have a sufficiently large yard area so that program equipment can be stored on the property. This project will also rehabilitate the current Agricultural Machinery Technician and Automotive Service Technician program area at Kelsey for additional trades training space.
SIAST Kelsey Reconfigure 55 - 33rd Street for Final Tenants	The Mining Engineering Technology program will be relocated to the new Technology Centre and the 55 - 33 rd Street property reconfigured to accommodate other program areas.
SIAST Kelsey Warehouse Removal	Removal of the old warehouse will require demolition of the superstructure and removal of the approximately 100,000 square-foot slab. The thickness of the slab is unknown but is believed to be more than one foot. This project will also provide for storage of several required items currently stored in the warehouse.
SIAST Kelsey Affordable Student Housing and Day Care Centre	The SIAST Kelsey Student Housing Project would create a dormitory type facility to accommodate students in both trades and long-term SIAST programs. It would be integrated into the campus layout to allow resident students to access learning facilities without leaving covered access walkways. This would place the campus into 24/7 operation. It would also house a day care centre thus reducing barriers for parents to attend SIAST.
SIAST Kelsey Trades Centre	The new building is intended to accommodate future growth at SIAST Kelsey. The building is currently sized at 100,000 square-feet (9,500 square metres). This building will include a flexible combination of workshops, laboratories, classrooms and offices along with student support areas. It will be connected with the Technology Centre (described above) by a bridge/pathway to create an integrated Trades and Technology Complex.

Features of the urban campus will include:

- Welcoming campus climate for students, staff and industry partners.
- Inclusive, culturally competent, safe and supportive environment.
- Accessibility features that support students with disabilities.
- Culturally appropriate spaces to serve a diverse student body, including space for Aboriginal ceremonies.
- Enhanced student services to support student success.
- “Positive” space that is designated LGBTQ friendly.
- Flexible study areas that adapt to changing needs.
- Modern, well-equipped workshops, laboratories and classrooms.
- Spaces that promote student-student and faculty-student interactions.

- Improved sustainable (“green”) transportation options.
- Collaborative meeting spaces.
- Information and media centre areas.
- Learning technologies to support distance education.
- Faculty offices that meet minimum space standards.
- Expanded test-taking space.
- Industry partnership areas.
- Cafes and other gathering spaces.
- Welcoming entry and creative way finding.
- Bridges, covered walkways and outdoor pathways.
- On-site child care to reduce barriers for parents to attend SIAST.
- Affordable housing.

4.2 Trades and Technology Complex

SIAST has identified a new Technology building as its highest priority within the SIAST Kelsey Campus renewal. This will be achieved within the context of a new Trades and Technology Complex that will act as the focal point of the SIAST Kelsey urban campus. This would be accomplished in two phases: Technology Centre (phase 1) and Trades Centre (phase 2). These centres would be co-located on SIAST Kelsey Campus, and would be connected by means of bridges and walkways to create a seamless integrated complex.

The buildings themselves will be designed to act as a teaching tool for students. Not only will the new complex house instruction, but it will be part of the instruction with learning built right in.¹⁶ Addressing the growth in trades and technology programming, the Complex will produce workers to support Saskatchewan’s growing need for skilled workers. The Trades and Technology Complex will address the demand for skilled trade workers in Saskatchewan and will create synergies, increase industry awareness and produce highly skilled graduates who are familiar with the collaboration requirements of today’s mining and construction sectors.

Key features of the new Trades and Technology Complex will include:

- Modern, flexible-use, efficient shops designed for student safety with proper lighting and air quality control.
- State-of-the-practice, industry-simulated settings.
- Inter-professional learning environment designed to encourage collaboration between disciplines and offer integrated and cross-program learning opportunities for students.¹⁷
- Living laboratory setting that augments student learning and applied research.¹⁵

¹⁶ SAIT Polytechnic. Retrieved August 29, 2012. From <http://www.sait.ca>.

¹⁷ Algonquin Centre for Construction Excellence. Retrieved August 15, 2012. From - <http://www2.algonquincollege.com/acce/home/inside-acce/>

- Open demonstration spaces that become a natural hub for the trades and technology sector and its associations bringing together students, instructors, researchers, and local trades and technology employers.¹⁵
- Expanded flexible classroom space.
- Collaborative meeting space.
- Student-teacher meeting space.
- Exposed mechanical and electrical systems.¹⁵
- Operation rooms large enough to serve as real-life labs, providing unique opportunities to students.¹⁵
- Duct work and HVAC systems not hidden behind drywall, but part of the design of the building, allowing students to best understand the systems they are learning in the classroom.¹⁵
- Passenger elevators with glass-front panels to showcase their mechanical functions.¹⁵

The Trades and Technology Complex, completed in two phases, will become the focal point of the SIAST Kelsey Campus.

