



Policy Solutions for Ontario's Prosperity

Penny Wise but Pound Foolish?

A Response to the Ontario Government's Blue-Ribbon Panel Report

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Ontario 360's purpose is to scan Ontario's economic opportunities and challenges and develop evidence-based public policy ideas to inform and shape the Ontario government's own policy planning and development.

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Table of Contents

Introduction	5
The Context for Postsecondary Education in Ontario Today	6
Three Alternative Priorities for Ontario's Higher Education Future	8
1. Responding to today's (and tomorrow's) learner	8
2. Better tracking and reporting of postsecondary outcomes	13
3. A firmer hand in postsecondary system stewardship	15
Conclusion	19

Summary

Ontario's Blue-Ribbon Panel on Postsecondary Financial Sustainability provided thoughtful, utilitarian advice to the government for shoring up university and college finances in the near-term. But with postsecondary education in the midst of profound and longer-term changes, did this moment actually call for a more fundamental, radical and future-focused reassessment of higher education in Ontario? The paper offers some alternative priorities, and provocative proposals, for policymakers and postsecondary leaders to consider.

Introduction

In mid-November, the Ontario government released the report of the Blue-Ribbon Panel on Postsecondary Education Financial Sustainability.¹ The Panel was convened with the focused task of providing the Minister of Colleges and Universities (MCU) with advice and recommendations to ensure the long-term financial sustainability of Ontario's publicly-assisted postsecondary institutions (24 colleges and 23 universities).² The establishment of the Blue-Ribbon Panel (BRP) was in response to acute events such as the shocking bankruptcy of Laurentian University, chronic factors such as the erosion of real operating grants and capped tuition funding for institutions, and perceived risks including the growing dependence on international student revenues.

Responding to its mandate, the Panel's report was thoughtful and thorough, clearly outlining the nature of the financial sustainability challenges faced by Ontario's postsecondary institutions, and presenting reasonable, fiscally manageable recommendations to the Minister of Colleges and Universities and the government. Notable among them were a one-time, ten percent increase to provincial grant funding and technical adjustments to corridor and performance funding mechanisms; a new tuition framework allowing a one-time five percent increase and ongoing indexing; and additional flexibility for financially-vulnerable institutions. In sum, the BRP equipped the government with expert advice, and political cover, to move ahead with a set of modest reforms that could help put postsecondary finances back onto a sustainable track.

But was the government's mandate for the BRP penny wise but pound foolish? The package of proposed reforms offers a utilitarian, 'nip-and-tuck' approach to shoring up university and college finances in the near-term, while postsecondary education is in the midst of profound and longer-term changes: to the profile and expectations of learners, digitization of the economy, the competitive landscape, and public perceptions. Now a generation removed from the 2005 Rae Review, the last comprehensive provincial review of postsecondary education, did this moment actually call for a more fundamental, radical and future-focused reassessment of higher education in Ontario?

This policy paper begins from the premise that financial sustainability represents only one of the challenges to postsecondary education in Ontario today, and that, in fact, longer-term sustainment of the

¹ Ministry of Colleges and Universities. *Ensuring Financial Sustainability for Ontario's Postsecondary Sector*. Ontario: Ministry of Colleges and Universities, 2023. <https://files.ontario.ca/mcu-ensuring-financial-sustainability-for-ontarios-postsecondary-sector-en-2023-11-14.pdf>.

² The Panel noted that Ontario's nine Indigenous Institutes, with unique governance and funding arrangements, were not included within their Terms of Reference, but did devote some attention to them as well.

publicly-assisted system will have limited success without a more future-focused agenda that responds to the changing learner, landscape and marketplace for postsecondary education. In that vein,

the paper offers advice to provincial policymakers and postsecondary leaders on *alternative priorities for the future of the system, and some bold additional proposals* to consider.

