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# High Hopes, High Costs

## Protecting Students at Private Career Colleges in Alberta

### Issue Overview

Private career colleges (PCCs) offer career-focused training to students seeking new skills to meet the job market. There are approximately 200 registered PCCs in Alberta offering a variety of occupational training programs, ranging from truck driving to hairstyling, massage therapy to medical and office assistants, and many other careers.

Many PCCs are responsible and reputable institutions that fill an important niche in the adult education and employment ecosystem. **PCCs offer learners convenience, flexibility, smaller class sizes, and intensive, short-duration programs to enhance their practical skills and become more competitive in the job market.** For employers, PCCs train and supply job-ready workers to fill labour market demand, particularly for occupations where training may not be provided by public post-secondary institutions.

However, **other PCCs engage in problematic practices that put students at risk of serious financial strain.** To improve the safety of this career pathway for learners, we must address the following consumer protection issues identified by students:

1. False and misleading information given by recruiters
2. High-pressure sales tactics
3. Poor quality instruction and learning experiences
4. Lack of job opportunities upon graduation
5. High debt loads and inability to pay it off

### Who is impacted?

Over 25,000 students in Alberta attended a program at a PCC in 2021. Consumer protection issues are concerning given the significant financial and other costs incurred by students who attend PCCs, as well as the fact that students tend to be more socio-economically vulnerable compared to their counterparts at public post-secondary institutions. Specifically, research suggests that **PCC students tend to be women, older on average, more likely to have dependents, born outside of Canada, and come from lower-income and less-educated families.** Immigrant serving agencies

in Alberta have documented unethical recruitment practices specifically targeting refugee and newcomer populations. PCC students often do not qualify for public post-secondary due to English language requirements, grades or other qualifications. In short, they have little choice for a career boosting education.

PCCs that operate with integrity and transparency, many of which are Alberta-owned and operated businesses, are also impacted when bad actors impact the reputation and credibility of the entire sector.

## What is the proposed solution?

The Government of Alberta, either through the Ministry of Advanced Education or through the Office of the Auditor General, could conduct a comprehensive review of the Private Career Colleges sector. The objectives of the review would ideally **assess current compliance with existing legislation, regulations, and policies, as well as opportunities to better protect PCC students such as those outlined below.**

## What needs to be reformed?

To ensure that PCC programs offer a safer training pathway for all student consumers, particularly more vulnerable learners, **we invite the Government of Alberta to consider the following recommendations:**

- Increase investment in, and staffing of oversight bodies to strengthen compliance mechanisms and transparency.
- Improve standards related to ownership and senior leadership positions in a PCC.
- Strengthen regulations regarding advertising practices, sales and recruitment practices, with particular attention to incentivized remuneration.
- Improve the transparency of full program costs in online and printed marketing materials.
- Subject PCC programs for which individuals can access student loans to higher standards and greater scrutiny.
- Ensure and uphold minimum standards and qualifications for instructors.
- Make independently verified data regarding graduation rates and employment in field of study publicly available to prospective students.

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More information and a full report:

**High Hopes, High Costs: Protecting Students at Private Career Colleges** can be accessed online or by contacting [publicpolicy@momentum.org](mailto:publicpolicy@momentum.org) or **403-204-6180**.