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## **Official Report of Debates (Hansard)**

**Tuesday 26 October 2010**

## **Journal des débats (Hansard)**

**Mardi 26 octobre 2010**

**Standing Committee on  
Estimates**

Ministry of Training,  
Colleges and Universities

**Comité permanent des  
budgets des dépenses**

Ministère de la Formation  
et des Collèges et Universités

Chair: Garfield Dunlop  
Clerk: Douglas Arnott

Président : Garfield Dunlop  
Greffier: Douglas Arnott

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

## STANDING COMMITTEE ON ESTIMATES

## COMITÉ PERMANENT DES BUDGETS DES DÉPENSES

Tuesday 26 October 2010

Mardi 26 octobre 2010

*The committee met at 0903 in room 151.*

### MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES

**The Chair (Mr. Garfield Dunlop):** We'll call the meeting to order; we have a quorum here. We are here today for the consideration of the estimates of the Ministry of Training, Colleges and Universities for a total of six and a half hours.

The ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. I trust that the deputy minister has made arrangements to have the hearings closely monitored with respect to questions raised so that the ministry can respond accordingly. If you wish, you may, at the end of your appearance, verify the questions and the issues being tracked by the research officer here. Are there any questions from anyone before we start? I think we go through this fairly regularly.

I now call vote 3001. We will begin with a statement of not more than 30 minutes by the minister, followed by statements of up to 30 minutes by the official opposition and then the third party. Then the minister will have up to 30 minutes for a reply, and the remaining time will be portioned equally among the three parties.

Just to make sure we're clear on this: Minister, you can speak for 30 minutes or you can take questions immediately, if you want, from everyone. The official opposition can either make a statement or they can begin immediately asking you questions. You've been through this before. Then, the final 30 minutes has to be you making that statement to the group, not taking questions from government members. If you don't use any of that 30 minutes, we immediately go into 20-minute rotations, and we'll finish that way.

Welcome, Minister Milloy and all the staff at the Ministry of Training, Colleges and Universities. Congratulations on your new son as well.

**Hon. John Milloy:** Thank you very much, Mr. Chair. If you'll permit me, and I've said this to you privately, I do want to publicly acknowledge your support and the support of the committee. With the wonderful new addition to our family last week, the committee went to great efforts to allow my appearance to be delayed. I do want to publicly acknowledge and acknowledge on the record all that you did.

As some of you know, this is my second child. The first child had a double-barrelled name, John Patrick. I tried to convince my wife that, in light of all the support here at the Legislature, we should do the same thing, but she did not want to name our son Garfield Dalton. I think it may be because he'd be confused with all the other Garfield Daltons at his school. I do want to thank you.

I'm pleased to be here today to discuss the 2010-11 estimates for the Ministry of Training, Colleges and Universities. As is the practice, I'm accompanied by a number of senior officials from the ministry who, I imagine, will be called on from time to time to answer questions of a technical nature. I'd like to briefly introduce them. To my left is Deborah Newman, the deputy minister. We also have Marie-Lison Fougère, assistant deputy minister, strategic policy and programs; David Fulford, assistant deputy minister of corporate management and services; Laurie LeBlanc, assistant deputy minister, employment and training; and Nancy Naylor, assistant deputy minister, post-secondary education. They're supported by another cadre of officials at the director level who, as I say, will be pleased to provide supplementary and technical information as questions arise.

I do want to say at the outset that it is a privilege for me to work with these fine individuals and with all of our ministry staff who are so dedicated to education and training. I want to thank them for the preparation that has gone into this appearance in front of the committee and, of course, the follow-up for the various questions and issues that are raised.

I last appeared before this committee two years ago. For much of the time since then, Ontario has been dealing with the effects of the global recession and the transformation of key sectors. This has been a challenge for us all. This has been a challenge for Ontario families, especially for people who, through no fault of their own, found themselves out of work.

Now the economy has shifted. Though the recovery is still in its early stages, one fact remains paramount, and that is that Ontario's greatest strength is its people. The ideas, focus and energy of our men and women and younger generation are the bedrock of this province. In this fast-changing world, they will continue to propel Ontario forward.

