

# OUSAA

Ontario Undergraduate Student Alliance



## **An Educated Investment: Advancing Post-Secondary Education**

February 2011

**Submission to the Standing Committee on Finance and Economic Affairs**

## **AN EDUCATED INVESTMENT: Advancing Higher Education**

Submission to the Standing Committee on Finance and Economic Affairs

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### **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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## EXECUTIVE SUMMARY

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The one way to ensure Ontario's long-term prosperity is to continue to invest in higher education. The Premier has set an ambitious goal to raise Ontarians' post-secondary attainment level to 70 per cent, and accomplishing this will require that the government continue to build on its significant past investments through Budget 2011. The Ontario Undergraduate Student Alliance, representing over 140,000 professional and undergraduate university students, recommends the following priorities for Budget 2011 to improve the accessibility, affordability and quality of Ontario's post-secondary education system.

### PRIORITY ONE: ENSURING ACCESS TO HIGHER EDUCATION

To ensure all willing and qualified students are able to access post-secondary education, several improvements to the student financial assistance system should be considered:

1. Fulfill the 2007 Liberal platform commitment to reallocate funds spent on post-secondary education tax credits to reduce students' up-front costs at no cost to the provincial government.
2. Make more middle-income students eligible for financial assistance and reduce the financial burden on families by investing \$60 million to harmonize the expected parental contribution formula of Ontario Student Loans with the more generous expectations of the federal government.
3. Improve access for low-income students by extending eligibility for the Ontario Access Grant through to completion of undergraduate study at a cost of \$37 million.

### PRIORITY TWO: MAKING A STRATEGIC INVESTMENT

The *Reaching Higher Plan* was a bold step toward ensuring that Ontario's future would be bright, and students were further encouraged by the news in the government's Open Ontario Plan that there would be a new five-year plan to improve the quality of Ontario's post-secondary education system. The plan should include a renewed investment in our post-secondary institutions so Ontario may continue down this path to future prosperity:

4. Meet the demand for growth, demonstrate progress toward a more fair cost sharing model, and invest in quality by annually increasing university operating grants by \$300 million over the next five years.

### PRIORITY THREE: PROMOTING STUDENT SUCCESS

Universities must find new and creative ways to ensure that students receive the quality of education and support they need to succeed in school and beyond. Targeted investments should be made to demonstrate that student success is a public priority:

5. Target \$10 million of future increases in university operating funding to the development of a training program at each university that would give instruction in pedagogical methods and practices to all new faculty and teaching assistants.
6. Invest \$15 million to create 100 Ontario Teaching Chair positions to signal the importance of a renewed focus on teaching quality.
7. Target \$25 million of future increases in university operating funding to create a new matching program for enhancing student support services.

## A NEW PLAN FOR HIGHER EDUCATION

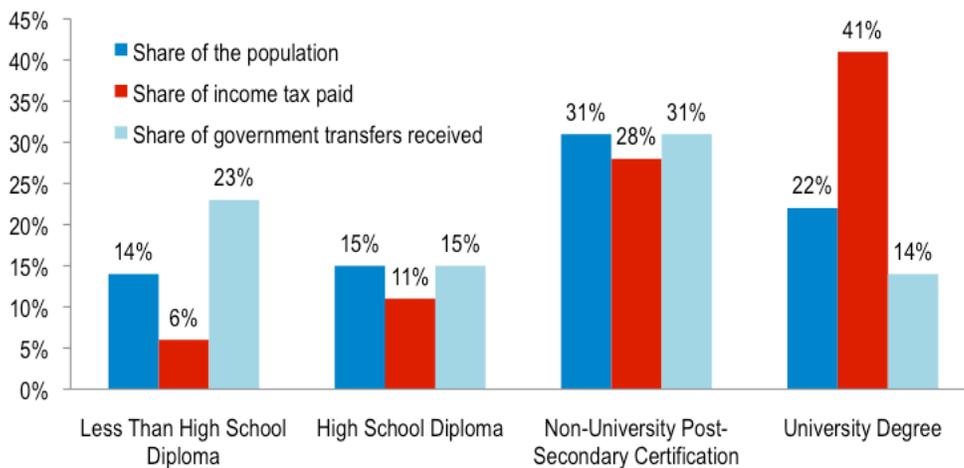
Only two years ago, Ontario was dealing with a crisis: our province, along with the rest of the world, was plunged into a recession. The province fared far better than many peer jurisdictions, and, through targeted stimulus and an emphasis on job creation, the government stemmed a tide that threatened the prosperity of Ontario families. With Ontario now on a fragile road to recovery, we must continue to make smart investments in our future competitiveness.