5.0 Finance

5.1 Program Components: Cost Estimates

Components of the SIAST Kelsey Campus renewal project, proposed construction phases and estimated cost flow (in 2011 dollars) are included in Appendix B. The total cash flow requirement for the project, including project cost, building operating costs, inflationary factor (2%), and loan interest are presented in Appendix C. Interest is based on the assumption of financing one-third of the project costs at 3% over 20 years. Initial fundraising efforts would revolve around the two components that are expected to garner the most private sector interest: the new Trades and Technology Complex and the new Motive Power Centre.

5.2 Lean and LEED Construction

SIAST has the opportunity to incorporate Lean construction into the SIAST Kelsey Campus renewal project. SIAST learned recently that it has been identified, along with both Saskatchewan universities, for a Lean initiative.¹⁸ The goal of this production system is the overall elimination of “waste” and creation of “value” for the end customer. The first step will involve Lean training for SIAST personnel including senior-level managers.

¹⁸ Note: The Ministry of Advanced Education has engaged a Lean consulting group, Westmark Consulting LLP, to facilitate this work.

This training will allow SIAST managers to supplement critical skills required to address inefficiencies in business processes and to improve overall organizational performance. Following this training, SIAST expects to have a number of lean initiatives underway. This Lean training will benefit SIAST as it moves into the construction phase of the SIAST Kelsey Campus renewal project. Lean construction will help enhance end-user satisfaction while using fewer resources in the construction phase.

It is further recommended that the new Trades and Technology Complex be built to Leadership in Energy and Environmental Design (LEED) standards. Evidence suggests that LEED certified buildings cost less to operate and maintain, are energy- and water-efficient, and contribute to occupant health and productivity.¹⁹ A number of post-secondary institutions, including the University of Saskatchewan, have moved in this direction.

5.3 Financing

The Ministry of Advanced Education (AE) has suggested that SIAST consider a funding model that includes one-third fundraising, one-third capital grant and one-third traditional debt (loan).²⁰

The estimated loan re-payment schedule has been calculated for three cash flow scenarios - six years, seven years and eight years – comparing repayment terms of 10, 15 and 20 years.

Table 5 - Kelsey Campus Renewal Loan Payment Summary								
Principal + Interest Requirements (estimates)								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
3% Interest Rate								
10-Year Repayment								
6 Year Timeline	414,161	2,393,040	4,492,876	6,524,299	7,704,852	8,614,459	8,614,459	8,614,459
7 Year Timeline	239,981	1,439,888	3,065,568	4,682,829	6,171,101	7,588,732	8,614,459	8,614,459
8 Year Timeline	239,981	1,304,415	2,620,441	3,961,918	5,282,783	6,635,581	7,937,092	8,614,459
15 Year Repayment								
6 Year Timeline	296,147	1,711,151	3,212,646	4,665,222	5,509,381	6,159,798	6,159,798	6,159,798
7 Year Timeline	171,599	1,029,597	2,192,045	3,348,473	4,412,666	5,426,349	6,159,798	6,159,798
8 Year Timeline	171,599	932,726	1,873,755	2,832,983	3,777,472	4,744,794	5,675,445	6,159,798
20 Year Repayment								
6 Year Timeline	237,797	1,373,999	2,579,651	3,746,022	4,423,854	4,946,118	4,946,118	4,946,118
7 Year Timeline	137,789	826,733	1,760,141	2,688,715	3,543,228	4,357,182	4,946,118	4,946,118
8 Year Timeline	137,789	748,949	1,504,565	2,274,793	3,033,187	3,809,916	4,557,198	4,946,118

¹⁹ U.S. Green Building Council, FAQ LEED for New Construction, cited August 20, 2012
<http://www.usgbc.org/ShowFile.aspx?DocumentID=3352>

²⁰ Personal communication David Boehm, Assistant Deputy Minister, Ministry of Advanced Education, and David Walls, Provost and Vice-President, Academic, SIAST. August 8, 2012.

