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ACAATO DOCUMENT

Investing in Ontario's Workforce: Strong Colleges for a Strong Ontario

Multi-year investment proposal

INVESTING IN ONTARIO'S WORKFORCE: STRONG COLLEGES FOR A STRONG ONTARIO

MULTI-YEAR INVESTMENT PROPOSAL



JANUARY 2004



ASSOCIATION OF COLLEGES OF
APPLIED ARTS & TECHNOLOGY OF ONTARIO

Executive Summary

Ontario's colleges are eager to partner with the Government of Ontario to expand college capacity by at least 10 percent and double the number of apprentices over the next five years. Assuming that Government will continue to fund enrolment growth, colleges are fully prepared to improve access to applied education and increase enrolment levels. Ontario's colleges are also committed to working with the Government of Ontario to improve the quality of applied education and to make postsecondary education more affordable.

Ontario's colleges recognize the delicate balance between the fiscal capacity of the Government of Ontario and the urgent need for new public investments in programs, services and resources. As a result, the 2007/08 targets outlined in this submission reflect an important milestone in working toward the total amount of funding Ontario's colleges require to maximize their ability to contribute to the economic growth and social prosperity of the province.

The 24 members of the Association of Colleges of Applied Arts and Technology propose that the Government of Ontario commit to a multi-year investment program that will increase the level of per-student operating funding to \$6,300, increase the capital allocation by \$30 million and increase funds for skills initiatives by \$32 million by 2007/08.

This multi-year investment will enable Ontario's colleges to provide responsive, high-quality postsecondary education that will keep Ontario competitive. It will provide the programs, resources, services and supports required to reinforce and expand the educational pathways available to Ontarians. It will maximize Ontario's long-term economic prospects by focusing on workforce development as a key component in improving productivity by:

- Positioning colleges to continue to offer high-quality, applied postsecondary education and training that is responsive to industry needs, addresses critical skills shortages and supplies skilled graduates for key sectors;
- Providing adequate and predictable funding to enable colleges to plan for, and implement, effective educational programs and services to support student success; and
- Ensuring all Ontarians can access affordable postsecondary education to enhance the knowledge and skills of Ontario's workforce, and to reap the economic and social benefits associated with a more highly educated

population: higher earnings, improved health, better quality of life, more informed citizenship, less unemployment, reduced reliance on welfare, and less crime.

A strong system of postsecondary education and training is fundamental to improving productivity, thereby driving the future economic growth of Ontario and increasing prosperity for all Ontarians. Ontario's capacity for innovation and growth in the global economy relies on building a knowledgeable and skilled labour force that can adapt as markets shift and technology evolves. Ontario currently faces two urgent workforce challenges: critical skills shortages in some key sectors, and a shrinking labour force as the baby boomer generation starts to retire.

Ontario's colleges are uniquely positioned to address critical skills shortages and meet Ontario's labour market needs through four key strengths:

- Breadth of applied education and training opportunities offered across a wide spectrum of disciplines essential to Ontario's economy, and delivered in a variety of ways that include certificates, diplomas, joint diploma-degree and applied degree programs, and apprenticeships;
- Adaptability and responsiveness to labour market needs through demonstrated flexibility to design and deliver new programs to fill critical skills shortages and address emerging areas of growth;
- High-quality applied postsecondary education that is relevant and current, is developed in consultation with industry, and produces graduates that are in demand; and
- Commitment to accessibility that ensures all Ontarians can pursue postsecondary education opportunities, and provides services, supports and delivery options to meet students' needs and reduce the barriers of time, distance and disability.

Ontario's colleges provide an excellent return on taxpayer investment, taking into account both the increased revenue from the higher earnings of college graduates and the cost savings from reduced spending in health care, welfare and social programs associated with higher education. Colleges represent a powerful economic presence across the province as key suppliers of Ontario's labour force, partners in training apprentices for skilled trades, specialists in delivering applied education, trainers of choice for employers, and as vital institutions responding to a broad range of community needs.

Compared to 15 years ago, Ontario's colleges today are essentially educating Ontarians for 70 cents on the dollar when inflation is taken into

account. The combined impact of chronic under-funding and enrolment growth has resulted in a college system that is significantly under-resourced. Comparisons with other educational sectors in Ontario, colleges in other provinces, and colleges in the United States all demonstrate the constrained resources under which Ontario's colleges function.

This request recognizes the funding challenges facing the Government of Ontario and sets achievable targets to ensure Ontario's colleges can continue to play a leading role in workforce development. While the Association of Colleges of Applied Arts and Technology of Ontario (ACAATO) believes that Ontario's colleges require operating funding at the national average, the proposed 2007/08 target represents an important milestone toward this long-term goal.

This multi-year investment will ensure Ontario's colleges have the resources to expand capacity, improve quality, address critical skills shortages, and maximize the effectiveness of Ontario's human resources through specific initiatives in five essential areas:

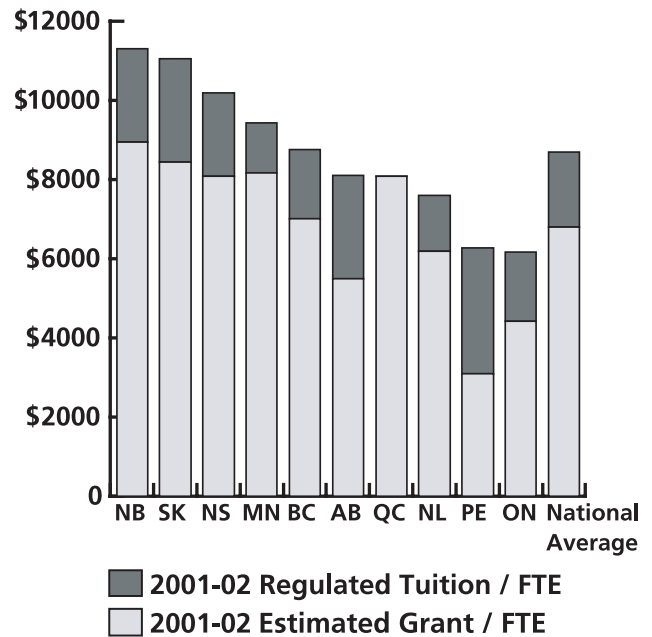
■ Programs

- Expand educational programs and develop effective credit transfer processes to ensure Ontario can keep pace as technologies evolve and market needs shift;
- Sustain program quality, currency and responsiveness so that Ontarians can pursue postsecondary education and training opportunities fully confident that they will develop the applied skills, knowledge and experience they will need for employment in their field; and
- Ensure excellence in curriculum delivery through attracting highly qualified full-time faculty, supporting student learning with trained specialists, and providing professional development opportunities that enhance teaching and support learning.

■ Resources

- Provide instructional resources, including instructional equipment that is current with industry standards, and learning resources;
- Enhance access to e-learning opportunities, especially to serve the high proportion of mature students who are balancing time commitments

Estimated Operating Grant and Fee Income per College Student 2001/02



to work and family while pursuing postsecondary education, and those Ontarians who live in underserved areas; and

- Increase digital literacy for graduates to meet employers' expectations, utilize e-business applications to enhance students' ability to complete their education, and use information technology to support efficiency and effectiveness.

■ Students

- Support student success to improve participation, retention and graduation by ensuring access to critical supports; and
- Broaden supports for students with disabilities.

■ Facilities

- Ensure up-to-date buildings, facilities and equipment can support the delivery of high-quality postsecondary applied education and the increasing use of technology.

■ Skills Initiatives

- Expand programs, resources and supports to integrate internationally trained individuals into Ontario's labour force sooner;
- Increase access for foundation skills training, especially to meet the urgent needs of rural, remote and underserved communities, including Northern Ontario and the province's aboriginal communities; and
- Expand apprenticeship programming and rapidly increase the number of apprentices.

Increasing the level of per-student operating funding to \$6,300, and increasing the capital allocation by \$30 million and funds for skills initiatives by \$32 million, results in a total estimated annual increase in investment of \$362 million by 2007/08. Funding details regarding the proposed target increases are outlined on page v. Ontario's colleges pride themselves on their accountability to students, communities and Ontario's citizens and are committed to working with the Government of Ontario to demonstrate, through a transparent process, the outcomes associated with new investments.

Ontario's colleges provide an essential link between where Ontario stands today and what Ontarians can achieve in the future. Strengthening the colleges' ability to deliver applied education will increase productivity, maximize prosperity and enhance the capacities of more Ontarians to fully participate in the economic, social and cultural life of the province.

Cumulative Target Increases (\$Millions) Over 2003/04 Base

	2003/04 Adjusted Base		2004/05	2005/06	2006/07	2007/08
OPERATING	\$678.4 ²	GPOG ¹	\$70 ³ (52 + 18)	\$140	\$210	\$300
	\$840.8 ²	Transfer Payments (Adjusted)	\$911	\$981	\$1,051	\$1,141
	\$4,680 ⁴	Estimated Per-Student Operating Grant (Based on 181,200 FTE) ⁵	\$5,030	\$5,415	\$5,800	\$6,300
CAPITAL	\$13	Facilities Renewal Program (FRP)	\$5	\$10	\$20	\$30
SKILLS	—	Skills Initiatives	\$5	\$15	\$25	\$32
Total ACAATO Request			\$80	\$165	\$255	\$362

1. Excludes annual increases due to enrolment growth. Colleges assume that the Government of Ontario will continue to honour the commitment to fund enrolment growth on a per-student basis, and that funding for enrolment growth will be in addition to this request.
2. 2003/04 Adjusted Base: GPOG excludes \$18 M (preliminary estimate) of unachieved enrolment growth funding. Transfer payment (adjusted) excludes \$57.1 M (CERP, Collaborative Nursing, Nursing Final Diploma and estimated unachieved enrolment growth funding)
3. 2004/05 Request of \$70 M includes \$18 M (preliminary estimate) attributable to unachieved enrolment growth beyond 2000/01.
4. Current best estimate of the per-student operating grant was calculated using \$840.8 M divided by 179,600 FTE (FTE excludes Nursing Final Diploma and Collaborative Nursing students).
5. Assumes that Nursing Final Diploma enrolment will be replaced with other activity, bringing 179,600 to 181,200 FTE.

\$362 M Target Increase in 2007/08 (\$Millions) Breakdown by Activity (excludes increases due to enrolment growth)

	Operating	Capital	Skills
College Transfer Payments:			
Strengthen Programs	125		
Improve Educational Resources	115		
Support Student Success	35		
Maintain Facilities	25	30	
Skills Initiatives			32
Total ACAATO Request	300	30	32

Table of Contents

1. Strengthening Ontario’s Economy to Support Prosperity	1
1.1. Improving Ontario’s Productivity	1
1.2. Workforce Development Through Applied Education	2
1.3. Ontario’s Colleges: Key Economic Drivers.	3
2. Implementing a Multi-Year Investment Strategy	5
2.1. Need for Investment	5
2.2. Investment Proposal	6
2.3. Key Components.	7
3. Building Ontario’s Workforce	11
3.1. Strengthen Programs to Produce the Skilled Graduates Ontario Needs.	11
3.2. Provide Educational Resources to Sustain Excellence in Applied Education	23
3.3. Support Student Success to Improve Participation, Retention and Graduation	33
3.4. Maintain Facilities to Serve Program and Student Needs.	41
4. Improving Access to Skills Training	45
4.1. Expand Programs to Integrate Internationally Trained Individuals	45
4.2. Increase Access to Foundation Skills Training.	49
4.3. Expand Apprenticeship Training	53
5. Conclusion	57
6. Appendix	59
6.1. Goals: Planning to Meet Ontario’s Workforce Challenges	59
7. Endnotes	61

1. Strengthening Ontario's Economy to Support Prosperity

1.1 Improving Ontario's Productivity

Ontario must focus on improving productivity to ensure continued prosperity in an increasingly knowledge-based global marketplace. In its recent report, *Performance and Potential 2003-04: Defining the Canadian Advantage*, the Conference Board of Canada identified the need to improve productivity in order to enhance our quality of living and prosperity. Moreover, the report clearly linked higher levels of education and training to improvements in productivity. In the years ahead, Ontarians' ability to enjoy a high standard of living and quality of life will be tied directly to the continued development of Ontario's human capital.

