



## **A New Vision For Higher Education in Ontario**

Submitted by the presidents of  
Ontario's 24 public colleges

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# Transforming Ontario's economy and society by developing the world's best-educated and most highly skilled people

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## Introduction

*"In a knowledge economy, it is almost certain that those without a base level of skills will be left behind. We are seeing that now."*

– Martin Prosperity Institute, November 2008

Every developed country is racing to keep up with profound and fundamental changes in the 21st century. The new knowledge economy is creating unprecedented demands for higher levels of expertise and skills, while, at the same time, changing demographics will significantly reduce the numbers of qualified people available in the economy.

The cumulative impact presents great opportunities and great challenges to Ontario.

The province has an opportunity to implement meaningful and transformational changes that exploit the potential for growth in the new economy and drive Ontario's prosperity to unprecedented levels.

But the threats to Ontario's future are just as great. Failing to move forward now with significant measures could leave Ontario unprepared for the challenges ahead, and strand thousands of people as permanently unemployable.

All developed countries face this challenge. And the jurisdictions that are best prepared to meet these challenges recognize the solution is in their people. A highly educated population that can develop new ideas, master new technologies, and continue to innovate will be the nucleus to new growth and greater prosperity for all.

Ontario is fortunate. There is a solid foundation in place and the province is well-served by its large number of universities and colleges. Ontario has one of the highest postsecondary attainment rates in the world.

The province's postsecondary system was also strengthened by the Ontario government's Reaching Higher plan, which was announced in 2005 and will end this fiscal year. The investments made through Reaching Higher, along with subsequent investments in capital improvements and expansions, have helped Ontario's colleges and universities to better serve a greater number of students.

Indeed, enrolment at Ontario's public colleges continues to increase and the success rates among Ontario's college graduates continue to improve.

But Ontario cannot rest on its laurels. Other jurisdictions are making significant investments in higher education and present a serious challenge to surpass the achievements made in Ontario.

Developing countries now have 94 million postsecondary students, which represents 70 per cent of the world's total. In 2007, Bloomberg News reported that India was planning to set up 30 universities and 6,000 model schools, and was considering ways to establish a college in each of its 340 districts.

In China, the number of graduates at all levels of higher education has approximately quadrupled in the last six years. The skilled labour supply in China now equals about 40 per cent of all of the OECD countries.

The United States also recognizes what's at stake. In July, U.S. President Barack Obama announced the American Graduation Initiative, a proposal to invest \$12 billion over 10 years into that country's college system. President Obama described the proposal as "a historic step on behalf of community colleges in America."

Our competitors have embraced higher education and training as the pathway to their future competitiveness, and Ontario must strive to stay ahead of these jurisdictions. Ontario must be committed to innovation and new ideas. If this doesn't happen, many people won't be able to participate in the workplace of tomorrow and the economy won't grow.

*"With more skilled workers to draw on, Ontario can attract investment and avoid skills bottlenecks that limit potential and transfer opportunity and momentum to our competitors. Producing the skilled people employers need will also help address poverty: many adults without postsecondary credentials, especially from under-represented groups, are not working."*

– Ontario's Workforce Shortage Coalition

Our province must provide greater accessibility to education, training, and retraining – not only for young people participating in postsecondary education for the first time, but for everyone seeking to fulfil their potential and improve the contribution they make to Ontario's economic and social fabric.

Ontario must set ambitious targets for achieving improvements in higher education, and it must meet those targets.

Ontario must ensure it has the world's best-educated and most highly skilled people. This is a bold vision, yet entirely achievable. A strengthened public college system will be essential to the realization of this vision.

## **Goals to achieve transformational change**

To successfully implement a new vision for higher education, Ontario's colleges propose the government adopt the following four goals:

- Improve student mobility and expand student choice
- Increase participation and attainment rates in postsecondary education
- Align postsecondary education with the needs of the transforming economy
- Fund critical priorities to achieve sustainable outcomes.

Fulfilling each of these goals will require new policies for improving postsecondary education, including apprenticeship training. The goals – and the policy changes required to support those goals – are described in more detail in this proposal.

By fulfilling these goals, Ontario can attain unprecedented growth and ensure there are opportunities for everyone, including people living in our most disadvantaged communities.

## 1. Improve student mobility and expand student choice

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One of the most fundamental changes required in postsecondary education today is a need to move away from the “streaming” concept that has traditionally separated academic and applied areas of study.

In the new knowledge economy, there is a growing demand for employees who have strong problem-solving abilities and creativity that is combined with skills training and an ability to meet the real-world challenges of the workplace. Furthermore, as the province prepares to address the approaching skills shortage, it will need to ensure people move through their education as effectively as possible, so that they get into the workforce expeditiously.

Growing numbers of students recognize the need to acquire a more well-rounded postsecondary education. Last year, 37 per cent of college students reported having previous postsecondary education experience, 19 per cent of whom had completed a college or university credential (10 per cent college, nine per cent university).

Ontario must redesign its higher education system to encourage greater numbers of students to explore the most complete education possible. It must eliminate the administrative and cost barriers that discourage students from pursuing a full education and ensure that all students – including students in apprenticeship programs – have opportunities to strengthen their education and training.

Ontario’s colleges are recommending a number of significant reforms in areas such as credit transfer and credential recognition, degree granting, and institutional differentiation.

### Credit transfer / credential recognition

The Ministry of Training, Colleges and Universities is currently exploring opportunities to improve the structure for the transfer of completed postsecondary credits and for improved recognition of completed credentials in Ontario.

It is important that Ontario gets this right. Ontario has already fallen behind other jurisdictions that offer a more transparent and system-wide structure to support postsecondary students transferring from one institution to another.