Earlier this year, the McGuinty government set out a new foundation for success. Our five-year Open Ontario

plan puts us on a bold, smart path to jobs and growth that is open to change, opportunities and the new economy.

A key focus of this plan is post-secondary education and training. Our government knows that a skilled, knowledgeable workforce attracts the jobs and investment that lead to a strong province and high quality of life.

#### 0910

Sixty-three per cent of Ontarians between the ages of 25 and 64 already have post-secondary education or apprenticeship training, which is a competitive advantage in this competitive world, but we have to do better. Seven out of every 10 new jobs created in Ontario in the next decade will require post-secondary education or training. Through Open Ontario, our government will raise the percentage of Ontarians with a post-secondary education and training credential to 70%. Every qualified Ontarian who wants to go to college or university or learn a trade will find a place.

Our aim is nothing less than to create the most skilled and knowledgeable workforce in North America; one that is ready and able to meet all the demands of the 21st century. As we take these steps, our government will build upon the success of our five-year \$6.2-billion Reaching Higher plan. Reaching Higher was the largest single multi-year investment in post-secondary education and apprenticeship training in two generations. It delivered greater access and improved quality for students, greater accountability by colleges and universities and a more responsive training system.

Moving forward, our government will work with our education, training and business partners to develop a new five-year plan that will ensure the continuing quality of Ontario's post-secondary education system. And we will continue to address training and education at every level—from helping newcomers gain access to second language training, to supporting college training and apprenticeships, to supporting graduate work at the university level—so Ontarians can be at their very best and our province can be at its strongest.

The Ministry of Training, Colleges and Universities takes a strategic approach to education and training. Let me begin with colleges and universities. Ontario has 20 public universities, including the two newest: Sault Ste. Marie's Algoma University, which opened in 2008, and Toronto's OCAD University, which received its designation this year. As well, we have 24 public colleges in the province. It has been my privilege to visit most, if not all, of these facilities and meet and be inspired by the students. They are training to be doctors, scientists, entrepreneurs, artists, technicians—individuals who will excel in a thousand and one careers and will propel our province and our future. Our commitment is to help them succeed.

In 2010, our ministry is investing more than \$4.7 billion into operating grants for colleges and universities. This is the eighth consecutive year in which these grants have increased. This continuing investment has allowed us to transform the sector to meet the needs of the new

economy and to give more Ontarians access to the programs and courses they need to succeed.

Today, about 140,000 more students are attending Ontario's colleges and universities than in 2002-03. That's a 36% increase, and these numbers are only going higher. Post-secondary enrolment is growing five times faster than it did in the 1990s; 40% of 18- to 24-year-olds are enrolled in college or university today, up from 35% in 2002.

Just as important, students are experiencing better success and higher graduation rates, and when they do graduate, they're getting good jobs fast. Some 79% of undergraduate students are now completing university, up from 73% in 2002. A recent study found that 94% of students who graduated university in 2006 were employed within six months of graduation, 96% were employed within two years and 85% were employed in careers related to their program of study.

Still more are carrying on with their education. Today, almost 13,600 more students are registered in graduate school than in 2002—an increase of 54%. More students are graduating from our public colleges. Today, 65% of college students are graduating compared to 57% in 2002. And even during a challenging market, almost 85% of the class of 2009 found employment within six months.

To facilitate these successes, our government has invested in bricks and mortar. Since 2003, more than \$3.5 billion has been allocated to capital projects on university and college campuses, including up-to-date classrooms, labs and facilities. Forty-nine infrastructure projects announced in 2009 are currently under way, supported by \$981 million in provincial funds, complemented by investments from the federal government. These projects will enable Ontario colleges and universities to modernize. It will also give them the facilities and boost the province's long-term research and skills training capacity that is needed.

Seven institutions have received capital support through Ontario's strategic capital infrastructure program.

Through the college equipment and renewal fund, we've invested \$60 million over three years to help colleges acquire new instructional equipment. Students must be able to leave school and enter the workforce having been trained on the latest technology and ready to do the job.

We gave colleges and universities a one-time investment of \$155 million in 2009-10 in additional operating funding to support the larger number of enrolments and to improve sustainability. All these investments help to support the learning experience.