Education and training are fundamental to improving productivity and driving economic growth, and a strong skills base is essential for innovation. New technologies require workers to develop new skills, which in turn encourage product and process innovation as workers apply these high-level skills and learning in the workplace. Ontario must ensure the availability of excellent applied postsecondary programs that respond rapidly to shifting labour market needs and critical skills shortages.

Increasing access to applied education has broad social impacts. Postsecondary education represents the ladder of opportunity for many Ontarians. Attaining a higher level of education is associated with lower incidence of unemployment, higher income, better health outcomes, reduced probability of next generation poverty, and more informed and active citizenship. For society, increasing access to educational opportunities contributes to greater social mobility, reduced income disparities, and increased tolerance and respect for diversity.

Two urgent workforce challenges must be addressed for Ontario to improve prosperity through increasing productivity. As the baby boomer generation retires, Ontario will face a growing labour shortage. Critical shortages are now being reported in areas such as health care, education and skilled trades. Both the impending overall shortage and the existing skills shortages in specific sectors demand more effective use of Ontario's human capital. Ontario's future economic well-being depends on its capacity to fully leverage its human resources by increasing the level of knowledge and skills of the population, and focusing energy on increasing the postsecondary participation rates of traditionally under-represented

"An economy's ability to undertake innovation depends on the skills of the workforce."

Conference Board of Canada, 2003.

"By 2004, more than 70% of all new jobs created will require some form of postsecondary education."

*Government of Canada
Innovation Strategy*

VISION:

Ontario's Colleges of Applied Arts and Technology will be the most highly respected college system in the world by 2010.

Highly qualified, exceptional college staff will provide career education and training that fosters leadership and citizenship in its students, strengthens the workforce, and provides services to meet the diverse range of provincial needs in a global context.

Our Goals:

To position Ontario's colleges to respond to and serve the needs of Ontario by:

- *Building a competitive workforce
 - *Increasing access to postsecondary education*
 - *Ensuring quality learning**
- *Pursuing program innovation
 - *Supporting student success*
 - *Facilitating transfers**
- *Building college human resource base
 - *Investing in critical infrastructure
 - *Ensuring IT innovation*
 - *Committing to mission-based accountability**
 - *Broadening revenue sources
 - *Using resources wisely***

See Appendix 1 for expanded explanation.

groups. Ontario must also fully capitalize on the knowledge and skills of internationally trained individuals.

Ontario's colleges are ideally positioned to partner with the Government of Ontario in meeting these challenges. Postsecondary education can leverage productivity in two ways: by increasing the skills and knowledge base of Ontario's existing workforce, and by increasing the pool of Ontarians who have the skills and knowledge needed to gain entry to the workforce. Ontario's colleges can do both.

1.2 Workforce Development Through Applied Education

Colleges build upon four key strengths in developing the skills and knowledge base of Ontario's workforce:

- **Breadth of opportunities.** Ontario's colleges offer applied education and training programs across a wide spectrum of disciplines such as health sciences, business, skilled trades, engineering, and community services that lead to credentials including certificates, diplomas, post-diploma certificates, applied degrees and joint diploma-degrees.
- **Adaptability and responsiveness.** As labour market needs change, Ontario's colleges respond with new programs to fill critical skills shortages or address emerging areas of growth. With the support and input of their industry-linked program advisory committees, colleges are continually evolving and renewing their program base, curricula and delivery strategies.
- **Quality of applied education.** Ontario's colleges deliver high-quality applied education to a remarkably diverse student body. Curricula are developed with industry and the learning process is designed to provide students with both a theoretical base and the capacity to apply knowledge in practical situations. Employer and graduate satisfaction ratings are consistently high, and college graduates are in demand.
- **Accessible education.** Ontario's colleges provide a broad entry portal to the postsecondary education system. Mature learners, recent high school graduates, those who did not graduate from high school, those who are employed, new immigrants, people with disabilities – Ontario's colleges serve the needs of all of these learners through a spectrum of supports that include prior learning assessments, counselling and academic upgrading.

Improving Ontario's productivity and increasing prosperity means investing in its people. Ontario's colleges are eager to partner with the Government of Ontario in securing this investment for future generations. Strengthening the colleges' ability to deliver applied education will increase productivity, maximize prosperity and enhance the capacities of more Ontarians to fully participate in the economic, social and cultural life of the province. Ontario's colleges are essential in making the connection between where Ontario stands today and what Ontarians can achieve in the future.

1.3 Ontario's Colleges: Key Economic Drivers

Ontario's colleges provide an excellent return on investment. Ontario's colleges produce excellent returns on taxpayer investment measured in terms of increased revenues and cost savings¹. Every Ontarian, who gains employment or improves his/her employment situation as a result of the added skills and knowledge acquired through college education, contributes higher earnings to a more robust economy. Moreover, college education is an impetus for important social savings that translate into real cost savings for Ontario.

Ontario's colleges represent a powerful economic presence across the province:

- As key suppliers of Ontario's workforce: Graduates from Ontario's college programs are in demand. In 2001/02, 87% of graduates of Ontario's colleges had secured employment six months after graduation, and 92% of employers said they were satisfied or very satisfied with the graduates they had hired. With 45,000 college graduates joining Ontario's labour force each year, over 1,000,000 alumni of Ontario's colleges are actively contributing to the Ontario economy.
- As partners in training apprentices for Ontario's skilled trades occupations: There are 60,000 active apprentices in Ontario. Ontario colleges deliver over 90% of the apprenticeship in-school training.
- As specialists in providing access to applied education: The applied, postsecondary education offered by Ontario's colleges is increasingly in demand, and colleges provide access to postsecondary education for a broad spectrum of learners. Over 500,000 adults – about 150,000 full-time and over 350,000 part time – are enrolled in Ontario's colleges each year.
- As trainers of choice for many employers: Colleges provide customized training to more than 1,000 major employers in Ontario each year.

As a result of college education, Ontario saves over \$150 million annually through:

- *improved health that lowers the cost of medical care and reduces absenteeism,*
- *reduced reliance on welfare,*
- *lower rates of unemployment, and*
- *less crime.*

Socioeconomic Benefits Study, CCBenefits, 2003

Main Campuses of Ontario's Colleges of Applied Arts & Technology:

*Barrie - Georgian
Belleville - Loyalist
Hamilton - Mohawk
Kingston - St. Lawrence
Kitchener - Conestoga
London - Fanshawe
North Bay - Canadore
Oakville - Sheridan
Oshawa - Durham
Ottawa - Algonquin
Ottawa - La Cité
Peterborough - Fleming
Sarnia - Lambton
Sault Ste. Marie - Sault
Sudbury - Boréal
Sudbury - Cambrian
Thunder Bay - Confederation
Timmins - Northern
Toronto - Centennial
Toronto - George Brown
Toronto - Humber
Toronto - Seneca
Welland - Niagara
Windsor - St. Clair*

Over 90% of the employers rate their satisfaction with the college-provided training as very satisfactory or satisfactory.

- As vital institutions responding to a broad range of community needs: Ontario's colleges play pivotal roles in their local communities and are key participants in local Chambers of Commerce, economic development committees, skilled trades associations, and boards of community service and health care organizations. Colleges also contribute directly to Ontario's communities through co-op placements and graduate employment in sectors vital to Ontario's social infrastructure.

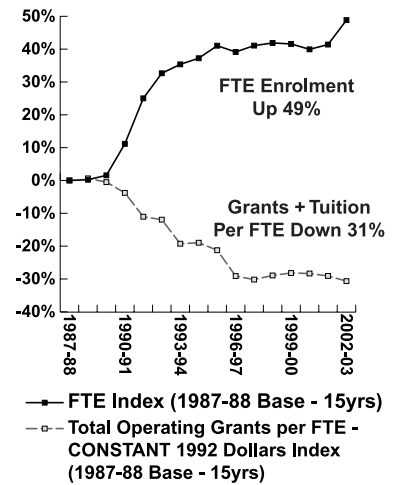
2. Implementing a Multi-Year Investment Strategy

2.1 Need for Investment

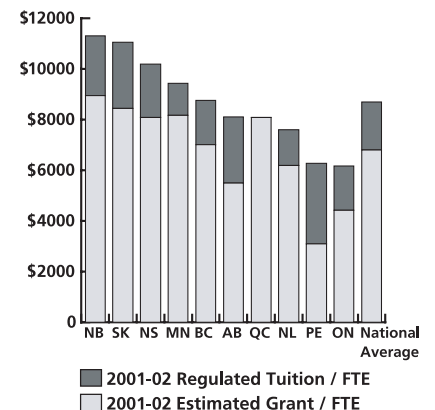
Ontario's colleges need critical funding support to continue to deliver the skilled workforce Ontario needs:

- Compared to 15 years ago, Ontario colleges are educating students for about 70 cents on the dollar. Grant and tuition fee per student has dropped over 30% since 1987/88, adjusted for inflation.
- Ontario's colleges serve 49% more students than 15 years ago, but receive 44% less grant funding per student in constant dollars. College operating grants per student dropped by 18%, but have actually decreased by 44% when adjusted for inflation.
- Ontario colleges rank last in a provincial comparison of revenue per student. Ontario colleges receive about 70% of the national average revenue per student, the lowest in Canada.
- Ontario colleges have efficiently and effectively delivered applied education, despite receiving less funding than other education sectors. In 2002/03, Ontario's colleges operated with an estimated grant per student of \$4,300. This falls well below the estimated funding of \$7,300 per secondary student in 2002/03 and the \$6,300 per university student in 2001/02.
- Ontario colleges trail American colleges in operating expenditures per student. The Second Annual Report of the Task Force on Competitiveness, Productivity and Economic Progress concludes that Ontario's colleges' expenditures per student are 74% of the level in U.S. peer states.³
- Ontario colleges have experienced greater erosion of their funding base per student than other publicly-funded sectors. Between 1987/88 and 2000/01, colleges suffered a more serious erosion of their resource base than health care institutions, universities or schools, based on an analysis of changes in operating expenditures per client.⁴

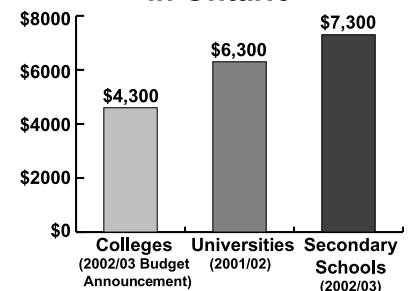
College Enrolment and System Revenue per FTE
Constant 1992 Dollars



Estimated Operating Grant and Fee Income per College Student 2001/02



Funding per Student in Ontario



2.2 Investment Proposal

Ontario's colleges propose that the Government of Ontario commit to a multi-year investment strategy to increase the per-student funding to \$6,300 by 2007/08. Ontario colleges seek an increase of \$300 million in the annual operating grant allocation by 2007/08.

The \$6,300 operating grant allocation represents the level of investment needed to enable Ontario's colleges to provide responsive, high-quality postsecondary education that will keep Ontario competitive. It will enable Ontario's colleges to expand educational opportunities in niche and sectoral specialties, sustain program quality, currency and responsiveness, achieve excellence in curriculum delivery, provide instructional resources that are current with industry standards, enhance e-learning opportunities, support student success, and ensure buildings, facilities and equipment are up-to-date. It will signal a commitment to fairness: People seeking postsecondary education through Ontario's college system deserve educational experiences that are equivalent in quality to those offered in other parts of Canada and other educational sectors in Ontario.

Additional funds from increased operating grant allocations should flow to the colleges by way of general purpose grants to ensure each college can use the funds most effectively in addressing the unique priorities of the communities and economic sectors it serves. Fundamental decisions about budget priorities must remain with individual colleges and their community-based Boards of Governors.

At the same time, Ontario's colleges ask the Government of Ontario to commit to a multi-year investment program to increase the capital allocation by \$30 million and funds for skills initiatives by \$32 million by 2007/08.

- An additional capital investment reaching a targeted increase of \$30 million by 2007/08 will ensure that the buildings and facilities of Ontario's colleges support the delivery of high-quality postsecondary education.
- An additional investment in skills initiatives reaching a targeted increase of \$32 million by 2007/08 will enable Ontario's colleges to work in partnership with the Government of Ontario to address skills shortages and maximize the effectiveness of Ontario's human resources.