The Context for Postsecondary Education in Ontario Today

Let there be no doubt: Ontario's postsecondary education system is critical for the province's long-term prosperity and civic vitality. There are 900,000 postsecondary students enrolled in Ontario's public universities and colleges alone — the equivalent of seven percent of the province's total population. Full-time enrollments grew by over 20 percent at both universities and colleges between 2010 to 2020, among the highest provincial rates in the country.³ Postsecondary education is a significant sector in the Ontario economy, with a large workforce and around \$23 billion in annual revenues, primarily via grants and investments from governments, and tuition and fees paid by learners.⁴

Postsecondary institutions are the province's primary vehicle for delivering adult education and training at scale. They are regional hubs of advanced research and skills development, driving economic growth across sectors and within Ontario's regions and communities. Evidence suggests that postsecondary education also

fosters important civic habits including voting, volunteering, and donating to nonprofit causes, which contribute to social cohesion.⁵ In short, universities and colleges are a large, and sometimes underappreciated, economic and social asset to the province.

At the same time, Ontario's universities and colleges face daunting, generational challenges beyond just ensuring healthy balance sheets. These include:

- Reconciling the *increasingly competitive higher education marketplace*, from private colleges and new university entrants in Ontario, to global digital providers like Coursera and the emergence of educational programs and credentials from global brands like Google and IBM.
- Confronting the *opportunities and risks of a rapidly digitizing society*, most recently with the mass pandemic shift to online learning, and the foundational disruption of generative AI to traditional instructional models.

³ Usher, Alex. *The State of Postsecondary Education in Canada*. Toronto: Higher Education Strategy Associates, 2022. https://higheredstrategy.com/wp-content/uploads/2022/09/SPEC_2022-1.pdf

⁴ Usher, Alex, and Tiffany MacLennan. "Ontario in a Nutshell." Higher Education Strategy Associates. May 30, 2022. <https://higheredstrategy.com/ontario-in-a-nutshell/>.

⁵ Doyle, William R., and Benjamin Skinner. "Does Postsecondary Education Result in Civic Benefits?." *The Journal of Higher Education* 88, no. 122 (2017): 1-31. doi:10.1080/00221546.2017.1291258.

- Facing *increasing pressures to meet the shifting skills development demands of the economy and labour market*, amidst persistent calls from employers for more responsiveness to fill “skills gaps.”
- Demonstrating clear *outcomes and return on investment for learners, citizens and policymakers*, with growing calls for postsecondary accountability, quality assurance and pay-for-performance.
- Managing an *emerging crisis around runaway growth of international students*, spurred to a significant extent by provincial policy that has constrained operating grant and domestic tuition revenues; and
- Adapting to the *changing profiles and expectations of today’s learners* - and growing undercurrents of public disaffection with higher education, as fierce debates about free speech and political bias roil campuses south of the border.

Unpacking each of these, and their interactions, would require a much more extensive treatment. In this short paper, our aim is to stimulate debate about the future of higher education in Ontario by presenting three alternative priorities for policymakers and system leaders.

Three Alternative Priorities for Ontario's Higher Education Future

1. Responding to today's (and tomorrow's) learner

The profile of postsecondary learners has changed to be far more diverse. In 2022, 44 percent of surveyed first-year students described themselves as a “visible minority” — a substantially larger figure than two decades ago.⁶ A rising share hails from outside of Canada, with the number of international student enrolments in Ontario exploding from 16,000 to 213,000 over the past 20 years, which is over half of the Canadian total.⁷ Many learners work (about four in ten first-years), are mature adults with family commitments, are financing their own education, or are first-generation attendees. Many are also facing barriers to access and success. The proportion of students reporting a disability, including mental health challenges, was nearly one in three (31 percent) in 2022.⁸ The non-traditional needs of a diverse learner population require a reassessment of pedagogical approaches, with a heightened focus on *accessibility* in all of its forms.

Learner motivations and expectations are also changing. For university and college applicants in 2021, the number one reason for applying was “to prepare to enter my chosen career.”⁹ Career readiness is an increasing focus among students, their families, and employers. Yet, there is a perception that many graduates are leaving campus without either in-demand “hard skills” from technical or digital fields primarily in STEM, or the “hybrid skills” — teamwork, communication, interpersonal and leadership skills — that are required across all types of digital and non-digital occupations,¹⁰ which increasingly represent the baseline “exit knowledge” to successfully transition into work. Importantly, as a generation of “digital natives,” students overwhelmingly expect that their postsecondary experiences better reflect their technology-driven lifestyles.¹¹

Learners want *flexibility* in their educational experience. Teaching and learning models

⁶ Canadian University Survey Consortium. *2022 First Year Students Survey - Master Report*. Winnipeg: University of Winnipeg, 2022. <https://cusc-ccreu.ca/wordpress/?lang=en&download=1084&tmstv=1701192024>.