Guiding Ontario to robust economic growth will require government leadership on many fronts, but one key strategy for ensuring long-term success is to continue to invest in post-secondary education. Global competition for jobs, ideas and people is a reality. In the context of globalization, it has become clear that the better educated your citizenry, the more prosperous your city, province, or country. Every day, new jobs requiring a higher education are created, but to fill them we must first create spaces in our post-secondary institutions and ensure there are sufficient supports and resources for students to be successful. The Premier has already recognized the importance of a well-educated populace through his ambitious goal to raise Ontarians' post-secondary attainment level to 70 per cent.<sup>1</sup> Students stand in full support of this initiative, and stress that further investment in the growth and accessibility of our colleges and universities is essential.

Moreover, there exists broad consensus among experts in a diversity of fields on the need for continued investment in higher education. Since the government established the Task Force on Competitiveness, Productivity and Economic Progress in 2001 to measure and monitor Ontario's economic performance, the Task Force has recommended in every annual report that the government prioritize investment in post-secondary education over other spending considerations.<sup>2</sup>

There exists broad consensus among experts in a diversity of fields on the need for continued investment in higher education.

Share of Income Tax Paid and of Government Transfers Received by Level of Education among Canadians Aged 25 to 64 in 2006<sup>3</sup>



The economic and social returns of post-secondary education are overwhelming. Over 40 years, a person in Ontario with a Bachelor's degree will, on average, earn \$769,720 more than someone with only a high school education.<sup>4</sup> Moreover, those with a university degree comprise only 22 per cent of the population yet contribute 41 per cent of income tax paid and receive only 14 per cent of government transfers.<sup>5</sup> In addition to increased government revenue, Ontarians with a post-secondary degree are more likely to be employed, live longer, be healthier, commit fewer crimes, vote in larger numbers, donate to charity, and volunteer in their communities. Furthermore, families headed by a university-educated individual are half as likely to live in poverty.<sup>6,7</sup>



The 2011 Ontario Budget must continue to build on past investments and include – as announced in the 2010 Speech From The Throne – a new long-term strategy to enhance post-secondary education and propel our province into the economy of tomorrow.



In 2005, heeding the advice of the Task Force and many others, the government recognized that higher education is the key to our success in the global knowledge economy. An investment of \$6.2 billion over five years began a process of strengthening the quality, accountability and accessibility of Ontario's higher education system. The benefits of the *Reaching Higher Plan* were numerous. The most impressive accomplishment is that more students than ever before have been empowered to access and excel in a post-secondary education. Still, over the next five years, the university population alone is expected to grow by an additional 42,000 to 58,000 students, necessitating further government investment.<sup>8</sup>

With the *Reaching Higher Plan* now expired, it is crucial that further steps are taken to improve the accessibility, quality, and overall financial health of our institutions. Now is not the time to curb investment in post-secondary education and risk undermining the progress that has been made; new and equally ambitious goals must be set for the next five years. As was recognized in 2005 in the government's initial announcement of *Reaching Higher*, "an investment in postsecondary education today is an investment in jobs tomorrow. But education is more than an economic imperative. It is the measure of our commitment to opportunity – it's the foundation of an engaged citizenry and a strong democracy."<sup>9</sup> Above all, the 2011 Ontario Budget must continue to build on past investments and include – as announced in the 2010 Speech From The Throne – a new long-term strategy to enhance post-secondary education and propel our province into the economy of tomorrow.<sup>10</sup>

Finally, Ontario students and the public at large understand the fiscal difficulties and pressures that the province faces. Indeed, the government must ensure that funds are invested wisely and in areas where they will do the most good for Ontario. Students have identified three priority areas, and submit the following recommendations, in the belief that these targeted investments, coupled with strong government leadership, would make the greatest difference to the affordability, accessibility and quality of higher education in Ontario.