This multi-year investment from the Government of Ontario will:

- Position Ontario's colleges to expand capacity, improve quality and strengthen responsiveness to evolving labour market needs;

- Provide adequate and predictable funding to enable colleges to plan for and implement effective educational programs, services and resources to support student success; and
- Ensure that all Ontarians have access to affordable postsecondary education to enhance the skill and knowledge base of Ontario's workforce and contribute to a more active and informed citizenry.

2.3 Key Components

Ontario's colleges support the need to expand college system capacity, enhance the quality of applied education, make postsecondary education more affordable and create a seamless and efficient system of skills training. This strategic multi-year investment proposal will enable the colleges to respond to these needs and provide responsive, high-quality education to increasing numbers of students.

The proposal is based on the following key underlying assumptions:

- Ontario colleges are prepared to expand capacity and increase enrolment by at least 10 percent to support the Government's goal of creating a world-class workforce in Ontario. Achieving a 10% growth in enrolment over the next four years represents an enrolment increase of approximately 18,000 FTE. The commitment to expand enrolment is based upon the assumption that Government will continue to fund enrolment growth and that, at a minimum, growth will be funded at the rate assumed in the Multi-Year Base Funding Commitments. (Based upon these assumptions and assuming that the full \$300 million grant increase is allocated, the actual level of grant funding per student would be eroded by enrolment increases above the base of 181,200 FTE.)

Ontario's colleges are engaged in joint enrolment planning with the ministry and this enrolment planning process will support Government and college sector planning.

While colleges are prepared to grow, it must be recognized that the college sector's resource base is seriously eroded and that significant new per-student investments are essential to ensure that colleges can provide a quality education to a greater number of students. While increasing Ontario's investment in colleges by \$300 million over the next four years would result in demonstrable improvements, it needs to be recognized that Ontario's colleges would remain funded at a level below the national average. Should other provinces improve the resource base for colleges over the next four years, the position of Ontario colleges vis-a-vis the national average will only be exacerbated.

- Building on previous funding commitments is essential to ensure colleges can produce the skilled graduates that will drive Ontario's growth. The Government of Ontario needs to fully implement and build upon the 2003/04 operating grant commitment of \$897.9 million and capital commitment of \$13.3 million to Ontario's colleges.
- Providing funding to offset limitations on tuition fee income will focus investment on increasing access for all Ontarians, supporting student success and meeting Ontario's labour force needs. Limitations on tuition fee income must be offset by funding if Ontario colleges are to maintain program quality.
- Ontario's citizens deserve evidence that new investments produce positive outcomes. Ontario's colleges, through their community-based Board governance structure, strategic and business planning processes, annual reporting and performance reporting are highly accountable public institutions. Colleges are prepared to work with the Government to develop efficient ways to demonstrate the outcomes associated with new investments.
- Bringing the funding level per student to the national average will better position colleges to serve Ontario's needs. Ontario colleges strive to equip students with the knowledge and skills they need to find employment in rapidly changing industry sectors. Recognizing the overall context of fiscal challenges facing the Government of Ontario, Ontario's colleges propose that increasing the per-student operating grant to \$6,300 by 2007/08 is a significant step toward moving the funding level to the national average.

Cumulative Target Increases (\$Millions) Over 2003/04 Base

	2003/04 Adjusted Base		2004/05	2005/06	2006/07	2007/08
OPERATING	\$678.4 ²	GPOG ¹	\$70 ³ (52 + 18)	\$140	\$210	\$300
	\$840.8 ²	Transfer Payments (Adjusted)	\$911	\$981	\$1,051	\$1,141
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CAPITAL	\$13	Facilities Renewal Program (FRP)	\$5	\$10	\$20	\$30
SKILLS	—	Skills Initiatives	\$5	\$15	\$25	\$32
Total ACAATO Request			\$80	\$165	\$255	\$362

1. Excludes annual increases due to enrolment growth. Colleges assume that the Government of Ontario will continue to honour the commitment to fund enrolment growth on a per-student basis, and that funding for enrolment growth will be in addition to this request.
2. 2003/04 Adjusted Base: GPOG excludes \$18 M (preliminary estimate) of unachieved enrolment growth funding. Transfer payment (adjusted) excludes \$57.1 M (CERP, Collaborative Nursing, Nursing Final Diploma and estimated unachieved enrolment growth funding)
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4. Current best estimate of the per-student operating grant was calculated using \$840.8 M divided by 179,600 FTE (FTE excludes Nursing Final Diploma and Collaborative Nursing students).
5. Assumes that Nursing Final Diploma enrolment will be replaced with other activity, bringing 179,600 to 181,200 FTE.

\$362 M Target Increase in 2007/08 (\$Millions)
Breakdown by Activity
 (excludes increases due to enrolment growth)

FUNDING INVESTMENT:	Operating	Capital	Skills
COLLEGE TRANSFER PAYMENTS:			
Strengthen Programs			
Foster Excellence in Curriculum Delivery	\$50		
Sustain Program Relevance	\$60		
Expand Educational Opportunities	\$15		
Strengthen Programs Sub-total	\$125		
Educational Resources			
E-learning and Information Technology	\$75		
Instructional Equipment and Learning Resources	\$40		
Educational Resources Sub-total	\$115		
Support Student Success			
Student Success	\$25		
Students With Disabilities	\$10		
Support Student Success Sub-total	\$35		
Maintain Facilities			
Operating	\$25		
Capital: Facilities Renewal Program		\$30	
Maintain Facilities Sub-total	\$25	\$30	
SKILLS INITIATIVES:			
Integration of Internationally Trained			\$8
Foundation Skills			\$14
Apprenticeship Expansion			\$10
Skills Initiatives Sub-total			\$32
TOTAL ACAATO REQUEST	\$300	\$30	\$32

3. Building Ontario's Workforce

3.1 Strengthen Programs to Produce the Skilled Graduates Ontario Needs

\$125,000,000
(2007/08 Target Increase)

3.1.1 Foster Excellence in Curriculum Delivery

\$50,000,000
(2007/08 Target Increase)

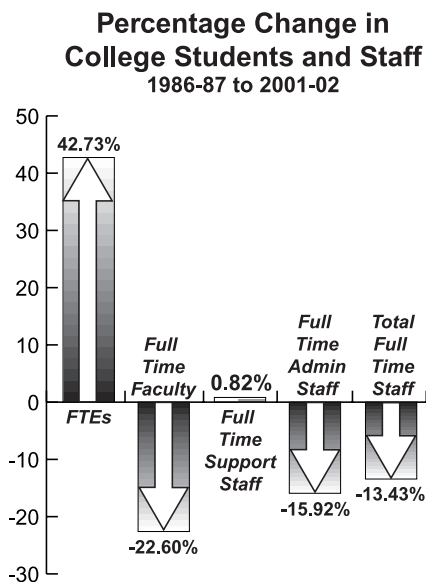
Need for Investment

Ontario's economy relies on a steady supply of skilled graduates in all sectors. Increasing access to postsecondary education opportunities by increasing the enrolment capacity of Ontario's colleges is an important first step in securing this supply.

Well-designed curricula delivered by highly qualified faculty and supported by specialists are essential for building the applied knowledge base Ontario needs. Ontario colleges are committed to providing highly qualified, exceptional college faculty and staff. Employee excellence – particularly in the field knowledge and teaching expertise of faculty – is critical if colleges are to deliver effective programs that develop the capable graduates Ontario needs. Educational research, student surveys, public opinion studies and employer feedback consistently identify faculty excellence as a cornerstone for program excellence. However, continued funding cuts have eroded curriculum expertise, excellence and capacity for innovation. Ontario's colleges have lost specialized expertise in many program areas. Continued failure to replenish the specialized expertise will jeopardize the effective delivery of curriculum.

Increasing enrolment, the emergence of new programs, and the need to nurture niche- and sector-based specializations, reinforce the already pressing need to hire more full-time faculty. Without additional full-time faculty, Ontario's colleges will be unable to deliver the programs and areas of specialization that are critical to Ontario's continued economic and social development. Ontario's colleges compete with industry for high-quality candidates who are knowledgeable in their field, and these candidates require full-time career opportunities in postsecondary education.

Colleges have focused on improving productivity in order to continue to deliver excellent programming within the funding constraints, but they are at



a critical point. In 2001/02, Ontario colleges served 51,000 more students - a 43% increase — with 1,800 fewer full-time faculty — a 23% decrease — compared to 1986/87. However, larger class sizes, reductions in overall teaching hours and fewer opportunities to interact with faculty make it difficult to support students who are struggling and in danger of dropping out. Smaller class sizes better meet student needs, especially for mature students who may be juggling work and family commitments or who have returned to school after a long absence. Further reductions in faculty will seriously jeopardize retention and graduation rates in many programs.

Per-student funding levels need to support full-time staffing to ensure consistency and quality in curriculum delivery. While some change in the balance between full- and part-time employees can be and has been accomplished without negative impacts on the student educational experience, there are limits to the use of non-full-time employees. Without new investment through increased per-student funding, Ontario’s colleges will be severely hampered in their efforts to employ sufficient qualified full-time faculty and specialized support staff, such as computer and laboratory technicians, who are essential to program success. Improving the quality of students’ educational experience, establishing consistent curriculum delivery and ensuring consistent assessment of student achievement require new resources to hire additional full-time faculty and staff.

Rapid change in many industries highlights the pressing need for faculty and support staff to remain current in their field of expertise. New specializations, technologies, regulations, standards, processes and practices are rapidly changing Ontario’s workplaces. Students at Ontario’s colleges repeatedly rank faculty currency and field knowledge as the most important attributes when rating faculty performance. Next, they value teaching ability: the ability to design and deliver an excellent learning experience that relates field experience to the classroom. Colleges need sufficient resources to enable faculty and support staff to remain current in the skills and knowledge they contribute to program delivery.

Professional development directly affects excellence in curriculum delivery, but funding constraints have limited the resources available to colleges. Conference Board of Canada statistics show that the average annual expenditure on professional development is approximately 1.7% of payroll.⁵ Not-for-profit organizations report spending 3% of payroll, and organizations in the professional, scientific and technical services category report spending 2.9% of payroll on professional development. Based on a total payroll of just over \$1 billion, Ontario’s colleges should be investing between \$20 million and \$30 million in professional development each year. In 2000/01, Ontario colleges spent \$9.8 million on professional development.

Investment Proposal

Ontario's colleges propose a multi-year investment program targeted to reach \$50,000,000 annually by 2007/08 that will support the increased capacity needed in colleges and ensure excellence in curriculum delivery:

- Investment to ensure excellence in curriculum delivery is a direct investment in the development of a skilled workforce. Attracting well-qualified faculty and support staff and offering professional development opportunities will better position Ontario's colleges to educate and train the number of skilled graduates Ontario needs for economic and social prosperity.
- A multi-year recruitment program to attract full-time faculty and support staff will directly and positively impact student retention and graduation rates. It will replenish and extend critically needed expertise, strengthen the links between industry experience and applied education, and prepare for anticipated growth in enrolment and emergence of specialized and applied degree programs.
- Investment in professional development and renewal will ensure Ontario's colleges have the capability, currency and capacity to develop and deliver the responsive postsecondary education programs to meet skills shortages and market needs. As a first step in moving professional development expenditures to 3% of payroll over the longer term, colleges would gradually increase spending on professional development to a target of 2% of payroll by 2007/08. Investment in professional development to support the delivery of the curriculum would increase by \$5 million annually by 2007/08. Individual colleges would deploy funds according to the priorities of the communities and economic sectors they serve, and the outcomes would contribute to colleges' performance standards, performance improvement and accountability frameworks.

Expected Outcomes

Investing in excellence in curriculum delivery through this multi-year program of renewal and development will:

- Ensure Ontario's colleges maintain high standards of teaching, and continue to develop innovative ways to deliver curricula and facilitate learning;

- Expand capacity to design and deliver high-quality applied education and training programs by introducing approximately 900 new full-time faculty and specialist staff positions across Ontario;
- Diversify the employee base so that the workforce at Ontario's colleges increasingly reflects the composition of the Ontario population, and provide professional development so that colleges are equipped to serve an increasingly diverse student body;
- Establish an ongoing program of training, development and renewal that will increase retention of highly qualified faculty and support staff, and thereby positively affect student retention and graduation rates, and extend professional development to include more part-time employees;
- Underscore Ontario's colleges as learning organizations where lifelong learning and professional development are valued as foundations for excellence; and
- Demonstrate Ontario's commitment to preparing a skilled workforce that has the knowledge base, skill set and flexibility to meet the challenges of the future by doubling the annual investment in professional development by 2007/08.

