



Ontario Confederation of University Faculty Associations
Union des Associations des Professeurs des Universités de l'Ontario

Budget 2010 Backgrounder:
Ontario's Postsecondary Spending Plans

OCUFA WORKING PAPER SERIES

ONTARIO CONFEDERATION OF UNIVERSITY FACULTY ASSOCIATIONS

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At a time when governments are preparing to pare back stimulus spending and some commentators are urging fiscal restraint, Ontario Budget 2010 reiterated the McGuinty Government's commitment to funding access to postsecondary education in Ontario. The budget includes \$310 million in operating funding to provide for 20,000 additional college and undergraduate university students in the coming year. The government also restated its plans to increase the number of international students and develop the credit transfer system, and its proposal to establish an Online Institute, but no details were provided and no resources allocated for these purposes.

Stimulus funding for capital projects and infrastructure renewal was on prominent display in last year's budget, but capital funding for deferred maintenance received no mention in Budget 2010. Nor were any new initiatives in research funding announced. There will be a separate announcement on tuition and student aid.

Government operating grants

Since 2005 when it announced *Reaching Higher*, the McGuinty Liberal government has promised that all eligible qualified students would find a place in Ontario's postsecondary institutions and that each of these places would be funded by the provincial government. Budget 2010 included \$155 million in year-end funding to colleges and universities to cover enrolment growth in 2009-10. \$65 million has already been allocated to universities; how the remaining \$90 million will be distributed remains to be determined.

Budget 2010 adds funding details to the announcement in the Speech from the Throne that the government intends to add 20,000 places for students for 2010-11. At present, it is estimated that approximately 11,000 of those students will be entering universities. Based on the proportionately higher operating funding for university undergraduate students, 11,000 additional students could mean approximately \$200 million in

additional funding to universities. The actual amount will depend on enrolment levels. The government's plans to expand graduate education in the province also continue. Although not announced in the Budget, the government has committed to providing an additional \$17.2 million for graduate expansion for the coming year. \$217.2 million for enrolment increases represents an increase in operating funding of seven per cent above 2009-10.

While this injection responds to an immediate need to accommodate a growing student population, there are no assurances that their future experience will not be one of declining quality. With the worst student-faculty ratio in Canada that failed to improve after the "double cohort" passed through their undergraduate programs, Ontario's students continue to have less interaction with the full-time tenure-stream faculty than their counterparts elsewhere. To improve the quality of education and the student experience in Ontario, a significant proportion of the increased operating funding must be devoted to reducing class sizes and enabling the recruitment of permanent, full-time faculty.

It is not yet clear whether the level of per student funding represented by \$310 million for 20,000 students is meant to be a harbinger of the future or an attempt to make up lost ground. Despite the significant increase in operating funding provided by *Reaching Higher*, per student funding* has barely kept pace with enrolment increases and inflation. Increased funding has made no dint in class sizes or student-faculty ratios.

Other initiatives

The budget also calls for aggressive recruitment of international students. OCUFA believes that Ontario students have much to gain by engagement with international students in the classroom. And Ontarians more generally benefit from improved ties to

* Per BIU or Basic Income Unit, a weighted enrolment measure.

other cultures and nations. But it is unfair to treat international students merely as sources of revenue. Equitable treatment and a quality education require sufficient and appropriate support. This budget does not outline a plan or the funding to embrace those principles.

OCUFA is also concerned about the government's plan to create an Online Institute. It is our understanding that the government hasn't developed any plan as to what it intends to do in this area but will start an extended review process to determine what form an Online Institute will take.

The government proposes to develop the credit transfer system further. Appropriately designed credit transfer systems require resources. OCUFA believes that student success, not cost savings, should be the motivation for developing a credit transfer system that facilitates student movement between institutions.

Concluding comments

Additional operating funding is a welcome initiative to ensure that there is no further erosion in the quality of education provided by colleges and universities in the short-term. For all that the enrolment increases and other initiatives signal ambitions similar to those of *Reaching Higher*, there remain significant questions about the government's plan to ensure not just that students have access, but receive a quality education as well.

Little can be said about tuition and student aid until after the announcement expected Monday, except that OCUFA is concerned that Ontario students continue to contribute a much greater proportion of operating revenues to universities than students in the rest of Canada.

Only a funding strategy that looks beyond the current year can begin to come to grips with quality. In addition to a faculty renewal and retention strategy, OCUFA has been advocating increases in operating funding to levels where: a) year-end stop-gaps are not required to ensure funding students after the fact; and b) enrolment-related funding is folded into base operating on an annual basis to eliminate ambiguity about future funding.