⁷ Usher, Alex. *The State of Postsecondary Education in Canada*. Toronto: Higher Education Strategy Associates, 2022. https://higherstrategy.com/wp-content/uploads/2022/09/SPEC_2022-1.pdf; Usher, Alex. “Ontario Colleges. Again.” Higher Education Strategy Associates. May 15, 2023. <https://higherstrategy.com/ontario-colleges-again/>; Statistics Canada. (2023). *Table 37-10-0018-01 Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender*. [Data table]. <https://doi.org/10.25318/3710001801-eng>.

⁸ Canadian University Survey Consortium. *2022 First Year Students Survey - Master Report*. Winnipeg: University of Winnipeg, 2022. <https://cusc-ccreu.ca/wordpress/?lang=en&download=1084&tmstv=1701192024>.

⁹ Academica Forum. “A Look at the UCAS™: How Prospective Students Explored PSE in 2021.” Academica Forum. March 28, 2022. <https://forum.academica.ca/forum/a-look-at-ucas-2021-how-prospective-students-choose-their-school>. The 2022 edition of the University/College Applicant Survey (UCAS) reached 42,000 prospective students across Canada.

¹⁰ Li, Vivian, Mahmeh Hamza, & Tiffany Kwok. *The Skills Algorithm: Digital Skills Demand Across Canada's Labour Market*. Toronto: The Dais, 2023. <https://dais.ca/reports/the-skills-algorithm-digital-skills-demand-across-canadas-labour-market/>.

¹¹ KPMG. *Reimagining student experience in higher education*. Canada: KPMG, 2022. <https://kpmg.com/ca/en/home/insights/2022/03/reimagining-student-experience-in-higher-education.html>.

rooted in the credit-hour, with one-size-fits-all curriculum, pacing and assessment, no longer fit the expectations of many students today for more personalized experiences. Nor do they reflect what we understand today about neurodiversity and cognitive differences in how students learn.¹² Surveys indicate that learners overwhelmingly want choice and flexibility in learning modes and delivery methods.¹³ Virtual learning is an important part of the mix, with recent experience showing that online teaching can be effective but requires purposeful and intentional investment and design. Concepts of flexibility also include on- and off-campus student supports, community participation and integration as part of educational experiences, alternative forms of learning content and resources, and assessment and credentialing for validating knowledge.¹⁴

Finally, students are increasingly questioning the “return on investment”

to postsecondary education. Just six in ten today agree that a university degree is worth the cost.¹⁵ Postsecondary defenders rightfully point to empirical evidence that there is a clear earnings premium to higher education (though with variations across fields of study).¹⁶ This divergence suggests a perception gap of the ROI for today’s learners. It also highlights the fact that learners assess not just the direct financial (downstream earnings) returns on their personal investment in education, but also factors like opportunity cost in time and experience, foregone wages, and post-graduation career pathways.

All these factors together suggest that Ontario’s universities and colleges have been too slow to adapt program models and pedagogy, student supports, and other features of the postsecondary experience, to the changing profile, needs and expectations of today’s learner. This poses a challenge to their educational mandate,

¹² Huntman, Nina, and Brittany Washington. Empowering postsecondary Students: Applying AI to Scale Student Support and Personalize Learning. In *Educated Solutions, Issue 17*. Ontario Undergraduate Student Alliance, 2023. https://assets.nationbuilder.com/ousa/pages/2260/attachments/original/1694096463/Educated_Solution_2023_document.pdf?1694096463.

¹³ Johnson, Nicole. *2021 Ontario Report: Tracking the Impacts of the Pandemic on Digital Learning in Ontario*. Ontario: Canadian Digital Learning Research Association, 2022. <https://www.ecampusontario.ca/wp-content/uploads/2022/04/2021-CDLRA-Ontario-Report-March-2022.pdf>; Johnson, Nicole. *Looking Ahead to the Future of postsecondary Education: 2022 Ontario Report*. Ontario: Canadian Digital Learning Research Association, 2023. https://www.ecampusontario.ca/wp-content/uploads/2023/02/2022_ontario_report_en.pdf.