3.1.2 Sustain Program Relevance, Currency and Quality to Ensure Workforce Development

\$60,000,000
(2007/08 Target Increase)

Need for Investment

By 2007/08, Ontario's colleges will need to spend an additional \$175 million annually to provide the postsecondary educational programs being delivered right now. Increasing costs of compensation and benefits, and rising prices for goods and services, place tremendous pressure on colleges' capacity to deliver the skilled graduates that will help Ontario remain competitive in the global economy.

Funding that addresses this shortfall is critical for Ontario's colleges to maintain a program mix that responds to labour market shifts and to provide students with high-quality education and current curriculum. Colleges and government share responsibility for addressing this shortfall. While Ontario's colleges will continue to diversify their revenue streams and engage in fundraising campaigns, not all cost pressures can be fully offset by such strategies. Unless the Government of Ontario recognizes and contributes to the anticipated cost increases, Ontario's colleges will be forced to deliver lower cost programs, will face increasing challenges to provide up-to-date curricula and will have to further constrain program delivery.

Funding that assists with offsetting cost increases will ensure Ontario's colleges have the capacity to develop innovative programs in response to changes in the economy. Ontario's colleges respond proactively to shifts in the labour market by developing and delivering over 100 new programs each year, and by reviewing and renewing 150 to 200 existing programs annually. Ontario's colleges currently invest \$23 million each year in program development, review and renewal to ensure graduates will be equipped with up-to-date, industry-specific knowledge and the skills they will need in the workplace. Without funding to offset rising costs, colleges will be unable to finance the cost of developing, reviewing and renewing programs to meet market needs.

Ontario's colleges will continue to work to improve productivity, but further constraints will force Ontario's colleges to contain costs in ways that will erode program delivery. Chronic underfunding has significantly affected program delivery: reliance on full-time faculty has been reduced, the amount of instructional time has fallen, and class size has increased. Without government funding to offset anticipated future cost pressures, continued financial constraints will erode the quality and delivery of programs, put even more pressure on class size and instructional time, and reduce the supports students need.

Between 1991/92 and 2001/02, the average class size for full time faculty increased by 27%.

General administration spending as a share of total college operating expenditures dropped 18% between 1986/87 and 2000/01.

Changes in Instructional Time for Selected Programs 1989/90 to 2003/04

General Arts & Science	- 29%
Business Admin/Marketing	- 20%
Business /Accounting.....	- 16%
Social Service Worker	- 16%
Mechanical Eng. Technology	- 17%
Electronics Eng. Technology	- 13%
Dental Hygiene	+ 1%

From a 2003 survey of 10 colleges offering 7 different programs. Direct instructional time for the vast majority of programs has been reduced between 10% and 30% since 1989/90.

Investment Proposal

In 2001, the Report of the Education Equality Task Force demonstrated the pressing need for the Government of Ontario to recognize previous cost increases by updating the benchmark costs used by the funding formula for school boards. The Government of Ontario accepted this recommendation and committed funding to reflect adjustments in the benchmark costs.

Ontario's colleges urge government to partner with the colleges in addressing anticipated cost pressures in the college system so as to ensure graduates of Ontario's colleges are well prepared to contribute their knowledge and skills to Ontario's workplaces.

Ontario's colleges will proactively address the shortfall associated with activities not funded through the operating grant allocation by:

- Pursuing aggressive revenue generation strategies;
- Seeking partnerships and stepping up fundraising, building on the successful long-term college-industry partnerships, new entrepreneurial activities and major fundraising campaigns undertaken by colleges' Boards of Governors in recent years; and
- Continuing to look for ways to improve efficiency and productivity, including modifying and implementing policies and practices to achieve administrative efficiencies, developing joint ventures with other colleges, and rationalizing programs and services.

Ontario's colleges urge the Government of Ontario to contribute to offsetting expenditure pressures through a multi-year investment reaching a target of \$60 million by 2007/08.

Failing to recognize and fund the shortfall arising from anticipated cost increases would have the same direct and immediate impact as reducing college operating grants. Unless anticipated cost increases are offset by an adjustment to operating grants, colleges will be forced to reduce or limit their core functions, including program development and delivery. Continued fiscal pressures will erode program quality and will threaten colleges' capacity to provide highly skilled and educated graduates for the rapidly changing Ontario labour market.

Impacts of failing to recognize and contribute financially to the ongoing expenditure pressures include:

- Increased class sizes;
- Further reduction in instructional time for students;

- Reduced interaction between full-time faculty and students;
- Jeopardizing the currency and relevancy of curriculum and program offerings; and
- Fewer skilled graduates entering the workforce.

3.1.3 Expand Educational Opportunities to Meet Market Needs

\$15,000,000
(2007/08 Target Increase)

Need for Investment

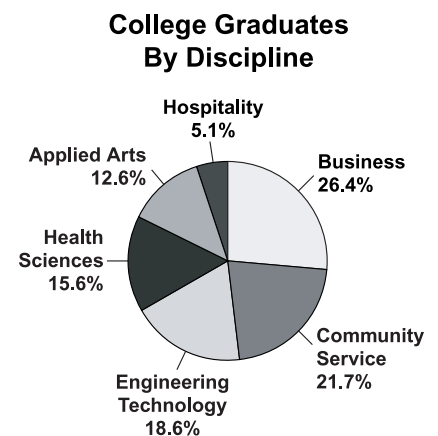
Ontario's colleges are committed to building a competitive workforce through delivering excellence in applied career education and training. The increasingly global, knowledge-based economy in which Ontario competes requires postsecondary education that offers a broad range of applied education opportunities and can quickly adapt to meet employers' needs in emerging areas of growth. In addition, colleges recognize the need to facilitate credit transfers to meet the needs of a more mobile population that needs flexible access to postsecondary education. In order to continue positioning their programs and services to meet the needs of Ontario's workforce, Ontario's colleges require the Government of Ontario to invest in three important strategic initiatives:

- Build capacity to offer niche and sectoral specializations;
- Adjust funding to support high-cost programs; and
- Facilitate credit transfers.

Build Capacity to Offer Niche and Sectoral Specializations

Ontario's colleges are ideally positioned to design and deliver applied education and training for value-added market niches and sectoral specializations. Through their Program Advisory Committees, Ontario's colleges work closely with employers and industry associations. As a result, colleges have unparalleled knowledge of the sectors that drive Ontario's economy and are attuned to needs for programs aimed at market niches or sectoral specializations. However, financial pressures over the last 10 years have forced colleges to retain and expand high volume, lower-cost programs while cutting back, eliminating, or amalgamating smaller volume, higher cost programs that address specific niches and sectoral specializations. Although a provincial system of program weights attempts to adjust funding and recognize differentiated cost levels among programs, an analysis of actual program costs demonstrates that this system has not been sufficient to sustain specialized programs. Ontario cannot afford to lose market opportunities because key specialized programs in areas such as manufacturing, networking and information technology are not available.

College programs that prepare graduates for employment in high-demand sectors and offer opportunities for specialization will ensure Ontarians



Lifelong learning is a necessity – not a luxury – given our current labour shortages.

Conference Board of Canada, 2003.

develop the skills employers want when they are needed. Students at Ontario's colleges will continue to face a reduced range of workplace-oriented education and training opportunities unless the Government of Ontario provides sufficient investment to enable colleges to develop new programs and renew existing ones to meet market needs.

Investing in sector-specific, industry-standard programs means Ontario's colleges gain opportunities to provide hands-on, market-relevant education and training. In order to expand capacity to offer career-entry programs or skills training opportunities in sectoral specializations that meet employers' needs, Ontario's colleges require investment to support the delivery of these programs.

Adjust Funding to Support High-Cost Programs

Ontario's colleges enroll over 13,000 full-time students annually in a broad range of certificate, diploma and degree health science programs. College health science programs include nursing, practical nursing, paramedic, medical radiation therapy, dental hygiene, dental assistant, pharmacy assistant, medical laboratory assistant and many post-diploma specialties.

Funding parameters for health science programs have failed to match program delivery cost increases. The delivery costs associated with health science programs are influenced by many factors. Some of the factors, such as clinical ratios, are determined by organizations external to the college.

Ontario's colleges supply the health care sector with an essential supply of highly skilled personnel. Resources are needed to sustain this critical set of programs.

Ontario's colleges expect to launch more degree programs over the next five years. Currently, 40 applied degree programs have been approved with planned enrolment at maturity exceeding 7,000. In 2000, ACAATO conducted consultations with colleges across Ontario to determine the factors associated with developing and delivering applied degree programs that would ensure each program achieves the high level of quality Ontario's employers demand. These factors include:

- Ensuring program components are current, industry-specific and reflect best practices in industry and adult education;
- Adjusting for smaller anticipated enrolment due to niche or specialty orientation; and
- Providing resources for essential program-related applied research.

Facilitate Credit Transfers

Traditional patterns of study are being replaced by new, more flexible approaches that enable Ontarians to access postsecondary education more easily. New technologies encourage students to take programs with components from different institutions, and those programs are delivered in ways that can accommodate the work and family schedules of the mature students who make up 60% of the student population at Ontario colleges.

The drive toward improving educational pathways means students need clear answers about a growing array of postsecondary education options. Credit transfers can no longer be handled as one-at-a-time, ad hoc events in our increasingly mobile society. Educational institutions need to be able to provide answers quickly and accurately on course transferability so students do not end up frustrated by having to repeat course work taken at another institution or receiving no credit for prior learning.

Ontario's colleges are committed to facilitating seamless transitions as students move through Ontario's education system. In 2002/03, the Coordinating Committee of Vice-Presidents Academic of Ontario's colleges initiated a protocol to facilitate easier credit transfers.

Investment Proposal

Ontario's colleges propose that a multi-year investment program targeted to reach an increase of \$15 million annually by 2007/08 will enable colleges to maintain and expand educational opportunities for Ontario's students in line with these strategic directions:

- Investing in niche-based and sector-specific programs, and in short, skills-based programs for trainees. Ontario's colleges would adjust program mix and range to respond to niche-based and sector-oriented demand and would establish and maintain laboratories and specialized equipment, where required, to support program specialization. Specific components within this strategic initiative include:
 - Conducting rigorous needs analysis based on industry input, particularly through the active participation of program advisory committees;
 - Developing new postsecondary and post-diploma programs;
 - Expanding specializations within the senior years of existing programs;
 - Creating additional certificates and noncredit opportunities for workforce training in new technologies or processes, or sector-based areas of specialization; and

- Providing sufficient learning resources, facilities and equipment to support specializations.
- Adjusting the base-level funding for selected higher-cost programs: health science and applied degree programs. In 2001/02, there were approximately 13,000 full-time students enrolled in critical health science programs. Given the anticipated human resources needs in the health care sector, enrolment in health science programs is expected to grow consistently over the next four years. Approximately 7,000 students will also be enrolled in applied degree programs at Ontario's colleges by 2007/08.
- Establishing an effective system to facilitate credit transfers. A Provincial Transfer Office would hold province-wide responsibility for coordination, research, communication, and identifying policy issues and provincial priorities. Ontario's colleges would welcome the opportunity to continue working with Ontario's universities through a new Provincial Transfer Office to develop new provincial credit transfer agreements. Local Transfer Offices at each college would provide services directly to students.

Expected Outcomes

Investment in educational opportunities would include:

- Ontario's colleges will develop and deliver approximately 50 new niche-based and sector-oriented program specializations to better prepare Ontario for the economic challenges ahead. These programs will be designed to meet market needs, delivered by qualified faculty, equipped with appropriate learning resources, and will feature work placement opportunities with industry and sector partners.
- By 2007/08, approximately 10,000 students annually will have new opportunities to secure education and training in more highly specialized programs and courses that will position them to be workforce-ready upon graduation. Increased opportunities for niche- or sector-based specialization mean employers are more likely to find graduates with the mix of skills and knowledge they need.
- Appropriate base funding for health science and applied degree programs will ensure that colleges can expand in critically needed programs. Over 20,000 students in these programs would be impacted.
- Students will experience increased satisfaction which will lead to improved retention and graduation rates and, ultimately, to a better educated and more competitive workforce. Students will more easily map a path to graduation that takes into account credits earned at different postsecondary institutions.