In British Columbia, for example, the process is managed by the British Columbia Council on Admissions and Transfers. That organization ensures the system is transparent and robust, and that information on transferable credits is updated regularly.

In fact, 19 per cent of former students of the colleges and institutes in British Columbia pursue a university education. By contrast, only nine per cent of college graduates in Ontario pursue a university education.

Other jurisdictions are also well ahead of Ontario. In Europe, for example, officials are exploring opportunities to increase the transferability of completed postsecondary credits across postsecondary institutions in the European Union. In the United States, credit transfer is integrated into the design of the postsecondary system.

Many students who enter the postsecondary system in Ontario share a similar desire to pursue both college and university education.

In a 2007 survey of college applicants that was administered by Academica Group Inc., almost 25 per cent of college applicants and registrants said preparing for university was a major reason for applying to college.

In a 2008 survey, almost one-third of college applicants said that the “ultimate academic credential” they wished to pursue was a degree. Eighteen per cent intended to pursue a university bachelor’s degree and an additional 12 per cent intended to pursue a professional or graduate degree.

Ontario needs to support students wishing to pursue higher education. Unfortunately, the current system in this province discourages postsecondary students from continuing their education in Ontario.

The current structure for transferring completed postsecondary credits is arbitrary and unclear. In many cases, students seeking to transfer from one postsecondary institution to another cannot get reliable information about which credits will be recognized. In situations where a student does transfer, the student is often required to repeat courses the student has already previously completed, creating unnecessary burdens for the student and unjustified costs for both the student and taxpayers.

Ontario’s colleges have taken several important steps towards addressing this issue within the college sector.

In 2003, all college presidents signed a Mobility and Transferability Protocol for College to College Transfer. The protocol commits the institutions to maximizing the recognition and transfer of learning acquired at other colleges. In 2006, Ontario’s colleges received funding from the Ministry of Training, Colleges and Universities for the Improving College System Pathways Project. The project, led by the vice-presidents, academic, was intended to increase educational pathways within and between colleges by developing a clearer understanding of student mobility within the system; identifying the scope of the issues related to mobility and the barriers which may exist; and designing system-wide strategies to address the issues.

To support students wishing to further their postsecondary education, to prepare students to enter the workforce as quickly as possible, and to ensure that provincial funding for postsecondary education and students’ and parents’ resources are spent as efficiently as possible, Ontario needs a transparent system for recognizing completed postsecondary credentials.

## Degree granting

*“It is possible that colleges may make an even greater contribution than universities in some creative class occupations because they produce highly educated graduates with four-year bachelor’s degrees, who have both theoretical and applied knowledge of new, industry-specific technologies.”*

– Martin Prosperity Institute, February 2009

Greater numbers of students in Ontario are seeking to pursue baccalaureate degrees and their demand will continue to grow over the next decade.

As a result, Ontario is facing significant pressure to provide greater access to postsecondary degrees.

In fact, the Ministry of Training, Colleges and Universities has estimated 53,000 to 86,000 more degree spaces will be needed by 2021 to meet student demand. There will be particular pressures in the GTA and the universities’ enrolment plans will not be sufficient to meet this demand.

Ontario’s public colleges offer a clear and cost-effective solution to this challenge.



The colleges currently offer high-quality baccalaureate degrees, in areas ranging from industrial design to animation. This fall, more than 40 baccalaureate programs were offered at Ontario colleges and more than 60 programs were offered in partnership with universities.

The baccalaureate programs at the colleges deliver education of the highest quality. Each of the programs has been rigorously reviewed by the province's Postsecondary Education Quality Assessment Board (PEQAB), using detailed degree standards that are similar to those of the baccalaureate programs in the universities.

To meet the increasing demand for baccalaureate degrees, Ontario needs to expand the range of degree programs available at colleges.

This would allow the province to provide baccalaureate degree programs to a greater range of students. It would also allow Ontario to offer a broader range of degrees in program areas that are more closely aligned with the labour force needs in the economy.

Such a move would be consistent with reforms in other jurisdictions. For example, England has introduced legislation to increase foundational degree granting authority at further-education institutions, to help England meet its postsecondary education participation targets.

- Nursing degrees

Addressing the current and predicted nursing supply shortages in a cost-effective manner requires Ontario to modify the current approach to nursing education.

The major source of supply of entry level nurses is through either university stand-alone programs or through the 22 collaborative college-university programs. Although the curriculum delivery models vary from partnership to partnership in the collaborative college-university programs, it is college faculty that delivers 90 per cent or more of the curriculum in several of these programs.

Since the introduction of the collaborative programs, college nursing programs have matured and faculty have taken advantage of government initiatives to improve their qualifications and are now highly qualified. However, the current collaborative model in some cases restricts the ability of colleges to respond more quickly to local conditions.

A more flexible supply system is needed so that colleges are able to grant baccalaureate nursing degrees. Ontario will be better able to address the challenges of providing nursing education, and quality will be assured as the rigorous accreditation requirements for all nursing programs in Canada ensures that all educational programs continue to meet high standards of quality.

- Degree approvals

Recently, PEQAB announced an important change in the nomenclature for college degrees in Ontario. A revised standard issued by PEQAB in July 2009 eliminated the requirement for colleges to use the word "applied" in the names of college degrees. This is an important change, as the term has been confusing to students and employers and has probably affected student interest in college degree programs.

Moving forward, the PEQAB approval process needs to be improved. The current process is inappropriately slow and is creating unnecessary burdens for colleges seeking approval for programs that meet the standards for baccalaureate programs.

Ontario must also address the challenge of supporting degree holders who wish to advance to master's programs. Currently, degree holders from Ontario colleges are often not eligible for acceptance into master's-level programs, despite studying baccalaureate programs that are of the same high quality as baccalaureate programs offered at the universities.