In this regard too, we are facilitating and building upon a strong base. Ontario students have positive things to say, not only about the colleges and universities they attend, but also about the post-secondary learning experience. Seventy-nine per cent of Ontario's university undergraduates rate their educational experience as good to excellent. Fully 78% say that if they were to start all

over again, they would still choose their same university. Seventy-six per cent of college students express satisfaction with their alma mater, up from 75% in 2003, and 80% were pleased with the quality of learning experience within their program of study. We work hard with our partners to improve the learning experience and to make change happen.

For example, a key commitment is to improve students' ability to navigate the post-secondary education system, including giving them more flexibility to move between colleges and universities as their needs and goals change. That's why our government will provide additional resources towards the implementation of a credit transfer system.

I want to recognize the contribution of an important group of individuals who have provided solid advice to the ministry during this time of change and expansion. I'm talking about the Higher Education Quality Council of Ontario, or HEQCO. The council is an arm's-length body of the government. It provides us with research-based advice on how to improve the quality of and accessibility to our colleges and universities. It helps us develop best practices for accountability from our institutions, so that we will know that students and taxpayers are well served.

HEQCO provides a sounding board on how to best improve the quality of Ontario's post-secondary education system. Its work encourages open dialogue and collaboration between the government, colleges, universities and all those who have an interest in improving Ontario's post-secondary education system. It helps us to respond to labour market needs and to be competitive internationally.

The council's 2010-11 research priorities, as set out in their third annual review and research plan, encompass accessibility, quality, accountability and sustainability in our post-secondary system over the long term. Those issues are critical for maintaining a healthy post-secondary education system that responds to students and serves the province.

I spoke earlier of our Open Ontario plan to raise Ontario's post-secondary attainment rate to 70%; to ensure that every qualified Ontarian who wants to go to college or university will find a place. This plan includes supporting an additional 20,000 spaces in colleges and universities this year: that's the equivalent of a whole new University of Guelph. Our government has provided \$310 million in 2010-11 to support these spaces. These 20,000 more students will make an important difference to the future of Ontario.

Similarly, we remain on track to create 15,000 new graduate student spaces by 2011-12, compared to 2002-03. Our \$221.6-million investment includes an additional \$51.6 million by 2011-12 to support the final 3,300 spaces and complete the expansion. Overall, there will be 62% more graduate student places in Ontario next year than in 2002.

This expansion is helping to develop the top talent Ontario needs to conduct cutting-edge research and

translate innovative ideas into the solutions that will, in turn, lead to new investments, new businesses and new jobs. Our government has invested \$142 million since 2005 to expand graduate fellowships and we continue to support 1,750 graduate research internships through our four-year, \$17-million partnership with MITACS.

These internships link Ontario companies with universities and involve graduate students in real-world research projects, including in science and engineering, health and life sciences, arts, social sciences and business.

#### **0920**

Our government has also followed through on our commitment to graduate more doctors and nurses. By 2011-12, we will have created 260 new first-year medical school spaces, up 38% from 2003. To facilitate this expansion and to train more doctors in more communities, we created the Northern Ontario School of Medicine as well as new medical education campuses in Waterloo region, St. Catharines and Windsor, with a fourth campus scheduled to open in Mississauga in 2011.

In 2009—and going forward—we provided \$20 million to help all of Ontario's medical schools continue to provide an innovative curriculum, and we are providing \$35 million over three years to help build the specialized rooms, labs and equipment needed for training. The number of first-year, full-time degree nursing students has also increased: up by 27% since 2005.

An excellent post-secondary education system must ensure that students have the support they need to attend and succeed. Our government has introduced a wide range of measures that focus on financial assistance, including a student access guarantee that promises that no qualified student will be denied a post-secondary education because of lack of funds. According to a report by the Canada Millennium Scholarship Foundation, Ontario is now providing record levels of non-repayable assistance and Ontario institutions were found to be more generous than other Canadian institutions in providing need-based aid.

We have accomplished this through major improvements to the Ontario student assistance program, or OSAP. This year, 210,000 students will benefit. More students from low- and middle-income families are receiving grants, more students are getting higher assistance levels and more students are being supported in managing and repaying their loans. And as part of Open Ontario, our government provided an additional \$81 million this year to further expand and modernize the program.

