

May 9<sup>th</sup>, 2012

**To:** Students' Council

**Re:** Report to Council (for May 15<sup>th</sup>, 2012 Meeting)

### **Introduction**

Hey Council! If you're reading this at Council, then it has been eight days since us Executives have actually started working. From May 1-6 (Tue-Sun, us incoming- and outgoing-executives had a lot of bonding time amongst ourselves and the General Manager (Marc) and the Director of Research and Political Affairs (DRPA, Justin Williams). Retreat was pretty intense, since we'd have 12-hour long days jam-packed with meetings and one-on-ones. Learned a lot and had a blast. Greatest accomplishment? Running 9.5KM in 55 minutes (NOTE: last two and a half KM was a steep uphill). Nonetheless, here's an executive summary of my report in case you find this too lengthy:

#### **Executive Summary:**

1. We got a new Minister for Enterprise and Advanced Education (formerly titled Advanced Education and Technology). His name is Stephen Khan and the Deputy Minister is David Morhart. Khan seems like a really cool guy and has a super interesting background. Excited to work with him.
2. Got two more retreats for this month. Council Retreat will probably be in like early/mid-June. CASA retreat will happen sometime late-June or early-July. I'll be going to the CAUS retreat Saturday noon till Tuesday afternoon (May 12-15).
3. Stephen Carter (campaign strategist and mastermind behind Premier Redford's leadership nomination bid and provincial election success) will be speaking at NAIT this Saturday (May 12) morning. If you want to get in for free, email me at [vp.external@su.ualberta.ca](mailto:vp.external@su.ualberta.ca).
4. My CAUS Platform consists of 5 points. Two of them are traditional, regulating mandatory non-instructional fees and market modifiers. The third one is an issue that comes up on the radar every once in a while, eliminating dormitory property taxes. The fourth issue is exploring the merits of reinvigorating past strategies employed by the SU and CAUS but changing them up, such as conducting a multifaceted campaign to help students get cheaper academic materials (e.g. textbooks) and reinvigorating rural tours to engage rural MLAs and students. The fifth issue is something that's really new and it's about starting a discussion on student work programs (such as, the Alberta Student Temporary Employment Program-STEP).
5. I ran 9.5KM in 55 minutes with the last 2.5KM up a steep hill during Exec Retreat. No training required. Only stopped once to get a rock out of my shoe. Ran in Converse Chucks (which goes well with my flatfeet problem...NOT.) BOOM.

### **1. Provincial Cabinet Shuffle**

On May 8<sup>th</sup>, 2012, Premier Alison Redford announced her new cabinet team. Here at UASU and CAUS, we were keeping our eyes keenly on who would be the new Minister of Advanced Education and Technology (MAET). However, not only were we surprised to see that all of the rumored appointments to this position failed to bear any fruit, but the ministry had a new name. Stephen Khan, a newly appointed St. Alberta MLA, is now the Minister of Enterprise and Advanced Education (MEAE) and David Morhart (formerly Deputy Minister of Infrastructure) is now the Deputy Minister for MEAE.

After reading up Khan's background, he seems like a super cool and interesting guy. Graduated from the UofA in Anthropology, tried working in the film industry and on a 90210-esque show, worked for his family software firm, and married his junior-high sweetheart. (Note to mention, he also continuously referenced education in his platform and volunteers for local junior sports teams.) (Read more about him in the St. Alberta Gazette

article, *Our People – Stephen Khan: a roundabout politician*, <http://www.stalbertgazette.com/article/20120502/SAG0801/305029978/our-people-stephen-khan-a-roundabout-politician>, 2 May, 2012.) From Morhart's LinkedIn page, he seems like a very experienced guy. Got his BComm from the UofS, got his MBA, was a CEO of an organization, and held a handful of deputy/assistant positions in various ministries in Alberta and British Columbia. In conclusion, I think it is fair to say that the UASU and CAUS are really looking forward to working with them. In the meantime, the former MEAE, Greg Weadick, will be missed. (If you're reading this Weadick, thanks for all of your help in the past.)

NOTE: A general campaign promise that the Progressive Conservatives had on post-secondary education (PSE) issues was to eliminate parental contributions as a part of student aid calculations and implement a new \$18 million bursary for rural Alberta students.