## PRIORITY 1: ENSURING ACCESS TO HIGHER EDUCATION

All willing and qualified students must be able to attend post-secondary education. This simple statement is one of the core principles held by both students and Ontarians. With undergraduate students in Ontario now charged the highest tuition in the country at an annual average of \$6,300,<sup>11</sup> it must be a public priority to guarantee that no student is unable to access the opportunity of higher education due to financial constraints. To achieve this goal, it is vital that the public financial assistance system ensures that all students have the financial resources necessary to attend higher education. Students enthusiastically welcomed the most recent improvements to the Ontario Student Assistance Program in the 2010 Ontario Budget, yet more must be done to ensure an equal opportunity to access the enormous benefits of higher education.

**Recommendation One:** Fulfill the 2007 Liberal platform commitment to reallocate funds spent on post-secondary education tax credits to reduce students' up-front costs.

**Cost to Government:** \$0 (if tax credits are phased out)

One of the primary components of the financial assistance system is the post-secondary tuition and education tax credits provided by the federal and provincial governments. Last year, the Ontario government spent \$330 million on education tax credits, making it the single largest expenditure on non-repayable student financial assistance.<sup>12</sup> Since 2000, Ontario has spent well over a billion dollars of potential tax revenue on these credits.

If the amount of taxes owed by a student is greater than their amount of tax credits, then the student benefits from the credit in the same year. However, this is the case for only one in three students.<sup>13</sup> Because students often have low incomes, their tax responsibilities are also often low and they cannot immediately benefit from their tax credits. Accordingly, if the student has more tax credits than the amount of tax owed, they can transfer their credits to a family member or common-law partner, or carry them forward to a future year.

Average Tax Credit Claimed <sup>14</sup>	
High Income Quartile	\$2,000
Middle-High Income Quartile	\$1,600
Low-Middle Income Quartile	\$1,300
Low Income Quartile	\$520

While there is a demonstrated financial benefit for students and their families from tax credits, many argue that these programs are an ineffective way to distribute student assistance. Tax credits do not equally benefit individuals across income brackets. In fact, high-income students claim on average three to four times more through the tax credits than do people from low-income families.<sup>15</sup>

A second and equally important issue regarding tax credits is the time at which they are given out. The most sensible time to provide financial support to students is during the period of the school year when they accrue the majority of their costs – the start of the first semester. Unfortunately, in the case of the tax credits, their connection to the tax cycle means that students are not able to use the credits when they most need them. Furthermore, low-income students who need the funds most are also the least able to make use of them on their tax returns during their studies. Most concerning is that tax credits do nothing for those students who, faced with the large up-front cost of attending higher education, chose not to participate at all.

Fortunately, the Liberal government's 2007 election platform recognized that these funds could be spent more wisely and promised to reallocate money spent on tax credits to up-front grants.<sup>16</sup>



While there is a demonstrated financial benefit for students and their families from tax credits, many argue that these programs are an ineffective way to distribute student assistance.





Scarce financial assistance dollars should be spent, first and foremost, to improve access to higher education.



Students have welcomed this promise and are waiting to see it become reality. The Ministry of Finance's proposed implementation plan to fulfill this campaign promise has been to switch from providing tax credits to providing an equal value to all students or families in the form of an up-front grant. It has been suggested that carrying out this plan would require an up-front expenditure due to the administrative costs of implementing a new grant and because the current cost to government is spread out over a number of years, as students can carry the tax credits forward for years after graduation.

To overcome this barrier in these challenging economic times, students suggest a different implementation mechanism. The government should stop providing new tax credits and, as previous credits work their way through the tax system over a number of years, money would become available to reallocate directly to reducing students' up-front costs. It is unclear how many students in Ontario carry forward unused provincial tax credits, and therefore hard to know how much money would become available in the first year. However, 72 per cent of the federal tuition tax credit expenditure is from tax credits claimed in the year they were earned, so assuming a similar distribution occurs in Ontario, nearly three-quarters of the funds (or in excess of \$230 million) would likely be available in the next fiscal year.<sup>17</sup>

