

EDUCATED INVESTMENTS

Building a Healthy Future for Ontario

*2015 Ontario Budget Submission
January 2015*

OUSAA

Ontario Undergraduate Student Alliance

ABOUT OUSA

OUSA represents the interests of over 140,000 professional and undergraduate, full-time and part-time university students at seven institutions across Ontario. Our vision is for an accessible, affordable, accountable and high quality post-secondary education in Ontario. To achieve this vision we've come together to develop solutions to challenges facing higher education, build broad consensus for our policy options, and lobby government to implement them.

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PREAMBLE

In the July 2014 Throne Speech, the Government of Ontario reiterated its commitment to “grow the economy and support all people of the province by investing in education and the skills training necessary for new growth.” Education remains a key strategy for fostering innovation and stable economic growth in the province. University graduates stand to earn 65% more income over their lifetimes than those without a post-secondary credential.ⁱ On average, university graduates use fewer public services, pay higher taxes, and commit less crime. Finally, those that have completed post-secondary education are more likely to start their own businesses.ⁱⁱ

It is in pursuit of that same goal, and recognition of education as an important social equalizer and personal benefit, that the Ontario Undergraduate Student Alliance (OUSA), a student advocacy organization representing nearly 140,000 full- and part-time undergraduate and professional students at seven universities, makes its recommendations for the 2015 Ontario Budget.

Students believe that addressing issues of accessibility, affordability, accountability, and quality of Ontario’s post-secondary education (PSE) system is critical to realizing Premier Wynne’s vision of a society that is supportive of education and able to realize the benefits of an educated workforce.

Considering all of the above, as well as the broader research and development activities of universities, we can see how they have an important part to play in the economic health of the province. With that in mind, investments in education are just that: investments. In the spirit of wise investment, OUSA offers the following recommendations to members of the Standing Committee on Finance and Economic Affairs, the Ministry of Finance, and the rest of Ontario’s Members of Provincial Parliament.

EXECUTIVE SUMMARY

STUDENT FINANCIAL ASSISTANCE

Perhaps among the most significant aids to, and determinants of, a student's ability to enrol and persist in university is the availability of need-based financial assistance. OUSA's members are very invested in the efficiency and impact of the province's aid system. It is in this spirit that OUSA makes the following suggestions:

Cease issuance of the Ontario Tuition and Education related tax credits and, as savings are realized, commit to reinvesting up to the 2013-14 amount allocated for those credits into the aid programs below:

The Ontario Student Assistance Program must reduce its expected parental contribution by harmonizing with federal contribution criteria;

Remove interest from repayment of loans through the Ontario Student Assistance Program;

Adjust the Ontario Student Assistance Program living allowance to reflect the cost of living in university communities; and,

Extend eligibility for the Ontario Tuition Grant for four non-consecutive years regardless of when the student graduated high school. Five year eligibility for cooperative education students and students with disabilities should continue, but also disregard high school graduation date.

INFRASTRUCTURE

In many ways, a university can only achieve what its physical spaces allow. Unfortunately, Ontario's universities are facing new demands and aging buildings. OUSA puts forward the following recommendations in order to preserve what we

have, and to encourage a strategic approach to new infrastructure:

Government investments earmarked for deferred maintenance should be brought up to a level that is at least 1.5 percent of the current replacement value of all infrastructure;

Availability of government infrastructure funding should be extended to include spaces associated with student support and services, health services, residences, and other 'non-academic' infrastructure; and,

The government should introduce a program matching some private donations intended for renovation and retrofit of existing university buildings.

HEALTH CARE ON CAMPUS

Post-secondary education offers an unparalleled opportunity for Ontario to care for the youth of the province, as well as to instil life-long habits for managing physical and mental health. Additionally, Ontario's PSE students are becoming increasingly diverse. The success of support programs at the primary and secondary education levels for students with mental health challenges and chronic illnesses has enabled these students to attend PSE in higher numbers than ever before. Unfortunately, health care on campus has been a precarious priority, and faces challenges of unpredictability, scarce resources, and personnel shortfalls.

In order to ensure make the most of this important experience for students—and opportunity for the province—OUSA puts forth the following recommendations regarding on-campus health care:

Universities and governments should pursue alternatives to the fee-for-service physician compensation models used by Community Health Centres on post-secondary campuses;

The government and institutions should provide dedicated funding for student wellness centres, which integrate primary medical care and mental health care on campuses; and,

Campus health services should be better integrated with the local activities of the Ministry of Health and Long-Term Care.

UNIVERSITY FUNDING FORMULAE

University funding formulae are important tools by which the government decides how much, and by which mechanisms, institutions receive financing to support their missions. Government funding has a considerable impact on the extent to which universities must rely on tuition revenue. It also greatly influences the activities universities pursue. While the majority of university funding is unrestricted operating funding, intended to allow universities to determine what best supports their individual needs and missions, there is a proportion of funding used to support specific efforts within universities.

