October 9, 2012

Honourable Glen Murray, Minister of Training, Colleges and Universities, Mowat Block, Queen’s Park, Toronto ON M7A 1L2

Dear Minister,

**Re: *Strengthening Ontario's Centres of Creativity, Innovation and Knowledge***

I am writing to you in my capacity as someone who has worked in the PSE sector for many years as a university administrator, as a special advisor to the Ministry, as a senior officer with the Council of Ontario Universities, and over the past decade as an independent higher education consultant. In the latter role, I have worked with a number of colleges and universities in Ontario and elsewhere and have engaged in a number of research projects with various agencies, such as the Higher Education Quality Council of Ontario.

The purpose of this letter is to provide appropriate background, context, facts and suggestions to contribute to the discussion about Ontario PSE. It begins by referencing your speech to the Canadian Club (March 2012) and then moves through some observations of my own and concludes with some suggestions that may help you and your colleagues with the development of a strategy to improve PSE in Ontario. While reference is made to community colleges, the focus of my commentary is the university sector. I have also taken the liberty to attach an annotated presentation (updated with a few salient points in the notes text) that was prepared last year for a ‘debate’ with Harvey Weingarten regarding system differentiation.

I had the pleasure of attending the Canadian Club luncheon in Toronto in March 2012 and listening to your speech - “Education in the Age of Acceleration”. I applaud your willingness to share your ideas with the public in general and the PSE sector in particular and I found the speech informative and interesting. Since then I have read your discussion paper *Strengthening Ontario's Centres of Creativity, Innovation and Knowledge* and, through my work with Ontario universities, I am familiar with the Strategic Mandate Agreement process that is underway. Your speech in March was very interesting and the emphasis on the need for Ontario to ‘step up’ and meet the productivity and innovation challenges of a competitive world economy was enlightening and helped remind those in attendance of the ‘big issues’ that will actually determine the quality of life in this province and country in the coming decades. Similarly, your reference to Ontario’s goal of creating a very competitive tax regime for the corporate sector and then reminding the business community of its responsibility to invest in more productivity and innovation was timely and helpful in linking the tax regime to the productivity and innovation challenges. I also found your main message of investing in human capital aligned with my own thoughts on the topic and the importance of such investment as a linchpin for improvements in productivity and innovation.

The surprising part of the speech, to me, was the reference to “inertia” in the post-secondary sector because it does not align with my experience nor does it acknowledge the tremendous success of the sector over the past decade. While your more recent discussion paper makes an effort to acknowledge the accomplishments and achievements of the PSE sector, it falls far short of capturing the full extent of the transformational changes that have occurred and continue to occur at university and community colleges across the province.

From my perspective, I see an impressive array of achievement that spans the increasingly complex world of PSE in Ontario: improved access, improved affordability, learning innovations, expanded research activity, increased technology transfer, improved graduation rates, and expanded graduate enrolment opportunities, are but some of the many achievements of the university sector, in particular. The enrolment growth of the last decade far surpassed the absolute growth in numbers during the ‘baby boom’ expansion and represents an unprecedented period of growth that taxed imagination, energy, and creative spirit to the limit.

That expansion – historic in its size and impact – occurred at the same time that Ontario’s universities were challenged by both the federal and provincial governments to further the innovation agenda. And the universities responded in stellar fashion with increased research activity, output, and discoveries.

The twin demands of increased enrolment and increased research were accommodated but not without trade-offs that had an impact on the learning environment. The Drummond Commission Report[[1]](#endnote-1) noted that the expanded research mandate was not funded properly and I would argue that “Reaching Higher”, while clearly a major re-investment in PSE, lost some of its lustre and impact for a variety of reasons including the funding demands associated with increased research activity, an over-emphasis on earmarked grants, and too much year-to-year uncertainty about actual allocations.

Before turning to the future it is important to recognize that planning in the university sector is necessarily a multi-year endeavour. Ensuring student success starts with recruitment and admission, continues through the duration of the program to graduation, and then continues on though life-long learning. When an institution accepts a student into a program it is the start of a multi-year journey. Providing a quality learning environment is also a multi-year commitment and involves making multi-year investments in everything from ‘bricks and mortar’ to faculty appointments and program development.

Good planning is contingent on having a reasonable understanding of the ‘rules of the game’. While there are always uncertainties in projecting the future I would suggest that over the past few years the planning environment has been compromised by government action and initiatives that, while no doubt well intended, has left the sector and individual institutions reeling, constantly playing ‘catch-up’, and led to an over-emphasis on bi-lateral negotiations with the Ministry; an environment that is simply not conducive to establishing a multi-year planning framework.