The new revenue could be used to implement one or a combination of positive improvements that would enhance access to higher education. Students principally recommend lowering the \$7,300 threshold for receiving the Ontario Student Opportunity Grant, thus increasing the proportion of Ontario student loans that is non-repayable and lowering student debt. Using \$100 million of the funds could lower the threshold to \$6,250, capping student debt for a 4-year degree at \$25,000. Students acknowledge this plan would not provide each student with the same value of tax credit that they are currently collecting, but believe that scarce financial assistance dollars should be spent, first and foremost, to improve access to higher education. This plan would result in no up-front cost to the government, would still fulfill the platform commitment, would have the greatest impact on accessibility, and is the preferred distribution method of students.

Some have argued though that tax credits should continue to be offered because they are the only financial assistance available to middle-income families whose children do not qualify for the Ontario Student Assistance Program (OSAP). Putting aside the fact that the top income quartile – not middle-income families – receives the most benefit from these credits, students believe there are two better alternatives than keeping the tax credits in place. First, a small portion of these funds could be used to expand OSAP eligibility to middle-class families, as outlined in Recommendation Two.

Furthermore, if the government believes that this money should be available universally, and not just for those eligible for OSAP, then it would still be more useful to use the money spent on tax credits to significantly reduce up-front tuition costs, rather than create a new grant. This could be implemented through a simple change to the tuition framework and a reallocation of tax credit spending to our post-secondary institutions over a period of time. The reduction could be implemented either as a tuition freeze or a subsidy on current fees. Freezing college and university tuition at current levels and replacing all lost institutional revenue to institutions would cost approximately \$170 million.

**Recommendation Two:** Make more middle-income students eligible for financial assistance and reduce the financial burden on families by harmonizing the expected parental contribution formula of Ontario Student Loans with the more generous expectations of the federal government.

**Cost to Government:** \$60 million

The Ontario Student Assistance Program consists of two separate loans, one from each of the federal and provincial student loan programs, integrated into a single loan known as a Canada-Ontario Integrated Student Loan. The contributions of the federal and provincial governments are not fixed because each employs distinct need assessment formulas that differ in a number of ways. The most significant difference is in the amount that parents are expected to contribute to their children's post-secondary education, otherwise called the parental contribution.

The basic process for calculating the parental contribution is the same in both need assessments: Take the parents' after tax income and subtract the Moderate Standard of Living to get the Annual Discretionary Income. A portion of the Annual Discretionary Income is then assessed as the parental contribution. Where the need assessments differ is in the amount that constitutes a Moderate Standard of Living and the share of discretionary income that should go to a child's education.

The 2010-11 Moderate Standard of Living for Canada and Ontario are shown below.<sup>18</sup> A higher Moderate Standard of Living results in a lower Annual Discretionary Income and thus a lower parental contribution. As the numbers illustrate, the federal government's calculation is significantly more generous than Ontario's – a full 28 per cent higher for a family of four.

Family Size	2	3	4	5	6
<b>Canada</b>	\$43,320	\$53,782	\$61,204	\$66,966	\$71,665
<b>Ontario</b>	\$37,694	\$43,133	\$47,810	\$51,945	\$55,535

After the Moderate Standard of Living is subtracted from the parents' net income to calculate Annual Discretionary Income, the government assumes a percentage of the discretionary income will be put toward a child's post-secondary education. Here again, Ontario is significantly less generous than Canada. The following table summarizes the 2010-11 parental contributions based on Annual Discretionary Income in both Canada and Ontario.<sup>19</sup> According to the chart, Canada expects parents to contribute \$2,450 of their first \$14,000 in discretionary income, while Ontario expects \$5,250 – more than double the federal amount.

Annual Discretionary Income	Canada	Ontario
<b>\$0 - \$7,000</b>	15% (max \$1,050)	25% (max \$1,750)
<b>\$7,001 - \$14,000</b>	20% (max \$1,400)	50% (max \$3,500)
<b>\$14,001 and over</b>	40%	75%

The differences in the two assessments are significant. For example, a family of three with a net income of \$55,000 is expected to contribute \$4,183 in the provincial assessment, while expected to contribute only \$183 in the federal assessment. Similarly, a family of five with a net income of \$75,000 is calculated as contributing \$12,041 in the provincial assessment and only \$1,257 in the federal assessment.