In this document, OUSA suggests that the government leverage those targeted funds to support institutional missions that it believes are integral to all universities, and that benefit of the province – namely credit transfer, health, and work-integrated learning.

STUDENT FINANCIAL ASSISTANCE

Over the past decade, Ontario has seen a significant increase in participation at its colleges and universities. This increase is laudable as it means that more and more Ontarians have been able to access the benefits that come with a post-secondary education. Increased enrolment rates also mean that the province is approaching the 70 percent participation rate target that it has projected will be needed to sustain economic growth up to the year 2020.

Unfortunately, this increase in Ontario's post-secondary participation rate has not been felt equally. Particular groups of Ontarians have been excluded while more privileged members of our society have seen their participation rates increase. The participation gap between students from the lowest and highest income groups has widened from a 10 percentage point gap in 1999 to an 18 point gap in 2009.

As noted in the introduction, post-secondary participation has a number of positive social and economic benefits for those who obtain a credential. Particularly in the context of the current high youth unemployment rate, there is evidence that completing some form of post-secondary education leads to increased lifetime earnings and allows for more stable employment, and university credentials offer the most promising outcomes.ⁱⁱⁱ

A 2012 report from the Higher Education Quality Council of Ontario (HEQCO) looks more closely at post-secondary participation by population type. It confirms the significant gap in PSE participation by income, which is pronounced regarding universities in particular.

Ontario has a significant gap in aboriginal post-secondary enrolment rates: while aboriginal participation in college is slightly above the provincial average, in university it is more than 20 percent lower than that of the general population. It is concerning to see little progress in this regard even after years of institutional and government commitment to improving university access for our Aboriginal peoples. This gap is evidence of the long-standing systemic barriers faced by Aboriginal learners, which continue to impede access.

Lower than average participation rates are also exhibited by first generation students and students with disabilities; participation rates are nearly 20 and 15 percent lower than those of the general population for each group, respectively.^{iv}

If the province wishes to grow the economy and support all of Ontario's people in the pursuit of higher education, these discrepancies must be addressed. The benefits are more than personal for those currently participating at lower rates than the general population, as education is one of the greatest equalizing tools available to the province. The increased PSE participation of marginalized groups will help improve social equity in Ontario in addition to contributing to overall economic health and performance.

The perceived cost of education is often identified as a barrier to participating in education, which undoubtedly contributes to gaps based around income. Despite Ontario's generous financial aid system, evidence suggests that many potential students from underrepresented groups overestimate the true cost of post-secondary education, and underestimate the resources available to meet these costs.^v

It is in this context that Ontario's investments in financial assistance must be carefully evaluated for effectiveness, accessibility, and clarity. While the majority of Ontario's financial assistance investments help to increase the affordability of post-secondary education for those with the highest need, one program in particular is quite ineffective. Considerable investments that fail in terms of efficacy, accessibility, and clarity are Ontario's Tuition and Education Tax Credits. In the 2013-14 fiscal year, the province budgeted \$340 million for these tax credits despite the fact that they provide the greatest benefit to those with the least need, while failing to provide much benefit to Ontarians who struggle to find adequate and timely financial aid.

HOW THE TAX CREDIT WORKS

The amounts for the Tuition and Education Tax Credit are determined by adding tuition fees paid during the tax year to the number of months in study multiplied by \$154 for part-time students or \$515 for full-time students.^{vi} The resulting tuition and education amounts are then used to reduce the amount of provincial taxes owed. The federal tuition and education tax credits are calculated in much the same way but apply different modifiers for full-time and part-time students.

As a non-refundable tax credit, recipients' taxes owed can only be reduced to zero and the remaining value is carried forward to the next tax year. This tax credit is cumulative meaning that the credit value calculated in each academic year can be carried forward indefinitely. Recipients are also able to transfer a limited portion of their tax credit to a parent, grandparent, spouse, or common-law partner.

WHAT NEEDS TO CHANGE

We believe that financial assistance should be available to students when they need it most: when they are paying their tuition, purchasing textbooks, or managing their own living expenses. Tax credits provide assistance too late in the year to alleviate students' immediate financial burdens. Roughly 63 percent of students do not use their tax credits in the same year they are accumulated. Almost 30 percent of students do not benefit from their tax credits until after graduation since their low incomes mean low tax responsibilities. This delay forces students to borrow money when they

otherwise may not have needed to do so.

We also believe that financial assistance should be made available based on need. Tax credits particularly benefit high-income earners while disenfranchising middle- and low-income students. Students in the highest income quartile claim nearly four times as much through tax credits compared to those in the low-income quartile (see Table One), but presumably these students have similar expenses.