## 2. Retreats

May is going to be a pretty busy month for me, so keep that in mind if you wanted to schedule a meeting with me sometime that month. I will be attending three different out-of-town retreats that month. Here is the list I had in my last report, including some new ones for June/July. Note that I'll be going to the CAUS retreat this Saturday, after the Stephen Carter event.

1. ~~SU Executive Transition Retreat – May 1<sup>st</sup>-6<sup>th</sup> (Tue-Sun)~~
2. Council of Alberta University Students' (CAUS) (Provincial lobby group) – May 12<sup>th</sup>-15<sup>th</sup> (Sat-Tue)
3. Canadian Alliance of Student Associations (CASA) (Federal lobby group) – May 27<sup>th</sup>-28<sup>th</sup> (Sun-Mon) @ Red River College, Manitoba.
4. Students' Council Retreat – Early/Mid June (?)
5. CASA – End of June/Beginning of July (?)

## 3. Stephen Carter Event

Hopefully, some of you will be reading this report on Friday (May 11) or super early Sat (May 12). In case you don't already know, *Stephen Carter* will be giving a talk at **NAIT** this **Saturday (May 12) at 10:45AM**. (Details at the bottom of this.)

Who is Stephen Carter? He's the hottest political person in Alberta. Why? He's pretty much the mastermind behind Premier Alison Redford's successful PC leadership bid and provincial election. Also, he was the mastermind behind Calgary Mayor Naheed Nenshi's campaign and was instrumental in helping Danielle Smith and the Wildrose gain some popularity before the election in 2011. Essentially, he's a political genius, some would say.

He'll be talking about politics and "data"—i.e. collecting personal data through polling and focus groups, taking that data of things like where you live, what you want and delivering a message directly to you.

Going to the event costs \$10, but its free for all students **if you RSVP yourself (and a university friend) by simply emailing me back at [vp.external@su.ualberta.ca](mailto:vp.external@su.ualberta.ca)**. Share the news! We need as many UofA students going as possible!!!

NOTE: Two things. First, we are partnering with the other student provincial lobby groups to host this event—Alberta Graduate Council (AGC) and Alberta Students' Executive Council (ASEC). AGC represents graduate students and ASEC represents approximately 170,000 students (more than CAUS' 70,000) from polytechnic schools to colleges and some universities. Secondly, right after this event on Saturday morning, CAUS will begin its retreat.

## 4. CAUS Platform

On the topic of CAUS, here are the platform points that I will be presenting at the CAUS retreat from May 12<sup>th</sup>-15<sup>th</sup> (Fri-Tue). Note that since student work programs, dormitory property taxes, and textbooks aren't something that's regularly brought up I've focused more of my attention on these sections. (Which explains why they are significantly more robust than MNIFs and Market Modifiers—since we already have a ton of literature on them.) Also, keep in mind that I had two audiences in mind when I drafted this—members of CAUS and Council.

### **1. Regulate Mandatory Non-Instructional Fees (MNIFs)**

This continues to be a big issue on the PSE horizon. With the onset of a provincial cabinet shuffle, the issue of MNIF regulation will be even more interesting in seeing how the new Minister of Enterprise and Advanced Education (MEAE) (formerly titled as the Minister of Advanced Education and Technology, and formerly held by Greg Weadick). The new MEAE, Stephen Khan, has a very interesting background and his platform seemed very pro-education, so it shall be interesting to see how he deals with regulating MNIFs. With all of this in mind, it is crucial that CAUS continues to lobby on greater regulation and transparency with MNIFs.

### **2. Student Work Programs**

In addition to the 42 percent of students that receive public student loans, 63 percent of students aged 20-24 have relied on employment to pay for their education and over 25 percent of them cite employment as the most important source of funding for their education.<sup>12</sup> However, student employment has dropped to 45 percent, despite 70 percent of new jobs requiring a post-secondary education.<sup>34</sup> As the costs of obtaining an education drastically increase, finding a job is increasingly difficult, as demonstrated by the student unemployment rate of 17.2 percent for those aged 15-24.<sup>5</sup>

Additionally, the average number of hours worked per week has decreased to 24, which is significantly less than full-time.<sup>6</sup> This not only pressures students to find more work during the semester, which 60 percent of students who work say it negatively impacts their academic performance, but it also makes them more reliant on student loans.<sup>7</sup>

