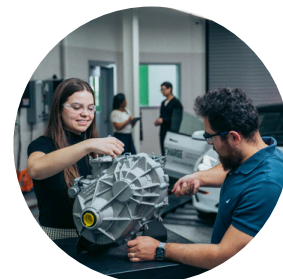


Funding Ontario's Universities to Support Economic Growth

Driving Ontario's Prosperity through Talent and Research

The need to address labour shortages, support community economic development and foster innovation has never been greater. Ontario's universities prepare graduates with the skills and experience necessary to meet Ontario's rapidly changing labour market demands, and drive innovations that secure Ontario's position at the forefront of fast-growing fields, such as energy, life sciences, clean tech and advanced manufacturing.



The Financial Sustainability of Ontario Universities is at Risk

Universities are vital to the province's economic future, but are restricted by broken funding levers that limit their ability to continue to develop the workforce of tomorrow – the next generation of medical researchers, engineers, urban planners, educators and entrepreneurs who will help advance our local economies.

Funding for Ontario universities comes from three main sources:

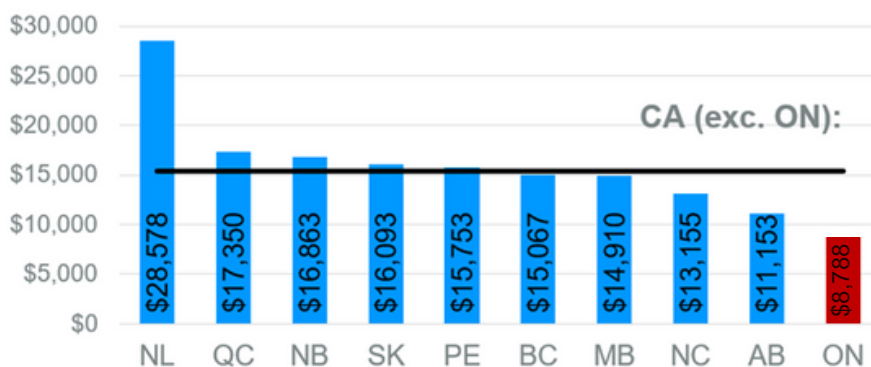
- ① domestic tuition fees
- ② international student tuition fees
- ③ annual operating grants from the province

All three have been cut or frozen.

Underfunded: The lowest per-student funding in Canada

Ontario universities receive the lowest per-student funding in Canada and are only funded at **57%** of the average of all the other provinces.

Provincial Operating Grants/Contracts per Domestic FTE, 2021-22



Financial Challenges Impact Future Workforce, Regions and Province

After facing years of underfunding and cuts to revenues, Ontario's universities are at a breaking point that is having a direct impact on Ontario's competitiveness, future talent, regional development, local employment and ability to remain competitive in key industries:

- The 10% tuition cut in 2019 and ongoing freeze, and declining real per-student operating funding **by 30% since 2006-07**, are placing the education, programs and services students rely on at risk.
- Universities are projecting financial losses of **nearly \$1B** over two years, as a result of federal changes to international study permits announced in January 2024. These projections don't yet account for the additional federal changes announced last September.
- In the face of these financial challenges, Ontario's universities have made more than **\$500M** in spending cuts over the last few years.

\$400M

the amount that 14 universities are projecting in total operating deficits in 2025-26, growing from 13 universities projecting total operating deficits of \$338 million in 2024-25.

Now is the Time to Ensure Ontario Has a Properly Funded University System

Ontario's future economic growth depends on continuing to invest in a properly funded university system.



Without proper investment, Ontario risks not having the talent and innovation it needs to prosper and be self-sufficient.

By boosting base operating grants to meet the recommendations set by the Blue-Ribbon Panel, and fully funding enrolment expansion and current unfunded domestic students - changing demographics and increased demand from Ontario high school students will be better reflected.