On top of this issue, students who earn enough money before and during an academic year to make use of their tax credits jeopardize their qualifications for other types of financial aid, namely the Ontario Student Assistance Program (OSAP). OSAP will only exclude income up to \$100 per week from students' financial need assessment and assumes students will work full time prior to their academic year.^{vii} This means that students can earn up to \$10,240 annually before their income reduces their loan entitlement. With these earnings, students only pay \$29 in taxes; reducing \$29 in taxes to zero hardly recoups students' in-study expenses.

Perhaps one of the most concerning barriers around the use of tax credits to enhance access and persistence is that they are poorly understood. As a result, they do little to increase the perceived affordability of post-secondary education. OUSA's Ontario Post-Secondary Student Survey found that only 45 percent of first year students were aware of these credits.^{viii} Provincial spending on these tax credits may be beginning to suggest that students and recent graduates are simply not claiming their credits. The most recent Economic Outlook and Fiscal Review

TABLE ONE: AVERAGE TAX CREDIT CLAIMED

Highest Income Quartile	\$2,000
Middle-High Income Quartile	\$1,600
Middle-Low Income Quartile	\$1,300
Low-Income Quartile	\$520

estimates that the province will spend \$335 million on Tuition and Education Credits, down from \$340 million in 2013. While it may be too early to say this decrease is trend, we know that enrolment remains high, and would expect spending on the Tuition and Education Tax Credit to increase.

OUSA instead recommends that the Ontario Government cease issuing the provincial post-secondary Education and Tuition related tax credits. As savings are realized, the province should commit to reallocating up to \$340 million (the amount budgeted in 2013-14 for honouring the tax credit) to grants, OSAP improvements, extending Ontario Tuition Grant eligibility, and other measures that decrease upfront costs for students and their families.

OUSA is providing four possible program enhancements that may accomplish this goal.

The Ontario Student Assistance Program must reduce its expected parental contribution by harmonizing with federal contribution criteria.

Estimated Cost: ~ \$40 million

The assessment criteria for OSAP assumes that the parents of a dependent student in Ontario have a “moderate” standard of living, which is lower than the federal standard, while simultaneously expecting that they contribute a greater percentage of discretionary income than is expected federally. To further compound this discrepancy, the federal award

is then deducted from students’ provincially assessed need. Table Two shows what Ontario considers to be a moderate standard of living; anything beyond that amount is considered ‘discretionary income.’ Table Three shows how much of that discretionary income is expected to be used for students’ educational costs.

The Canada-Ontario Integrated Student Loan intends for Canada to pay 60 percent of a student’s need while Ontario contributes the remaining 40 percent. However, the difference in assessments means that 60 percent of the more generous federal assessment is being used to reduce the amount of Ontario’s already much lower assessment.

In some extreme cases, this can mean that as much as 90 percent of the total loan can be from the federal government. Further, this results in less aid overall and ineligibility for important components of the provincial student assistance program.

To that end, OUSA recommends that the Ontario Student Loans parental contribution expectations be aligned with those in the Canada Student Loan Program. This will add clarity around how the loan system works and what a student can expect by restoring the balance to the intended 60-40 split between the two contributions.

Further, this will expand access to the suite of strong financial assistance grants, debt management programs, and repayment options within the provincial portion of the loan. Finally, this will provide additional relief to Ontarian parents unable to meet unreasonable contribution expectations.

TABLE TWO: MODERATE STANDARD OF LIVING BY FAMILY SIZE ^{ix}

	2	3	4	5	6
CANADA	\$46,483	\$57,709	\$65,673	\$71,856	\$76,898
ONTARIO	\$40,957	\$46,867	\$51,949	\$56,442	\$60,343

**TABLE THREE:
ANNUAL DISCRETIONARY INCOME**

	CANADA	ONTARIO
\$0 - \$7,000	15%	25%
\$7,001 - \$14,000	20%	50%
\$14,001 and over	40%	75%

Remove interest from repayment of loans through the Ontario Student Assistance Program.

Estimated Cost: ~ \$40 million

Interest on a student loan can add significantly to a student’s total debt and cost of attending university. Many students not using debt management programs can see a disheartening amount of their monthly payment going towards the interest on their loan before addressing the principal. A student with a typical Canada-Ontario Student Loan, with an average loan amount of nearly \$30,000, will pay more than \$3 a day in interest, or more than \$1,000 in a year.

This is particularly challenging for graduates with limited earnings, as longer terms of repayment ultimately mean greater amounts of total interest paid over the time of debt. For students who need to restructure their debt repayment for 15 years, the interest rate (currently four percent on the Ontario portion of the loan, or the prime interest rate plus one percent) does not change – meaning that the amount of interest, as it compounds, effectively more than doubles.

Interest has often been justified as a means of compensating for those students that default on the program, or is sometimes held up as a means of encouraging timely repayment of loans. However, default rates continue to decline and currently amount to less than five percent among university students – due in part to existing debt mitigation programs.^x The removal of interest represents a

comparatively moderate investment that can yield a significant simplification of the system, ease repayment for the most vulnerable students, and is an easily understood public policy initiative.

