

OCC AGM POLICY RESOLUTION

Strengthening Ontario’s Workforce and Innovation Ecosystem by Supporting a Financially Sustainable Post-Secondary Sector

Submitted by: Greater Niagara Chamber of Commerce, South Niagara Chamber of Commerce, & Windsor Essex Chamber of Commerce

Issue:

Ontario’s post-secondary institutions are critical partners, as the province works to build a strong economic future by filling labour market demands in key sectors, building the capacity of local industries and developing its innovation ecosystem to hone its competitive advantage in emerging markets. As such, a financially sustainable post-secondary education sector is vital to achieving these goals and creating a better future for Ontario.

Background:

Ontario has made strides in recent years to build its competitive advantage as a strong player in the global marketplace. Our ability to capitalize on recent successes and improve the province’s economic outlook in the years to come will depend on the actions taken today to cultivate the highly skilled workforce and innovation ecosystem that will propel Ontario forward. As key drivers of growth, performance, prosperity, and competitiveness, Ontario’s colleges and universities will play a vital role in fortifying our province.

However, growing financial pressures on the post-secondary sector, including rising costs to support students, the cut and freeze to tuition, declining real per student operating grants and the impact of the repeal of Bill 124, are jeopardizing Ontario’s competitive advantage and are impacting the student experience, research output, and economic development. In fact, as of 2023-24, at least 10 of Ontario’s universities are projecting operating budget deficits with a cumulative total of more than \$175 million, increasing to \$274 million in 2024-25⁶⁷.

In the college sector, average domestic tuition is just \$2,700 annually – higher only than Newfoundland and Labrador in tuition-fee charging provinces.

In 2021-2022, Ontario’s funding per college student was \$6,891, 44% of the figure for the rest of Canada (\$15,615), and universities received \$11,471 per student, which represented 57% of the figure for the rest of Canada (\$20,772), according to the government’s Blue-Ribbon Panel on postsecondary education. When combined, average tuition and per-student funding levels place Ontario as the only province in the country that requires its public college system to operate with less than \$10,000 per student.

⁶⁷ Council of Ontario Universities, “The Council of Ontario Universities’ Opening Remarks to the Standing Committee on Finance and Economic Affairs”, January 2024.
<https://ontariosuniversities.ca/wp-content/uploads/2024/01/SCFEA-Remarks-Final.pdf>

OCC AGM POLICY RESOLUTION

The Ontario government had the foresight to commission the work of the Blue-Ribbon Panel, which lays out an action plan for the financial health of the sector – a plan that will benefit both Ontario’s students and local economies.

The recommendations put forward by this Panel respond directly to key factors in the ongoing financial pressure experienced by the post-secondary sector. For example, implementing the Panel’s recommendations in their entirety would inject a much-needed \$1.9 billion into the university sector, alone, over the next three years.

Taking immediate action on the recommendations of the Panel to provide stability to the sector will produce tangible economic benefits that will be enjoyed across sectors and in regions throughout the province, resulting in better student experiences and outcomes, and allowing post-secondary institutions to continue to deliver their highest potential for the good of Ontario.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Invest in the postsecondary system by increasing multi-year base operating grants, immediately boosting operating grants by 10% and indexing them over time; and
2. Lift the tuition freeze for general programs at post-secondary institutions, beginning in Fall 2024.
3. Implement common sense changes to create the opportunity for students to study high-demand programs or to enroll part time.
4. Implement the Blue-Ribbon Panel recommendations on tuition, while protecting low-income students.
5. Engage with the federal government and postsecondary institutions to establish clear and reasonable guidelines and timelines for the implementation of the federal cap on international study permits and determine how the cap aligns with previous commitments to develop a Recognized Institutions Framework.