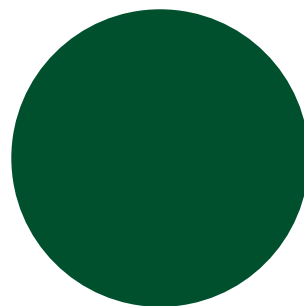
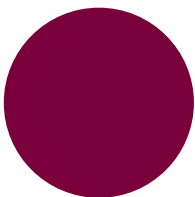
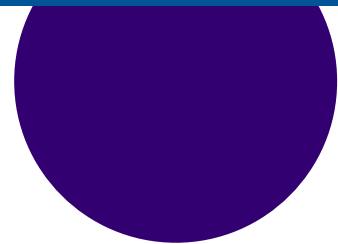


Funding Enrolment Growth to Support Ontario Students and Economic Growth

Updated December 2024



Funding Enrolment Growth to Support Ontario Students and Economic Growth

Introduction

Ontario universities are developing the talent that supports Ontario's workforce needs to drive prosperity and attract investment. With 590,000 students enrolled, Ontario universities are providing the highly skilled pipeline of graduates for key industries including manufacturing, life sciences, AI and critical minerals.

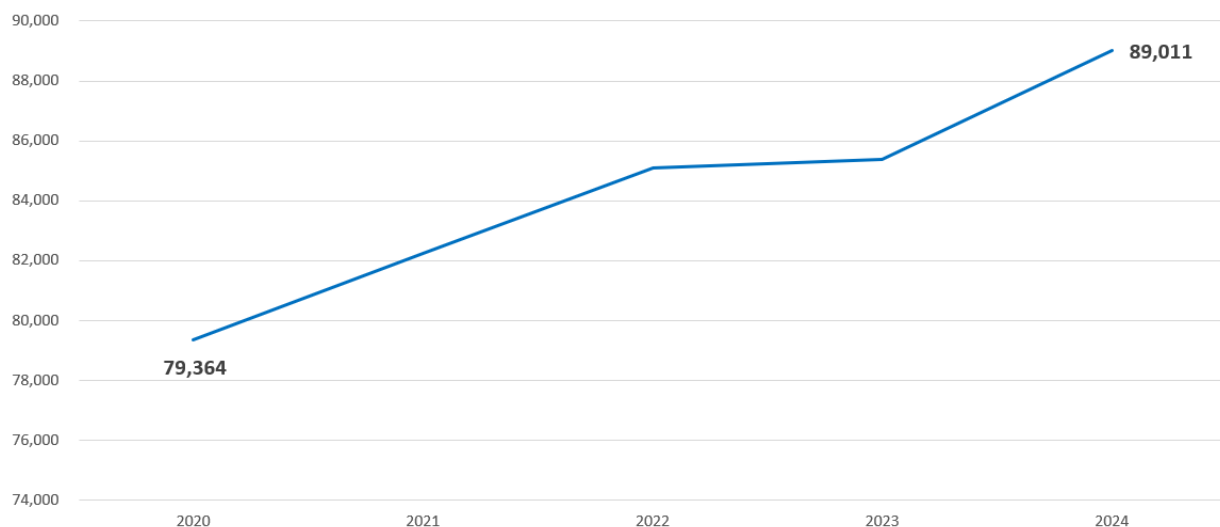
As such it is not surprising that demand by Ontario students for university education in Ontario has never been stronger, and this demand is projected to continue to grow in the future.

However, the current provincial funding cap on domestic students is preventing more and more Ontario high school students from attending an Ontario university program of their choice. As a result, this will limit student options and undermine Ontario's talent pipeline.

Surge in Demand from Domestic Students

Applications from Ontario students to Ontario universities has surged. Since 2020 the number of domestic applicants has grown by **9,647 (12.2%)**.

More Ontario High School Students Want to Attend an Ontario University



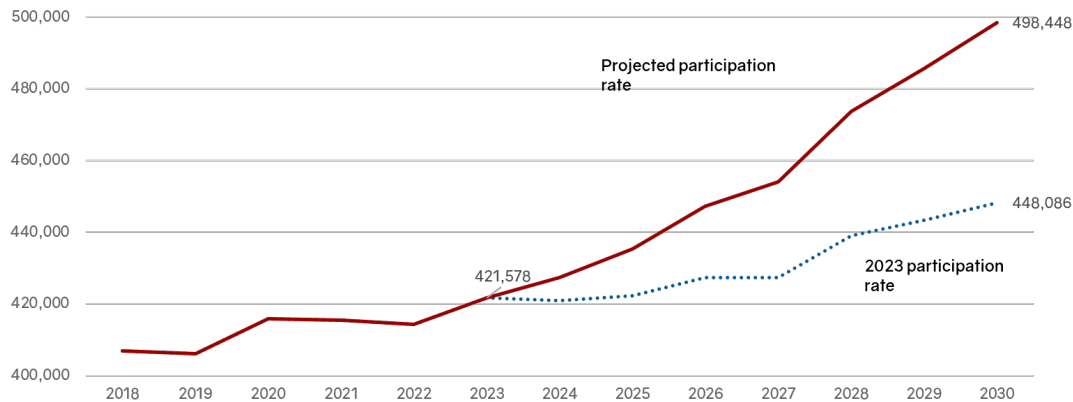
Source: Ontario Universities Application Centre, various years.

