



# EDUCATED INVESTMENTS

CREATING OPPORTUNITIES FOR  
STUDENT SUCCESS

# OUSAA

Ontario Undergraduate Student Alliance

2018 BUDGET SUBMISSION



# ABOUT OUSA

*OUSA represents the interests of approximately 150,000 professional and undergraduate, full-time and part-time university students at eight institutions across Ontario. Our vision is for an accessible, affordable, accountable, and high quality post-secondary education in Ontario. To achieve this vision we've come together to develop solutions to challenges facing higher education, build broad consensus for our policy options, and lobby government to implement them.*

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# SUMMARY OF RECOMMENDATIONS

## ADVANCING OPEN EDUCATIONAL RESOURCES

The Government of Ontario should invest \$2 million/year over 3 years to support eCampusOntario's Open at Scale project.

The Ontario Government should invest in the development of OERs that can apply to the largest entry-level classes in the province, similar to the implementation of British Columbia's 'Open Education Resource Project.'

## CONTINUED INVESTMENT IN EXPERIENTIAL LEARNING

The Government of Ontario should continue the previous funding announced to the Career Kick-Start Strategy and Career Ready Fund.

The Government of Ontario should track the funding provided through the Career Kick-Start Strategy and Career Ready Fund, ensuring that every institution has an adequate amount of resources to provide their students with experiential learning opportunities.

## RESTORING PUBLIC FUNDING

The Government should index the base operating grant provided to institutions to the weighted national average, followed by inflationary increases year-to-year.

The Government should continue to regulate tuition fees by indexing any increases to Ontario's Consumer Price Index (CPI).

# INTRODUCTION

6 / Affordability and quality are key pillars of Ontario's post-secondary education system. Over the past fiscal year government investments in undergraduate education has focused on skills development, accessibility, and affordability. From sweeping reforms such as the recent financial aid overhaul, to new investments like the Career Kick-Start Strategy and the creation of eCampusOntario's Open Textbook Library, the government has taken the necessary measures to ensure that students are able to receive a quality education that is affordable. These investments lay the foundation for Ontario to continue to be a leader in higher education. It is now time to build on that foundation, and further ensure that any willing and qualified student can access post-secondary programs, gain valuable skills and knowledge, and be prepared to enter the workforce of tomorrow.

In light of this, the Ontario Undergraduate Student Alliance will focus on the following three key areas in our 2018 budget recommendations: Advancing Open Educational Resources, Continued Investment in Experiential Learning, and Restoring Public Funding. Students believe that these three priorities set out critical next steps for the government that are necessary to build a higher education system that provides them with the ability to excel academically and be career-ready, while also furthering the government's recent affordability initiatives.

OUSA believes that committing to these next steps will reaffirm the province's dedication to students and improving their educational experiences. It would also recognize that Ontario is actively working to advance affordable, progressive, and equitable learning opportunities for the province's student population.

# ADVANCING OPEN EDUCATIONAL RESOURCES

**Cost:** \$6 million (\$2 million/annually over 3 years)

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Last year, in an effort to ensure that financial access is not a barrier to education, while still upholding the high academic standards that accompany university education, the government announced funding for eCampusOntario. This funding incentivizes faculty to adapt and create Open Educational Resources (OERs) for students, which are now housed through eCampusOntario's Open Textbook Library.

OERs are broadly defined as educational resources that live online and are designed for anyone to openly share, revise, and create material.<sup>1</sup> They are designed in a way where instructors can make updates, provide clarification, and even integrate their own research into the readings. This format allows professors to maximize their pedagogical tools, while also saving students hundreds of dollars.<sup>2</sup> Advancing the use of OERs in post-secondary education, and ensuring our institutions are adequately equipped to utilize OERs is one method to help reduce some of the financial barriers students face in Ontario.

In recent years, there has been a worldwide movement towards the adoption of OERs. In 2012, British Columbia became the first province in Canada to take the first steps towards this innovative approach to education, and their equivalent to eCampusOntario now hosts over 170 open textbooks for use by post-secondary institutions.<sup>3</sup> OERs have become so ingrained in British Columbia's higher educational culture that entire departments, such as the University of British Columbia's physics department, have shifted from using traditional learning materials to using OERs in their first year classes.