The parental contribution expectations of the student assistance program are especially important for low- and middle-income families whose children continue to participate in higher education at a lower rate than those from high-income backgrounds. While the university participation rate of students in the high income quartile has been steadily climbing over recent years, the participation of low- and middle-income students has not kept pace.<sup>20</sup> Furthermore, studies have shown that parental behaviours in saving for and financing their children's post-secondary education are not aligned with the expectations of the government.<sup>21</sup> With tuition increasing at 5 per cent annually, an increasing number of students who are shut out of public assistance are turning to private loans or working a greater number of hours while studying to finance their education.<sup>22</sup> The government should do more to ensure that these students have sufficient financial resources to meet the costs of pursuing higher education.

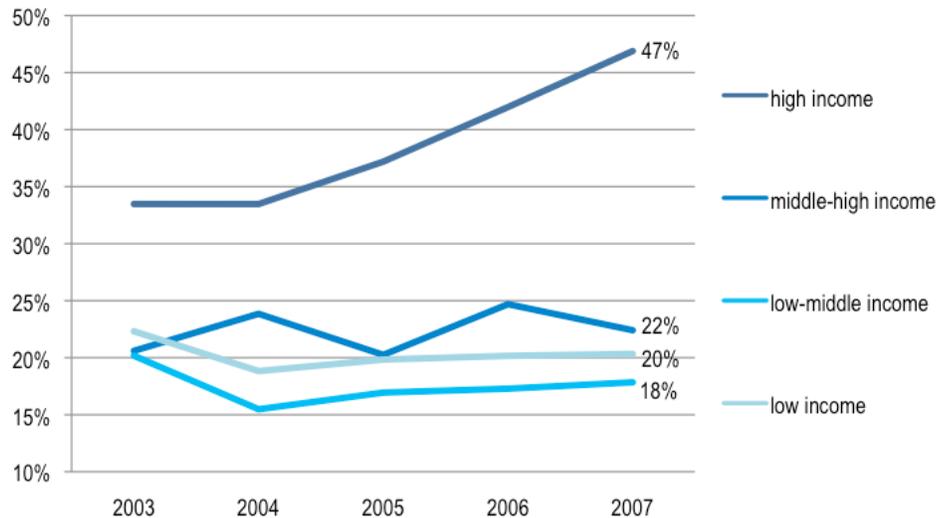
The parental contribution expectations of the student assistance program are especially important for low- and middle-income families whose children continue to participate in higher education at a lower rate than those from high-income backgrounds.



The Ontario Access Grant is only available for the first two years of study, yet low-income university students require assistance for all years of their education.



Full-time University Participation by Income Quartile for Ontario Youth aged 18 to 24<sup>23</sup>



Harmonizing Ontario's parental contribution requirements with those of the federal government would make significantly more middle-income families eligible for financial assistance and allow low-income and middle-income students to receive significantly more assistance in the form of both loans and grants. The Ministry of Training, Colleges and Universities has estimated the cost of harmonization at \$60 million.

**Recommendation Three:** Improve access for low-income students by extending eligibility for the Ontario Access Grant through to completion of undergraduate study.

**Cost to Government:** \$37 million

Studies have repeatedly shown that students from low-income families have a much lower post-secondary participation rate. Over 80 per cent of students aged 20 to 24 from families earning over \$100,000 enrol in post-secondary education, whereas only 60 per cent of students from families earning less than \$25,000 pursue a higher education.<sup>24</sup> Furthermore, as noted earlier, the university participation gap between students from low- and high-income families has been increasing steadily since 2003.<sup>25</sup> Low-income students tend to be more sensitive to price increases of post-secondary education and have greater anxiety about their ability to pay back their loans when they graduate.<sup>26</sup>