Adjust the Ontario Student Assistance Program living allowance to reflect the cost of living in university communities.

Estimated Cost: ~ \$54 million

The province has taken an important step in its long-term commitment to increasing the Ontario Student Assistance Program’s loan availability and in setting a long-term direction for the Ontario Students Opportunities Grant. The previously inconsistent way in which the grant and cap have been adjusted created ambiguity surrounding how and when any adjustments would be made, if any.

While OUSA is grateful for such predictability and the clear message it sends about the priority of student aid, the prior pattern of adjustment has meant that the living allowance lags behind the cost of living in most areas with a university campus. Where the maximum student loan for a single, dependant student is \$12,260, the low-income after-tax cut-off in a small-to-medium city in Ontario is just over \$15,500.^{xi} Further, this discrepancy does not consider tuition and other educational costs.

Should the government consider reallocation of education and tuition-related tax credits, bringing the loan maximum to the low-income after-tax cut-off is a good foundation upon which to begin the government’s plan of tying the loan cap to inflation on annual basis.

Extend eligibility for the Ontario Tuition Grant for four non-consecutive years regardless of when the student graduated high school. Five year eligibility for cooperative education students and students with disabilities should continue, but also disregard high school graduation date.

Estimated Cost: ~ \$70 million

The Ontario Tuition Grant (OTG) has been a significant new investment in increasing non-repayable financial assistance. However, the strengths of the program make it even more important that it reaches the students who need it most.

Particularly vulnerable and underrepresented groups often have longer times to degree completion, or longer periods between graduating high school and attending a post-secondary institution. Aboriginal students, for example, have an average gap between high school and post-secondary education that is 12 months longer than their peers, who typically enter post-secondary education ‘directly’ from high school, just four months after graduation^{xii} In addition to recognizing that students, whatever their reason, may experience gaps over the course of completing their degree, expanding the OTG for four non-consecutive years regardless of high school completion would be an important strategy in encouraging mature and other non-traditional students to explore their post-secondary education options.

The province’s universities and colleges have to cope with declining enrolment among ‘direct-entry’ students who have traditionally comprised the vast majority of new enrolment and growth in universities. Institutions are going to have to turn to non-traditional students, particularly in light of the province’s goal to further expand annual enrolment. Readily available and commonly understood aid, like the Ontario Tuition Grant, can help students who are not eligible for other types of aid access post-secondary education, and can help students who have taken longer to prepare for university better plan and manage the cost of university.

INFRASTRUCTURE

While the government is making important investments in online and blended learning, the bulk of their educational experience remains built around the classroom. More than that, there are many important spaces on or near campus where students live, learn, study, seek healthcare and student support, and socialize. The traditional conception of a campus remains important to many people's idea of what a university is and how it works. At the same time, campuses are being asked to offer new and diverse learning spaces. Infrastructure is an undeniably important, and resource-intensive, part of university operations and planning.

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However, enrolment has increased at a rate that has far outpaced the expansion and repurposing of campus space. In a 2013 report, the Council of Ontario Universities (COU) estimated that our universities had only 73 percent of the space needed to support the current number of students, faculty, and staff.^{xiii} Furthermore, space priorities within universities have shifted and are not meeting the internal pressures for space usage. Between 2007 and 2011, there was a 5.5 percent increase in full-time equivalent (FTE) faculty while the number of FTE students increased by 9.7 percent. Over that same timeframe, academic office space increased by 10 percent, but classroom and research space increased by only 5.8 percent.^{xiv}

Further aggravating the issue, by the 2011-12 school year, the audited value of deferred maintenance had increased to over \$2 billion.^{xv} COU's facilities condition index found that 42 percent of buildings were in poor condition and requiring maintenance. To further that point, the average age of university buildings in Ontario is 34.2 years, with more than 35 percent of the buildings 40 years or older.^{xvi}

Ensuring that infrastructure planning and resources are key considerations in our post-secondary system will create a strong foundation for the rest of the educational experience, and ultimately enhance sustainability.

Government investments earmarked for deferred maintenance should be brought up to a level that is at least 1.5 percent of the current replacement value of all infrastructure.

Institutions have traditionally received or budgeted marginal amounts expressly intended for the maintenance of existing infrastructure. Institutions, prior to 2010, had received about \$27 million annually for maintenance. In 2009-10, that amount was reduced to \$17.3 million.^{xvii} In last year's budget, the government announced that it would be committing to an additional \$50 million per year for 10 years to handle ongoing and deferred maintenance at Ontario's 44 colleges and universities. While this is certainly a welcome investment, it only brings the amount earmarked for maintenance up to 0.25 percent of the current replacement value (CRV) for the buildings in the university system. In contrast, the generally accepted standard of building renewal is 1.5 percent of the CRV. Even if we assume that existing buildings have been properly maintained to this point, nearly \$250 million in annual funding would

be required to meet that standard of maintenance.