Finally, to further support the growing numbers of students seeking to pursue both college and university education, Ontario must look to expand the availability of collaborative college-university programs in cases where it is appropriate.

## **Institutional differentiation**

In the more than 40 years since Ontario's college system was first established, the public college system has expanded and grown to the point that it delivers a broad range of programs that meet the high standards expected from every postsecondary program in the province.

The programs at Ontario's colleges respond to local employers' needs, and many colleges are specializing in a range of areas, from mining to animation to film and hospitality. Each college has a distinct mission and is recognized for particular areas of strength. Some are more focused on degree granting and others on providing a broad range of options for their local communities.

While this is an important development, it is equally important to recognize the need to deliver a range of programs in each of the communities served by Ontario's colleges.

As recent research conducted by Dr. Alan King and Dr. Wendy Warren of Queen's University has demonstrated, a primary reason that people pursue college education and training is because of the close proximity of the local college. Unlike many students who pursue university education (and look forward to moving to a new community as part of that "experience"), the majority of college-bound students apply only to their local college.

To ensure that Ontario is able to deliver higher education to Ontario's vast population, including people in aboriginal and remote communities, it is essential to maintain a range of programs at all colleges that best support the wide range of interests and aptitudes of students in those communities.

## **Recommendations**

- Implement a transparent system for recognizing completed postsecondary credentials in Ontario, including expanding the availability of collaborative college-university partnerships
- Revise the ministry policy regarding college degrees and eliminate the ban that prohibits colleges from offering programs that compete with career-related university programs
- Authorize colleges to grant baccalaureate nursing degrees
- Improve the PEQAB approval process
- Address the challenge of recognizing college baccalaureate degrees in the master's programs
- Recognize that institutional differentiation must be balanced with the communities' needs for a wide range of program options.

## 2. Increase participation and attainment rates in postsecondary education

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*“Smart employers will take a particularly close look at colleges as a key partner in the development of talent pools that have not been fully utilized.”*

– Don Drummond, senior vice-president and chief economist  
TD Bank Financial Group

Higher education and training has become a necessity for most people entering the workforce in the new knowledge economy.

Indeed, in the past decade, the employment of people in Ontario ages 25 to 44 with postsecondary credentials increased 25 per cent, while people without postsecondary credentials saw their employment level drop by 28 per cent.

Clearly, to meet the needs of the economy, and to help more people make a meaningful contribution in the workplace, Ontario will need to provide higher education to greater numbers of people.

Access to postsecondary education was one of the hallmarks of the government’s Reaching Higher plan, and it has been very successful. The challenge for the future is to marry access to postsecondary education with success.

Certainly, increased numbers of high school graduates need to be encouraged to pursue college and university education. But the challenge is much broader than high school graduates. Many people currently in the workforce need to pursue new education and training or retraining, to keep up with rapidly changing technology and the structural changes in Ontario’s economy.

Furthermore, Ontario must do more to help college and university students complete their education.

Supports need to be in place to ensure that people who enrol in higher education don’t drop out. This will be particularly important when it comes to supporting people who were not strong achievers in high school.

It is recommended Ontario set participation and attainment rates for higher education, improve supports for students, ensure spaces are available to accommodate greater numbers of students, and promote college education and training in elementary and secondary schools.

### Participation and attainment rates

Ontario has a proud record of postsecondary achievement. The province is a world leader when it comes to participation in higher education, in large part due to the availability of access to the public college system.

For Ontario to remain competitive, however, it will be necessary for even greater numbers of people to successfully obtain a postsecondary education. This will be true for people planning to enter most sectors of our economy, as new technology is revolutionizing both the shop floors and the office towers.

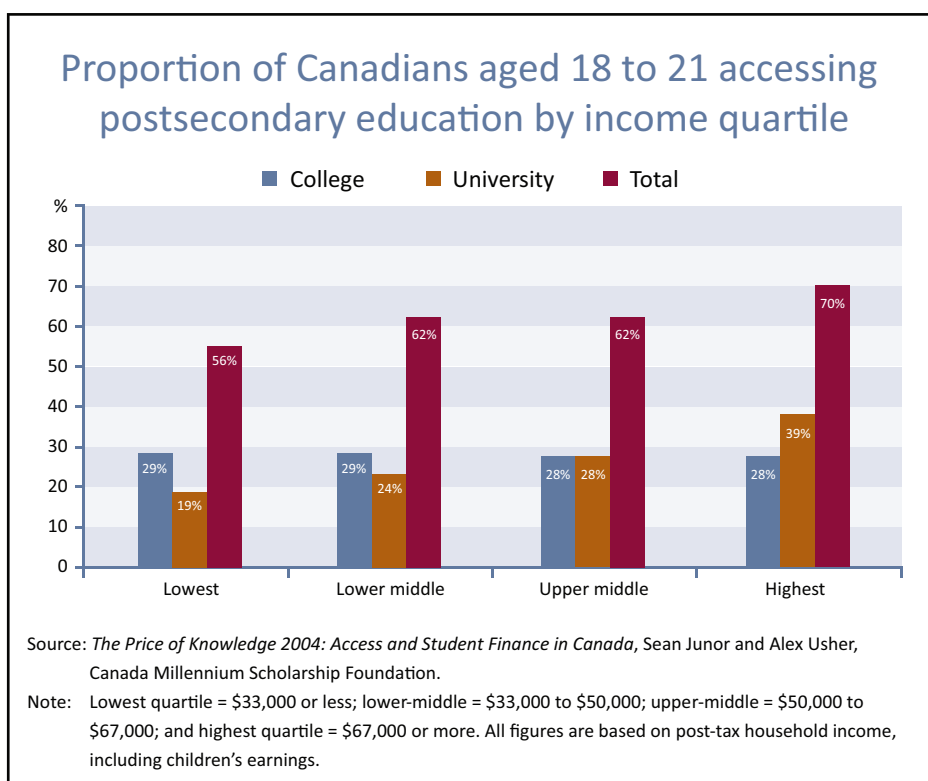
By 2013, more than 70 per cent of all new jobs – even entry-level positions – will need some postsecondary education or skills training. By contrast, only 63 per cent of adults aged 25 to 34 currently have completed postsecondary credentials.