Since initial investments here in Ontario, OERs have saved post-secondary students in Ontario approximately \$515,563.<sup>4</sup> OERs have already proven their success in making post-secondary education more affordable in Ontario. To continue to build on this success, discussions should start focusing on how to expand the current OER program, which would in turn allow for increased innovation in the classroom, and a more affordable university education.



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**Recommendation: The Government of Ontario invests \$2 million/year over 3 years to support eCampusOntario’s Open at Scale project.**

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Currently, OER development relies on individual organizations taking an ad hoc approach, which is inefficient and can result in duplicated materials or content. To address this, eCampusOntario has proposed the Open at Scale program. Open at Scale would develop a scalable collaborative model for publishing open resources to replace core content of a high impact subject vertical.<sup>5</sup> OUSA’s membership believes that this program would be an effective next step that would lead to further innovation and savings accompanied with Ontario’s “free textbook” initiative.

Open at Scale would benefit Ontario in three key areas. Firstly, this program would yield additional content creation for eCampusOntario’s Open Textbook Library, which would result in increased savings for students. Secondly, this program would foster new partnerships with eCampusOntario, allowing organizations to openly share new content and expand their knowledge base on the subject area. Currently, eCampusOntario has secured partnerships with the State University of New York, the Rebus Foundation, BCcampus, and OpenStax.<sup>6</sup> Finally, Open at Scale would create a more sustainable OER system in Ontario, laying the foundation for the development of infrastructure that would enable institutions to eventually pursue the development of OERs with less government funding.<sup>7</sup>

eCampusOntario has identified that they would require \$2 million/year over 3 years to support this project. If government funding is confirmed, they will seek matched contributions from their founding partner jurisdictions and foundations. OUSA supports this request, and recommends that the government invest the required \$2 million/year over 3 years into the Open at Scale project.





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**Recommendation: The Ontario government should invest in the development of OERs that can apply to the largest entry-level classes in the province, similar to the implementation of British Columbia’s ‘Open Education Resource Project.’**

As Ontario looks to expand OERs, and hopefully provide funding for eCampusOntario’s Open at Scale project, the government should continue to tailor their investments in a manner similar to the implementation of British Columbia’s ‘Open Education Resource Project.’ BCcampus targeted initial investments towards educational materials for the 40 most popular courses in the province. Since then, the program has evolved. Approximately 50,842 students are currently using open textbooks in British Columbia, and the program has saved students approximately \$4,865,291 - \$5,323,455.<sup>8</sup>

As a result of the success in British Columbia, OUSA recommends that the Ontario government follow a similar model. By directing initial investments into the development of OERs that apply to the largest entry-level classes, Ontario has an opportunity to positively impact a brand new generation of students. Additionally, by investing in areas where the most significant impact and financial savings for students can be realized, the province would improve upon its efforts to make education more affordable for all Ontario students.