3.2 Provide Educational Resources to Sustain Excellence in Applied Education

\$115,000,000
(2007/08 Target Increase)

3.2.1 Invest in E-Learning Opportunities and Information Technology

\$75,000,000
(2007/08 Target Increase)

Need for Investment

Ontario's future economic prosperity and social well-being demands the development of a more highly educated workforce; expansion of e-learning opportunities represents an essential component of improving accessibility to college education. College programs need to integrate elements of e-learning into their curricula; Internet-based education increases access, offers flexibility and overcomes barriers of distance, time and disability. The Internet and e-business have profoundly changed every industry sector in Ontario, and e-learning has the potential to profoundly change postsecondary education in Ontario.

Ontario's colleges, through Contact North and Ontario Learn, have demonstrated innovative and collaborative methods to increase access to college education through e-learning.

Up-to-date information technology is essential for effective curriculum delivery, underpins supports for students and contributes to efficient administration. College programs requiring laptops, Internet access and 'smart' classrooms are expanding rapidly. Websites and learning management software are now standard in many programs. Nearly one-half of postsecondary institutions in North America now feature web portals — in place or under development — to provide students with one access point for all student services including online catalogues, registration, library and learning materials, e-mail and web access, and, increasingly, alternative modes of delivery.⁶

The number of e-mail accounts has doubled, the volume of e-mail has tripled and web access has increased tenfold over the past five years at Ontario colleges.

Continued evolution in information technology creates tremendous pressures on technological infrastructures. Computers, software, networks and data storage are under siege as the number of e-mail accounts, the volume of e-mail, demands for web access and wireless communication have increased demands on the capacity, speed, applications and features of colleges' information technology infrastructure. Demands for virus protection, security and privacy are increasing costs, and the quality and

*Percentage of Full-Time
Applications Received Online*

Fall 2003: 72%

Goal March 2004: 98%

*Ontario College
Application Services, 2003*

availability of technical and user support become increasingly critical as information technology becomes more central to the services colleges provide.

At colleges the number of e-mail accounts has doubled, the volume of e-mail has tripled and web access has increased tenfold over the past five years.

Existing IT infrastructures cannot easily support new and emerging technology, innovative applications to enhance learning, or demands for high-speed access and processing. Industry partners expect Ontario's colleges to adapt to the knowledge economy and meet chronic skills shortages at a time when the availability, accessibility and currency of technology have been severely limited by chronic underfunding. As a result, colleges do not have the IT resources they need to develop applications to enhance learning or to keep pace with changes in industry. If Ontario is to remain competitive, colleges must have the resources needed to invest in information technology.

Taking these factors into account, Ontario's colleges have identified a specific information technology strategy with four linked components that will enhance access to learning opportunities and meet Ontario's needs for a highly skilled and adaptable labour force:

- Enhance access to e-learning and enhanced learning opportunities;
- Ensure digital literacy for graduates;
- Enhance student services through e-business applications; and
- Support administrative efficiency and effectiveness.

A discussion of each of these four components of the information technology strategy follows.

Enhance Access to E-Learning and Enhanced Learning Opportunities

E-learning improves flexibility, reduces the barriers of time, distance and disability, and provides better access to lifelong learning opportunities for those who are employed full-time and those who live in under-served and remote areas. Increasing e-learning opportunities will increase participation in postsecondary education. Sixty per cent of the students enrolled at Ontario's colleges are mature students looking to upgrade their skills or change career direction. This increasingly diverse student population requires increased flexibility in curriculum delivery to help them juggle conflicting demands of school, work and family. On campus, increasing integration of Internet-based applications and new learning media create more active learning, collaborative and experiential environments. Digital libraries, 24/7 online services, network-based curricula online and multimedia materials are increasingly in demand by

both distance and on-campus learners.

Ensure Digital Literacy for Graduates

Employers expect graduates to possess skills that support lifelong learning and enable them to adapt to on-demand, online learning to support performance improvement. Computer and Internet-based literacy are essential components for effective performance in a global, knowledge-based economy. Industry-standard hardware and software are required to prepare students for careers in disciplines such as computer science, electronics, networking, information systems and digital media, and all students require access to up-to-date on-campus computer facilities in preparation for increasingly technology-dependent workplaces.

Enhance Student Services through E-Business Applications

Web-based, single-entry portals offering program information, student services and course-related materials will make it easier for students to complete their college education. The Investing in Students Task Force reported that students identified access to registration, information, student services and financial assistance via an on-line single-entry portal as a top priority.⁷ Colleges have begun to develop portals so that students can access program information and course-related materials anytime, anywhere. Self-serve, web-based services will allow students to apply for financial aid, check course components, pay tuition and access other electronic services online. These initiatives place enormous pressure on a college's IT human resources and its IT infrastructure, much of which has been underdeveloped or minimally maintained. Even minor innovations such as accepting online credit card payments for tuition generate significant demand for backroom software development, security, privacy and technical support. Developing electronic service delivery requires investing in newer IT infrastructure and sufficient IT human resources.

Support Administrative Efficiency and Effectiveness

Improving information technology will significantly improve the efficiency of college operations and allow a greater proportion of resources to be directed to programs. Fully-integrated data management systems will support better administrative processes and services including human resources, scheduling and materials management, finance, and accounting. College-wide databases and systems are needed to support basic business functions and improve planning and control. Investment in IT infrastructure and human resources will enable colleges to develop integrated and streamlined applications that will, in turn, direct more resources toward programs.

Investment Proposal

A multi-year investment reaching a target increase of \$75 million by 2007/08 will enable Ontario's colleges to invest in the sustainable IT infrastructure; curriculum and supports needed to facilitate the expansion of e-programs and services. This investment includes:

- Supporting e-learning by establishing the required infrastructure, services and curricula;
- Providing basic digital literacy for all students as well as the specialized skills demanded by technology-intensive programs by establishing the required infrastructure, services and curricula;
- Creating web-based portals to provide online student services and applications;
- Implementing college-wide databases and business applications to improve administration, resource planning, data management and control; and
- Improving IT infrastructure, business process design, data management and implementation of enterprise resource planning systems.

Expected Outcomes

Committing to a multi-year investment in e-learning opportunities and information technology at Ontario's colleges will:

- Increase accessibility to postsecondary education for all Ontarians – particularly those who are employed full-time or who live in rural, remote or underserved communities — through an increased number and variety of distributed learning and e-learning applications at all Ontario's colleges;
 - Develop over 1,000 courses or course equivalents in e-learning modes, prioritizing high enrolment courses;
 - Offer over 30 programs entirely through e-learning;
 - Deliver over 20% of part-time courses in an e-learning mode;
 - Move towards 24/7 technical support for students enrolled in e-learning courses.
- Produce graduates who are skilled in digital literacy such that 80% of graduating students will have taken at least one course through e-learning;

- Deliver over 10% of full-time hours of programming in an e-learning mode;
- Ensure that 80% of college professors use e-learning techniques in at least one of their courses.
- Offer better student learning opportunities using Internet-based and web-access learning both on-campus and through distributed learning;
- Ensure students have access to industry-standard information technologies appropriate to their discipline, and ensure faculty are trained to lead learning using these technologies;
- Implement performance indicators to ensure that student performance outcomes are, at a minimum, equivalent to those in existing courses and that student satisfaction levels are equivalent to those in traditional courses;
- Increase overall retention and graduation rates by providing greater opportunities for students to access courses that are not time or place-specific;
- Improve student access to and satisfaction with a broader range of services delivered on-line through web-based, single-access portals; and
- Improve college-wide planning, operations and monitoring, resulting in increased efficiency and effectiveness.

3.2.2 Ensure Industry-Standard Instructional Equipment and Learning Resources

\$40,000,000
(2007/08 Target Increase)

Need for Investment

Creating more learning opportunities to meet the need for high-demand skills means ensuring that Ontario's colleges are equipped with up-to-date resources. Constrained funding has seriously deteriorated the currency and availability of instructional equipment and library resources at Ontario's colleges. Instructional equipment needs to be current with industry standards and learning resources need to be current, relevant and readily available to all learners.

Bring Instructional Equipment to Industry Standards

College programs require industry-standard instructional equipment to support learning and enable graduates to enter the workforce with skills that are current and relevant to employers' needs. College graduates need to be prepared for rapidly evolving workplaces driven by technology. Many college programs are technologically intensive, make extensive use of lab facilities and/or require specialized equipment. High quality instructional settings need to reflect working world standards and enable students to acquire the skills they will need for employment.

Ongoing renewal of instructional equipment is needed across a wide spectrum of college programs. Students in mechanical, manufacturing, electronics, civil, chemical or environmental engineering technology programs need to apply their learning on specialized equipment. Rapid advances in health sciences require facilities and labs that bring technological applications into the educational setting. A wide range of specialized programs in many disciplines, such as hospitality or new media, require facilities that offer hands-on learning opportunities. Up-to-date general purpose and specialized computer labs, and audio-visual teaching equipment, provide better learning experiences.

As industries change and technology evolves, Ontario's colleges need to keep pace in order to keep Ontario's workforce competitive. Much of the current equipment on college campuses is outdated and cannot properly educate students to industry standards, and tight operating budgets mean worn out or out-of-date instructional equipment cannot be replaced.

Programs in emerging areas of specialization and increasing enrolment add pressure for new instructional equipment. This, in turn, increases the stock of equipment and facilities that must be maintained and, eventually, replaced.

A recent survey of Ontario's colleges found that only 28% of valid, justifiable equipment requests could be funded.

ACAATO Survey, 2003.

In a typical large college, there are over 150 teaching labs that require ongoing renewal of instructional equipment. The renewal cycle can range from two to five years.

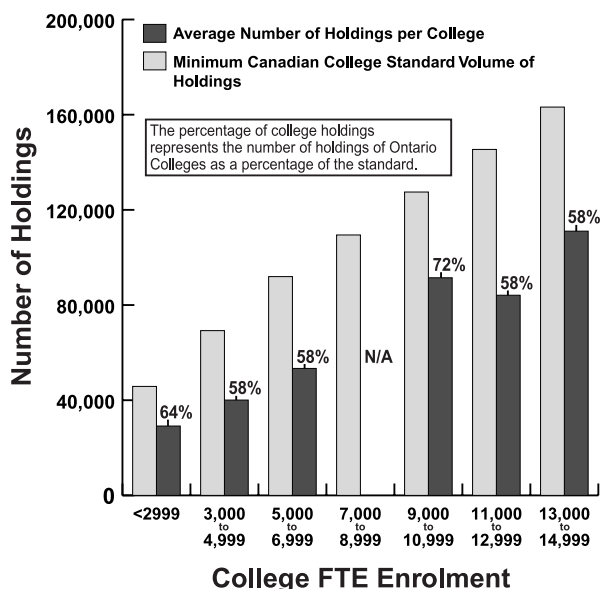
Ensure Learning Resources are Current and Relevant to Students' Needs

Employers want college graduates who can apply problem-solving and research skills in the workplace. College programs need to be supported by college libraries with appropriate hardware, software, audio-visual materials, technical expertise and reference services to enable students to maximize learning and research opportunities.

Inadequate, outdated libraries do not contribute to excellence in applied education in a rapidly changing economy. College libraries support a broad range of college programs, but are not funded to the same degree as university libraries. Ontario's college libraries spend an average of \$20 per student annually while university libraries spend an average of \$450 per student. Ontario's colleges have average library holdings of about 8 per FTE student while universities with primarily undergraduate programs have about 230 holdings per FTE student. Between 75% to 85% of the average library collection at Ontario's colleges is more than five years old.

The emergence of applied degrees and joint degree-diploma programs, such as nursing, means Ontario's colleges require additional research resources and capabilities. Internet-based resources are an increasingly important component of college libraries, but many Ontario colleges find it difficult to purchase or maintain online resources and databases as subscription costs increase. Applied research increases demand for access to current books and peer-reviewed articles.

