

## **How should post-secondary institutions adapt to the new Alberta economy?**

### **Are we training students for careers that no longer exist?**

#### **New School of Public Policy report**

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CALGARY- With the collapse in oil prices after the summer of 2014, the number of high-skill, well-paying careers have dropped off a cliff in Alberta. That's especially the case with jobs that involve technical skills related to oil and gas, like engineering and geo-technical.

Not knowing whether oil prices will rebound sooner, later, or never puts Alberta's post-secondary institutions (PSI) in a tough spot. Their programs providing skilled workers to the province's oil-based economy are longstanding and well-respected and the prospect of shrinking them or dismantling them, and shifting focus to different programming priorities, should not be taken lightly as it could be very expensive to reverse if oil prices do indeed end up rebounding. At the same time, we shouldn't train people for careers that just don't exist anymore.

Today, The School of Public Policy and noted labour economist Herb Emery released a report that analyzes the tough spot that post-secondary institutions are in, with solid advice about what direction they should go.

According to Emery, "Whatever decision is made, either to stay focused on supplying human capital for the energy economy or shifting resources to emerging industries and their human capital needs, university and college leaders are facing risky choices. Do we continue to produce graduates for an economy that many hope will return, or do we create gluts of new skill sets to encourage a diversified economy? Neither this nor many previous provincial governments have set out a clear vision of what the interests of students or taxpayers are in terms of post-secondary. Politicians talk about better skilled and more employable graduates, but there is no firm direction on how to achieve this. This is a multi-billion dollar question. It needs a broad discussion that involves government, post-secondary leaders, business and taxpayers who are ultimately footing the bill."

This government has allocated an annual unconditional increase of funding of 2% to post-secondary institutions. This will only make the status quo more expensive. It's time to set goals, and take a gamble on what kinds of skills will be needed in the future. We have not even gotten to the stage of a discussion about what post-secondary is for in the Alberta economy. That the first step of a discussion we need now, to allow for a rationale and reasonable set of options for post-secondary – should Alberta hit a fiscal wall. That's a real risk. It's time to think ahead.

The report can be found online at [www.policyschool.ca/publications/](http://www.policyschool.ca/publications/)

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