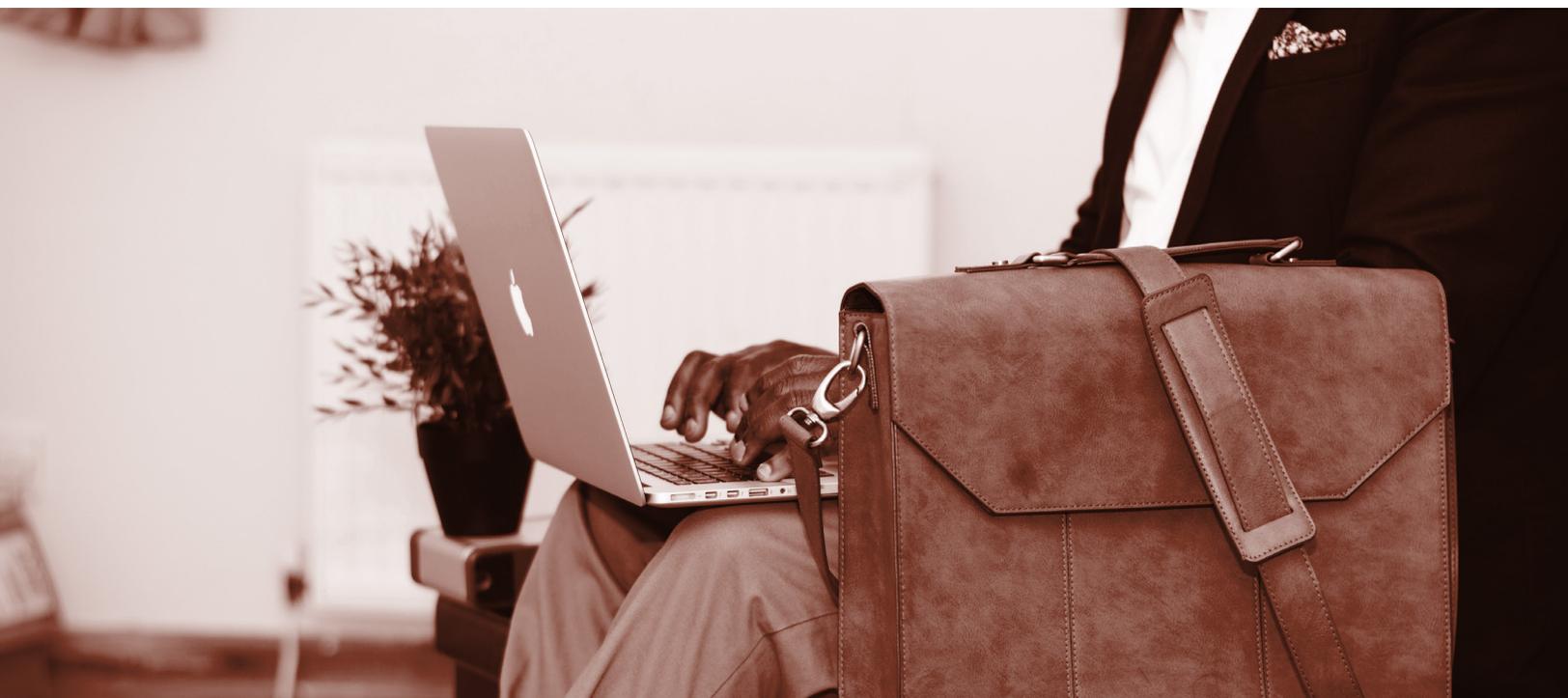
# CONTINUED INVESTMENT IN EXPERIENTIAL LEARNING

**Cost:** *Continue the \$190 million funding commitment*

In 2017 the Government of Ontario announced approximately \$190 million in funding over 3 years in support of the Career Kick-Start Strategy. As part of that strategy, the government established a new \$68-million Career Ready Fund to help post-secondary institutions and employers create more opportunities for students and recent graduates.

Students who participate in experiential learning throughout their studies are provided the opportunity to apply their learning to real world scenarios, and gain a greater understanding of what they have learned throughout their education. While the most common forms of experiential learning are co-op placements and internships, there are a variety of other opportunities, including but not limited to undergraduate research projects, capstone projects, or community-based learning opportunities that are important to our students. As a concept, experiential learning provides students with the opportunity to extend beyond their curriculum and embrace co-curricular opportunities and experiences both on and off of their university campuses.<sup>9</sup>

In a 2015 survey of OUSA's membership, 84% of those who had participated in some form of experiential learning believed that it improved their educational experience.<sup>10</sup> This mirrors statistics from a survey conducted by Abacus Data in 2016, which found that students were more satisfied with their educational experience after participating in experiential learning: from 75% (no experiential learning), to 87% (some experiential learning), to 97% (a lot of experiential learning). Furthermore, Abacus found that 89% of students and recent grads support the idea of increasing experiential learning opportunities in post-secondary education.<sup>11</sup> These numbers demonstrate that while there is still work to be done, students who currently benefit from experiential learning opportunities believe that their experience is beneficial to their post-secondary education.



**Recommendation: The Government of Ontario should continue the previous funding announced to the Career Kick-Start Strategy and Career Ready Fund.**

Previous investments into the Career Kick-Start Strategy and Career Ready Fund ought to be applauded. In 2016, the Premier's Highly Skilled Workforce Expert Panel recommended that the Government commit to ensuring that every student has at least once experiential learning opportunity by the time they graduate from post-secondary education.<sup>12</sup> However, the number of students in post-secondary education is significant, and the differences between institutions add increased complexity. The government has recognized that there is no one size fits all approach to experiential learning, and as such, OUSA recommends that the provincial government continues the previous funding announced to the Career Kick-Start Strategy and Career Ready Fund.

