

## PROVINCIAL FUNDING

### The Problem

Ontario lags far behind the rest of Canada and North America in funding its universities. Inadequate government operating grants mean that the ability of universities to provide an affordable and high quality education is in jeopardy. This funding gap has only been strained by tremendous increases in enrolment. As a result, universities have been forced to reduce quality, defer costs, and increase the amount that students pay through tuition and ancillary fees.

The issue is simple. Ontario's universities do not have enough public funds.

### PUBLIC FUNDING FOR ONTARIO'S UNIVERSITIES IS THE LOWEST AMONG ALL CANADIAN PROVINCES

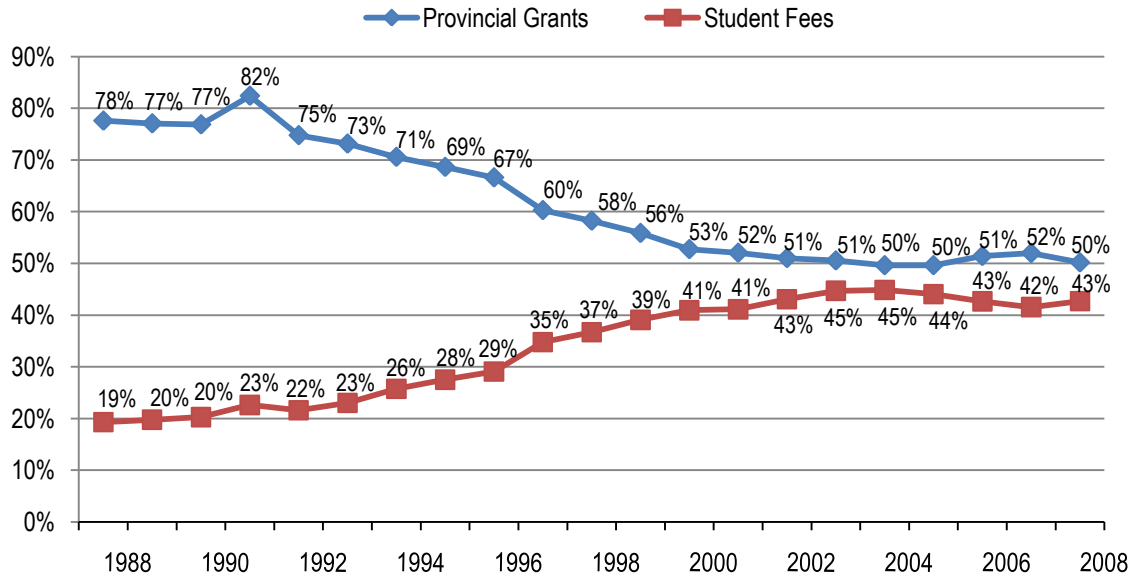
Ontario currently ranks tenth of all ten provinces in per student funding to universities.

AB	\$22,469
SK	\$18,067
NL	\$16,139
MB	\$13,860
NS	\$13,552
PE	\$13,209
NB	\$13,114
<b>Canada</b>	<b>\$12,500</b>
BC	\$12,342
QC	\$12,006
<b>ON</b>	<b>\$9,718</b>

The table represents a comparison of annual provincial transfers to colleges and universities per full-time equivalent enrolment.<sup>1</sup> Ontario lags far behind the Canadian average of \$12,500, meaning that there are fewer resources available to students when they arrive at a post-secondary institution. This certainly is part of the explanation for how, despite recent increases to operating budgets, the quality metrics for Ontario students have declined.

Additionally, the percentage of university operating costs covered by provincial grants has fallen substantially over the past two decades, creating a situation where students have been charged higher tuition and ancillary fees to make up the difference.<sup>2</sup> This has negatively impacted the ability of students and families to access and afford higher education. Furthermore, this trend is putting the publically-funded model of higher education in jeopardy that has served Ontario well for generations.

Percentage Contributions to Ontario University Operating Budgets<sup>2</sup>



## The Result

Despite considerable investment from the provincial government through the Reaching Higher plan, significant enrolment growth in Ontario universities has consumed most of these financial resources and left universities with worn-out facilities, over-crowded classrooms and ill-equipped laboratories. Students now have less access to staff, faculty and library books. Additionally, students are paying more for this reduced service. The university system will face even further strain in the years to come with expected enrolment increases in the Greater Toronto Area and the desire to increase the post-secondary attainment rates of the population.

Despite increased investment in campus construction, our teaching and learning facilities are under strain. In a recent assessment of university facilities, 50 per cent were classified as “in poor condition.”<sup>3</sup> Under-funding has forced Ontario universities to defer maintenance and renewal of facilities and equipment. Studies estimate that the cost of deferred maintenance and adaptation renovations now stands at over \$1.71 billion.

Aside from the physical capacity of universities, the human resource potential of our campuses is also under strain. The student/faculty ratio has increased to 24:1 from 17:1 in the past decade – a ratio significantly higher than our peer jurisdictions.<sup>4</sup> With large-scale professor retirement and rising enrolment expected in this decade, it is estimated that 5,500 net new faculty by 2009-10 are required to maintain adequate levels of student-faculty interaction and bring the ratio down to 22:1.<sup>4</sup> Additionally, the funding shortfall means that universities have fewer resources to adequately support student services, as well as improve teaching and learning.

## The Solution

OUSA believes that it is imperative that the government **increase operating grants to universities to at least the per-student national average and annually increase operating grants in a manner that funds the university rate of inflation** in order to preserve and maintain educational quality, as well as shift the burden of financing universities away from students and families.

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1. Statistics Canada, 2007-2008.
  2. Snowdon & Associates. 2009. *Revisiting Ontario College and University Revenue Data*. Toronto: Higher Education Quality Council of Ontario.
  3. Committee on Space Standards and Reporting. 2010. *Inventory of Physical Facilities at Ontario Universities*. Toronto: Council of Ontario Universities.
  4. Ontario Confederation of University Faculty Associations. 2009. *Trends in Faculty Hiring at Ontario Universities*. Toronto.