

March 8, 2006

McGUINTY GOVERNMENT MAKING HIGHER EDUCATION MORE ACCESSIBLE

The McGuinty government has announced a student access guarantee to help ensure no qualified Ontario student will be prevented from attending Ontario's public colleges and universities due to lack of financial support programs. The guarantee includes more student aid for low- and middle-income students.

Through the Reaching Higher Plan, which was unveiled in the 2005 Budget, the government will invest \$6.2 billion more in postsecondary education and training over the next five years. This includes \$1.5 billion for student financial aid. The 2006-07 improvements made to student aid will benefit about 145,000 college and university students from low- and middle-income families.

Overall, improvements mean that students can get more aid in the coming year, but their OSAP debt continues to be limited to \$7,000 per completed year through the Ontario Student Opportunity Grant.

Since coming into office, the Ontario government has made a series of improvements to student aid. Students from middle-income families who used to have no access to student aid can now qualify for thousands of dollars of assistance and more student aid is being provided through up-front grants for tuition. In addition, the government will work with colleges and universities to better co-ordinate institutional and government aid programs in the coming year. A new website, to be introduced next year, will provide information about all the available sources of financial aid that individual students can qualify for in the institution and program of their choice.

2006-07 Changes to Student Financial Aid

In 2005-06, up-front grants were re-introduced to the OSAP program for the first time since 1992-93. These grants, known as the Access Grants, are helping low-income first and second year students to access postsecondary programs.

In 2006-07, the government will be further extending eligibility for Access Grants, to students from families earning up to about \$75,000 per year – roughly the median income for Ontario families.

Students from the lowest-income families face the biggest access barriers and will still get the highest grants. The Access Grants that Ontario offers can cover up to half the cost of tuition for students from low-income families (incomes less than \$36,440). If they are

in first year, these students also can qualify for matching federal grants resulting in up to their full tuition being covered.

Students whose parents earn more – above \$36,440 per year but below about \$75,000 per year – will now be able to get grants covering from 25 to 50 per cent of their tuition. The percentage covered depends on how much their parents earn. The expansion of the Access Grants to middle-income families is expected to result in 27,000 more students being approved for grants in 2006-07.

For 2006-07, book and supply allowances will be updated. These costs have been frozen since the mid-1980s.

For example, arts and science text-book allowances will go up to \$600 per year – a 54 per cent increase. Text-book allowances for specialized programs will increase by 138 per cent, to \$1,050 per year. Updates to various supply allowances will also be made. Updated book and supply maximums will increase the amount of OSAP aid for over 138,000 students.

Multi-year Improvements to Student Aid

The deterioration in OSAP did not occur in one year, and fixing it will happen over several years. The improvements since 2003-04 are adding up.

2005-06

- **Introduced Access Grants** for first-year and second-year students from low-income families.
- **Increased maximum assistance levels** so that single students are eligible for as much as \$2,550 more in student aid – a 27 per cent increase. This was the first increase in student loan maximums in over a decade.
- **Reduced the amount of money middle-income parents** are expected to contribute to their children's education. For example, a family of four, earning \$70,000 with one child in university is saving about \$2,000 – a 50 per cent reduction compared to what they were expected to contribute in 2004-05.
- **Introduced an annual allowance** for computer and computer-related costs of \$500.
- **Helped with loan repayments** by increasing the income thresholds for interest relief by five per cent so that more graduates can qualify for this assistance.
- **Ontario Trust for Student Support** will make \$50 million available every year to match private donations to colleges and universities for student aid endowment funds.

2004-05

- **Reduced the amount of money parents** are expected to contribute to their children’s education. Before 2004-05, Ontario expected larger parental contributions than the federal government did, and expected parents earning as little as \$30,000 per year to contribute.
- **Considered students independent of parents after four years** out of high school, rather than requiring they be out of high school five years before being considered independent.
- **Helped with loan repayments** by introducing a debt reduction in repayment program, which reduces debt to an affordable level for those who have long-term difficulties with repayment.
- **Provided \$100 million to create endowments** at universities that provide fellowships for outstanding graduate students.
- **Provided an additional \$50 million to match private donations** to college and university student aid endowment funds.

