

2019 ONTARIO BUDGET: POST-SECONDARY ANNOUNCEMENTS

GENERAL SUMMARY

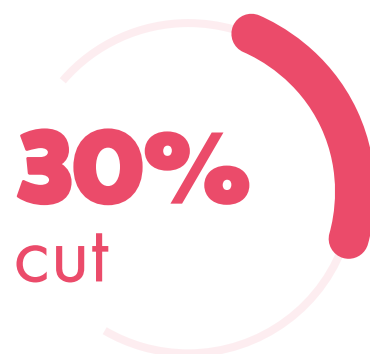
Ontario's Progressive Conservative government released its first annual budget on April 11. It includes major changes to the post-secondary sector, which will undoubtedly have long-term implications for students, faculty and institutions. These policies show a trend towards decreased government funding, ongoing attacks on student's right to organize, declining faculty working conditions and greater privatization of academic spaces. In this document, the Federation outlines the major announcements affecting the post-secondary sector included in the 2019 provincial budget to help explain what this all means for you.

ANNOUNCEMENT: **CUTS TO STUDENT FINANCIAL ASSISTANCE**

The provincial budget reveals that the Ford government will cut funding for the Ontario Student Assistance Program (OSAP) by \$670.8 million in 2019-2020. This amounts to a 30 per cent cut in overall government spending on student financial assistance.

Students receiving OSAP who study out of province will also now receive significantly less non-repayable grants than students who attend college or university in Ontario.

These cuts will disproportionately hurt low- and middle-income students, who will now be ineligible for non-repayable grants. The provincial government has also changed the definition of a "mature student", making it more difficult for many students to qualify for financial assistance. These changes inherently punish students with the greatest financial need by forcing them to take out loans, which must be paid back over time with interest, to pay for the high cost of tuition.



IN GOVERNMENT
SPENDING ON STUDENT
FINANCIAL ASSISTANCE.

IMPACT

- LESS NON-REPAYABLE GRANTS FOR LOW- AND MIDDLE-INCOME STUDENTS
- ELIMINATION OF THE SIX-MONTH INTEREST-FREE GRACE PERIOD ON STUDENT LOANS
- INCREASED STUDENT DEBT

ANNOUNCEMENT: **NEW ANCILLARY FEE FRAMEWORK**

The new ancillary fee framework forces institutions to deem certain non-academic fees *non-essential*, including democratically established students' union membership dues and campus media. This framework encourages students to opt-out of their union membership by preventing them from using their OSAP funding to pay for all non-essential fees.

Students' union membership dues contribute to a broad range of services and advocacy on campus that save students money and contribute to a safer, more diverse and vibrant post-secondary experience. This new framework is intended to de-fund students' unions by creating barriers to accessing membership.



IMPACT

- LESS FUNDING FOR STUDENT GROUPS AND STUDENT-RUN SERVICES INCLUDING, FOOD BANKS, EQUITY CENTRES, CAMPUS RADIO STATIONS AND NEWSPAPERS
- FEWER VOLUNTEER AND JOB OPPORTUNITIES FOR STUDENTS
- SIGNIFICANT DECREASE IN STUDENT PROGRAMMING, ORIENTATION ACTIVITIES AND CAMPUS EVENTS
- LESS REPRESENTATION FOR STUDENTS ON INSTITUTIONAL DECISION-MAKING BODIES
- DECREASED CAPACITY TO ADVOCATE FOR STUDENTS' RIGHTS AND ORGANIZING ACROSS INSTITUTIONS

ANNOUNCEMENT: **CUTS TO POST-SECONDARY FUNDING**

With an estimated sector inflation of 4-5 per cent, and core funding in the budget set to increase only by 0.48 per cent next year, cuts to institutional funding of \$ 440 million resulting from the 10 per cent tuition fee reduction will leave the post-secondary sector dealing with its largest funding cut in decades.

Institutions in Ontario already receive the least per-student funding in the country, which has led to skyrocketing tuition fees, particularly for international students. Further cuts to public funding for post-secondary education encourages institutions to continue the exploitative practice of charging international students deregulated tuition fees to balance their budgets.