Let me conclude by offering several suggestions on how to help with the important work that goes on in the classrooms and laboratories across Ontario to further the productivity and innovation agendas and strengthen Ontario’s PSE system.

* First, the rhetoric about differentiation has absorbed a considerable amount of time and energy but has done little to actually further our understanding about different approaches to the provision of PSE. Accordingly, I urge you and your colleagues to devote some time to developing good comparative analyses to determine the relative state of Ontario’s PSE system. Since the California system seems to be regarded by some[[2]](#endnote-2) as a benchmark I would urge you to ask some very basic questions about access, affordability for students, retention, graduation rates, and the cost to the public purse. The structure of the California ‘system’ is clearly different but its performance deserves careful consideration based on facts.
* Second, since there seems to be a renewed interest in the Bologna arrangements and three year degrees it is important to note that even Richard Vedder[[3]](#endnote-3) has acknowledged that more students in Europe are opting for the 3+2 model – that is the cost (public and private) may actually increase. Again, I would urge you to carefully examine the evidence.
* Third, since interest in 3 year degrees is at least partially based on the assertion that the existing program funding weights provide financial incentives that favour 4 year degree programs, it is important for the Ministry to develop a better understanding of the concepts that underpin the program weights that drive a portion of the current funding allocation mechanism. Frankly, in my view, the assertion is simply incorrect and demonstrates a remarkable lack of understanding about the origin and intention of the program weights, the funding allocation mechanism, and the cost structure associated with program delivery. Again, I would urge you to carefully review the facts.
* Fourth, with respect to funding specifically:
	+ Focus on increasing the real value of the BIU for it underpins the funding framework;
	+ Streamline funding arrangements by getting rid of ‘little pots’ of one-time earmarked funding that do little but set unsustainable expectations and contribute to increased overhead at the institutional level and in the Ministry;
	+ Limit the use of earmarked funds since such funds detract from ‘core operations’ and are no substitute for real accountability; and
	+ Consider a real transformation – the full de-regulation of tuition.
* Fifth, the government should address the confusion and clutter regarding the role of colleges in degree-granting. The Drummond Commission was very clear on this matter.[[4]](#endnote-4) More importantly, at this juncture, a careful review of college finances would indicate that expanding degree granting in the college sector will result in a greater claim on the public purse. Once again, I would urge you to cut through the rhetoric and ensure a careful review of the facts.
* Sixth, as noted in the Drummond Commission Report, attention must be paid to the real costs of research and innovation and the impact on the undergraduate learning environment. The innovation agenda is critical to Ontario’s future and it deserves to be funded accordingly; it should not be funded at the expense of undergraduate education or ‘on the backs’ of undergraduate students. There are a variety of mechanisms that could be employed to address that challenge but whatever mechanism is chosen it must be based on a realistic assessment of costs and allocated in a fashion that recognizes – first and foremost – quality and excellence.
* Seventh, revisit the approach to accountability by reducing the reporting burden and placing the responsibility for accountability firmly with the Boards of Governors.

Minister, I recognize the commitment that you and this government have to post-secondary education and I understand the pivotal role that the PSE system plays in the lives of individual students, their families, and the province as a whole. The university sector is one of Ontario’s greatest assets and its very complexity demands a careful, measured, thoughtful, fact-based consideration of how to optimize its performance. I am confident that as the review process continues more attention will be paid to fact-based evidence rather than anecdotes and voluble assertions.

Should you wish to discuss any of the preceding points in more depth I would be pleased to accommodate your schedule. I have also taken the liberty to attach an annotated presentation (updated with a few salient points in the notes text) that was prepared last year for a ‘debate’ with Harvey Weingarten regarding system differentiation.

Yours truly,

Ken Snowdon,

President, Snowdon & Associates

1. Commission on the Reform of Ontario’s Public Services, (Drummond Commission) Queen’s Printer for Ontario 2012, pp.239-258 and Recommendation 7-16 [↑](#endnote-ref-1)
2. Clark, I., “California-Ontario University Productivity Comparisons”, Section 2 in “A new process for assessing and funding research performance in universities” A Submission to the Ministry of Training, Colleges and Universities, July 30, 2012 [↑](#endnote-ref-2)
3. Vedder, R., Summary of 25 Ways to Reduce the Cost of College, Center for College Affordability and Productivity, 2010. p.8 [↑](#endnote-ref-3)
4. Drummond Commission, p.247 [↑](#endnote-ref-4)