Change in Number of College and University Students Qualifying for Ontario Student Loan Assistance					
2003/04		2005-06		% Change in Number Receiving Ontario Aid	
university	college	university	college	university	college
80,597	49,224	97,010	57,410	20%	17%
Change in Number Enrolled at University or College					
2003-04		2005-06		% Change in Enrolments	
university	college	university	college	university	college
283,626	150,477	315,504	151,558	11%	1%
Number Receiving Aid from Ontario as % of Students					
2003-04		2005-06			
university	college	university	college		
28%	32%	31%	38%		

Access Strategy

As part of Reaching Higher, the government committed a total of \$10.2 million this year – rising to \$55 million by 2009 – to create a plan that helps to provide increased opportunities for access to postsecondary education and training programs for Francophones, persons with disabilities, Aboriginal peoples, and First Generation students who are the first in their families to attend a postsecondary institution.

The funding will be used to undertake research, new programs and outreach in order to improve participation in postsecondary education.

As part of the plan, the government has named advisory committees for each of the groups to offer advice to the Minister of Training, Colleges and Universities on how to achieve the government's goals.

Since 2002-03, postsecondary enrolment has increased dramatically. Through the Reaching Higher Plan to increase access for students, the government wants the trend to higher participation to continue to support the government's priorities for economic growth and prosperity. Statistics show that only 40 per cent of Ontario's 18 to 24 year olds attend postsecondary institutions, while the federal government estimates up to 70 per cent of all future jobs created in Canada will require some postsecondary education.

**Increased participation at Colleges and Universities:
Full-Time Students**

Year	Universities	Colleges	Total
2002-03	247,968	146,088	394,056
2005-06	315,504	151,558	467,062
Total increase in participation: 73,007			

Participation Rate of 18-24-year-olds

Year	Universities	Colleges	Total
2002-03	21.9%	12.9%	34.8%
2005-06	26.3%	12.7%	39.0%

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McGUINTY GOVERNMENT INVESTMENTS EMPHASIZE QUALITY AT POSTSECONDARY INSTITUTIONS

Improving the quality of higher education, increasing access, and ensuring accountability are the goals of *Reaching Higher: The McGuinty Government Plan for Postsecondary Education*. The \$6.2 billion in additional money being invested under the plan is the single largest investment in postsecondary education and training in Ontario in 40 years.

The Ontario government is moving forward with its plan to ensure the people of Ontario see results and real improvements for the Reaching Higher investments. In recent months, colleges and universities received \$211 million under the Quality Improvement Fund based on the principle that every dollar will result in improvement and that institutions will be held accountable. To ensure this, all postsecondary institutions have signed accountability agreements that set out commitments to quality, access and affordability.

Students are already benefiting from improvements as a result of the new funding and focus on quality. New government funding is being spent to hire more faculty so that students will have more time with professors and other teaching staff. Institutions are also hiring more support and administration staff to offer better student support services, more tutoring, mentoring and counselling, and new programs to support students with special needs.

Quality of the classroom experience for students is improving through access to the best resources possible such as more and updated labs, new IT equipment and expanded library acquisitions. All of these initiatives will lead to improved student success and higher retention rates in postsecondary institutions.

By ensuring a quality postsecondary education system, the government is supporting its goals for strong economic growth now and in the future. The McGuinty government believes it is not good enough to just stay the course on education quality, but that Ontario's institutions must strive to be the best in Canada.

Higher Education Quality Council of Ontario

To underline this belief, the government has enshrined the link between quality and postsecondary education in law through legislation that establishes the Higher Education Quality Council of Ontario (HEQCO). This independent body will ensure continued improvement of the postsecondary education system by monitoring quality in the sector, access to postsecondary education and the accountability of institutions.

A key part of the council's role will be to monitor and report on performance measurement, and guide the postsecondary education system towards improved quality. It will also monitor and make recommendations on the student access guarantee. The council will undertake research on quality, participation and access, and advise government on the best way to measure performance and institutional collaboration.

HEQCO will also help provide enhanced transparency and accountability in the sector through regular public reports on results flowing from the government's investment.

Tuition Framework

The Ontario government is establishing a new tuition framework, linked to improvements in quality and access. The new capped framework is regulated and allows for predictability. Institutions will have more flexibility to set fees, but all tuition fees will be regulated in public programs and will be tied to the Student Access Guarantee.

Under this plan, the government is asking students to contribute \$1 for every \$3 the government invests in postsecondary education to ensure colleges and universities have enough resources to provide the best education in Canada. Increased tuition fees will lead to better quality, improved learning environments and better access to postsecondary education.