Universities require additional infrastructural funding, whether through expansions to operating grants or through the enveloping of existing funds to be used exclusively for the ongoing or deferred maintenance of existing buildings. Ideally, this envelope should meet the industry standard, 1.5 percent of the CRV of buildings system-wide, and should also set the expectation that universities will create and adhere to plans that address their own individual deferred maintenance scenarios. Further, future infrastructure funding for new builds should also require the university to demonstrate its ability to plan for its maintenance.

Availability of government infrastructure funding should be extended to include spaces associated with student support and services, health services, residences, and other 'non-academic' infrastructure.

Traditionally, government infrastructure funding priorities have focused on classrooms, faculty

offices, and labs. While these are important, the uses and types of space on campuses have evolved over the years and many universities have to prioritize infrastructure that has not fit traditional funding envelopes. Such examples include residences, student support spaces, health services, athletic, and social spaces.

Universities are unable to apply for infrastructure funding for these types of spaces, which are becoming increasingly important to students and university competitiveness. Instead, they often have to prioritize traditionally funded spaces, or tailor their applications to include a hybrid use of space that gives precedence to traditionally funded infrastructure while including some elements of other priority space types. This has likely contributed to an overall decline in student and central services from 16.7 percent of total space in 1998-99 to 14.1 percent in 2010.^{xviii}

Even more, spaces not eligible for infrastructure funding are built by using student funds through ancillary fees or the reallocation of operating resources. Students in Ontario’s universities are now paying an average of \$110.75 per student in capital ancillary fees, for a total of more than \$55 million per year.

OUSA understands that there are limits in the funds available for infrastructure projects in the province, and not only for universities or colleges. However, even if there are not resources available to expand the funds for university and college infrastructure, existing and future capital funds for post-secondary institutions should have their eligibility criteria include more types of buildings. This position is supported by a recommendation in the final report of the MTCU/MEI Long-Term Capital Planning Project, compiled by the Courtyard Group in 2009, which states, “funding should be extended to traditional

‘ancillary’ projects which demonstrate significant contribution to student development.”^{xix} This may ease the degree to which student fees are required for capital expansion, as well as give institutions the freedom to build buildings that meet their own individual needs.

The government should introduce a program matching some private donations intended for renovation and retrofit of existing university buildings.

The final major source of funds, other than students and governments, for capital projects is through private donations or fundraising campaigns. Private funding, as well as government funding, is primarily made available for ‘new builds’ – meaning the construction of a new building, space or addition, or a very significant retrofit of existing space.

“While new infrastructure is important to changing needs, it can compound the problem of deferred maintenance”

While new infrastructure is important to meeting changing educational and student needs, it can compound the problem of deferred maintenance. Focusing attention, and often prestige, on new projects creates a cycle of pursuing the government and private funding for new builds—which often involves staff effort and financial commitments from the

university. These efforts further pull funds away from existing infrastructure maintenance, and compound the problem by adding new buildings for which there are no long-term maintenance plans.

OUSA recommends that the government of Ontario consider earmarking infrastructure funds, either new or planned, to implement a matching program that encourages donations for the renovation, retrofit, or upgrade of existing infrastructure. This approach would recognize the importance of addressing deferred maintenance at our institutions as well as contributing to a culture where renovation is a prestigious and significant activity for donors.

HEALTH CARE ON CAMPUS

There are a growing number of health concerns on university campuses, partially due to expanding enrolment and increasing access and persistence of populations with specialized health needs. Further, a relatively young student population has a unique slate of health care requirements when compared to the general public.

An increasing proportion of students with chronic mental and physical health issues are attending university due to increased supports at the primary and secondary education levels. We are also seeing the increased recognition and diagnosis of some health issues. Post-secondary students are more likely to experience the onset of mental health issue for the first time, be they temporary or chronic. As post-secondary education often occurs at a transitional period in a person's life, it also offers a unique opportunity to address their health and lifestyle management.