¹⁴ Ecampus Ontario. “Flexibility Brief 1: Making the Case.” ecampus Ontario. September 2023. https://www.ecampusontario.ca/wp-content/uploads/2023/09/Flexibility-Brief-1_EN_2023.pdf.

¹⁵ Canadian University Survey Consortium. *2022 First Year Students Survey - Master Report*. Winnipeg: University of Winnipeg, 2022. <https://cusc-ccreu.ca/wordpress/?lang=en&download=1084&tmstv=1701192024>.

¹⁶ Finnie, Ross, & Marc Frenette. “Earning differences by major field of study: evidence from three cohorts of recent Canadian graduates.” *Economics of Education Review* 22, no. 2 (2003): 179-192. doi:10.1016/S0272-7757(02)00003-1.; Finnie, Ross, Kaveh Afshar, Eda Bozkurt, Masashi Miyairi, Dejan Pavlic. “Barista or Better? New Evidence on the Earnings of postsecondary Education Graduates: A Tax Linkage Approach.” *Education Policy Research Initiative* (2016). https://ruor.uottawa.ca/bitstream/10393/42190/1/EPRI-ESDC%2bTax%2blinkage_Report.pdf; Berger, Joseph, & Andrew Parkin. *The Value of a Degree: Education, Employment and Earnings in Canada*. The Price of Knowledge 4, 2009. https://www.chs.ca/sites/default/files/uploads/value_of_education_with_degree.pdf; Park, Youngmin, Gabriela Galassi, and Natalia Kyui. “Learning and earning.” Bank of Canada. October 2020. <https://www.bankofcanada.ca/2020/10/learning-and-earning/>.

to the potential impact on learners and on the provincial economy, and also poses a direct risk to the financial sustainability of universities and colleges.

PROPOSAL: A new learner-centred postsecondary agenda for Ontario.

While largely outside the mandate of the BRP, it is notable that the final report provided little mention of students beyond their role as tuition-payers, and a less than half-page section about “student wellbeing and supports.” We believe a truly learner-centred agenda for Ontario should be designed around four principles: *accessibility, flexibility, personalization* and *career-orientation* in the postsecondary experience. Meeting learners’ needs will require fundamental changes in program design and pedagogy, technology integration, financial aid and student supports, career services and myriad other areas. We offer some actionable opportunities for government policymakers and institutional leaders to consider.

First, use policy and funding levers to encourage institutions and faculty to **adapt programs, pedagogy and credential models**. This should include:

- **Greater flexibility in postsecondary entry and exit points**, through rolling admissions and start dates that do not require learners to plan around traditional four-month semesters. A feature at the largest and fastest growing institutions in the United States such as Southern New Hampshire University Online, flexibility on admissions and entry has been

highly effective in catering to working adult learners in online programs. In Canada, Athabasca University offers online degrees with flexible start dates, and a number of institutions allow rolling admissions at least for some programs (e.g. Western and Laurentian Online universities in Ontario; St. Mary’s and Royal Roads in other provinces).

- **More competency-based program and course options**, which offer a shortened education ‘pathway’ by eliminating seat-time requirements and allowing learners to directly demonstrate content mastery and acquisition of skills through robust assessment. There are emerging examples in Ontario such as the TMU Chang School’s new [Curv Microcredential program](#), with established models in the United States at Western Governors University and the Carnegie Mellon Open Learning Initiative, which provides learners targeted feedback and self-assessment tools.
- **New accelerated or integrated degree models for Ontario universities**, to offer learners a faster pathway to completion and labour market transition. Ontario colleges were recently approved to offer 3- and 4-year degree offerings to meet labour needs, with the 3-year option typically offering immediate specialization in a field.¹⁷ Ontario universities could offer more accelerated 3-year bachelor

¹⁷ Government of Ontario. “Ontario Expanding Degree Options at Publicly Assisted Colleges.” Newsroom. April 11, 2022. <https://news.ontario.ca/en/release/1002009/ontario-expanding-degree-options-at-publicly-assisted-colleges>.

degrees, which are the standard duration in the United Kingdom and Australia. Universities could also explore innovative combined bachelor and graduate degree options, such as the 4.5-year [Bachelor + Master of Management Dual Degree](#) offered by the University of British Columbia that includes co-op.