**Recommendation: The Government of Ontario should track the funding provided through the Career Kick-Start Strategy and Career Ready Fund, ensuring that every institution has an adequate amount of resources to provide their students with experiential learning opportunities.**

OUSA believes that continuation of the funding announced last year is essential to the accomplishment of the Highly Skilled Workforce Expert Panel's recommendation, however, our membership understands that more must be done. While initial statistics or reporting from the Career Ready Fund has yet to be publicized, OUSA has been informed by their member associations that the percentage of students who have benefitted from experiential learning opportunities provided under these funds is small.

OUSA recommends that the government track the funding provided through the Career Kick-Start Strategy and Career Ready Fund, ensuring that every institution has an adequate amount of resources to provide their students with experiential learning opportunities. This would ensure that the Career Kick-Start Strategy, through the Career Ready Fund, is not only effectively providing employers with the funding necessary to provide experiential learning opportunities, but would also ensure that our institutions are equipped to provide diverse experiential learning opportunities to their own students as well.

# RESTORING PUBLIC FUNDING

**Cost:** \$750 million

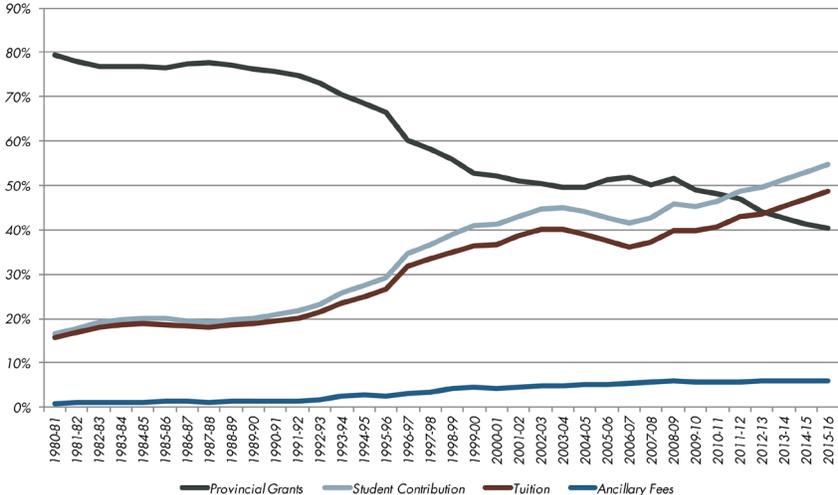
Access for all willing and qualified students to Ontario’s post-secondary education system is the pinnacle of students’ beliefs and vision for the province. The largest and most obvious barrier to this access is financial (eg. the tuition and non-tuition fees that students pay to attend an Ontario university). Apart from students, the other largest sources of funding for university revenue are provincial base operating grants. This system of cost sharing is based on the belief that given the high rate of return to higher education, it is fair for individuals who benefit from receiving post-secondary education to fairly contribute to the costs associated with providing that education.

Over the previous two decades, drastic increases to tuition and ancillary fees have tipped the scales from a model of fair cost-sharing and publicly-funded institutions to a model where an unreasonable burden of costs are placed on students, ultimately resulting in what are now called “publicly-assisted” institutions. In 2015-16 alone, students in Ontario were the largest contributor to Ontario’s post-secondary institutions, providing 55% of operating costs versus the government’s 40%.

As universities scramble to subsidize their operations amidst decreased public spending, students are unfairly being tasked with making up the difference. Over the past 5 years, student contributions have far outpaced government funding to universities. This places increased financial burdens on Ontario’s students, and raises serious concerns about the transparency, accountability, and fair cost sharing principles that students feel should permeate throughout the sector.

To address these issues, students task the provincial government to index base operating grants to institutions at the weighted national average, as well as regulate the indexing of tuition increases to inflation.