Furthermore, the Canadian Council on Learning says, “The highest labour-market demand between now and 2015 will be for trades and colleges graduates.”

Ontario’s colleges will play a pivotal part in the efforts to increase access to postsecondary education. This is because the career-focused education and training provided at colleges is more likely to appeal to those people who traditionally haven’t pursued higher education.

Furthermore, Ontario’s colleges are more widely available throughout the province, and attract more students from lower socioeconomic groups than does the university sector. In 2008, 23 per cent of applicants to Ontario’s colleges reported a household income of less than \$30,000, and 52 per cent reported household incomes below \$60,000.

Colleges will also likely be the best entry point for attracting more students from northern and rural Ontario, where high school students are less likely to apply to and register in postsecondary education, and for attracting more aboriginal students.



As was mentioned previously, the research by Dr. Alan King and Dr. Wendy Warren at Queen’s University into Who Doesn’t go to Post-Secondary Education found that college applicants generally preferred to remain in their home communities. For example, applications from two school boards (public and separate) in southwestern Ontario in 2006-07 showed that 65 per cent of the students who applied to college only applied to their local college.

The authors say it will be important for the province to ensure that all colleges have the capacity to provide equitable opportunities for access.

However, Ontario must do more than simply help students get their foot in the door. It is equally important that Ontario adopt a strategy to ensure that students who enter higher education actually attain postsecondary credentials.

Ontario's colleges have seen improvements in their graduation rate, according to the Key Performance Indicators (KPIs) measured independently for the province and for colleges. For example, the reported graduation rate provincewide has increased from 58.5 per cent in 2004-05 to 64.6 per cent in 2008-09.

It is important to note that graduation rates only include those students who complete their programs within a specified duration and the measurement methodology fails to account for students who stop out, shift programs or institutions, or complete their programs through part-time studies.

A recent study using Statistics Canada's Youth in Transition Survey data has shown that significant percentages of students follow non-linear pathways through postsecondary education, and thus are not included in the traditional calculation of graduation rates. The study showed that after five years, only 57 per cent of college students across Canada graduated from their initial programs. However, add in those students who switched programs and graduated, and the graduation rate rises. Add those who have not graduated yet, but are still in postsecondary education, and the true college persistence rate rises.

While there have been important improvements in the graduation rate, Ontario will need to continue to improve, by setting targets for postsecondary attainment and by backing those targets through investments in student supports.

Ontario may wish to consider new ways of separating people who drop out due to educational challenges from those who leave school to take advantage of career opportunities.

Ontario must also continue to provide improved access to online learning opportunities. The province's colleges currently deliver a number of e-learning programs that provide students with greater options, strengthen their literacy skills and assist colleges with space pressures. Evidence of the growing demand is demonstrated by the growth of course registrations in OntarioLearn. OntarioLearn, a consortia of 22 colleges that deliver more than 1,000 online courses, has witnessed a doubling of course registrations in the last four years. There are now approximately 60,000 registrations in online courses through OntarioLearn. Ontario needs to continue stimulating and supporting the expansion of e-learning opportunities in the colleges.

In summary, the colleges recommend Ontario set 10-year provincial targets for participation and attainment rates in postsecondary education, which would be supported by appropriate funding. This would include a target for the general student population and targets for under-represented groups.

## **Supports for students**

In order to achieve improvements in the graduation rates for postsecondary students, it will be important to ensure supports are in place – particularly for first-year students adjusting to the challenges of higher education.

In Ontario's colleges, it is particularly important to remember that most of the student population does not come directly from high school. In fact, only about one-third of applicants to college are immediate high school graduates. The majority of applicants come from the workforce or from other postsecondary institutions.

Thus, many of the applicants are adults with workforce experience who may experience challenges readjusting to the classroom environment.

Furthermore, many students who didn't proceed to postsecondary education directly from high school are often students who were not strong achievers in high school. These students often require upgrading and other programs to help them overcome gaps from their high school education.

In fact, the research done by Dr. Alan King and Dr. Wendy Warren of Queen's University found that students who failed courses early in secondary school were much less likely to complete an Ontario Secondary School Diploma. If Ontario is going to encourage more people to participate in postsecondary education, it will be important to ensure upgrading opportunities are in place.

Ontario also has some significant challenges with adult literacy. According to the International Adult Literacy and Skills Survey, 16 per cent of adults in Ontario do not have basic literacy skills and an additional 26 per cent would benefit from literacy upgrading. Ontario's colleges currently run successful literacy, numeracy and other upgrading programs and are well positioned to support the province's efforts to improve adult literacy.

The colleges recommend that Ontario focus on and fund first-year supports for student success. It is further recommended that Ontario develops an enhanced role for colleges in improving literacy rates.

## **Capacity**

In conjunction with the targets for postsecondary participation and attainment, Ontario will need to ensure there is sufficient capacity within the colleges to provide quality learning to increased numbers of students.

Certainly, the capital planning work done for the Ministry of Training, Colleges and Universities to assess the immediate and long-term capital requirements in colleges and universities provides a good foundation. Ontario will want to build on that work by determining anticipated enrolments at Ontario colleges and committing to student spaces to meet those targets.

Ontario's colleges recommend the province focus on capacity building in colleges to respond to the projected demand for access to diploma and degree programs, and ensure the province is best utilizing the existing institutional capacity.