Let me highlight some of the improvements:

Allowances provided for books, supplies and equipment will now be adjusted for inflation annually to ensure they better reflect the real costs to students and their families.

Students can keep more of the money they earn from part-time jobs without it affecting their OSAP funding.

Weekly loan maximums have also been increased. They are now \$150 per week for single students and

\$350 per week for married students and students with children.

Also for married students, we have reduced the share of income that spouses are required to contribute to their partner's income by 10% and doubled the OSAP vehicle exemption to \$10,000.

There will be a new grant for part-time students, and the number of Ontario graduate scholarships will be increased by 1,000, to a total of 3,000 to be awarded every year.

Other changes focus on repayment, and I do want to recognize that students take their repayment responsibilities seriously. The Ontario student loan default rate was 8% last year. That was the lowest rate since the province began measuring defaults in 1997, when it was 23%.

Going forward, our government has made the Ontario portion of all OSAP loans interest-free and payment-free for six months after graduation. Under the new repayment assistance program, or RAP, no graduate in financial difficulty will be asked to pay more than 20% of their family income towards their loans, and after 15 years, any remaining student loan debt will be forgiven.

We've also streamlined application processes so students can get their financial support faster and can focus more quickly on their studies.

Our government is committed to ensuring that post-secondary education in Ontario remains affordable. We've extended the cap on tuition fee increases to an average of 5% annually for two more years, and we work hard to ensure access to the system by all of Ontario's diverse learners all across the province.

Currently, for example, 19,000 French-language students and new learners are taking 249 programs through Ontario's French-language colleges and universities. These numbers have grown from 18,000 and 213, respectively, in 2003. In fact, funding for French-language post-secondary education topped \$84 million in 2009-10, 64% more than in 2003.

Ontario operates a bursary program to help aboriginal students in financial need attend post-secondary education. We fund a range of support services to improve the everyday experience and achievement levels of aboriginal students in post-secondary education and training opportunities.

We also provide help to students with disabilities. This year, we allocated \$8 million in access-to-opportunities funding to help students with disabilities succeed in their post-secondary studies.

And crown wards continue to be an important focus. Our government has provided new supports, including doubling the number of crown ward education championship teams in Ontario to 14. These teams do outstanding work in mentoring, motivating and guiding crown wards along a successful educational path.

We have also provided \$19 million over four years to help expand the Pathways to Education program beyond Regent Park to other priority neighbourhoods in the GTA and throughout Ontario. This innovative program has

been very successful in reaching out and helping youth stay in school and realize their potential.

Our government also reaches out to first generation students. From 2008 to 2010, 42 colleges and universities delivered initiatives that offered advice and supports to first generation students. Decisions on a new round of initiatives for 2010 to 2012 will be announced shortly.

Preparing our students for today's knowledge-based and global economy is a critical responsibility. The steps I have described, which focus on the quality and accessibility of our colleges and universities, are imperative to a strong Ontario.

Strengthening our skilled trade sector is equally important. All across Ontario, in every community, skilled workers help to grow our businesses. They build and maintain our public and private infrastructure. Their skills and experience ensure Ontario's competitiveness in a global economy. We must have enough skilled workers to support our economy going forward.

Our government is reaching out to all Ontarians, including unemployed and older workers, newcomers, women, aboriginal people and people with disabilities, to make them aware of the opportunities that are available in the trades. We are modernizing and enhancing our skilled trade system to ensure that it aligns with the needs of our economy. And we are accomplishing these goals via the transformation of Employment Ontario, skills training for new opportunities, a focus on apprenticeship, and through the newly established Ontario College of Trades.

The dual effects of the shifting economy and the global recession have affected many of Ontario's workers. People need to upgrade their skills, learn new trades or gain better proficiency in literacy in order to find jobs in a changing workplace. Many have turned to Employment Ontario, which offers training information and job search assistance in person, online and by phone in 25 languages. Our government has increased our investment in Employment Ontario to more than \$1.6 billion in each of the past two years. As a result, we have helped more than one million people annually. And we continue to transform the organization to be more integrated and client-focused.

In August, we took a big step forward with a new one-stop approach. Employment Ontario employment service offices now offer, in one location, all the services people need to help with resumé preparation, career and training planning, job matching and placement opportunities, and advice on finding a job that is right for them. Employers also benefit. They can visit any Employment Ontario employment service office if they wish to hire new employees, help existing employees build skills, or obtain labour market information.