6.0 Next Steps

6.1 Recommendation

It is recommended that the Ministry of Advanced Education approve in principal the multi-year SIAST Kelsey Renewal Project. The \$10,700,000 cost of Year 1 of the plan follows the proposed one-third funding model: capital grant, corporate and private donations, and loan.

6.2 Year One

6.2.1 SIAST Kelsey Warehouse Removal

It is crucial that the site preparation be completed on time, so that the next phase of construction can move forward. SIAST recognizes the importance of this preparation phase. To this end, it is essential that demolition of the warehouse on 33rd Street proceed as quickly as possible (spring/summer 2013).

Estimated cost in Year 1: **\$1.2 million**

6.2.2 SIAST Kelsey New Technology Centre Pre-design Planning

The pre-design stage of the SIAST Kelsey Technology Centre project will include:

- Selection of construction project manager and architects
- Identification of the on-site location(s)
- Conceptual design of the Technology Centre
- Validation of cost estimates

Once this pre-design work is concluded, approval of the final building design will allow the project to move onto the next stage of construction. Once all these initial steps are complete, the project team will establish the contractor and vendor criteria. The results of these planning efforts would then be used to develop schematic diagrams showing the relationships among the various project components, followed by detailed design of the facilities, including the structural, electrical and other systems.

Estimated cost in Year 1: **\$5.0 million**

6.2.3 SIAST Kelsey Motive Power Centre

The Motive Power Centre will be located away from the main SIAST Kelsey Campus due to the nature of the large equipment associated with these programs. Early efforts will need to be made to secure appropriate property and begin site preparation including roadways and connection of utilities.

Estimated cost in Year 1: **\$1.5 million**

6.2.4 SIAST Kelsey Rehabilitate Vehicle and Pathways (Campus Layout)

This project will ensure that the entire SIAST Kelsey Campus integrates into City of Saskatoon plans for the area and that individual buildings and parking areas work in harmony with each other. Early work must begin immediately to ensure the overall campus layout is consistent with the new Technology Centre construction plans.

Estimated cost in Year 1: **\$3.0 million**

7.0 Conclusion

Strong justification and solid planning underpin this proposal. The SIAST Kelsey Campus renewal revolves around the concept of a contemporary urban campus with a modern Trades and Technology Complex as its focal point. SIAST Kelsey Campus renewal will support SIAST as a truly progressive and significant post-secondary technical institute to serve the Province of Saskatchewan and beyond for years to come. The landscape of training and education delivery has changed remarkably in the last 10 years and will continue to re-invent itself over the next 30 years with the influx of technology.

Investment in post-secondary education, particularly in SIAST, Saskatchewan's primary provider of technical education and skills training, is critical to the province's future. In addition to supporting labour market needs, investment in post-secondary education generates public returns from higher income levels in the form of income taxes, increased social contributions and lower social transfers.²¹

Substandard and overcrowded conditions at SIAST Kelsey Campus are seriously jeopardizing its ability to meet its important mandate. This situation demands urgent attention. SIAST is at a turning point as it faces unprecedented opportunities for program expansion and enrolment growth. Government endorsement and support are required to make this vision a reality.

²¹ OECD, Education at a Glance 2012 OECD Indicators.