Second, re-orient policy and funding models towards *technology-enabled learning and the digital campus of the future*. Opportunities include:

- **Operating incentives and/or special purpose grants to support expansion of virtual and technology-enabled learning**, including online and hybrid (or hyflex) program offerings, and the use of digital materials and edtech applications to enhance instruction (e.g., accessibility applications, online tutors for academic support, digital and open-access textbooks, immersive AR/VR simulations, and many more applications available today). This could build upon initiatives like the application-based [Virtual Learning Strategy](#). It could also support large-scale professional development in technology-enabled learning for faculty, instructors and administrators, through direct funding to institutions or common programs like the [Ontario Extend](#) microcredential.

- **Shifting the postsecondary capital investment envelope from a focus on “bricks-and-mortar” on-campus buildings and facilities to digital infrastructure.** This envisions a digital campus of the future that blends the use of physical campus spaces with digital environments, and more personalized and hybrid experiences learners seek. An ambitious target would supplement or redirect a portion of the \$2 billion committed to university and college capital grants over the next 10 years to a new category of digital infrastructure investments, that could support both one-time transformations and multi-year costs for technology systems, software, training and capacity building.
- **Rapid study of the impacts and opportunities of disruptive technologies like generative AI in postsecondary education**, including in pedagogical innovation towards personalized education models through adaptive learning, virtual study assistants and individualized assessment, while also ensuring appropriate learner safeguards (e.g., for quality, bias, equity, fair use and data privacy).

Third, introduce *career pathways initiatives* to prepare current learners, support new graduates with the “last mile” transitions, and provide in-career upskilling and reskilling options. Opportunities include:

- **A major expansion of access to work-integrated learning (WIL)**, to ensure learners have critical work experiences and networks in higher education. According to Jeff Selingo, the American journalist and higher education author, “the vast majority of [institutions] need to figure out how to integrate work into learning in a much bigger way than they do now.”¹⁸ One bold idea is an *Ontario WIL Guarantee* that all learners in full-time diploma and degree programs should have access to a WIL opportunity, should they desire it. Achievement of this commitment could be included as a performance-funding commitment for institutions, or through other financial incentives.
 - **Investments in reimagined career services for students and new graduates**, to help them plan their individual education-to-career pathways, and support them with “last mile” preparation, connections to employers, and upskilling for successful transition to the workforce. To serve large and diverse populations of learners, career services should blend campus-based supports with highly scalable digital tools for career pathways planning and navigation, employer-sponsored experiential learning, rapid job-readiness skills development, and workforce connection with peers and experts in local communities and globally.
 - **Continued expansion of demand-driven programming for upskilling and retraining in-career workers**, including microcredentials and other industry-partnered, applied and skills-focused offerings. The Government has taken positive steps to seed the development of microcredentials, and make them OSAP-eligible, but the fast-growing marketplace of offerings requires further policy to provide transparency and quality assurance for learners and employers.
- Fourth, continuing efforts to make *student financial assistance* simpler and easier to access, as a key pillar of learner access to education. This could include reforms to the Ontario Student Assistance Program (OSAP) that:
- **Renew the integration of university and college applications (through OUAC and OCAS) with the OSAP application** that the government ended in 2019, so prospective learners understand the support they will receive.
 - **Provide learners with a “net bill”** that reflects tuition and fees with their student aid support, to improve transparency and financial planning.
 - **Support the neediest students**, who are often debt averse, and fully meet their costs by eliminating the regressive requirement for ten percent of aid to come in the form of loans.

¹⁸ Selingo, Jeff. “Legitimizing Work-Based Learning After High School.” *Next newsletter*. 21 November 2023.

- **Streamline the overlap between OSAP and other education and training supports like the Canada**

Training Credit, to improve ease of use for learners accessing financial support, particularly older students retraining.

2. Better tracking and reporting of postsecondary outcomes

There is alarmingly little understanding or analysis of the outcomes that Ontario’s higher education system produces — whether to inform public policy, to align education to labour market requirements, or to ensure learners are getting good value.