Currently, there are two student work programs that Albertan students can utilize. Provincially there is the Alberta Summer Temporary Employment Program (STEP) and federally there is the Canada Summer Jobs Program (CSJP). STEP provides wage subsidies to not-for-profit organizations and public-sector employers, whereas CSJP also provides wage subsidies to small businesses.<sup>89</sup> These programs are not only intended to give students the necessary work experience needed to go into the workforce, but they also try to support important community services and local priorities. In addition, these programs give high priority to those marginalized groups in society that statistically have a harder time finding work, i.e. students with disabilities, Aboriginal students and students who are a part of a visible minority group.

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<sup>1</sup> CASA – FAQ

<sup>2</sup> CFS - Fact Sheet - Student Employment (Fall 2010)

<sup>3</sup> <http://www.statcan.gc.ca/daily-quotidien/100929/dq100929c-eng.htm>

<sup>4</sup> <http://www.cbc.ca/news/canada/story/2009/08/07/students-unemployment.html>

<sup>5</sup> CASA - Political Happenings in Post-Secondary (December 2011)

<sup>6</sup> CASA - Political Happenings in Post-Secondary (December 2011)

<sup>7</sup> CFS - Fact Sheet - Student Employment (Fall 2010)

<sup>8</sup> <http://www.servicecanada.gc.ca/eng/epb/yi/yep/programs/scpp.shtml>

<sup>9</sup> <http://employment.alberta.ca/documents/STEP-factsheet.pdf>

Yet, these student work programs have failed to keep pace with the growth in post-secondary education (PSE) enrolment. For example, there were approximately 822,771 university students in Canada in 1997/1998, whilst there were 1,066,350 in 2007/2008.<sup>10</sup> This is nearly a 30 percent increase in PSE enrolment in ten years. However, the CSJP has had a 10 percent decrease in its funding during this time period.<sup>11</sup> Additionally, STEP has also seen its fair share of cuts, as \$400,000 was slashed from 2006/2007 to 2008/2009.<sup>12</sup> Additionally, STEP's 2008 \$7.4 million budget is questionable in its ability to benefit a large amount of students, especially when Alberta has had a 33 percent increase in PSE enrolment from 1997/1998 to 2007/2008 (71,418 and 94,662).<sup>13</sup>

In conclusion, student employment is clearly an important issue. However, it is one that has not been a main topic of discussion for CAUS and CASA, the SU's provincial and federal lobby groups. In spite of CASA highlighting student employment as one of the worst issues in 2011, there has yet to be a policy brief about it or a lobby priority on it.<sup>14</sup> It is of the utmost importance that CAUS, in conjunction with the SU's Advocacy Department, conduct further research on student employment programs, explore initiatives that have worked well in other provinces (and possibly, countries), and raise this issue in its lobby meetings.

### **3. Market Modifiers**

Market modifiers are outlined in Section 5.1 of the PSLA Public Post-Secondary Institutions' Tuition Fees Regulation and are intended for Universities to offer competitive price tags to their programs. However, some programs have had their tuition rise as high as 70 percent in past two years—eroding the rules set by the province around tuition and fees.<sup>15</sup> In 2009-2010, various market modifiers were approved (UofA-4; UofC-2; UofL-Across the Board) in professional programs (Commerce, Engineering, Pharmacy, Masters of Business Administration, Pharmacy).<sup>16</sup> At the UofA, some of the programs that received these market modifiers were as a result of student faculty associations requesting (at the time called) the Minister of Advanced Education and Technology to approve their Dean's request for market modifiers.

Despite this not being an issue in the 2011-2012 year, it is of the utmost importance that CAUS continues to ensure that market modifier requests continue to be shutdown since it has been shown that as professional programs become increasingly deregulated individuals from lower- and middle-socioeconomic backgrounds become increasingly shutout.<sup>17</sup> Furthermore, it is important that the external portfolios of CAUS' membership collaborate with their respective academic portfolios to ensure that faculty associations cooperate with our mandate and that the Minister of Enterprise and Advanced Education understands that we (us student unions) are the legally legitimate voice for students (as mandated in the PSLA).

