

ONTARIO UNIVERSITIES: A UNIVERSITY SECTOR IN TRANSFORMATION



The Issue: With new and emerging technologies, online learning opportunities, demographic shifts, funding pressures and rising operating costs, universities are transforming to meet the changing needs of our students and of the labour market. Ontario's universities remain committed to continuous transformation to meet the ever-changing and evolving needs of students, their communities and the province.

Background

- Successful students, leading-edge innovation and strong community partnerships are vital for a strong Ontario.
- Ontario's universities remain committed to supporting students, their communities and the province as the demands of the economy and labour market continue to shift and new challenges and opportunities arise.
- Employers are increasingly placing an emphasis on transferrable skills – particularly interpersonal and communication skills. A recent report by the Business + Higher Education Roundtable (BHER) and Business Council of Canada (BCC), *Empowering People for Recovery and Growth: 2022 Skills Survey Report* found that the most in-demand skills for present and future labour markets are “social and emotional”.
- Additionally, mid-career workers are finding that shifts in industry practices and in-demand skills are requiring them to reskill and upskill to keep at-pace with the demands of the modern economy.
- The rapid pace of change brought on by technological advancements, shifting demographics and emerging challenges facing our province requires a nimble, innovative approach to be adopted across all major industries – including the postsecondary sector.

Ontario's universities offer more than 4,300 continuing education courses and have entered into more than 670 industry partnerships to address local, regional and provincial skills shortages. As of 2020-2021, just under 120,000 students were enrolled in these programs – an increase of 28% since 2017-2018.

Universities continue to find efficiencies and cost-savings, including establishing the University Health Insurance Plan, the Ontario Education Collaborative Marketplace, the Canadian Shared Security Operations Centre and new digital tools and wallets for students.

How Universities Can Continue to Support Ontario

- To continue to serve the needs of Ontario's students and communities, universities have embraced transformation by continuing to modernize and adapt courses to help mid-career workers reskill and upskill, while ensuring students are equipped for the new realities and complexities of a changing social and economic landscape.
- Universities are also doing more with less by adopting innovative ways to reduce red tape and streamline processes that have resulted in significant cost-savings.
- However, unfunded Ontario students, declining real operating grants, a 10% tuition cut in 2019 and ongoing freeze, as well as inordinate delays in international student visa approvals that have an immediate financial impact of more than \$100 million this year, are eroding the sector's ability to deliver on universities' mission to support students, communities and the province.
- Currently, provincial grants account for 30.9% of total university operating revenue and universities in Ontario receive the lowest per-student government funding in Canada.
- The tuition cut and freeze alone has cost the sector \$1.86 billion between 2019-20 and 2021-22. An additional year of a freeze means universities have forgone an additional \$867 million in revenue in 2022-23 and will forego up to \$997 million in 2023-24.
- Ensuring the long-term financial sustainability of the sector is critical to supporting the delivery of high-demand programs, and the research and innovation which will drive economic growth in communities throughout Ontario.

Partnering for a Strong Ontario

A vibrant and healthy university sector is critical to meeting the needs of students, fostering community economic growth, driving research and innovation and developing the highly skilled talent critical to Ontario's economy.

It is why, in order to fully unleash their potential, Ontario's universities are asking for support – to allow greater flexibility to increase their revenue sources.

It is now more important than ever for government and universities to continue to work together to allow Ontario's universities to build the better and brighter future for our province that we all want to see.