Some system- or institution-level indicators are tracked. For instance, completion rates hover around 77 percent for Ontario’s public university programs, and around 65 percent for college programs.¹⁹ This means one in four university students, and one in three college students, *will not* graduate even over a six-year window — with wide variation among institutions (from 90 percent to less than 50 percent). For graduates of Ontario’s postsecondary institutions, full-time employment rates reach 80 percent within two years of graduation, and salaries exceed median Canadian personal income.

But beyond this aggregate picture, there is little public data and analysis to understand the quality or outcomes of *specific* university or college programs of study. Say, for example, an applicant is considering

an investment of four years and tens of thousands of dollars to pursue a bachelor of communications, they might want to know what the program’s graduation rates are; the levels of student satisfaction; if graduates are working in the field of study, and what their median earnings and debt levels are; and how the programs at the University of Ottawa and Trent University compare based on these indicators and other factors. Yet, this basic postsecondary data and outcomes information is largely unavailable in Ontario and across Canada, and what exists is inconsistent, out of date and generally not accessible in an easily navigable format.²⁰

This is a poor state of affairs for everyone. It is recognized as a major barrier for learners, who struggle to make informed ‘learning navigation’ decisions about what to study, and what returns to expect from their studies, without good information and user-friendly tools. Postsecondary institutions, employers and workforce developers cannot link credentials and skills data to labour market information (LMI) to understand learning-to-career pathways.²¹

¹⁹ Statistics Canada. “Persistence and graduation of postsecondary students aged 15 to 19 years in Canada: Interactive tool.” <https://www150.statcan.gc.ca/n1/pub/71-607-x/71-607-x2019023-eng.htm>; Government of Ontario. “College graduation, satisfaction and job rates.” June 11, 2021. <https://www.ontario.ca/page/college-graduation-satisfaction-and-job-rates>.

²⁰ Côté, André and Graham Dobbs. *Canada’s Black Box of Higher Education Outcomes*. Canada: CSA Public Policy Centre, 2023. <https://www.csagroup.org/article/public-policy/canadas-black-box-of-higher-education-outcomes/>.

²¹ See for example Rivera, Diana, Joshua Zachariah, Yasmin, Rajabi, & Rob Willoughby. *Ahead by a Decade: Employment in 2030*. Toronto: Brookfield Institute for Innovation + Entrepreneurship, 2020. <https://brookfieldinstitute.ca/report/ahead-by-a-century-employment-in-2030/>.

And policymakers and governments cannot effectively establish and enforce provider standards for quality assurance, consumer protection and performance in achieving learner outcomes.

There are two major contributing factors. The first factor is Ontario’s postsecondary data collection systems and infrastructures. As the Blue-Ribbon Panel noted in a brief section of the report about data: “The issue is not that data are not collected, but rather that obstacles are placed in the path of those wishing to engage in detailed analysis of, and collaborative discussion with, the postsecondary sector.” The second factor is the *norms* in Canadian postsecondary education that have not traditionally prioritized tracking outcomes for transparency, improvement, and accountability. In Canada, the focus has been on *ex ante* (before) mechanisms for assuring the quality of providers, programs and credentials, rather than on *ex post* (after) assessment of outcomes.²² Yet, as learners, employers, policymakers and the public increasingly question the returns to higher education, the absence of reliable outcomes information is a growing liability for universities, colleges and the postsecondary system.

PROPOSAL: The Ontario Government should “liberate the learning data”.

We see a few key steps the Ministry of Colleges and Universities, with

postsecondary institutions and sector partners, could take:

- **Create an interactive tool on Ontario.ca for comparing postsecondary institutions and program-level outcomes**, to help students and their advisors with “learning choice” decisions about what school and program to choose. The more robust postsecondary data systems in the United States have enabled both the creation of transparency and learning navigation tools like [US College Scorecard](#), as well as a much more active research and policy debate about education quality, outcomes, and notions of “value” for learners, public funders and other higher education stakeholders.
- **Make the MCU’s postsecondary data open and downloadable** for use by policymakers, researchers, entrepreneurs and other user groups. This should include administrative and key performance indicator (KPI) data, and other valuable resources like the Ontario Education Number. The data MCU currently collects should be released in a more timely manner; be more comparable across institution types (public universities and colleges, with private career colleges) and at the program level; and be anonymized where necessary only to protect personal privacy. New