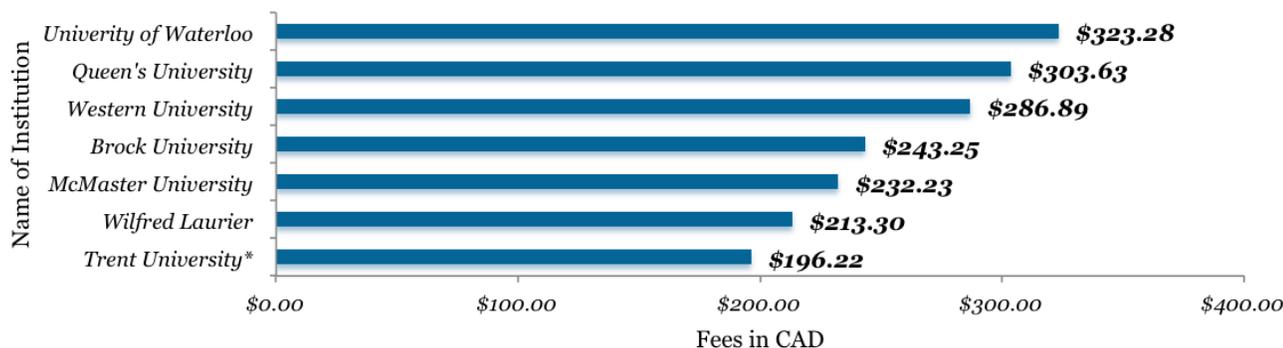
With nearly 70 percent of Ontario's youth population having attended a post-secondary institution, the province has an obligation to use this opportunity to undertake preventative and ongoing care for the province's future citizens. This is more than a student health problem, it is a youth health problem. Further supporting this effort is the way that post-secondary campuses engage with students; post-secondary school campuses are places where young people eat, sleep, work, learn, and socialize.

However, Ontario's campus health care centres and programs are experiencing resource and planning shortfalls relative to the needs of their clients and employees. Many on-campus health care professionals continue to share concerns about the staff available for the provision of front-line care on campus, and physician- and counsellor- to student ratios continue to lag behind the rest of the province.

In order to provide for services, campuses have had to piece together resources from a variety of sources: program funds from the Ministry of Training, Colleges and Universities, donations, reallocations from their operating budgets, and user and ancillary fees from students. That last revenue stream is, unsurprisingly, of concern to students. As demonstrated in Figure One, students – a particularly vulnerable group with limited earnings or reserve funds – are often asked to pay fees for a service offered for less, or for free, to the general public. In fact, students are paying more than an Ontarian earning much more income would have to pay in Ontario Health Insurance Plan premiums.

As investments in health care, particularly for youth and in the areas of preventative medicine and mental health care, are prudent cost-saving measures, and because current funding arrangements are burdensome for students and unpredictable for universities, OUSA offers the following suggestions:

FIGURE ONE: ANCILLARY HEALTH FEES AT OUSA MEMBER INSTITUTIONS



*fees for Trent University's 2013-14 academic year

Universities and governments should pursue alternatives to the fee-for-service physician compensation model, including Community Health Centres, on post-secondary campuses.

Given students' unique needs and service requirements, the retention of physicians and counsellors with experience in student service delivery is critical. However, the current fee-for-service model—where physicians are compensated based on the individual services they render to patients—can mean that practitioners at campuses receive less compensation than their community-based peers. This is due, in part, to uneven demands throughout the year resultant of the cycles in student attendance: with declines over the summer and holiday break, and spikes during midterms and final exams due to increased feelings of stress and the need for illness verification.

Another issue with the fee-for-service model is that counselling services are compensated at a rate lower than physical health services, yet these services comprise a much greater proportion of services performed on university campuses.^{xx} Further to that point, the fee-for-service approach encourages high-turnover in clients or, put another way, encourages the provision of more services by the physician in short order. Not only might this potentially impact the quality of individual care, it can also further compound the problem of lower compensation rates for the provision of mental health care, as such services tend to involve more time per service than many physical health care services.

The fee-for-service funding model may be hindering efforts to create communicative structures by limiting physicians' commitment to collaboration and long-term care in favour of more immediate services that could be rendered. This model also contributes to departmental barriers by encouraging reporting structures and cultures that keep colleagues apart and creates situations wherein practitioners spend

the majority of their time outside of shared physical spaces that could encourage collaboration. Directors of on-campus health service centres share these concerns as well, citing fee-for-service models of compensation as barriers to delivering comprehensive long-term care for patients. They suggest that moving away from such a model might empower physicians to adopt student care provisions as “almost a specialty.”^{xxi}

The unpredictability of demand as well as the lesser compensation for mental health service providers can create difficulty retaining staff with the experience and expertise necessary to maximize on-campus care. These effects can be felt particularly in the areas where students tend to seek care most often: sexual health, addictions, and mental illness. Further, students who must engage in longer-term treatment may have additional barriers to care in the form of practitioner turnover.

It is important to explore alternative compensation options so as to encourage comprehensive and long-term care delivery for students, as well as the retention and fair compensation of experienced physicians. An alternative compensation model will also have to acknowledge the importance of complete frontline mental health care to student populations, and the role that effective collaboration has to play in the delivery of coordinated physical and mental health care.