Another part of the Employment Ontario transformation has focused on delivering services to communities when and where they are needed. For example, my ministry's rapid re-employment and training services team provides an immediate and appropriate response in any large layoff situation. Within one hour, our team is

working to connect workers with Employment Ontario services. Our collective goal is to help laid-off workers get back on their feet faster.

Employment Ontario also seamlessly operates federal-provincial initiatives such as the three-year, \$58-million targeted initiative for older workers program. This initiative is helping unemployed older workers with programming that increases that employability, reintegrates them into employment and ensures that they remain active and productive participants in the labour market while their communities undergo economic change. We will continue to work with our Employment Ontario partners to ensure service excellence and customer satisfaction.

Two years ago, our government launched a new program, Second Career, the first of its kind in Canada to help laid-off, unemployed workers train for careers in high-demand sectors. Second Career has been highly successful. To date, over 36,000 workers have benefited. In fact, our goal of helping 20,000 people over three years was exceeded in only 16 months.

This program provides up to \$28,000 per person to help unemployed, laid-off workers acquire the skills training that will assist them to find employment. For persons with disabilities, the current maximum agreement of \$28,000 can be exceeded.

#### 0930

In the 2010 Ontario budget, the government reaffirmed its commitment to help laid-off workers by making Second Career a permanent program. By the end of 2011-12, we anticipate about 58,000 people will have benefited from the program.

We know the program is working. Each day, the ministry hears of people who have started a new job thanks to Second Career. There's Jana Tavares, who was laid off as an accounts receivable administrator. Now she's working as a medical office assistant at a cardiology lab in Hamilton. There's Cathy Cope. In the spring of 2008, she was laid off from her job as an administrator and bookkeeper. Her husband was laid off at the same time. Second Career gave Cathy the opportunity to train as a career and work counsellor at George Brown College. She graduated her course and is today working at a Goodwill agency helping other people find education, training and jobs.

Second Career is changing lives for the better. A survey of Second Career students shows that 93% of students have graduated, and 61% have found jobs within an average of three months.

We're helping Ontarians prepare their skills and education for the jobs of the future. Certainly, the new economy presents exciting opportunities. Our government has focused on green energy and aims to be a global leader in this emerging sector. We've invested \$5 million over two years to ensure Ontarians obtain the skills and training for the high-value green jobs being created. We're also investing \$45 million over three years in a skills training program to help aboriginal people and northern Ontarians benefit from significant resource development opportunities, including in the area known as the Ring of Fire.

A key part of our plan to strengthen skilled trades is to boost the profile of apprenticeship and reach out to potential apprentices. These efforts have paid off. Today, more than 120,000 apprentices across the province are learning over 150 trades in four sectors: construction, industrial/manufacturing, motive power, and service. This is twice as many apprentices as were registered in Ontario in 2003. To support them best, our government has enhanced Ontario's apprenticeship system. We work with our educational partners to ensure programs meet the needs of apprentices, employers and the new economy.

We've provided \$55 million over three years through the apprenticeship enhancement fund and the Ontario skills training enhancement program so that colleges and training centres can increase their capacity and obtain the most up-to-date equipment, facilities and infrastructure.

And we offer more incentives for more employers to take on apprentices and support programs that set more Ontarians on the road to receiving their certificate of qualification. For example, the Ontario youth apprenticeship program is helping students begin apprenticeship training while still in high school. In 2009, more than 25,000 young people from 71 district school boards participated in this program.

Our government has also strengthened the future of apprenticeship by establishing the Ontario College of Trades. The college of trades is the first of its kind in Canada. It is a regulatory college that will build on the strengths of Ontario's skilled trades and apprenticeship system. It will encourage more people to work in the trades and help the system better serve employers, skilled tradespeople, apprentices and consumers. It will give industry a greater role in recruitment, governance, certification and apprenticeship training, and it will put skilled trades on a similar footing with teachers, doctors and nurses, who already have professional colleges.

The first steps have been taken. In May, our government announced eight industry leaders who will make appointments to the governance boards and act as the transitional board of governors.