## **Improvements to the educational pathways to college**

To improve postsecondary participation and attainment rates, Ontario will need to implement reforms at the elementary and secondary education levels.

This is particularly important with respect to participation and attainment rates at Ontario's colleges. The province continues to suffer from biases against college education and training, and much of that challenge can be addressed within the education system.

In a 2006 survey of senior high school students' perceptions, a majority (59 per cent) of all students reported that their parents expected them to attend university. This is despite the fact that only 34 per cent of high school students will actually go to university directly from high school.

For many students, college programs provide the best opportunities to support the interests and aptitudes of those students. Unfortunately, research has found that many students are

discouraged from considering college. Polling research that was done by the Strategic Counsel in 2008 found about 30 per cent of parents said they would be disappointed or embarrassed if their child went to college.

Ontario's colleges, with support from the provincial government, are working to address the biases held by some parents and students. Starting in 2008, the colleges began a provincewide advertising campaign that encourages students and parents to explore all the options and choose the postsecondary destination that is best for each student.

However, there are systemic reforms that need to happen in the education environment to support this work.

For example, Ontario currently provides students in high school with courses that are designed to support anticipated studies at university. However, the province does not mandate the availability of courses to support students who may go on to study at college. Ontario should refine secondary school curriculum to ensure that college-bound students are adequately prepared for their future studies, and that parents see college as a viable option, supported by the secondary school system programming.

Furthermore, Ontario must ensure its elementary and secondary systems provide students with information on the full range of postsecondary programs available to high school graduates.

## **Recommendations**

- Set 10-year provincial targets for participation and attainment rates in postsecondary education
- Focus on and fund first-year supports for student success
- Develop an enhanced role for colleges in improving literacy rates
- Focus on capacity building in colleges to respond to student access needs so that increased access can co-exist with improved completion rates
- Mandate the availability of college-bound courses in high schools
- Improve kindergarten to Grade 12 integration/planning to build supports for students
- Educate students in elementary and secondary school to the range of postsecondary education options available
- Improve access to online learning opportunities.

### 3. Align postsecondary education with the needs of the transforming economy

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*“Training is what will make your quality level sustainable. It is not just equipment, processes and computers – it’s people.”*

– Alan Kwong, CEO of PharmEng, in Canadian Business, April 2008

The challenges facing the Ontario economy are profound and will continue for a significant period of time.

While there are signs of an economic rebound, such as the improvements in the stock markets, it will take a much longer time for the employment situation to improve and there will be sectors that will experience difficulties for long periods of time.

Some industries such as manufacturing and forestry were struggling with profound problems well before the economic downturn began last year, and those sectors will continue to face challenges. The North American auto sector will never be as robust as it was just a few years ago.

The public sector will also struggle, as governments seek to address the large deficits created by the scope of government stimulus packages combined with significant losses in revenues. In Ontario, for example, corporate tax revenues in 2008-09 were 48 per cent lower than anticipated.

To date, Ontario has responded to the economic challenges with effective supports for people who have lost their jobs. The government’s Second Career program, for example, has helped thousands of Ontarians find retraining opportunities to prepare for new careers.

What Ontario needs now is a sustained and comprehensive strategy to ensure that the province’s postsecondary institutions are strongly aligned with the changing labour market needs of the economy.

This will be particularly important as changing demographics leave Ontario struggling to find qualified employees.

In the years ahead, the retirement of the baby boomers and the slower population growth in the province will create a significant skills shortage. Even with strong immigration levels, the Conference Board of Canada estimates Ontario will face a shortage of more than 360,000 skilled employees by 2025, and a shortage of more than 560,000 employees by 2030.

It is essential that Ontario’s postsecondary education system be realigned to strengthen Ontario’s position in the new economy. That realignment must include reforming the apprenticeship system, expanding degree-granting authorities for colleges, strengthening the support for laid-off workers, increasing the role of colleges in applied research, and creating a provincial strategy for the recruitment of international students.

#### Apprenticeship reform

It is time to reform apprenticeship in Ontario. Apprenticeship must become a full and legitimate part of the higher education system in this province.

The reality is that even in this economic downturn, many employers in high-paying careers cannot find qualified people because of a shortage of people with training in the skilled trades. If anything, there is a greater need than ever for enhanced apprenticeship training.



In a previous submission to government, Ontario's Workforce Shortage Coalition recommended a number of proposals to strengthen apprenticeship, including expanding the in-school component of apprenticeship programs to include select "equivalent-to-work placements," to help apprentices to complete their workplace hours during the economic downturn.

Ontario also needs to improve the apprenticeship completion rates. Currently, only 27 per cent of apprentices become certified tradespersons (assuming an average of six years in their programs). Ontario's Workforce Shortage Coalition has called on the province to commit to increasing the completion rate for apprenticeship programs to 70 per cent by 2020.

Apprenticeship needs to be regarded throughout Ontario as a highly valued and accessible career option, with certification considered the equal of diplomas and degrees. By supporting the expansion of apprenticeship programs, Ontario will increase the participation of under-represented groups, such as women and aboriginals, improve linkages with employers, and can make the program more cost-effective.

Ensuring that apprenticeship is viewed as a core component of our postsecondary sector will require extensive changes in the management of the apprenticeship in-school training system. It is further recommended that Ontario should bring the apprenticeship in-school training activity more under the purview of colleges. This change will assist with the development of a more effective and efficient system.

Colleges should be the lead for apprenticeship program administration in local communities. The colleges already have administrative processes in place to co-ordinate these activities and could improve the process to help attract more people to apprenticeship programs. The college sector could also help Ontario to improve its tracking of people entering the apprenticeship system, by including apprenticeship in the applications processed by the Ontario College Application Service (OCAS). Ontario's colleges recommend the province make apprenticeship more accessible, attractive and cost-efficient by bringing it more under the purview of colleges.