Appendix A: SIAST Kelsey Campus Buildings and Centres

SIAST Kelsey Campus
1130 Idylwyld Drive at 33rd Street

SIAST Kelsey Mining Engineering Technology Building
55 - 33rd Street

SIAST Kelsey 4th Ave Centre
107 4th Ave South

SIAST Kelsey Ave W Centre and Day Care
450 Ave W North

SIAST Kelsey Commercial Pilot Centre
19 - 2725 Koyl Ave

SIAST Kelsey E.A. Davies Building
1130 Idylwyld Drive North

SIAST Kelsey English Crescent Centre
135 English Crescent

SIAST Kelsey Ontario Ave Centre
1302 Ontario Ave

SIAST Kelsey Alberta Ave Centre (TBC)
1320 Alberta Ave

Appendix B: SIAST Kelsey Campus Project Cost Estimates

SIAST Kelsey Campus Aggressive Capital Plan with Cash Flow 6 Year Plan

Project Name	1	2	3	4	5	6	Total
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	
SIAST Kelsey Warehouse Removal	1,200,000						\$1,200,000
SIAST Kelsey New Technology Centre	5,000,000	32,500,000	32,500,000	24,157,500			\$94,157,500
SIAST Kelsey Motive Power Centre	1,500,000	10,500,000	10,500,000	\$8,700,000			\$31,200,000
SIAST Kelsey Rehabilitate Existing Training Spaces							
SIAST Kelsey Reconfigure 55-33 rd Street for Final Tenants							
SIAST Kelsey Rehabilitate Vehicle and Pathways (Campus Layout)	3,000,000	4,000,000	5,000,000	5,000,000	3,000,000		\$20,000,000
SIAST Kelsey New Building for Future Growth			2,000,000	8,000,000	10,000,000	15,000,000	\$35,000,000
SIAST Kelsey Affordable Student Housing				2,000,000	14,500,000	8,500,000	\$25,000,000
Contingency (7.7%)						16,000,000	\$16,000,000
SIAST Kelsey Campus Total	\$10,700,000	\$47,000,000	\$50,000,000	\$47,857,500	\$27,500,000	\$39,500,000	\$222,557,500

SIAST Kelsey Campus Capital Plan with Cash Flow 7 Year Plan

Project Name	1	2	3	4	5	6	7	Total
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	
SIAST Kelsey Warehouse Removal	1,200,000							\$1,200,000
SIAST Kelsey New Technology Centre	3,000,000	24,500,000	24,500,000	24,157,500	18,000,000			\$94,157,500
SIAST Kelsey Motive Power Centre		1,500,000	10,500,000	10,500,000	8,700,000			\$31,200,000
SIAST Kelsey Rehabilitate Existing Training Spaces								
SIAST Kelsey Reconfigure 55-33 rd Street for Final Tenants								
SIAST Kelsey Rehabilitate Vehicle and Pathways (Campus Layout)	2,000,000	5,000,000	5,000,000	5,000,000	3,000,000			\$20,000,000
SIAST Kelsey New Building for Future Growth					2,000,000	15,000,000	18,000,000	\$35,000,000
SIAST Kelsey Affordable Student Housing					2,000,000	14,500,000	8,500,000	\$25,000,000
Contingency (7.7%)							16,000,000	\$16,000,000
SIAST Kelsey Campus Total	\$6,200,000	\$31,000,000	\$40,000,000	\$39,657,500	\$33,700,000	\$29,500,000	\$42,500,000	\$222,557,500

SIAST Kelsey Campus Capital Plan with Cash Flow 8 Year Plan

Project Name	1	2	3	4	5	6	7	8	Total
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	
SIAST Kelsey Warehouse Removal	1,200,000								\$1,200,000
SIAST Kelsey New Technology Centre	3,000,000	22,500,000	22,500,000	20,157,500	16,500,000	9,500,000			\$94,157,500
SIAST Kelsey Motive Power Centre			6,500,000	7,500,000	10,500,000	6,700,000			\$31,200,000
SIAST Kelsey Rehabilitate Existing Training Spaces									
SIAST Kelsey Reconfigure 55-33 rd Street for Final Tenants									
SIAST Kelsey Rehabilitate Vehicle and Pathways (Campus Layout)	2,000,000	5,000,000	5,000,000	5,000,000	3,000,000				\$20,000,000
SIAST Kelsey New Building for Future Growth					2,000,000	12,000,000	12,000,000	9,000,000	\$35,000,000
SIAST Kelsey Affordable Student Housing						2,000,000	14,500,000	8,500,000	\$25,000,000
Contingency (7.7%)								16,000,000	\$16,000,000
SIAST Kelsey Campus Total	\$6,200,000	\$27,500,000	\$34,000,000	\$32,657,500	\$32,000,000	\$30,200,000	\$26,500,000	\$33,500,000	\$222,557,500

Appendix C: SIAST Kelsey Campus Total Cost Estimates

SIAST Kelsey Campus Total Cash Flow – 8 Years

	1	2	3	4	5	6	7	8
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Project Cost	10,700,000	47,000,000	50,000,000	47,857,000	27,500,000	39,500,000		
Operating Costs	0	0	0	0	4,379,000	4,379,000	5,889,000	5,889,000
Inflationary Factor	214,000	1,898,800	3,060,400	3,944,956	3,317,992	5,535,881	875,610	1,010,902
Interest	105,521	605,692	1,117,384	1,590,589	1,825,980	1,978,912	1,888,887	1,796,130
SIAST Kelsey Campus Total	\$11,019,521	\$49,504,492	\$54,177,784	\$53,392,545	\$37,022,972	\$51,393,793	\$8,653,497	\$8,696,032