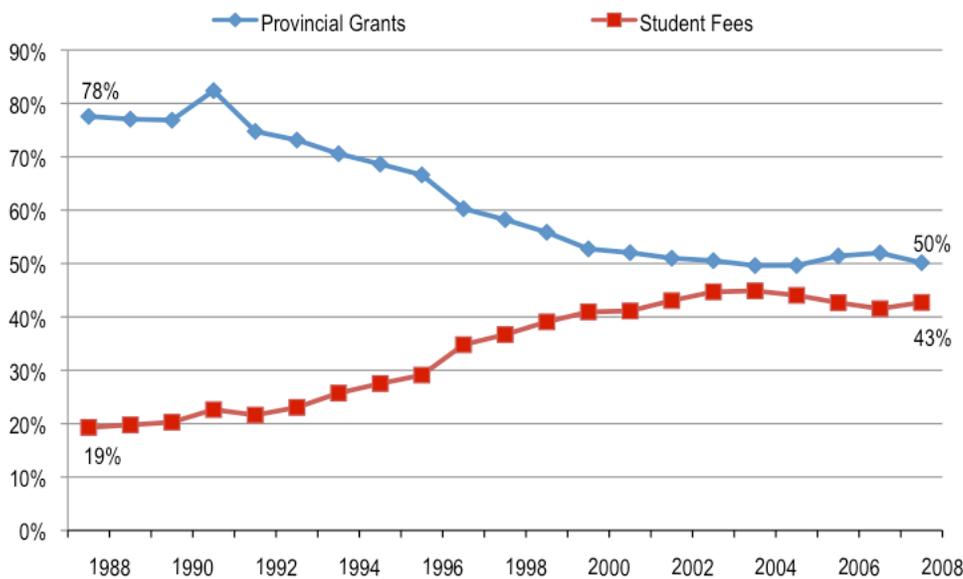
To assist students from low-income backgrounds in accessing higher education, up-front grants were re-introduced into the Ontario financial assistance system by the McGuinty government in 2005 after an absence of 12 years. The largest of these grants – the Ontario Access Grant – is targeted to support students from low-income families and converts between 25 and 50 per cent of a student's tuition into a non-repayable grant. In 2009-10, 58,000 post-secondary students benefitted from the Ontario Access Grants for an average grant of \$1,626.<sup>27</sup>

Unfortunately, the Ontario Access Grant is only available for the first two years of study, yet low-income university students require assistance for all years of their education. In a recent report by the Higher Education Quality Council of Ontario, it was suggested that higher levels of targeted grants would encourage more low-income and first-generation students to participate in post-secondary education.<sup>28</sup> Studies have shown that low-income students in particular are more receptive to grants than repayable loans,<sup>29</sup> but there is inadequate assistance designed to specifically target underrepresented groups.<sup>30</sup> Greater availability of up-front non-repayable grants would help to eliminate real and perceived financial barriers to accessing higher education for low-income students, and eligibility for these grants should be extended for all years of undergraduate study. The cost of this change has been estimated at \$37 million.

## PRIORITY 2: MAKING A STRATEGIC INVESTMENT

The *Reaching Higher Plan* was a bold step in ensuring that Ontario's future would be bright, and students were further encouraged when the government's Open Ontario included "a new five-year plan to improve the quality of Ontario's postsecondary education system." In order to achieve this, students echo their partners in many sectors in calling on the provincial government to provide increased funding that can cover the cost of future growth, inflationary pressures, and much-needed improvements to the quality of the learning environment. Without new resources, institutions will be forced to constrain costs through measures that erode quality, such as letting facilities degrade, increasing class sizes, and using more part-time instructors. The creeping erosion of quality has been going on for the better part of two decades, and it is critical to not only stop it from progressing further, but to reverse its course completely.

Public and Student Contributions to Ontario University Operating Budgets<sup>31</sup>



Funds from the *Reaching Higher Plan* increased base funding to universities and colleges by 40 per cent. This investment primarily went to fund much-needed growth in the system, allowing over 50,000 new students to attend Ontario's universities. However, the unexpected level of growth consumed most of the new resources, such that real per-student funding grew by only 1.6 per cent annually.<sup>32</sup> As a result, Ontario continues to rank tenth of all ten provinces in per-student funding, meaning that there are fewer resources available to our institutions to provide a world-class education.<sup>33</sup> Furthermore, the government is now spending a lower percentage of its budget on higher education. Provincial grants for postsecondary institutions as a percentage of the Ontario Budget have fallen from 6.0 per cent in 1989 to 4.7 per cent in 2008. As a result of perennial underfunding from government, institutions have been forced to rely heavily on tuition fees, which in Ontario are now the highest in the country.<sup>34</sup> In fact, for the first time in history, students at a number of Ontario universities are contributing more to their institution's operating budget than the government. Ontario once had comparable public contributions to its post-secondary institutions as other provinces, and returning to this standard should be a long-term public goal.