### **Strengthening support for laid-off workers**

As mentioned above, unemployment in Ontario will continue to be a significant challenge. Even when the economy does rebound, many of the old jobs that people have lost will no longer be there for them.

Ontario's colleges believe educators and government must continue to play an important role in providing education and retraining to laid-off/unemployed workers.

The public colleges demonstrated their ability to provide greater flexibility in the delivery of programs when the province launched its Second Career strategy last year. Indeed, the Second Career program has been hugely successful, with thousands of people throughout the province training for new careers.

Government-sponsored programs such as Second Career and Ontario Skills Development are critical components of a transforming economy. These programs must be fiscally sustainable so that they can provide ongoing re-training supports for displaced and unemployed workers. As the individuals who require re-training often need academic upgrading to ensure their ultimate success, it is critical that future programs respond to the academic upgrading needs of displaced and unemployed workers.

In order for these retraining programs to be efficient and effective, the government needs to build on and fully utilize the existing provincewide educational infrastructure the colleges provide. Building upon the knowledge, skills and networks of the colleges, the province can ensure that local, regional and/or sectoral critical skills shortages are met.

With the rapid pace of change, the current economic climate and the aging workforce, Ontario needs to invest in lifelong learning to strengthen its competitive position. Developing a highly skilled workforce is key to competing, yet according to the Canadian Policy Research Network, adult literacy levels in Canada remain unchanged over the last decade with more than 40 per cent of adults in Canada lacking the literacy and numeracy skills they need.

Ontario needs to ensure that all individuals are able to contribute to the province's economic performance and that provincial programs are designed to support this objective. The Ministry of Training, Colleges and Universities needs to ensure that key funding programs, such as the student financial assistance program, are designed to support the lifelong learning needs of Ontarians.

It is recommended that in the redesign of the Second Career and Ontario Skills Training programs, the province ensures that colleges play a fundamental part in the delivery of the programs. It is further recommended that the Ministry of Training, Colleges and Universities review the Ontario Student Assistance Program (OSAP) to better support part-time students.

## Applied research

Although there is growing awareness of the need for businesses and educators to be more involved in research – particularly research that leads to new products actually going to market – Ontario is still far behind other jurisdictions. As a result, Ontario is missing out on innovations that could strengthen the productivity of some businesses and create new jobs.

Only two per cent of employers in Ontario do any research. It is particularly difficult for small- and medium-sized employers to find the resources to research solutions to business challenges, despite the fact the results could improve their businesses and stimulate new economic growth.

With renewed support from the Ministry of Research and Innovation, Ontario's colleges are working with businesses across the province to address this challenge. They are undertaking applied research projects that include solving technical problems, adapting new technologies for the marketplace, and developing new and improved products and processes.

During the past three years, the colleges and businesses have established 415 new innovation partnerships and completed 143 industry-led micro projects.

One example was at Sheridan College, which worked with Spatial View Inc. and other partners to create a 3-D glasses-free game for the iPhone.

In another case, Georgian College worked with SAE (Barrie), a company in the grounding and cathodic protection business, in developing manufacturing equipment that will allow SAE to develop a new product to address an environmental issue in the oil pipeline industry.

REGENEnergy worked with Centennial College to develop new wall-mounted electricity controllers that help businesses cut their heating and cooling costs. Corporate Knights magazine has listed REGENEnergy as one of the Next 10 Emerging Cleantech Leaders of Tomorrow and REGENEnergy says the work it did with Centennial was critical to its success.

As well, Convergent Telecom has worked with Niagara College for a year to help the company develop a diversification strategy for its telecommunications products and services. College student research assistants are helping with software development and applications for Blackberry users.

In the new economy, as competing jurisdictions make significant investments into research and development, Ontario needs to continue to enhance small business innovation and applied research. It is recommended Ontario continue to increase its applied research capacity and the funding to support enhanced research.

## **International students**

Ontario and Canada face challenges attracting international students to our postsecondary institutions, as competing jurisdictions put a stronger emphasis on the competition for students.

For example, Australia attracts more than 130,000 Chinese students to its postsecondary institutions, significantly more than the approximate 42,000 in Canada. This is despite the fact Australia has a much smaller population than Canada.

It is important in the new knowledge economy that Ontario attracts the best students it can, particularly when many sectors anticipate challenges finding qualified employees in the years ahead. One step Ontario can take is to ensure it promotes the range of programs available at Ontario's colleges and the career opportunities available to college graduates.

While the federal government holds the key levers for international trade, student visas and immigration, there is considerable potential for the Ontario government (Ministry of Economic Development) to gain economic benefits by supporting colleges in:

- Expanding agreements with colleges in developing countries to use Ontario curriculum and expertise (exports)
- Encouraging foreign students, especially from these joint programs, to complete their credentials in Ontario (additional economic activity in Ontario)
- Using the provincial nominee program to expand the number of foreign students eligible to become immigrants to Canada on completion of their programs, which will help to address the coming skills shortage.

This would involve actively including the college sector in ministry programs (such as trade missions) and in advocacy with the federal government (e.g., to simplify processes to provide visas and immigrant status). It could also involve an active recruitment strategy led by the province, based on the extremely successful strategies of Australia and the United Kingdom, which have resulted in significant increases in GDP.

It is recommended Ontario creates a provincial strategy for the recruitment of international students to colleges.

## **Recommendations**

- Make apprenticeship more accessible, attractive and cost-efficient by bringing it more under the purview of colleges
- Strengthen the long-term postsecondary education focus on retraining laid-off/unemployed workers
- Increase the province's applied research capacity and the funding to support enhanced research
- Create a provincial strategy for the recruitment of international students to colleges.