Ontario College Library Holdings as a Percent of the Canadian College Standard



Investment Proposal

A multi-year investment program reaching a target annual increase of \$40 million by 2007/08 (\$50 million by 2007/08, assuming continuation of CERP funds) will enable Ontario's colleges to bring instructional equipment up to industry standards to support existing, emerging and specialty college programs, and will provide resources for college libraries to secure up-to-date reference material and provide access to a wide range of online resources to support learning. Each college will address the particular priorities of the communities and economic sectors it serves within an overall framework that supports developing a competitive, knowledgeable and skilled workforce.

Expected Outcomes

This multi-year investment program will give colleges the capacity to acquire industry standard instructional equipment, up-to-date software, and current library and online resources that will contribute to the following outcomes:

- Graduates of Ontario's colleges will be better equipped with skills and knowledge relevant to their area of specialization, and better able to contribute meaningfully to the workplaces they join. Employer satisfaction levels will consequently continue to be strong.
- Colleges will be in a stronger position to respond to changes in the industries they serve and better able to support both new programs and programs with renewed curriculum.
- Students will have the resources they need to prepare them for their careers and for lifelong learning, resulting in better retention, higher rates of graduation and better fit when graduates join the workforce.
- Colleges will have enhanced capacity to serve students at risk and offer the instructional supports and learning resources they need to enable them to follow their chosen course of study.

3.3 Support Student Success to Improve Participation, Retention and Graduation

\$35,000,000
(2007/08 Target Increase)

3.3.1 Provide Services that Reinforce Student Success

\$25,000,000
(2007/08 Target Increase)

Need for Investment

Increasing participation in postsecondary education has long-term, positive impacts on Ontario's economy and Ontarians' quality of life. More education for more people means more productivity and more informed, active citizens for Ontario. However, increasing participation rates also means focusing on those services that reinforce students' success in completing their courses of study.

Over the last 15 years, FTE enrolment at Ontario's colleges has increased almost 50%, increasing the need for essential supports and services to ensure retention and graduation. While this enrolment growth reflects the success of efforts by Ontario's colleges to improve postsecondary participation and access to college, it has also increased the diversity of the student body and the complexity of its needs. Ontario's colleges will serve over 500,000 Ontarians in 2003/04 through full-time postsecondary programs, apprenticeship programs, credit and non-credit part-time courses, distance learning opportunities, and contract training. Many students need access to a range of services including career planning, placement, financial aid, academic and peer counselling that are essential to ensure they can complete their course of study and join the labour force.

Ontario's colleges offer multiple points of entry and educational pathways to a wide range of applicants whose diversity increases the complexity of the supports and services they need to achieve success. Ontario's colleges serve mature students, new immigrants, secondary school graduates, secondary school 'early leavers', and those who have acquired postsecondary credentials. Historically, almost 60% of new full-time entrants are mature students who come directly from the labour market and who often face obstacles and challenges in balancing school, family and employment obligations. The student body at Ontario's colleges directly reflects the diversity of Ontario's population. About half represent their families' first experiences with postsecondary education.

Students who attend colleges outside their local communities look to colleges to provide a wider scope of supports and services. Students are

Profile of Students at Ontario's Colleges:

Average age is 25

60% are mature students

39% work more than 10 hours a week

10% have a documented disability

55% depend on financial aid; and an additional

30% borrow from private sources to finance education⁸

50% are concerned about having sufficient finances to complete their education

increasingly attending colleges outside their local community in order to pursue a particular course of study as colleges have rationalized programs and reduced satellite locations due to fiscal constraints. As a result, these students rely on colleges to provide access to out-of-classroom supports such as counselling, financial assistance and accommodation services.

While enrolment and student needs have grown, constraints on college funding are eroding colleges' capacity to support students in the learning process. Student satisfaction ratings across the range of services that support student success are generally lower than satisfaction rates related to programs and courses. Ontario's colleges have limited ability to provide the academic and non-academic support services that will maximize opportunities for student success.

Investment Proposal

Ontario's colleges propose a multi-year investment program reaching an annual target increase of \$25 million by 2007/08 to provide adequate resources and services to support student success.

Ontario's colleges are committed to providing high-quality, responsive services that will support student success, encourage retention and increase graduation rates. Increasing participation and maximizing students' ability to successfully complete their college education and pursue their career goals will ensure a better quality of life and improved economic prospects for more Ontarians.

Colleges need to be able to support student success through every stage of the college experience, including career planning, recruitment, admission, term-to-term retention, graduation and employment search. Developing research-driven, student-centered and outcome-oriented services that are responsive to student needs will effectively support the needs of all learners.

Investment in services for student success will include:

- Knowledgeable recruitment staff to work with schools and agencies across Ontario to provide timely information on career opportunities and college programs;
- Sufficient admissions and registration staff, data management systems and resources, including up-to-date technologies and client-friendly systems, to ensure application and registration procedures are efficient and responsive to student needs;
- Appropriate staffing levels in financial aid offices to support the 55% of students who require some form of financial assistance to attend college and complete their program of study;

Between 1986/87 and 2001/02, the number of students grew by 43% while the number of counsellors dropped by 17%.

- Comprehensive, professional counselling services that can provide support to a diverse and changing mix of students to maximize retention and success;
- Qualified librarians and library technicians to support the learning process and ensure students and faculty can access information resources efficiently and effectively; and
- Services aimed at enhancing students' on-campus experience including orientation programs, student affairs co-curricular programming, residence life programming, access to health services, recreational, fitness and athletics programming, and ongoing liaison with student governments and their agencies.

Expected Outcomes

This multi-year investment will significantly and directly contribute to supporting student success at Ontario's colleges through:

- Improved retention and graduation rates by providing the supports and services students need. More graduates mean a better qualified labour force for Ontario and more opportunities to meet critical skills shortages.
- Recruitment initiatives that will help attract high-quality students, inform more Ontarians about the range of college programs that can help them achieve their goals, improve knowledge about career possibilities in high-need areas such as skilled trades, and that steer candidates toward career counselling, academic counselling or financial aid officers.
- Over 300 additional staff, including counsellors, librarians, and financial aid officers who will be hired by 2007/08 to provide essential supports to students. These new staff will be supported by an increased commitment to professional development for employees working to support student success.
- Student-focused services and supports that will offer students better quality advice on their options and career paths, better access to services and quicker response times. Students will get the answers they need when they need them.
- Better access to information through efficient web-based portals that will increase responsiveness to individual needs during registration and course selection processes. Students will be able to take care of routine tasks quickly, with links to information and advice on financial aid, credit transfers, program and course offerings, and options.

3.3.2 Broaden Supports and Services for Students with Disabilities

\$10,000,000
(2007/08 Target Increase)

Need for Investment

Ontario's colleges are committed to ensuring persons with disabilities can fully participate in postsecondary education. Increasing participation in postsecondary education for persons with disabilities not only offers Ontario the opportunity to benefit from their motivation, education and experience, it increases their economic prospects and quality of life. Postsecondary education should be a ladder of opportunity for every Ontarian.

Increasing numbers of students with disabilities are progressing to postsecondary education, and many enroll in Ontario's colleges. According to the Ministry of Education, the number of students in secondary school receiving special education programs and with individual education plans (excluding gifted students) grew 12% from 73,000 in 1998/99 to 82,000 in 2001/02. Colleges need resources to support the 60% of postsecondary students with disabilities who attend Ontario's colleges. In 2001/02, Ontario's universities had approximately 9,400 students registered with their disability offices, while Ontario's colleges registered 13,500 students with disabilities.

More investment in supports and services are needed to ensure that the increasing numbers of students with complex disabilities at Ontario's colleges can undertake and complete their course of study. According to the Ministry of Education, the number of students with multiple disabilities grew 38% between 1998/99 and 2001/02. In the past, the majority of persons with disabilities attending Ontario's colleges had modest disabilities. Colleges are now facing increasing numbers of applicants with multiple, complex or severe disabilities. This situation demands an increased investment by the colleges in staff, services, equipment, and program and facility accommodations, exceeding the current level of resources.

Supports to help graduates with disabilities transition to the labour force increase their employment options and improve their employment rate. Although many employers are willing to hire graduates with disabilities, employers require additional resources and services to help ease the transition to the workplace.

Provincial funding for special needs students attending college is one-third of that provided for special education students in Ontario's secondary

schools. The \$9.7 million Accessibility Fund for Students with Disabilities provided by the Ministry of Training, Colleges and Universities to colleges, to meet the needs of the estimated 14,000 students with disabilities, translates to a grant of \$700 per student. When funding from other grants, including the Canadian Hearing Society, interpreters funding, transcription services, support for hearing impaired, and funding from the Learning Opportunities Task Force are included, the grant total is approximately \$14 million and the estimated 2003/04 funding per student is \$1000, a level equal to about one-third of the average \$2,900 provided at the secondary level for special education students.

Investment Proposal

Ontario's colleges propose that a multi-year investment program targeted to reach an increase of \$10,000,000 annually by 2007/08 will help colleges meet the urgent needs of increasing numbers of students with disabilities by enabling colleges to:

- Carry out thorough assessments of students with disabilities so colleges can provide appropriate services and accommodations to meet students' needs and maximize their opportunities for success;
- Improve the preparedness of students with disabilities for college level study;
- Serve the growing number of students with increasingly complex disabilities who are graduating from secondary school and seeking postsecondary education;
- Equip college facilities with up-to-date technology, hardware and software to assist students with disabilities; and
- Increase liaison with, and support for, potential employers to improve employment rates of graduates with disabilities.

Expected Outcomes

Broadening supports and services for students with disabilities will:

- Increase the rate of participation in postsecondary education for Ontarians with disabilities;
- Ensure colleges can provide the services and supports these students need to succeed in postsecondary studies;

- Provide a supportive environment where students with disabilities have a higher probability of successfully completing their postsecondary education, thereby increasing retention and graduation rates for this population;
- Facilitate employment for graduates with disabilities, thereby offering opportunity for higher earnings, independence and self-reliance; and
- Increase the number of qualified graduates entering the workforce and improving the productivity of this historically marginalized pool of talent.

3.4 Maintain Facilities to Serve Program and Student Needs

Operating:
\$25,000,000

Capital: \$30,000,000
(2007/08 Target Increase)

High-quality applied education needs to be supported by appropriately maintained and equipped facilities. College buildings and facilities are essential for effective delivery of programs and services. Well-maintained, up-to-date buildings and facilities represent a significant and ongoing capital investment: Ontario's colleges must maintain approximately 18,657,000 square feet.

Keeping these capital assets in good condition involves facilities renewal, and facilities maintenance and repair:

- Facilities renewal covers the renewal and replacement of items that have reached the end of their life cycle. Investment in facilities renewal ensures facilities meet current codes and regulations, and are in reasonable condition. These activities are capital projects that are generally funded through the MTCU Facilities Renewal Program.
- Facilities maintenance and repair refers to activities associated with preventative maintenance to maximize the lifespan of buildings and facilities, and activities involving repairs to capital items. These are generally funded by institutional operating budgets.

Need for Investment

While enrolment has grown and new programs have emerged, Ontario's colleges have not received sufficient funding for necessary facilities renewal, maintenance and repair activities to support this growth. Approximately \$300 million of deferred maintenance was outstanding at the end of 2002/03. At current funding levels, deferred maintenance is projected to increase to \$600 million by 2005/06.

Annual investment in facilities renewal, maintenance and repair is well below industry standards, producing a rapidly deteriorating learning environment that jeopardizes colleges' ability to deliver effective programs.

- Ontario's colleges need approximately \$69 million per year⁹ for building renewal and replacement, based on an average renewal rate of 2%¹⁰ of the replacement value of the buildings and facilities. Ontario's colleges currently receive \$13 million annually, which represents a renewal rate of 0.4%. The annual funding shortfall of \$56 million contributes to increasingly unsuitable and unsafe learning and working environments.
- Ontario's colleges should be spending approximately \$104 million annually for facilities maintenance and repair, based on an average rate

of 3%¹¹ of the replacement value of the buildings and facilities. Ontario's colleges spend about \$57 million on facilities maintenance and repair, which represents a rate of 1.6% and produces an annual funding shortfall of \$47 million.

What has Underfunding Meant for College Facilities?

Facilities Managers use the Facilities Condition Index (FCI) to compare the cost to correct a facility's deficiencies to the current replacement value of the facility.

The higher the FCI, the poorer the condition of the facility.

Facilities are rated according to their FCI: between 0% and 5% is good; between 5% and 10% is fair; greater than 10% is poor.

In 2002/03, the FCI of Ontario's colleges was rated at 9%.