Students recommend that the government consider using Community Health Centres (CHCs) as models for the compensation of health care providers and the delivery of care. CHCs provide primary health care and health promotion for a community, are usually located in priority neighbourhoods, and have salaried teams of professionals including nurses, doctors, dieticians, psychologists, psychiatrists, and social workers. The compensation model does not require patients to roster or commit to seek medical attention only from their CHC. There are now 73 CHCs across Ontario, with staffing models ranging from 12 to 200 individuals.^{xxii}

Although these initiatives are largely geared towards low-income neighbourhoods and follow models that may not be completely transferable to a university campus environment, there are elements of their delivery and mandates that make sense in a post-secondary community context. The CHC funding and structure lend themselves to the comprehensive, fairly compensated, and collaborative approach to health care that student populations require. Additionally, CHCs provide incentives for the provision of more specific and specialized health care services (like health promotion, illness prevention, and continuing medical education) and is a model that allows specialized care for particular populations—such as youth, the elderly, or those with chronic illnesses, depending on the needs of the community.

Since CHCs do not typically require enrolment, they work well with the highly transient nature of students. Also, because they often address the health care needs of marginalized populations in broader communities their operations provide a good model for addressing the needs of vulnerable student populations.

The government and institutions should provide dedicated funding for student wellness centres that integrate primary medical care and mental health care on campuses.

The mental and physical health of students is of critical importance to their own success, as well as to the fulfillment our post-secondary education system's mission. The effectiveness of health care providers and students' access to frontline healthcare should be priority investments for institutions and should remain so even during challenging economic times. To that end, the government of Ontario, through the provision of funding envelopes to institutions and outcomes-based accountability mechanisms, should require dedicated resources that ensure the continued

availability of high-quality wellness services for students. Provincial capital funding should be made available for the capital needs of student health clinics. The capital costs of expanding health care facilities have always been the responsibility of the government of Ontario. Facilities on post-secondary campuses should be no different.

Student contributions to the operations of wellness centres and the provision of health education should be assessed in a fair manner – the availability, quality, and enhancement of health care on campus cannot be overly reliant on direct student funding through user or ancillary fees. The funding and accountability mechanisms that govern service delivery should be sufficient for not only the provision of a minimum standard of core services, but should also empower wellness centres to create collaborative care spaces while encouraging innovation and specialization in student health and wellbeing.

Campus health services should be better integrated with the local activities of the Ministry of Health and Long-Term Care.

There are certain structural and planning difficulties that arise from current approaches to on-campus health care. One of the most notable is the difficulty that comes from the degree of separation that results from campus health care being largely funded and administered by institutions themselves and the Ministry of Training, Colleges and Universities (MTCU). While we commend MTCU and Ontario's institutions for attempting to meet the health care needs of our students, there are still many inadequacies in the system. On-campus health care provision is larger more than a 'student' or MTCU problem: with Ontario's post-secondary participation rate reaching nearly 70 percent of the province's youth, a broader youth health care issue is developing.

“Since CHCs do not require enrolment, they work well with the transient nature of students ”

Ontario's universities and colleges offer a unique opportunity to engage with a significant part of the population in a place where they work, live, sleep, eat, and spend their free time. In this context, integrating on-campus health care delivery with the activities of the Ministry of Health and Long-Term Care in more significant ways provides a viable solution for optimizing post-secondary health care systems.

As it stands now, local health integration networks (LHINs) may not be appropriately resourced for the influx of students in communities with large institutions—a problem exacerbated by universities' increasing reliance on connections with local health care resources and practitioners. Further, the transient nature of students creates some administrative problems for the health care system, which widens disconnectedness between on-campus administrative systems and those in the broader public health system. As an example, students belonging to a family health team in their hometown may find themselves violating rules about seeking non-emergency 'outside care' by using their on-campus health care services for things like a doctor's note, blood tests, and routine physicals. If a student makes a habit of seeking 'outside care,' they may find themselves removed from their family physician's roster.

Better integration of services may mean that students can be classified appropriately, enabling arrangements that can be made to have their health care funding follow them. Similarly, better integration with the broader health care system may allow on-campus resources to also be accessed by the general community as the relative demands for services ebb and flow.

FUNDING FORMULAE

The Province should better leverage performance funding to incentivize certain performance measures.

Ontario's universities and colleges already have a small portion of their annual funding dedicated to performance-oriented measures and initiatives. More is set aside to support the collection and reporting of data required for the Multi-Year Accountability Agreements (MYAAs). The MYAAs are a set of agreements governing the reporting on, and progress towards, a set of agreed upon measures ranging from the participation of under-represented groups, to the availability of co-operative education programs, to the institution's graduation rate. All told, a significant, and fluid, portion (roughly 15 to 20 percent) of university budgets are for very specific programs and measures, setting an important precedent around how universities can be guided towards priorities that Ontario and its students deem crucial.

The funds earmarked for performance and the Multi-Year Accountability Agreements alone total nearly \$120 million annually, but are rarely withheld or used to incentivize an institution's behaviour in any significant way. Even if they were, the measures by which performance is assessed rely on measures on which all institutions should report and improve regardless.