²² This quality assessment occurs primarily through provincial regulatory processes for approving new degree-granting institutions; and on qualification frameworks and bodies for approving new programs and associated credentials, including degrees, diplomas and certificates. This section is adapted from Côté, Andre, Danielle Olsen, and Jake Hirsch-Allen. *Navigating Canada’s Messy. Education and Training Marketplace for Career-Focused Learning*. Toronto: Future Skills Centre and Blueprint, 2021. <https://fsc-ccf.ca/wp-content/uploads/2021/11/FSC-RCP-EdTraining-EN.pdf>.

program and outcome data should be collected for microcredentials and other alternative credentials. Access to this data will enable valuable new research and analysis for postsecondary policymaking, and the creation of new navigation tools (like an Ontario College Scorecard-type tool).

Recent reports prepared for the Future Skills Centre and Canadian Standards Association (CSA) Public Policy Centre describe in greater detail, and on a pan-Canadian scale, the need for this type of open-access postsecondary data infrastructure, with more comprehensive sets of actionable recommendations.²³

3. A firmer hand in postsecondary system stewardship

As noted in the introduction, the Blue-Ribbon Panel has provided a set of actionable recommendations to the government to bolster postsecondary financial sustainability — principally through changes to operating funding and the tuition framework, but also through targeted actions to support northern institutions and French-language education, enhanced cost efficiency and increased financial accountability, precautionary measures regarding international students, and other advice. Implementation of these recommendations would represent a substantial intervention by the government towards system stability and healthier finances for institutions.

Yet, addressing the broader set of present and future challenges confronting Ontario's universities and colleges demands a fresh look at the postsecondary governance framework, and the specific policy levers at MCU's disposal. In some cases, there is an opportunity to better use existing

levers. For example, the Strategic Mandate Agreements (SMAs) introduced by MCU a decade ago represented a novel and potentially impactful stewardship tool to advance differentiation among institutions and other policy objectives. Yet, through three rounds of SMAs, they essentially act as bi-lateral and bespoke agreements with universities and colleges, with seemingly little effect in influencing institutional planning, differentiating programming and institutional specializations, or informing system-wide mandates and policies.

In other areas, the government has encouraged or enabled institutional actions, but taken a largely 'laissez-faire' approach to its system stewardship role. The most obvious example is international students. The surge in international enrolments by virtually all institutions has been tacitly endorsed by provincial governments of both political stripes (and actively encouraged through policies like [public college-private partnerships](#)).

²³ Côté, André and Graham Dobbs. *Canada's Black Box of Higher Education Outcomes*. Canada: CSA Public Policy Centre, 2023. <https://www.csagroup.org/article/public-policy/canadas-black-box-of-higher-education-outcomes/>.

While used as a financial pressure release valve for constraints on grant and tuition revenues to institutions, little attention has been paid until recently to the impacts on students (both domestic and international), communities (e.g. housing), and the postsecondary system itself. The federal government’s recent announcement to “significantly limit” international study permits, with other international student program changes, was presented as a direct response to provincial inaction.²⁴

Another example is the provincial government’s microcredentials agenda. One-time grants and OSAP eligibility were effective carrots to spur institutions to launch nearly 2,000 of these short, skills-focused programs to date.²⁵ Yet, the nascent microcredentials market has quickly felt like a “Wild West” for learners, employers and institutions, absent MCU frameworks that set common definitions, quality assurance, portability or outcomes reporting.

PROPOSAL: Use governance levers to advance the provincial policy goal of globally competitive “Ontario Made” postsecondary education.

The government has ambitiously committed to strengthening the province’s position as an international leader in postsecondary, through expanded access to “high-quality, market-responsive, and globally competitive “Ontario Made” education.”²⁶ Doing so will surely require

a reassessment of the postsecondary governance framework and MCU’s system-wide approach to strategy, priority-setting, coordination and stewardship - while continuing to respect the principle of academic freedom and limit direct political interference. We offer some opportunities to consider:

- **Encourage – and offer incentives for – more collaboration and innovation across institutions.**

There are strong existing partnership examples, both longstanding and recent, ranging from OntarioLearn for college online learning and the application centres to the new University Pension Plan. The BRP offered a thoughtful recommendation that small- and medium-sized institutions could collaborate and achieve cost efficiency through shared services, purchasing, library resources and course delivery. The government should also empower intermediary organizations like eCampus Ontario, ONCAT, ORION, HEQCO and Contact North to drive more coordination across institutions, in areas such as technology-integrated programming and pedagogy, credential recognition and transfer pathways, and postsecondary policy research.