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<sup>10</sup> <http://www.statcan.gc.ca/pub/81-582-x/2009002/tbl/d.1.5.2-eng.htm>

<sup>11</sup> <http://www.parl.gc.ca/Content/LOP/ResearchPublications/prb0625-e.htm#a31>

<sup>12</sup> (Page 930-931)

[http://www.assembly.ab.ca/ISYS/LADDAR\\_files/docs/hansards/han/legislature\\_27/session\\_1/20080526\\_1330\\_01\\_han.pdf](http://www.assembly.ab.ca/ISYS/LADDAR_files/docs/hansards/han/legislature_27/session_1/20080526_1330_01_han.pdf)

<sup>13</sup> <http://www.hrs.ualberta.ca/recruitment/student/STEP>

<sup>14</sup> CASA - Political Happenings in Post-Secondary (December 2011)

<sup>15</sup> CAUS - Showing Education Leadership (March 2011)

<sup>16</sup> <http://www.cbc.ca/news/canada/calgary/story/2010/04/07/edmonton-calgary-tuition-increases.html>

<sup>17</sup> Frenette, M. (2005). The impact of tuition fees on university access: Evidence from a large-scale price deregulation in professional programs. Statistics Canada, Analytical Studies Branch research paper, Series No. 263. Ottawa: Statistics Canada.

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#### 4. Dormitory Property Taxes

Despite Alberta being Canada's richest province (per capita income), it is the only province in Canada that allows property taxes to be levied on student residences.<sup>18</sup> For example, the University of Alberta (UofA) paid nearly \$800,000 in taxes for its residences in August 2009—which equates to \$200 per residential student.<sup>19</sup> In spite of Section 362 of the *Municipal Government Act* (MGA) exempting properties, such as, student dormitories from taxation, Section 363 permits municipalities to break this exemption and levy a tax on residences.<sup>20</sup> In this instance, the City of Edmonton (CoE) is willing to forfeit the nearly \$800,000 in taxes that it receives from the UofA, however, it expects the provincial government to offset the revenue loss since property taxes accounts for nearly 50 percent of the CoE's revenues.<sup>21 22</sup> Furthermore, Section 366 of the MGA allows for grants to be cut out to municipalities in place of taxes—especially in Section 366 (3) d, where it makes specific regards to student dormitories.

With this in mind, universities have been against these property taxes levied on student residences. For example, the UofA has spent its efforts advocating the GoA to offset the revenue loss that the CoE would have if it were to abolish the property tax on student residences since 2009.<sup>23</sup> It published a tightly circulated white paper entitled, *UofA White Paper – Student Housing: For Now—and for the Future (August 2009)* and presented it to the GoA. What is more interesting than the \$800,000 that could be potentially saved from Ancillary Services is the type of opportunity that is presented to the Students' Union (SU).

Often, student unions and universities are at opposite ends of the table when it comes to a wide-variety issue, primarily in regards to tuition and fee hikes. However, seeing universities like the UofA lobbying quite extensively on this issue, it would be a shame for student unions to sit by and watch idly even though we are on the same side. This effort of eliminating dormitory property taxes should be an opportunity for student unions to conduct a rare collaboration with their respective universities. So in the event that dormitory property taxes are eliminated, we can ensure that the money saved is spent on things that students truly want.

In the UofA's case, the \$800,000 that could potentially be saved should be redirected to replenishing the much-needed deferred maintenance fund that the UofA's Ancillary Services has, to fix things from broken windows to replacing old carpets. Doing so not only ensures the longevity of the UofA's current investments, but it also protects students from being levied fees to pay for long-overdue maintenance costs.<sup>24</sup> This ensures that students are protected from the burdens of past obligations for deferred maintenance.