The Ministry of Training, Colleges and Universities has, over the last year, begun a series of initiatives that introduce more strategy to how universities plan their growth and programs, measures to encourage differentiation, and discussions on how the funding formula may better support those missions. Each of these things opens up the possibility for performance funds to be used more meaningfully, and possibly to even expand performance funds. At the very least it can allow for discussions regarding how funding will be explicitly linked to the strategic direction of individual institutions as well as the broader goals of the post-secondary system.

As part of those discussions, OUSA asks that the post-secondary education system in Ontario adopt, as global goals for each of its institutions, the following areas. These pursuits should be meaningfully measured and reported against, and existing (or expanded) performance funds should be used in an impactful way to support this mission.

HEALTH

As argued earlier in this document, student health, both physical and mental health, remains an important factor in student success, as well as an important obligation for governments and institutions. Due to the growth of comprehensive physical and mental health care at the primary and secondary education levels, there is an increasing proportion of students managing chronic illnesses as they transition into post-secondary education. Similarly, the youth demographic remains the age group most likely to manifest a temporary or ongoing mental health issue for the first time.

OUSA again makes the argument that, given post-secondary education participation rates nearing 70 percent, post-secondary institutions have a unique opportunity to help students diagnose illnesses and to learn to manage and overcome them. Just as importantly, it is a particularly opportune time to help students develop the skills to prevent mental and physical health issues.

For these reasons, the health of, and health management opportunities for, students should be a measure of performance for post-secondary institutions. While OUSA is not an expert on lifestyle and health care performance metrics, there are some behaviours that students would like to see either mandated or incentivized.

- The provision of healthy foods, as well as efforts to make such offerings affordable;
- The availability of financially and physically accessible health and fitness options for student populations;
- Community partnerships and the degree to which assisted referrals are made;
- The provision, or demonstrated efforts to provide, on campus health care and appropriate links to campus resources; and,
- Resources and programming encouraging preventative mental and physical health practices.

CREDIT TRANSFER

Accepting transfer credits, actively working to establish credit transfer pathways, and the recognition of prior learning are important areas of university performance. There is tremendous waste in having students replicate prior learning—waste of time, funds, potential earnings for students, and a waste of funding for the province. This is on top of frustration and unpredictability in planning for students forced to duplicate learning.

Instead, as much as is possible, a student's education should follow them throughout their academic career. While there genuinely are some very real differences between educational offerings at some institutions, there is almost certainly room to undertake greater equivalency for individual courses or even parts of whole programs. Performance or operating funding should be better leveraged in order to encourage universities to undertake more credit transfer, as well as activities that support or enhance credit transfer – such as the development of common outcomes, clear language around course content, and standards in the provision of transfer services. Some measures in support of this goal could include:

- Proportion of successfully transferred credits as compared to applicants applying to transfer credits;
- Development of Prior Learning Assessment and Recognition protocols;
- The amount of credit transfer arrangements and partnerships;
- The availability of credit transfer information;
- Average time to a decision regarding credit transfer; and,
- The availability of a designated transfer case manager.

WORK-INTEGRATED LEARNING

It is widely understood that youth today face a difficult economic climate and a challenging labour market. However, despite these difficulties, university students experience the best long-term employment outcomes in terms of stability, earnings potential, and employment rates. However, the difficulty for many graduates is in employment outcomes during the first two years following graduation from university. During this period, many graduates find themselves working in jobs that are unrelated to their field of study, working multiple part-time jobs, or are generally underemployed. However, one group of graduates find themselves with a distinct edge when it comes to mitigating the difficulties faced in this two year period: students who have undertaken some form of work-integrated learning (WIL), such as cooperative education, community service learning, laboratory work, or internships.

Students who had some WIL as part of their education are more likely to be working full-time in a career related to their field of study than their peers. They are also more likely to find employment sooner and earn more than the median income for graduates with a similar degree.^{xxiii}

In addition to these benefits, OUSA focus groups with students undertaking WIL reveal some interesting secondary benefits. Students reported that participating in WIL allowed them to experience professional workplaces in a variety of roles, contributed to their ability to work in groups, and helped fine-tune valuable transferable skills. Students also shared that they became more comfortable articulating the skills developed as part of their education through the application of those skills in the workplace. As a result, these students were more comfortable in interviews and in preparing their resumes and could effectively communicate prior learning to potential employers.

Because of these benefits, both for students and for Ontario more broadly, OUSA suggests that the

Ontario government provide a funding envelope, or envelope existing funds, to support the development of WIL. Not all institutions will be equipped to provide WIL, while others may be able to provide them in all disciplines. Still others may endeavour to provide a form of work-integrated learning outside of ‘traditional’ cooperative education. Each institution’s goals and capabilities should be negotiated as part of its other strategic planning processes with the province, but for those that are pursuing this avenue of funding their performance may be measured by:

- Percentage of students undertaking some form of WIL;
- Availability of WIL opportunities by area of study;
- Student and employer satisfaction with placements; and,
- The existence of resources to support effective placements.

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RECOMMENDED CITATION

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