- **Conduct a review of postsecondary system models to gather lessons for Ontario.**

²⁴ Keung, Nicholas. “Canada to limit study permits for international students, raise financial requirements.” *The Star*, December 7, 2023.

²⁵ See eCampus Micro-credentials portal: [ecampusOntario. “Micro-credentials Portal.” https://microlearnontario.ca/.](https://microlearnontario.ca/)

²⁶ Government of Ontario. “Ontario Invests in Virtual Learning Strategy.” Newsroom. December 11, 2020. <https://news.ontario.ca/en/release/59600/ontario-invests-in-virtual-learning-strategy>.

The BRP recommended a formal review of small, remote and rural colleges to consider program and operational consolidations that can support financial sustainability. A more expansive, blue-sky review could assess the benefits and drawbacks of other postsecondary systems, such as the Université du Québec network of autonomous institutions model, the State University of New York (SUNY) system with 64 public college and university campuses across the state, or the University of London (UoL) federation of colleges model. Beyond a sustainability lens on shared service and administrative consolidation opportunities, the review should focus on other potential benefits such as seamless transfer and access to program and campus diversity for students, and enhancing province-wide impact and the “Ontario Made” global brand.

- **Establish common standards and quality frameworks for career-focused program models including microcredentials, experiential learning, and competency-based education.** Representing both provincial priorities and potential alternative revenue streams for universities and colleges, system-wide frameworks for quality, portability and tracking outcomes will allow for greater adoption and clearer benefits for learners, employers and institutions themselves.
- **Launch a full-scale review of the role of international education**

in Ontario and future strategic directions. This is an urgently needed exercise, especially in light of the impending federal international student program reforms, which will likely have major implications for Ontario institutions. The review should consider the range of important considerations today: positioning Ontario as a global leader and destination; ensuring the quality of the student experience for both international and domestic learners; considering the financial impacts and implications for institutions and the system; and others. This review should inform a clear and principled provincial policy on international students, as well as respond to federal reforms.

- **Introduce an “Ontario Service Corps” program as part of the postsecondary experience.** Youth today report rising levels of mental health distress, with contributors including social media online harms, disaffection with the political process, and anxieties related to climate and geopolitical crises. Designed for students as a co-curricular experience to supplement coursework, the Service Corps program would help grow civic engagement, digital literacy, active citizenry and democratic values at the levels of community, province and country. There are various service learning programs and youth initiatives that the program could be modeled on: the [Canada Service Corps program](#), the [European Strategy for Universities](#), or the University of

British Columbia's [Community-Based Experiential Learning](#). Developed in collaboration with governments, industry and community organizations, the program would reaffirm a central part of the higher education mission to equip students for citizenship and participation in important civic causes, while they prepare for their career path.

Conclusion

To be crystal clear, this paper is not meant to be a critique of the BRP and its report. With a narrow mandate and very little time, the panelists undertook important work and presented valuable advice and recommendations to the Minister. The government also deserves credit for convening the BRP, though it remains to be seen how it will act on that advice.

Rather, this paper is intended as a call to action, in response to the wider, generational set of challenges and opportunities that Ontario's universities, colleges, and postsecondary system face. The three alternative priorities - and the provocative policy proposals - present only the beginnings of a more comprehensive agenda for readying Ontario's postsecondary system for the (fast-approaching) future.

They lead us to a final opportunity: **a sweeping review of the current state and future directions of postsecondary education in Ontario (or, a "Rae Review 2.0")**. This exercise should undertake visioning for the system's next 15 to 30 years. It should holistically assess the full spectrum of issues, including teaching and learning, research, education technology, community connectivity and civic development, finance and accountability, among others. It should engage deeply and widely, with students and parents, faculty and instructors, institutional leaders and administrators, industry and employers, and citizens. And it should produce clear advice to inform a long-term postsecondary strategy for the Government of Ontario.

We encourage the Minister of Colleges and Universities - and Ontario's public universities and colleges - to take up this call, and truly commit to establishing "Ontario Made" postsecondary education as the global leader in a time of rapid change.

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