**Figure 1:**  
**STUDENT AND GOVERNMENT CONTRIBUTIONS TO ONTARIO UNIVERSITY OPERATING BUDGETS, 1980-2015**



**Recommendation: The government should increase the base operating grant provided to institutions to the weighted national average, followed by inflationary increases year-to-year.**

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Since 2012, student fees have accounted for over 50% of universities' operating budgets and student contributions have continued to steadily outpace government contributions annually.<sup>13</sup> Meanwhile, per-student funding in Ontario has reduced to be the lowest of any Canadian province and does not increase annually with inflation, incentivizing enrolment growth as a means to supplement operating budgets. In fact, real per-student government funding has declined by over 30% since 1980. As such, the cost of providing a high quality post-secondary education is rising at an unsustainable rate, and increased budget pressures can result in compromises to educational quality in an effort to control costs.

Despite the push for enrolment growth amongst institutions, the decrease in provincial operating grants has resulted in negative consequences for Ontario's universities. Institutions have had to respond to budgetary constraints by cutting services and/or hiring less full-time faculty members.<sup>14</sup> With minimal changes to the base operating grant in the past decade, students are concerned that this trend will continue. OUSA's membership believes that post-secondary education should be viewed as a public good, and as a result, should receive the necessary financial support from the government to operate in a high quality and effective manner.<sup>15</sup>

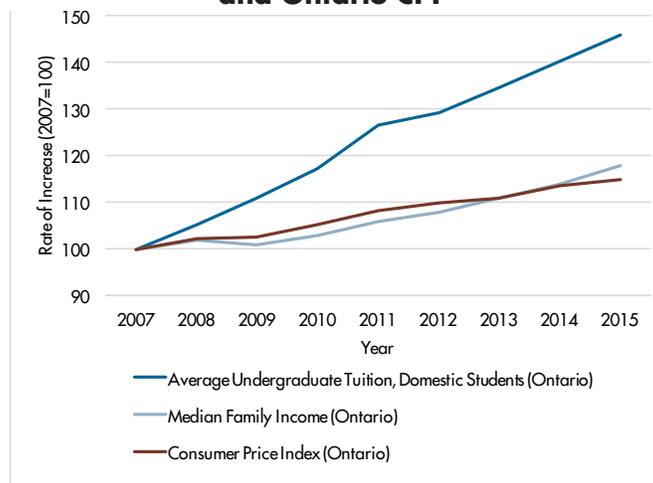
Students also believe that Ontario university budgets should be funded by balanced contributions from the provincial government, federal government, and student fees and tuition, with students contributing no more than one-third of university operating budgets. The funding formula for Ontario's post-secondary sector should also address the needs and priorities of the system with an appropriate balance of enrolment-based and performance-based funding. As such, the provincial government should immediately index the base operating grant to the weighted national average, followed by inflationary increases year-to-year. OUSA has calculated this cost as a one time investment of approximately \$750 million (as demonstrated in Figure 1), followed by year-to-year inflationary increases. This would ensure that there is no funding shortfall in university operating budgets, and would also restore Ontario's publicly-funded model of undergraduate education.



**Recommendation: The government should continue to regulate tuition fees by indexing any increases to Ontario's Consumer Price Index (CPI).**

Since the implementation of the 2006 tuition framework, the average tuition cost of an undergraduate education has increased from \$5,388 to \$8,454 in 2017-18.<sup>16</sup> In response, students believe that ideally, the government should invest in post-secondary education by increasing government funding and holding tuition at current levels for the duration of the next framework. However, owing to the province's current fiscal situation and recent strides in financial aid, OUSA recognizes that this would be particularly challenging. If the government is unable to fully fund a tuition freeze, students recommend that fee increases be tied to inflation.

**Figure 2: Increases of Tuition, Family Income, and Ontario CPI<sup>17</sup>**



Students are concerned that issues of affordability are overshadowed by improvements to the financial aid system. Although financial assistance is widely available and major improvements were recently announced, our system is increasingly becoming one where access to higher education depends on access to financial aid, yet, there is increasing evidence of debt aversion amongst vulnerable students. For instance, 10% to 30% of students display some degree of debt aversion, an attitude that is particularly acute among Indigenous and first generation students.<sup>18</sup> As such, OUSA believes that by tying tuition to the rate of inflation in the next tuition framework, the government will increase the long-term affordability of post-secondary education within the province.

# ENDNOTES

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**RECOMMENDED CITATION**

Aitchison, Colin, and Martyna Siekanowicz. *Educated Investments: Creating Opportunities for Student Success*. Toronto: Ontario Undergraduate Student Alliance, 2018.