By 2006/07, the FCI is projected to reach 13%.

Insufficient funding for maintenance and repair reduces the lifespan of a college's capital assets. Without sufficient operating funding for necessary maintenance and repair, building systems and infrastructures will not last as long and will need to be replaced more frequently. And while operating budgets are generally planned over a three-year term, renewal of physical facilities needs to be planned over a much longer time frame.

Increasing enrolment, emerging technologies and the development of new programs and specializations have placed increased pressure on college facilities. Existing college facilities are now between 25 and 35 years old with many components in need of repair or upgrade. As technology evolves and new programs emerge, Ontario's colleges need to remain current in how technology is applied both in and out of the classrooms and labs: buildings may need to undergo renovations, for example, to accommodate new equipment requirements.

Although Ontario's SuperBuild initiative has produced new facilities to support enrolment increases, these facilities will require maintenance and repair. In 1999 and 2000, the Government of Ontario provided an additional \$1.0 billion to colleges and universities to support anticipated enrolment increases, but these facilities now require operating funds for repair and maintenance.

Additional capital funding would enable colleges to implement energy conservation measures to reduce annual expenditures. Approximately \$30.5 million was saved in energy consumption between 1974/75 and 1999/2000.¹² While most colleges have been able to complete energy conservation projects that had very short payback periods, additional investment is required to achieve further savings.

Ensuring access for students with disabilities requires ongoing modifications to facilities. While some past funding was earmarked to undertake barrier-free access projects, considerable work remains to ensure access for the increasing numbers of students with disabilities.

Investment Proposal

Ontario's colleges request a multi-year investment to increase operating funding for facilities maintenance and repair by a target level of \$25 million by 2007/08, and to increase capital funding for facilities renewal by a target level of \$30 million over the same time frame. This level of investment, combined with the existing \$13 million, represents a renewal rate of 1.25% and will allow for changes to buildings and facilities necessary to support the ongoing program evolutions and legislated building standards.

Individual colleges will apply the additional funding to the most critical activities, with highest priority given to activities that have the largest potential impact on ensuring student and staff safety, improving quality of education, and maximizing the longevity of equipment and facilities.

Expected Outcomes

The multi-year investment for facilities renewal, maintenance and repair will make a major and measurable improvement to Ontario's colleges by allowing colleges to make an immediate start on important priorities, initiate new developments in response to program needs and alleviate deferred maintenance pressures.

Specifically, this investment will enable more funding to be directed to priority activities including:

- Correcting any items that are safety hazards for students and staff;
- Improving accessibility to reduce barriers for students with special needs;
- Renovating facilities to allow colleges to deliver new programs in response to labour market needs;
- Continuing to improve energy efficiency in support of Ontario's environmental and energy conservation initiatives; and
- Extending the lifespan of capital items through optimal maintenance and repair.

4. Improving Access to Skills Training

\$32,000,000
(2007/08 Target Increase)

4.1 Expand Programs to Integrate Internationally Trained Individuals

\$8,000,000
(2007/08 Target Increase)

Need for Investment

Immigrants with international training bring valuable educational backgrounds, work experiences and skills that are often unrecognized and, therefore, lost to Ontario's economy. The Conference Board of Canada estimates that between \$4.1 and \$5.9 billion is lost to the Canadian economy due to unrecognized qualifications, largely from internationally-trained immigrants. Barriers to recognition include lack of Canadian work experience, lack of transferability between internationally-acquired credentials and Canadian requirements, and lack of language skills. Under-employed immigrants cannot apply the full value of their education and training in Ontario's workplaces or leverage their knowledge and skills for the benefit of Ontario's economy. Since Ontario's share of immigration to Canada is over 50%, this translates into an estimated loss of between \$2 billion and \$3 billion for the Ontario economy.

Ontario increasingly relies on immigration to replace an aging workforce and meet critical and growing skills shortages. By 2010, an estimated 70% of Ontario's population growth will come from immigration. Canadian demographic data indicate that the population is aging at the same time as the fertility rate is decreasing. Ontario's population growth from new births is not keeping pace with the rate of workforce reduction through retirement.

Highly educated immigrants can make a significant and rapid contribution to meeting critical labour shortages in Ontario. The Maytree Foundation reports that the majority of new jobs being created and employment opportunities made available through work force attrition require high levels of skills and knowledge.¹³ Slightly more than 70% of new jobs created are expected to be in occupations requiring some postsecondary training. The Maytree Foundation reports that close to 70% of immigrants to Canada fall into the category of economic immigrants and skilled workers. Approximately 45% of male and 37% of female immigrants to Canada have university degrees.¹⁴ Leveraging the skills and experience of these highly educated immigrants is an important step toward fulfilling Ontario's labour shortages.

Skills upgrading or retraining at Ontario's colleges, combined with recognition for their international experience, would ensure highly trained immigrants could move quickly into Ontario's labour force. The Government of Ontario has funded some discrete bridging programs to help internationally trained immigrants obtain the credentials and Canadian work experience necessary for careers in their chosen field. Ontario's colleges are working to reduce barriers to college entry for these immigrants, eliminating duplication in training and skills-upgrading initiatives, and providing appropriate supports to ease transition to Canadian workplaces.

Increasing numbers of immigrants are seeking postsecondary education and need appropriate supports to help them obtain the credentials and experience they need to enter the labour force in Ontario. Individual colleges have undertaken initiatives to support and integrate internationally trained students to help them successfully enter Ontario's workforce. The Government of Ontario has taken a bold first step toward a system-wide solution to the issues surrounding the education and training of internationally trained individuals by funding a comprehensive systemic review of college processes and practices. Ontario's colleges welcome the opportunity to work with the Government of Ontario in moving quickly toward a co-ordinated solution that will enable Ontario's colleges to meet the needs of the increasing numbers of internationally trained individuals who need assistance in securing employment that makes use of their education, training and skills.

Investment Proposal

Ontario's colleges propose a multi-year annual investment targeted to reach \$8 million by 2007/08 aimed at integrating internationally trained individuals into Ontario's economy more rapidly. This investment will focus on developing appropriate measures, supports and modifications to existing systems, and will provide Ontario's colleges with greater flexibility to meet the needs of internationally trained individuals through:

- Meeting the critical skills needs of targeted employment sectors by developing ESL assessment tools, and developing and delivering occupationally-specific ESL training;
- Increasing the rate of integration of internationally-trained individuals into specific employment sectors by developing sector-specific programs that feature flexibility and customized pathways;

- Creating employment resource supports tailored to the needs of internationally trained individuals;
- Ensuring internationally trained individuals obtain broad experience in Canadian workplaces by including more job placements and shadowing experiences;
- Reviewing and revising existing programs to ensure cultural relevance for internationally trained individuals;
- Establishing regionally-based advisement centres to advise internationally trained applicants on career planning and appropriate educational pathways;
- Helping Ontario's immigrant population understand the pathways Ontario's colleges provide to help them successfully enter the labour force through targeted outreach and marketing programs;
- Assessing applicants' internationally acquired skills, credentials and credits, and readiness for Canadian employment by developing consistent, Prior Learning Assessment and Recognition tools that can be used province-wide; and
- Ensuring that internationally trained individuals are identified sooner and that their progress can be tracked more easily by modifying the admissions process.

Expected Outcomes

This multi-year investment in integrating internationally trained individuals will:

- Realize an additional contribution of over \$1 billion annually to Ontario's economy by helping internationally-trained immigrants access employment that matches their education and skills;¹⁵
- Provide a quick and effective solution to critical skills shortages by leveraging the international training and experience these individuals bring and providing them with supports designed to encourage rapid integration and employment in their area of expertise;
- Improve the economic prospects, social integration and quality of life of the over 8,000 internationally trained immigrants who would benefit from these measures by 2007/08, and those who would benefit in the years following;
- Increase the attractiveness of Ontario as a destination for skilled

immigrants by providing tangible supports that promote integration, economic well-being and financial independence;

- Increase the skill and knowledge base of the Ontario labour force by building on the international experience and perspective these individuals bring to Ontario; and
- Increase the number of workplaces actively participating in integrating internationally trained individuals through job placements, thereby contributing to increased tolerance and better understanding.

4.2 Increase Access to Foundation Skills Training

\$14,000,000
(2007/08 Target Increase)

Need for Investment

Ontario cannot afford to lose the contribution of the many Ontarians who do not have sufficient foundational literacy, numeracy, communications or computer skills to remain in, or advance in, their current job. About 20% of Ontario adults do not possess basic literacy skills and many more are considered to have inadequate skills for normal functioning in society.¹⁶ As labour market needs change, employed, but ill-prepared, workers face challenges in remaining employed. Without a solid grounding in foundation skills, many Ontarians are shut out of the labour force or are limited in their career paths. For some groups, such as the aboriginal community, inadequate foundation skills have contributed to a lower rate of participation in the labour force.

Many secondary school graduates do not possess the required academic credits for acceptance into their college programs of choice. Many secondary school graduates cannot gain admission to technology-oriented programs or apprenticeships because they have not completed the required academic credits. About one in every five secondary school graduates enters the workforce directly. Of these, only half pursue postsecondary education later in life. Those who do not are often ill-prepared for employment or are underemployed. They are held back by a lack of specific secondary school academic credits – like math or science – or by poor communication skills.

About 30% of Ontario students leave secondary school before graduating at significant cost to themselves and to Ontario's economy. The economic costs of 'early leavers' are significant. Early leavers cost the Canadian economy an estimated \$4 billion over the course of one school year.¹⁷ The cost to the individual may include unemployment, reduced lifetime earnings and a lower quality of life since it is estimated that only 6% of new job openings will be available to those without a high-school education.¹⁸

Ontario's colleges offer foundation skills programs that provide essential educational pathways to enable ill-prepared individuals to pursue postsecondary education in order to increase their employment options and improve their quality of life. However, these individuals face significant challenges in accessing these programs:

- Existing programs are under pressure from increased numbers of participants. Participation in funded foundation skills and college-level

preparation programs has increased substantially among 19- to 24-year-olds over the past three years: up 46% for Literacy and Basic Skills and, without the funding cap, 36% for Ontario Basic Skills.

- Access to existing programs is limited geographically. Access to foundation skills and college-level preparation programs is not equal across Ontario: delivery of Ontario Basic Skills, for example, has been eliminated at some sites, and there is high demand in rural, remote, Northern and aboriginal communities across the province.
- Access to existing programs is difficult for those who are employed. Work schedules, family commitments and lack of alternative, flexible delivery options, due to limited funding, makes access difficult for those who are employed. For example, part-time and evening delivery options are available only in selected locations.
- Finding financial support for foundation skills programs is challenging for many students. While some individuals can rely on financial support from their families, others must finance a return to school. For those wanting to enroll in foundation skills programs, changes to the Ontario Student Assistance Program and the failure to update funding guidelines for the Ontario Student Bursaries Program have limited access.
- Often more than basic academic skills upgrading is required. Many individuals need career and employment advice, and help with the personal and social skills necessary to manage in the workplace. Some require advanced academic credits in science or mathematics in order to enter the postsecondary education stream or apprenticeship program of their choice.

Investment Proposal

Ontario's colleges propose a multi-year investment targeted to reach an increase of \$14 million by 2007/08 that will increase access to foundation skills training across Ontario and will deliver that training in ways that will best match students' needs. Please see expected outcomes for the new and expanded activities that would be undertaken.

Expected Outcomes

This initiative will provide those who have not completed secondary school, those who have completed secondary school but lack academic credits, and those who lack foundation skills with a supportive first step into postsecondary education. Specifically, it will:

- Increase opportunities for adult learners to access foundation skills training by creating additional capacity to serve a further 6,000 students by 2007/08;
- Expand and increase delivery options to offer more alternatives to match learners' needs, including evening, part-time and shift-work alternatives, as well as weekend workshop formats and year-round delivery;
- Expand and increase delivery methods to address individual learning needs and styles, augmenting the traditional teacher-led model with self-study, group discussion, distance education, or workshops;
- Increase access and reduce barriers to participation by expanding program availability throughout Ontario and providing targeted support to population groups with high needs; and
- Continue to develop learning materials that reflect current and future employer needs, and help participants develop appropriate attitudes toward, and preparedness for, change.