For the first time in history, students at a number of Ontario universities are contributing more to their institution's operating budget than the government.



Reaching the Premier's post-secondary attainment target of 70 per cent will require continued growth – and continued investment – in Ontario universities.



**Recommendation Four:** Meet the demand for growth, demonstrate progress toward a more fair cost sharing model, and invest in quality by committing to annually increasing university operating grants over the next five years.

**Cost to Government:** \$300 million annually for a cumulative new investment of \$4.5 billion over five years

Reaching the Premier's post-secondary attainment target of 70 per cent will require continued growth – and continued investment – in Ontario universities. If the current tuition framework is allowed to continue, accommodating the expected growth in Ontario universities at current per-student funding levels will require an approximate increase in government funding of \$100 million each year over the next five years. However, this investment would not alter the current state of public funding for universities, even as the contribution from students and their families rises by 5 per cent each year and Ontario falls further behind the rest of Canada in per-student funding.

If the government instead chooses to further restrict tuition increases once the current tuition framework expires next year, the system will require additional resources to cover costs. A tuition freeze that replaces all lost revenue to universities would require an additional \$130 million annually, while a real freeze to the rate of inflation would likely require upwards of \$75 million. An investment of this kind would begin to restore a more fair cost-sharing model between students and the public, and would be welcomed by students and families across the province. Finally, it is important to highlight that this investment would accommodate projected enrolment growth, but would not recognize reasonable inflation costs at post-secondary institutions nor facilitate the continuation of the current level of quality. If the government wishes to further enhance the quality of education, which all stakeholders believe is crucial for long-term prosperity, then a further annual investment in addition to what has been outlined would be required.

Students recommend that the government budget to increase university operating grants by \$300 million each year for the next five years for a cumulative new investment of \$4.5 billion. This would accommodate growth to meet the Premier's attainment target, make significant progress to restoring public funding to post-secondary education, relieve pressure on institutions to require tuition increases that are unmanageable for many, and provide necessary funding for our institutions to invest in a high-quality learning environment focused on student success.

## PRIORITY 3: PROMOTING STUDENT SUCCESS

While Ontario has a relatively high post-secondary participation rate, other countries are catching up, and Ontario must have the best and brightest workforce, not simply hand out the most credentials. Although the *Reaching Higher Plan* was intended to improve the quality of the learning experience, the funds for quality improvement were largely swallowed by unprecedented enrolment growth. However, Budget 2011 and a post-*Reaching Higher* quality plan can still find new and creative ways to ensure that students receive the quality of education and support needed to succeed in school and beyond. To ensure that specific public priorities are addressed, students recommend that this year's budget contain targeted funding for specific quality improvements, thus demonstrating that the quality of the learning environment is a public priority.

Some universities will argue that, because of the principle of institutional autonomy, the government should simply provide additional funding and allow institutions to invest it where they see fit. Students disagree with this sentiment, and believe that the government has a responsibility to ensure that our institutions, and the public dollars they receive, are meeting the needs of our students and our province, even if this requires providing specific funding to incentivize broad change in teaching quality and student support services.

**Recommendation Five:** Target a portion of future increases in university operating funding to the development of a training program at each university that would give instruction in pedagogical methods and practices to all new faculty and teaching assistants.

**Cost to Government:** *\$10 million of incremental funding*

University students feel strongly that the quality of the instruction they receive is insufficient. In Ontario, one can become a professor without a single lesson in how to teach. At present, most campuses have a Centre for Teaching and Learning, but using their services is optional and those instructors who need help the most are least likely to receive it. Students are left to ponder why primary and secondary school teachers need a full degree in education when there is absolutely no prerequisite for university instructors.