Furthermore, the political capital gained from partnering with the universities would be tremendous and could be used to give greater student representation on how the money saved would be

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[http://www.google.ca/url?sa=t&rct=j&q=university%20of%20alberta%20property%20taxes%20\(m.%20phair\)&source=web&cd=1&ved=0CCMQFjAA&url=http%3A%2F%2Fwebdocs.edmonton.ca%2FOcctopusDocs%2FPublic%2FComplete%2FReports%2FEX%2FElected-1995%2F2002-09-11%2F2002PDA018%2520-%2520University%2520of%2520Alberta%2520Property%2520Taxes%2520\(M.%2520Phair\).doc&ei=B2dQT46llojcgQeE3c3RAg&usq=AFQjCNFazCdct1YHcWkXIWcFGkIRCCBllw](http://www.google.ca/url?sa=t&rct=j&q=university%20of%20alberta%20property%20taxes%20(m.%20phair)&source=web&cd=1&ved=0CCMQFjAA&url=http%3A%2F%2Fwebdocs.edmonton.ca%2FOcctopusDocs%2FPublic%2FComplete%2FReports%2FEX%2FElected-1995%2F2002-09-11%2F2002PDA018%2520-%2520University%2520of%2520Alberta%2520Property%2520Taxes%2520(M.%2520Phair).doc&ei=B2dQT46llojcgQeE3c3RAg&usq=AFQjCNFazCdct1YHcWkXIWcFGkIRCCBllw)

<sup>19</sup> p.55 – University of Alberta – White Paper – Student Housing: For Now—and for the Future (August 2009)

<sup>20</sup> p.194 – <http://www.gp.alberta.ca/documents/Acts/m26.pdf>

<sup>21</sup> p.55 – University of Alberta – White Paper – Student Housing: For Now—and for the Future (August 2009)

<sup>22</sup> p.23 – [http://www.edmonton.ca/city\\_government/documents/2010ApprovedCityBudget.pdf](http://www.edmonton.ca/city_government/documents/2010ApprovedCityBudget.pdf)

<sup>23</sup> p.1-2 – [http://www.gsa.ualberta.ca/downloads/GSA\\_Council\\_19\\_Dec\\_2011\\_Item\\_2\\_-\\_21\\_November\\_2011\\_GSA\\_Council\\_Minutes.pdf](http://www.gsa.ualberta.ca/downloads/GSA_Council_19_Dec_2011_Item_2_-_21_November_2011_GSA_Council_Minutes.pdf)

<sup>24</sup> One such instance is when a floor in Kelsey, Lister was charged a collective total of \$10,000 to pay for carpet renovations that were long overdue.

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spent. This would involve collaborating with other portfolios, like Vice-President Student Life (VPSL), to establish various fronts in working to abolish dormitory property taxes.

As members of CAUS, we could use our provincial political capital to lobby the GoA in tandem with our respective universities. Furthermore, each student union's respective municipalities could be a part of this collective lobbying effort—not only strengthening our voice on this issue, but also gaining us some extra political capital.

#### **5. Explore Creative Avenues for Advocacy**

In addition to these lobby priorities, it is important that CAUS continues to explore creative avenues for advocacy. Two new ideas that CAUS could explore is tackling the issue of expensive textbook prices and perhaps consider reinvigorating past efforts of hosting rural tours.

For instance, CAUS' membership should conduct an orchestrated campaign to tackle the issue of rising textbook prices. This would involve provincial (work off of Doug Horner's, past-Minister of Advanced Education and Technology, idea of establishing a provincial-wide online book depository) and federal lobbying (copyright act, import tariffs on textbooks), strong internal campaigns to each student union's students (encourage them to purchase used textbooks) and professors (encourage them to be more conscious of their course material), and reorientate our student- and university-run businesses to market used textbooks better.<sup>25 26 27</sup>

#### **Conclusion**

Well, that's it for now folks. For those of you who were brave enough to go through this report in its entirety, gold star to you. Also, I want to give a big shout out to the Research and Political Affairs department in helping me out with my CAUS goals. Big ups to Justin Williams, Kyle Marshall, and Adam Woods!!!

Signing off,



**Petros Kusmu**

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P.S. Feel free to text or call me on my cellphone. However, heads up—my phone is always on silent (so I miss like 99% of calls) and I take forever to text back. Nonetheless, feel free to stay in touch with me. Also, feel free to add me on Facebook. (My Facebook name is “Petros Well-Put Kusmu”).

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<sup>25</sup> <http://www.edmontonjournal.com/news/Alberta+student+textbook+fees+could+half/4010791/story.html>

<sup>26</sup> <http://oncampus.macleans.ca/education/2010/12/23/alberta-wants-to-create-e-book-depository/>

<sup>27</sup> <http://oncampus.macleans.ca/education/2010/12/30/sorry-alberta-im-keeping-my-10-pound-textbook/>