## 4. Fund critical priorities to achieve sustainable outcomes

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Transforming Ontario's higher education system to meet the demands of the new economy will require new resources.

Certainly, there have been significant investments in colleges and universities under the province's long-term Reaching Higher plan from 2005. These investments have enabled colleges to develop new programs and supports for students. As well, the recent investments in capital improvements and infrastructure projects at Ontario's public colleges are helping the colleges to create new spaces for growing student enrolment.

In the years ahead, it will be important to continue investing in higher education. Government funding will be important, as will other opportunities to find resources to support improvements in the quality and accessibility of programs offered to students.

*"As our country braces for more economic uncertainty, we can choose to invest in a skilled workforce that can compete with the best the world has to offer, or we can continue to turn our back on the problem and force employers to fight among themselves for an evermore scarce resource."*

– Jayson Myers, president, Canadian Manufacturers & Exporters

Ontario's colleges recommend the development of a sustainable, long-term funding framework that includes dedicated funding for key priorities, a commitment from government to deal with critical funding pressures, the reinvestment of cost savings from a robust credit transfer system, a new tuition policy, and the removal of the artificial differentiation between the funding of colleges and universities, particularly for capital projects.

### Stable, long-term funding

To implement a new vision for higher education, including the attainment of targets, Ontario must ensure that adequate resources are committed to the colleges through a multi-year funding commitment.

For example, Ontario will benefit from the government setting clear targets for postsecondary participation and attainment rates. Such targets will help educators, governments and business to work together to develop strategies to ensure greater numbers of people acquire postsecondary education. However, the targets will also need to be supported by resources.

Encouraging more students to enter and complete their studies in higher education means the province must ensure spaces are available to accommodate those students, in settings that continue to deliver quality education to the students.

To effectively prepare students for the technological advances happening today and beyond, Ontario's colleges must use modern equipment and have up-to-date facilities and labs.

Ontario's colleges recommend the province commit to a reliable and predictable operating and capital funding model (including funding for equipment and deferred maintenance).

### Critical funding pressures

It will be essential for the Ontario government to ensure that potential new cost pressures do not derail the plans to improve higher education.

In the college sector, for example, there is uncertainty about the cost implications of the government's new legislation allowing part-time employees in the sector to unionize. As of this writing, different employee groups are or have been engaged in voting activities that could lead to part-time employees joining the Ontario Public Service Employees Union (OPSEU).

These activities could lead to significant cost pressures for the college sector that are not currently included in provincial funding calculations for the sector. Without new funding to address such cost pressures, there will be fewer dollars available to support postsecondary reforms than are currently available to maintain the status quo.

It will be equally important to support enrolment growth.

Ontario's colleges have experienced significant growth in recent years, including an increase of about seven per cent in first-year full-time enrolment this year, which follows a 5.5 per cent increase last year and a 5.6 per cent increase in 2007.

If Ontario is going to pursue increases in postsecondary participation and attainment, it must ensure colleges that experience growth are fully funded for the growth.

Ontario's colleges are calling for the province to commit to dealing with critical funding pressures.

## **Reinvesting savings**

Not all of the funding required to support the new vision for higher education in Ontario needs to come from increased government spending.

There are opportunities to achieve savings as part of the transformation of the postsecondary system, and those savings could be reinvested into postsecondary education. For example, a new policy for recognizing completed postsecondary credentials would reduce the number of programs that students need to repeat, producing cost savings for government. Those savings could – and should – be reinvested to support new policy reforms.

Realigning the administration of the province's training and employment programs is another potential area for savings.

As was mentioned previously, the apprenticeship system could be more efficiently organized if the marketing, recruiting, assessment, testing and scheduling were to be done by the colleges, which already have the infrastructure in place to effectively deliver these services. The Ministry of Training, Colleges and Universities could also reduce its administrative costs by reforming the funding model for college training, retraining and employment programs. Rather than funding each program on a discrete basis, colleges could be funded through a global transfer payment allocation for such activities. This reform would reduce administrative costs for the ministry and provide colleges with greater flexibility to respond to local training and retraining needs.

Finally, the province could achieve savings by revising the Apprenticeship Training Tax Credit program to ensure it is focused on longer-term apprenticeships (four to five years) and is only applied to trades with a strong demand for certified tradespersons. Currently, too much funding goes to short-term apprenticeship programs such as sales agents for information technology call centres. Much of the training in these short-term programs is specific to a particular company, has high turnover, and there is limited evidence that apprentices are moving to other employers in the same capacity.

## Tuition policy

Ontario needs a comprehensive and co-ordinated approach to its assessment of expenditures and revenues in higher education. As the province determines the revenues needed to promote excellence, it must assess funding grants and tuition levels in the same planning process.

As part of that process, Ontario needs to set a new tuition policy that continues to ensure postsecondary education in the province is accessible, while at the same time provides the revenues needed to support quality improvements.

This is particularly important at the college level. While there has been public attention in Ontario to current tuition levels, the discussion has really been about tuition levels at the universities. Tuition fees at Ontario's colleges are the third lowest among the provinces and are 17 per cent below the national average.

A new college sector tuition policy for Ontario should set the fees at a level that supports the goal of providing quality education, promoting accessibility and supporting student success.

A new tuition policy can continue to promote accessibility. In fact, the Commission on Tuition Fees and Accessibility to Post-Secondary Education in Manitoba concluded this year that the financial issues affecting students' and parents' perceptions of accessibility are complex, involving everything from family support to the availability of loans. The commission found, "tuition fees alone have little or no effect on accessibility and participation."