Note: Ontario high school students' applications to an Ontario university.

Future Demographic Demand

According to projections by the Ontario Ministry of Finance, the 18-24 year-old population has been growing steadily since 2021 and, when combined with rising participation rates, Ontario university enrolment demand is projected to grow by **76,870 (18.2%)** between 2023 and 2030.

Forecasted Undergraduate Domestic Enrolment Demand Scenarios



Source: Ontario Ministry of Finance, July 2023 Population Projections for Permanent Residents, and Ontario Universities' Enrolment Data. Updated Ministry of Finance population projections expected in January 2025.

Note: The 2023 participation rate is based on a 1-year observation. The projected participation rate is based on the average annual increase in participation rate over the last 5 years.

Impact of the Corridor Funding Cap on Ontario High School Students

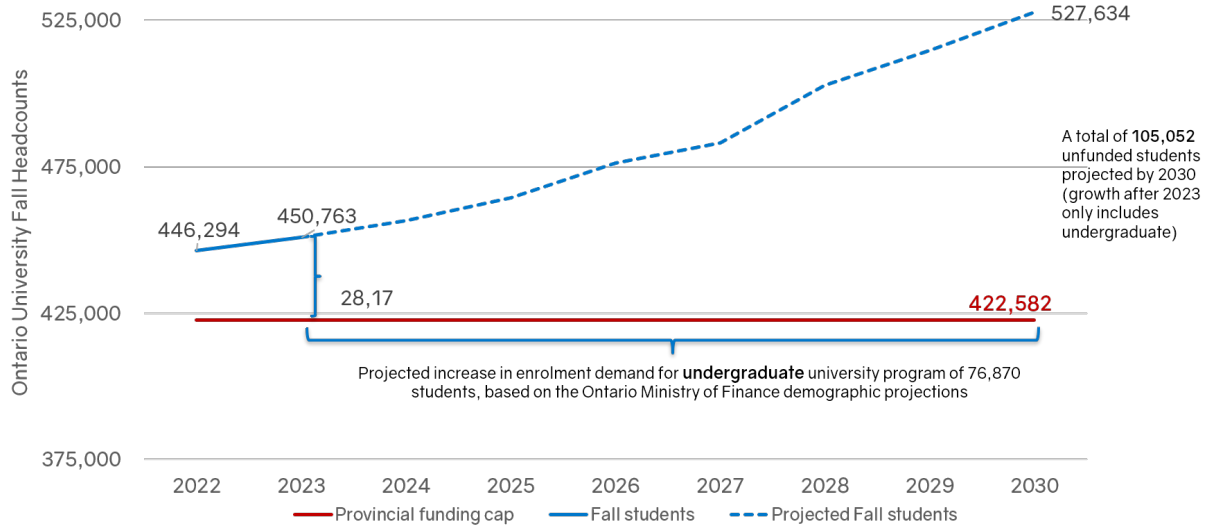
There are an estimated 28,178 Ontario students (full-time and part-time) currently enrolled in Ontario universities that are not funded by the Province due to the provincial funding cap on domestic students. With chronic underfunding, universities will have greater difficulty to sustain these unfunded spaces over time. Furthermore, as the number of 18-24 years-old increase, more and more Ontario high school students will have greater difficulty getting into a program of their choice or not at all. By 2030, there could be more than 100,000 Ontario students wanting to attend an Ontario university than there are spaces for them.

Ontario universities are working with the province as part of current negotiations under Strategic Mandate Agreement (SMA4) to review the current funding cap on domestic students to better reflect changing demographics and increased demand. As noted by [Blue-Ribbon Panel](#) in its report last year:

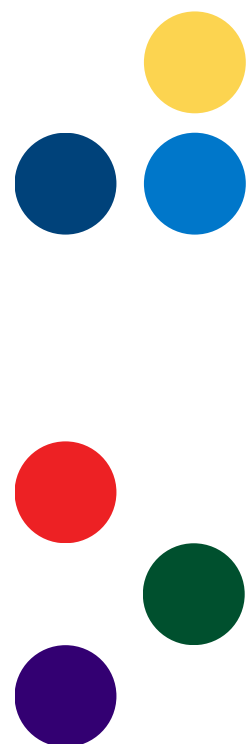
Allowing upward adjustments to midpoints in cyclical SMA corridor negotiations is critical. We believe this is fully justified by both past experience and the latest demographic projections. Such adjustments are precisely why the corridor model was originally instituted by government. (Page 19)

The growth in prospective domestic students presents an enormous opportunity for the province to grow the province's talent pool while providing Ontario high school students with the option of attending a university program of their choice. Investing in Ontario students, is investing in the province's future.

Provincial Funding Not Keeping Up with Ontario High School Student Demand



Source: COU's unfunded student model, Ontario's universities' undergraduate enrolment data, and Ontario Ministry of Finance July 2023 population projections for the 18-to-24-year-old population. Updated Ministry of Finance population projections expected in January 2025.
 Notes: Enrolment data for 2022-23 and 2023-24 are fall headcounts calculated from Weighted Grant Units. Estimates for 2024-25 apply the average cumulative change in participation rates from 2018 to 2020 to future years to population projections.



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