4.3 Expanding Apprenticeship Training

\$10,000,000

(2007/08 Target Increase)

Ontario's colleges fully support the Government of Ontario's commitment to double the number of apprenticeships over the next five years. Ontario's colleges are the primary pathway to apprenticeship training, providing the essential link between employers and apprentices. Colleges ensure that the system of apprenticeship training meets industry standards, employers' expectations and apprentices' needs. Ontario's colleges are eager to work in partnership with the Government of Ontario to develop an overall strategy to meet this commitment of expanded apprenticeship.

Strategic Issues

Expanding apprenticeship training requires addressing a broad range of issues to ensure success such as promoting apprenticeship as a smart career choice and supporting potential candidates to ensure they complete their training. Factors to consider include:

- The adequacy of the current level of funding for apprenticeship training needs to be reviewed, and the current funding mechanism – per-diem allotments to the colleges – needs to be examined.
- Apprenticeship programs, especially those in highly skilled and technical areas, require on-going capital investment to ensure the equipment used is current with that in the workplace and that capacity exists to ensure access to this equipment among the increased number of apprentices.
- To reduce costs and duplication within the apprenticeship training system, there is an opportunity to exploit the efficiencies within – and synergies between – the Ministry and the Colleges.
- To double the number of apprentices in five years and create sustainable and cost-effective apprenticeship programs, investment is required to develop and implement new apprenticeship delivery models.

Funding for in-school apprenticeship training needs to be improved to ensure positive outcomes for apprentices and employers. The 2002 Report of the Provincial Auditor of Ontario highlighted the need to ensure that funding levels for in-school apprenticeship training are appropriate. Ontario's colleges recommend that the Ministry of Training, Colleges and Universities, working in partnership with the college sector through the MTCU-ACAATO Apprenticeship Committee, review the current funding mechanism and levels for in-school apprenticeship training.

An on-going funding mechanism for apprenticeship program capital expenditures needs to be created to provide apprentices in highly skilled areas with access to equipment currently used in the workplace. The Apprenticeship Enhancement Fund was designed for this purpose but with a capped budget of \$50 million to be spread over a five-year period. Doubling the number of apprentices in Ontario will increase the strain on current facilities and equipment. Ontario's colleges recommend that the Government establish an on-going capital funding program, similar to the Apprenticeship Enhancement Fund.

Working together, the Ministry and the Colleges need to develop a plan to improve the integration of, and operational efficiencies within, their roles of marketing to and recruiting, scheduling and registering apprentices. There is a significant opportunity to design an integrated and apprentice-focused solution to the marketing-to-registration cycle that heightens apprentice ownership of the process, while reducing costs to the system. Ontario's colleges are keen on working with the Ministry to streamline the current process to reduce duplication and achieve efficiencies.

Investment in developing, pilot testing and implementing new apprenticeship delivery models is needed to support apprenticeship expansion. E-learning, modular delivery of reportable subjects and co-op/diploma programs represent substantial opportunities to expand apprenticeship training. Ontario's colleges feel the best immediate opportunity lies in accelerating the Co-op Diploma Apprenticeship Program.

Need for Investment

Ontario's new Co-op Diploma Apprenticeship Program will attract more youth to rewarding careers in the skilled trades and help ensure Ontario's competitiveness in world markets.

The Co-op Diploma Apprenticeship Program will help meet critical skill shortages in Ontario at the same time as it expands educational options. This new integrated training initiative introduced by the Ministry will encourage more students to become apprentices, and more employers to hire skilled workers. Students will concurrently earn their apprenticeship certification and a college diploma in significantly less time than if pursued sequentially. Combining college diplomas with apprenticeship certification will enhance the value and prestige associated with choosing a career in the trades.

Ontario's new Co-op Diploma Apprenticeship Program will attract more youth to rewarding careers in the skilled trades and help ensure Ontario's competitiveness in world markets.

Making trade occupations a more credible career choice will build a stronger economy for Ontario and provide secure futures for more Ontarians. Innovative curricula design and flexible delivery will support a new, more appealing and up-to-date image of trade occupations and create more learning opportunities for high-demand skills. Focusing on developing portable skills and a more flexible program design with multiple learning pathways and access points will enable students to complete the program within a shorter timeframe while maintaining the high standards necessary to earn apprenticeship certification and a college diploma.

Increasing both the growth and quality of the skilled labour supply will ensure a better foundation for continued prosperity. Offering a more modern, streamlined and attractive apprenticeship system will increase the number of people, particularly youth and women, who make the trades their first career choice. By meeting the needs of Ontario employers for a more highly educated, motivated, skilled and change-ready workforce, the new program will encourage more employers to commit to apprenticeship and increase Ontario's economic potential.

Limiting implementation to two pilot programs will not supply enough qualified graduates in the skilled trades fast enough to meet the needs of Ontario's employers. Currently, the program plan is to develop the curriculum for two trades – cook, and precision machining and tooling – and begin implementing these pilot programs in January 2004.

Investment Proposal

Ontario's colleges propose that implementation of the new Co-op Diploma Apprenticeship Program be accelerated through a multi-year investment reaching a targeted increase of \$10 million annually by 2007/08:

- Building on the current plan, Ontario's colleges propose to expand the pilot to four trades across 12 colleges over the next three years. Pilot programs would be developed for four trades with an initial intake of 30 trainees at eight colleges in 2004/05, producing a total first semester intake of 240 students. By the next year, 12 colleges would be participating.
- Ontario's colleges will use a broad scope to design the programs to meet the needs of prospective students and employers within the overall objectives of the Co-op Diploma Apprenticeship Program. For example, Ontario's colleges propose that Prior Learning Assessment

and Recognition would be included in the program design to meet the needs of the anticipated 5% of applicants who will require it.

Expected Outcomes

Expanding the pilot program and accelerating implementation across more trades and colleges will build awareness and acceptance of the trades' new positioning, increase enrolment substantially and expand and accelerate the entry of skilled graduates into Ontario's labour force. Specifically, it will:

- Produce 1,750 participants at all levels, 1,500 industry co-op placements and 440 graduates over the start-up period from 2004/05 to 2007/08; and produce 860 participants at all levels, 790 new industry co-op placements and 260 graduates who hold trade certification annually once the program is fully implemented in 2007/08;
- Create more learning opportunities for high-demand skills and offer flexibility to address skill shortages in specific geographic regions and industry sectors;
- Make this postsecondary education alternative accessible to more prospective students across Ontario who are interested in pursuing a joint diploma and apprenticeship in selected trades;
- Expand the program across more occupations and regions of Ontario, while enabling MTCU and Ontario's colleges to jointly test and refine the model; and
- Encourage more province-wide collaboration between colleges and industry by building on existing college and industry infrastructure and relationships.

5. Conclusion

Ontario's colleges fully support the Government of Ontario's commitment to education as a ladder of opportunity for Ontarians.

Enhancing access to responsive, high-quality, applied postsecondary education is directly linked to improving productivity and thereby increasing economic growth and prosperity. Postsecondary education enhances the knowledge and skills base of Ontario's labour force, which in turn enhances Ontario's capacity for innovation and its ability to adapt as technology changes or new markets emerge. Investing in a strong system of postsecondary education and training benefits every Ontarian, both now and in the years ahead.

Ontario's colleges provide a breadth of education and training opportunities across a wide spectrum of disciplines that feed key sectors of Ontario's economy. Colleges excel in designing applied education that meets the needs of Ontario's industry sectors, and in delivering education and training that meets the needs of Ontario's diverse population of learners. From foundation skills to apprenticeships, from broad certification-based diploma programs to specializations which meet niche or sector needs, from classroom- and lab-based learning to distance education and e-learning, Ontario's colleges are uniquely positioned to meet Ontario's labour market needs.

Ontario's colleges are eager to partner with the Government of Ontario in building a strong system of postsecondary education. Ontario's colleges recognize that the urgent need for investment in programs, services and resources that will meet Ontario's needs must be balanced against the fiscal challenges the Government of Ontario faces. To that end, the proposed target funding increases outlined in this submission represent an important step in working toward the total amount of funding Ontario's colleges require to maximize their ability to contribute to the continued economic growth and prosperity of the province. Investing in Ontario's colleges means building upon a solid record of achievement and positioning Ontario to face the challenges of the future.

6. Appendix

6.1 Goals: Planning to Meet Ontario's Workforce Challenges

Ontario's colleges have identified the following strategic goals to position colleges to respond to and serve the needs of Ontario:

- **Build a Competitive Workforce:** Support the citizens of Ontario by implementing a Workforce Development strategy, in consultation with the Government of Ontario and local governments, that will benefit our communities, strengthen target sectors, and contribute to Ontario's innovation and economic development strategy.
- **Increase Access to Postsecondary Education:** Increase opportunities for access to postsecondary education, while improving affordability and minimizing the barriers of distance, location, time and disability.
- **Ensure Quality Learning:** Continually review and renew programs and services to provide a high-quality learning environment that meets student needs and produces highly skilled graduates who are equipped to contribute to Ontario's economy.
- **Pursue Program Innovation:** Implement new programs and credentials to meet market demand and provide new opportunities for Ontario's learners.
- **Support Student Success:** Develop and implement policies and programs to support student success and improve rates of retention and graduation.
- **Facilitate Transfers:** Develop and implement a credit transfer initiative that will expand student opportunities and strengthen postsecondary education in Ontario.
- **Build College Human Resource Base:** Hire and develop the academic, technical and administrative expertise necessary to ensure Ontario's colleges can deliver the education and training that will be needed in Ontario's workplaces.
- **Invest in Critical Infrastructure:** Invest capital so as to address deferred maintenance, health and safety issues, and upgrade campus facilities to provide high-quality, safe, learning and working environments.
- **Ensure IT Innovation:** Implement new IT resources and program components to transform learning and improve learner support.

- **Commit to Mission-based Accountability:** Develop and implement college-specific missions and mission-based accountability measures within a province-wide framework.
- **Broaden Revenue Sources:** Broaden colleges' revenue base through diversifying revenue streams, developing industry partnerships and fundraising.
- **Use Resources Wisely:** Continue to use resources effectively and efficiently.

7. Endnotes

1. **The Socioeconomic Benefits Generated by 24 Colleges of Applied Arts and Technology in Ontario**, 2003, CCBenefits Inc.
2. Estimate of college grant/student based upon 2002/03 transfer payment announcements. Other data from Council of Ontario Universities and Ontario Public School Board Association.
3. **Investing for Prosperity**, The Task Force on Competitiveness, Productivity and Economic Progress, November, 2002.
4. Resource document, Council of Ontario Universities, 2002.
5. **Training and Development 2003**, Conference Board of Canada, June 2003.
6. **Campus Portals Make Progress: Technology Budgets Suffer Significant Cuts**, Kenneth Green, Campus Computing, 2002, www.campuscomputing.net.
7. **Portals and Pathways: A Review of Postsecondary Education in Ontario**, Investing in Students Task Force, 2001.
8. Canada Millennium Scholarship Foundation, March 2003.
9. Formula for replacement value of buildings assumes a value of \$185 per square foot for college buildings and facilities, and an average rate of 2%. Figures agreed upon by college facility managers. Colleges must maintain approximately 18,657,000 square feet.
10. The industry standard for renewal and replacement is 1.5% to 2.5% of the building replacement value per year.
11. The industry standard for annual facilities maintenance and repair is 2% to 4% of replacement value.
12. Position paper presented to the Investing in Students Task Force by the Association of Facilities Administrators, December 2000.
13. **Fulfilling the Promise: Integrating Immigrant Skills into the Canadian Economy**, Alboim, Naomi and the Maytree Foundation, April 2002.
14. **2001 Canadian Census: Education, Mobility and Migration**, Statistics Canada.
15. Estimated at 50% of losses to Canadian economy since Ontario receives about 50% of immigrants to Canada.

16. **Reading the Future: A Portrait of Literacy in Canada, Highlights of the International Adult Learning Survey**, Statistics Canada, September 1997.
17. **Dropping Out: The Cost to Canada**, Conference Board Publications, The Conference Board of Canada, May 1992.
18. **Job Futures 2000**, Human Resources Development Canada.



**The Association of Colleges of
Applied Arts and Technology of Ontario**

**Suite 1010
655 Bay Street
Toronto, Ontario
M5G 2K4**

**Tel: 416-596-0744
Fax: 416-596-2364**

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