It is recommended that a new tuition policy for Ontario's public colleges include the following:

- Implementing graduated annual fee increases for regular fee college programs, by four per cent (or \$90) in 2010-11, five per cent (or \$115) in 2011-12 and by six per cent (or \$140) in 2012-13. It is proposed that further increases would be held at six per cent until college tuition fees in Ontario reach the national average.
- Easing the restrictions on the enrolment allowed in basic high-demand programs by raising the cap from the current 15 per cent of basic postsecondary enrolment to 20 per cent over a three-year period and providing college boards with the authority to set fee increases for all high-demand programs.
- Revising the current criteria used to define basic high-demand programs to include "high-cost" programs. High-cost programs are programs that are more costly to deliver because they require unique space configurations, expensive equipment and supplies, and/or higher than normal levels of teaching contact hours and/or staff support.

Many high-demand programs offered at colleges provide highly specialized and technical training to their students and are in areas that contribute to Ontario's economic competitiveness and its social well-being. Examples of high-demand college programs include aviation, telecommunications, business, health care, entertainment and media. Graduates of these programs typically have above-average employment prospects and tend to earn above-average incomes. However, fees for high-demand college programs remain low compared to fees for university programs. The average fee for basic high-demand college programs is approximately \$3,800, almost \$1,000 lower than the average tuition fee for university undergraduate arts and science programs.

Furthermore, the differential between the fee increases allowed for first and upper years of study at colleges, for both regular and high-demand programs, is unclear and difficult to explain to students. It is recommended that the new tuition fee policy ensure that fee increases for students in different years of the same program are the same.

## Student financial aid

To ensure that the cost of postsecondary education does not limit access, it is essential that Ontario revise the Ontario Student Assistance Program (OSAP) by enriching the level of financial aid provided to students and easing the repayment burden.

More specifically, OSAP should provide a greater share of the total financial aid support provided to students through grants as opposed to loans, and should expand the targeted access grants. In order to ensure that students have adequate resources, OSAP needs to either provide the full amount of the cost of study and living expenses or allow students the ability to earn a reasonable income without deductions to their financial aid. In order to ease the repayment burden, interest relief needs to be provided to all OSAP recipients during the six months after exiting the program.

There is also a need to make administrative reforms to the OSAP program. There needs to be a much better alignment between the process of applying to postsecondary institutions and applying for student financial aid. The current application form is excessively long and complicated and needs to be streamlined. Finally, the actual payment method needs to be modernized through the implementation of electronic transfers of funds.

## Recommendations

- Commit to a reliable and predictable operating and capital funding model
- Commit to dealing with critical funding pressures
- Assess the potential cost savings from reforms to training and employment programs, revisions to the Apprenticeship Tax Credit, and the implementation of a robust credit-transfer system, in order to support essential operating grant investments in colleges
- Implement a new tuition policy for colleges
- Reform and enrich the Ontario Student Assistance Program.

## Conclusion

The provincial government has made significant strides in improving education in Ontario.

Class sizes at the elementary level have been reduced, test scores at both the elementary and secondary levels have improved, and greater numbers of students are completing their high school education. Ontario has effectively implemented important reforms at the elementary and secondary school level.

The focus now must be on higher education, and the new challenges of the 21st century.

Ontario must be at the forefront of the new knowledge economy, by ensuring it has the most highly skilled and best-educated workforce in the world. Every person in Ontario must be able to master technological innovations and perform effectively in their chosen careers, particularly as the existing workforce retires.

Higher education will be essential to the province's success, and everyone must benefit from improvements to higher education. It will not be sufficient in the 21st century to have large numbers of people relying on an education that stops at high school, and skills that have become obsolete. Every person must be employable and must succeed in his or her chosen career.

Ontario must implement a new vision for higher education. The following is a complete summary of the recommended policies needed to support the new vision:

## Recommendations

### 1. Improve student mobility and expand student choice

- Implement a transparent system for recognizing completed postsecondary credentials in Ontario, including expanding the availability of collaborative college-university partnerships
- Revise the ministry policy regarding college degrees and eliminate the ban that prohibits colleges from offering programs that compete with career-related university programs
- Authorize colleges to grant baccalaureate nursing degrees
- Improve the PEQAB approval process
- Address the challenge of recognizing college baccalaureate degrees in the master's programs
- Recognize that institutional differentiation must be balanced with the communities' needs for a wide range of program options.



## **2. Increase participation and attainment rates in postsecondary education**

- Set 10-year provincial targets for participation and attainment rates in postsecondary education
- Focus on and fund first-year supports for student success
- Develop an enhanced role for colleges in improving literacy rates
- Focus on capacity building in colleges to respond to student access needs so that increased access can co-exist with improved completion rates
- Mandate the availability of college-bound courses in high schools
- Improve kindergarten to Grade 12 integration/planning to build supports for students
- Educate students in elementary and secondary school to the range of postsecondary education options available
- Improve access to online learning opportunities.

## **3. Align postsecondary education with the needs of the transforming economy**

- Make apprenticeship more accessible, attractive and cost-efficient by bringing it more under the purview of colleges
- Strengthen the long-term postsecondary education focus on retraining laid-off/unemployed workers
- Increase the province's applied research capacity and the funding to support enhanced research
- Create a provincial strategy for the recruitment of international students to colleges.

## **4. Fund critical priorities to achieve sustainable outcomes**

- Commit to a reliable and predictable operating and capital funding model
- Commit to dealing with critical funding pressures
- Assess the potential cost savings from reforms to training and employment programs, revisions to the Apprenticeship Tax Credit, and the implementation of a robust credit-transfer system, in order to support essential operating grant investments in colleges
- Implement a new tuition policy for colleges
- Reform and enrich the Ontario Student Assistance Program.







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655 Bay Street, Suite 1010, Toronto, ON, M5G 2K4

T: 416.596.0744 F: 416.596.2364

[www.collegesontario.org](http://www.collegesontario.org)