IMPACT

- PRESSURE FOR INSTITUTIONS TO RAISE TUITION FEES FOLLOWING THE FREEZE IN 2020-2021
- INCREASED RELIANCE ON PRECARIOUSLY EMPLOYED WORKERS; LESS FULL-TIME FACULTY HIRING
- LARGER CLASS SIZES WITH REDUCED RESOURCES
- MORE DEFERRED MAINTENANCE ON AGING CAMPUSES

\$7,969

ONTARIO

\$12,383

REST OF
CANADA

AVERAGE PER-STUDENT FUNDING 2018 - 2019

ANNOUNCEMENT: **OUTCOMES-BASED FUNDING FOR COLLEGES AND UNIVERSITIES**

The way in which institutions are funded by the government is going to drastically change from the existing enrollment-based model, where funding has been determined primarily based on the number of students at a given institution, to a funding model based on “performance outcomes”. By 2024-2025, 60 per cent of public funding for institutions will be based on their ability to meet key performance outcomes (up from 1.2 per cent for colleges and 1.4 per cent for universities) determined by the Ministry of Training, Colleges and Universities.

The Ministry will evaluate institutional performance based on a set of 10 metrics tied to skills, job outcomes and economic and community impact. The Ministry has not announced what the metrics will be or how they will be determined.

There is no evidence that performance funding works to improve institutional outcomes or the student experience. It is concerning that the government is enforcing this drastic change in the funding model without providing research to show its effectiveness.

In fact, there is plenty of research that points to the negative impacts of performance-based funding. This funding model is particularly concerning for small, remote and northern institutions which are at a major disadvantage when competing for funding and employment outcomes with large institutions in urban centres. This will create an inequitable system of winners and losers, where institutions who require greater resources to meet their mandate will instead see their funding reduced. It will also punish students attending institutions that may not be meeting their performance targets.

IMPACT

- CUTS TO PROGRAMS, PRIMARILY IN THE HUMANITIES AND SOCIAL SCIENCES, THAT DO NOT IMMEDIATELY ALIGN WITH THE MINISTRY’S SHORT-TERM TARGETS
- GREATER CORPORATIZATION AND PRIVATIZATION OF ACADEMIC SPACES, RESEARCH AND EDUCATION
- LESS INSTITUTIONAL AUTONOMY AND ACADEMIC FREEDOM
- FURTHER CASUALIZATION OF THE ACADEMIC AND NON-ACADEMIC WORKFORCE ON CAMPUSES

60% of public funding for institutions will be based on their ability to meet key performance outcomes



ANNOUNCEMENT: **IMPEDING ON THE RIGHTS OF SENIOR FACULTY**

The Ford government is proposing amendments to the *Ministry of Training, Colleges and Universities Act*, that will target senior research faculty who continue to be paid for productive work after qualifying for their pensions.

This announcement claims to be seeking a solution to the problem of precarity in academia, but it demonstrates that the government does not understand the problem. It is due to years of underfunding that institutions have become reliant on precariously employed contract faculty, not the continued employment of senior faculty.

IMPACT

- NO MEANINGFUL SOLUTION TO ADDRESSING THE GROWING RELIANCE ON PRECARIOUSLY EMPLOYED CONTRACT FACULTY
- ATTACK ON FACULTY ASSOCIATIONS AND SENIOR FACULTY

ANNOUNCEMENT: **EXPERT PANEL ON INTELLECTUAL PROPERTY AND MAXIMIZING COMMERCIALIZATION**

This budget commits to striking an expert panel to deliver an action plan for strengthening intellectual property rights and maximizing commercialization for market-oriented research funded by the public.

In other words, the provincial government is looking to change intellectual property laws to give the private-sector greater control of the research produced at our publicly-assisted post-secondary institutions, rather than sharing these new ideas with the public.

IMPACT

- GREATER CORPORATIZATION OF PUBLICLY-FUNDED RESEARCH
- PRIVATE-SECTOR OWNERSHIP RIGHTS OVER PRODUCTS AND METHODS THAT THE PUBLIC HAS PAID TO DEVELOP

QUICK FACTS

- POST-SECONDARY INSTITUTIONS IN ONTARIO RECEIVE THE LEAST PER-STUDENT FUNDING IN CANADA, ROUGHLY 40 PER CENT LESS THAN THE NATIONAL AVERAGE
- AVERAGE TUITION FOR DOMESTIC UNDERGRADUATE STUDENTS IN ONTARIO – \$8,838
- AVERAGE TUITION FOR INTERNATIONAL UNDERGRADUATE STUDENTS IN ONTARIO – \$34,961
- BASED ON A RECENT IPSOS POLL, UNIVERSITY STUDENTS GRADUATING WITH DEBT HAVE ON AVERAGE \$31,800 IN DEBT. COLLEGE STUDENTS GRADUATING WITH DEBT HAVE ON AVERAGE \$25,900 IN DEBT.