Furthermore, university administrators, professors and students alike have known for decades that the traditional lecture method of teaching is considerably less effective than active learning pedagogies that promote deep learning, such as inquiry-based learning, community service learning, and problem-based learning. Without the leadership and support to transform our approaches to post-secondary teaching, however, our universities have been, and will continue to be, mired in the status quo. The most recent review of the higher education system in the United Kingdom has recommended that funding for universities be contingent upon all new faculty undergoing a teaching training qualification.<sup>35</sup> As well, universities around the world are stepping up their efforts to ensure that quality in the classroom is improved. Ontario cannot afford to fall behind.

Thus, students propose that the government target a portion of incremental funding to the development of a module of mandatory pedagogical training for all new instructors and teaching assistants. Each institution would develop its own curriculum and would provide the instruction on campus through existing infrastructure; the government would only need to specify the number of hours of instruction – perhaps 40 hours – and provide some funding to expand institutional capacity to carry out this objective.

An average of \$500,000 per year would likely be required at each university to hire educational developers and to operate training programs. At a total cost of less than \$10 million, such a program would have a profound long-term impact on university instruction.



Universities around the world are stepping up their efforts to ensure that quality in the classroom is improved. Ontario cannot afford to fall behind.





Student support services, however, are a proven way to raise retention and graduation rates.



**Recommendation Six:** Create 100 Ontario Teaching Chair positions to signal that the province wants a renewed focus on teaching quality.

**Cost to Government:** \$15 million

In 2005, the provincial government pledged \$25 million to create research chairs at universities across the province.<sup>36</sup> These prestigious appointments are given to researchers who are “acknowledged by peers as a world leader in the field.” The money for research chairs is provided to allow professors the ability to focus on research alone during the time of their funding. This contributes greatly to the culture of excellence in research that exists in Ontario.

But in addition to research excellence, Ontario’s faculty are also developing leading edge curriculum and pedagogy that will have an immeasurable positive impact on the next generation of students. As Teaching Chairs, these professors would be relieved of traditional research responsibilities so they could focus efforts on advancing the scholarship of teaching and learning. Furthermore, these individuals would be ambassadors for improved teaching quality, raising awareness among their colleagues and driving cultural change with regard to teaching and learning at our institutions.

The Ontario Research Chair program provides \$150,000 per faculty member. At the same unit cost, 100 teaching chairs, or an average of five per university, could be established for \$15 million. By undertaking this initiative, the Ontario government would be sending a clear message that teaching quality is important and our faculty will be rewarded for being some of the best teachers in the world.

**Recommendation Seven:** Target a portion of future increases in university operating funding to a new matching program for enhancing student support services.

**Cost to Government:** \$25 million of incremental funding

In order for students to be successful in their educational endeavours, universities must be equipped with support services that assist students in their pursuits. One in ten students who enter a university program drop out,<sup>37</sup> representing wasted student potential and taxpayer dollars. Student support services, however, are a proven way to raise retention and graduation rates.<sup>38</sup> Academic life is meant to challenge and push individuals to achieve their full potential. It is important that robust services be there when students are most at risk of not succeeding.

Students fundamentally believe that certain key support services must be in place and of high quality at all institutions in Ontario. These include but are not limited to: mental health services, academic advising, childcare facilities, career guidance, and special support for international students, students with disabilities, and Aboriginal students. As a greater diversity of students enter our post-secondary institutions, it is even more important that services exist that are tailored to their differing needs.

Unfortunately, student support services are often the first to be cut when budgets are tight, and students typically pick up the tab through increasing ancillary fees. Furthermore, most services lack the funds to be proactive in assisting students who may be unaware that help is available. To reverse the underfunding of these services, further improve graduation rates, and make improvements to the overall learning environment, the government should prioritize funding for these critical services.

The best way to ensure student services receive adequate funding is through the designation of targeted funding within the provincial funding formula. This would be similar to some of the existing special-purpose funding, such as current funding for bilingualism efforts and Aboriginal initiatives.

Students suggest allocating \$25 million worth of new funding to a new special purpose operating grant to fund improvements to support services. This grant would be available to institutions through a matching program that contributes one provincial dollar for every additional dollar of institutional funding directed to new support initiatives. This would do much to improve these services and demonstrate the government’s commitment to student success at the post-secondary level.

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