University governing boards may choose to increase tuition fees by no more than a maximum, overall, average of five per cent at each institution. For the majority of programs, tuition fees will increase by less than this average rate. For example, university arts and science and selected undergraduate programs may increase by a maximum of 4.5 per cent in the first year of study and four per cent in other years.

College governing boards may choose to increase tuition in most programs by up to 4.5 per cent or \$100 (whichever is greater) in the first year of study and four per cent for each year after that. Average tuition increases for the coming year will be under \$200 for almost 70 per cent of university students and \$100 for almost 90 per cent college students.

University graduate, some undergraduate professional programs, and high demand college programs may be increased by up to a maximum of eight per cent in the first year of study and four per cent in other years, but only if the institutional average is five per cent or less, the student access guarantee is in place, and the money buys improvement in quality. Students in the majority of undergraduate programs will experience tuition increases of less than 4.5 per cent.

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REACHING HIGHER IN POSTSECONDARY EDUCATION

Under *Reaching Higher: The McGuinty Government Plan for Postsecondary Education*, which was unveiled in the 2005 Budget, the government is investing an additional \$6.2 billion in Ontario's universities, colleges and training programs and student aid over the next five years. This historic, multi-year investment in postsecondary education – the most significant in 40 years – represents a 39 per cent increase compared to the 2004-05 funding base.

With the Reaching Higher Plan, the people of Ontario will see improved access and higher quality in postsecondary education, and colleges and universities will be held accountable for accomplishing these objectives. The results achieved to date and commitments from the Reaching Higher Plan include:

Access: Student Financial Assistance

- Up-front grants re-introduced to the OSAP program to help low-income students access postsecondary programs;
- Up-front grant assistance being extended to students who come from families with incomes up to \$75,000;
- Allowances for book and supply costs being updated to reflect real costs;
- Increased maximum student assistance levels so that single students are eligible for as much as \$75 more per week in student aid;
- Introduced an annual allowance for computer and computer-related costs to \$500;
- Reduced amount of money middle-income parents are expected to contribute to their children's education;
- Increased the availability of interest relief for graduates experiencing difficulties during loan repayment; and
- Providing \$50 million annually to match funds raised by colleges and universities to establish endowments for student financial assistance through the Ontario Trust for Student Support program.

Access: Enrolment and Outreach

- Increased enrolments at colleges and universities by almost 75,000 students since 2002-03;
- Committed to expand graduate education by 12,000 students by 2007-08 and 14,000 new spaces by 2009-10 through new investments of \$220 million annually by 2009-10;
- Increased the number of new first-year spaces at medical schools by 104 spaces and created satellite undergraduate medical schools in four new communities;
- Opened 56 new first-year spaces at the Northern Ontario School of Medicine in fall 2005;
- Committed new investments to improve the quality of education for health care professions;
- Invested \$10 million in 2005-06 in new programs that reach out to Francophones, Aboriginal Peoples, people with disabilities and first generation students who would be the first in their family to attend college or university. Advisory committees for each of the four groups have been created to advise the Minister of Training, Colleges and Universities. The funding will increase to \$55 million by 2009-10;

- Announced \$10 million in new funding for small, northern and rural colleges to increase access to high quality programs in these communities. Funding will grow to \$20 million by 2007-08;
- Piloting a new, community-based nursing education program in northern Ontario; and
- Investing in projects that create stronger links between colleges and secondary school programs to help more students make successful transitions to college and succeed in their course of study.

Quality

- Invested \$211 million through the Quality Improvement Fund for colleges and universities to hire more faculty and staff, purchase additional educational resources and technology, and improve student support services;
- Established an Ontario Research and Innovation Council to advise on and co-ordinate research priorities;
- Provided \$48 million in 2004-05 and \$115 million in 2005-06 and ongoing to colleges and universities in tuition compensation to ensure that the costs of the tuition freeze would not be borne by students and that real quality improvements to postsecondary would be made by institutions;
- Invested an additional \$250 million in infrastructure renewal and repairs at colleges and universities; and
- Developing a strategy to market Ontario as the premier destination for postsecondary education for international students.

Accountability

- Signed interim accountability agreements with all postsecondary institutions that set out each institution's commitments to quality and access. Multi-year agreements will be signed later this year;
- Made Ontario's universities subject to the provisions of the *Freedom of Information and Protection of Privacy Act*; and
- Creating the Higher Education Quality Council of Ontario to monitor and report on performance measurement, and guide the postsecondary education system towards improved quality. The council will undertake research on quality, participation and access, and advise government on the best way to measure performance and institutional collaboration.

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