On September 24, 2010, we announced that Scott Macivor had been hired as a special advisor to the board. He will work with the transitional board of governors to bring together personnel and help put in place the policy and procedures for the college.

On October 20, 2010, the ninth and final member for the appointments council was nominated by cabinet, and the review and approval of this nominee by the standing committee and the Lieutenant Governor is expected shortly.

The Ontario College of Trades is being phased in and will be fully operational in 2012.

Post-secondary education and training is a critical component of our Open Ontario plan for the future. A highly skilled, highly knowledgeable workforce is key to our success in a global economy.

Ontarians must be able to reach their full potential and contribute at their best for Ontario to be at its very best.

That is why our government encourages and supports education and training. That's why we continue to invest in a post-secondary education and training system that is modern, accessible and responsive, and that is why Ontario will continue to compete and thrive in a rapidly changing world.

That concludes my opening comments. Mr. Chair, I look forward to the comments and questions of all the members of the committee, unless you're going to tell me I have 10 minutes left, at which point I can—

**The Chair (Mr. Garfield Dunlop):** You've actually got a minute left.

**Hon. John Milloy:** A minute left. Well, we'll stop there.

**The Chair (Mr. Garfield Dunlop):** Okay. Thank you very much, Minister. We'll now go to the official opposition. Mr. Wilson?

**Mr. Jim Wilson:** Thank you, Minister, and again, congratulations on the new addition, Michael, to your family.

Since you sort of ended with talking about trades and apprenticeships, something comes to mind that we've discussed in the House and you discussed here last year. Did you ever do a study on whether, if you had a one-to-one ratio in the trades, journeyman to apprentice, you could fit more people into the apprenticeship stream?

**Hon. John Milloy:** I'm happy to talk about ratios. I'm not aware of any study that's been done by the ministry of that nature.

The issue of ratios is a large issue. It talks about how we're going to make sure that apprentices are properly trained. There are safety considerations. There are considerations of how many journeypersons are going to emerge at the end. It's a complex issue. I think last time they were actually joking with me because, in answering a question from your colleague, I went back to medieval guilds and the whole history of ratios and the number of apprentices assigned to each journeyperson.

But as you know, this is an issue that we're moving on. Part of the reason for the establishment of the college of trades was to have them take a look at the whole issue of ratios, all the factors that go into it; to determine the best way to fix a ratio; and then to undertake a review so that we can constantly ensure that the system is modernized.

As to your question, I will turn to the deputy. I'm unaware of any study in the ministry, and she's indicating no.

**Mr. Jim Wilson:** Why wouldn't you, when so many small and medium-sized businesses—I mean, they constantly pepper us with the complaint that they'd be able to hire more young people and get them on their way in the apprenticeship stream if the ratios were changed, like they've been changed in other provinces like Alberta.

**Hon. John Milloy:** First of all, I point out that we do review ratios from time to time and we have changed ratios in a number of trades over the last number of years.

The issue of ratios is a complex one. As I say, there are health and safety implications, there's the teaching

implication. Therefore, we recognize the fact that there are concerns out there; that there are people who say we need to take a look at the system. But as I've sat down and met with people on all sides of the issue—I shouldn't say "sides of the issue," but people with all views on this issue—all of them have said, "Look, we need a standard set of criteria by which we can look at a profession and say what would be appropriate in that case." That was part of the impetus of the college of trades: to have a body that was composed of representatives from across the sector who could sit down, who could come up with the criteria by which we should look at ratios and then start to review them to make sure that they're updated.

**Mr. Jim Wilson:** Do you want to give us an overview of who and what sectors make up the college of trades?

**Hon. John Milloy:** Sure, I'd be pleased to. I'll talk a bit about the college of trades. Its establishment through legislation begins with an appointments council, which operates as a transitional board. I mentioned in my opening remarks that they've brought on Scott Macivor, who has come in as a special adviser and is starting to do some of the groundwork.

The board itself has a good cross-section of individuals, and as soon as I get my list I can go through them. I'm very happy to talk about the different sectors that are there.

The chair is Mr. Rod Cameron, who actually hails from the London area. He was the dean of technology at Fanshawe College in London for five years. He previously served as dean of apprenticeship training and motive power technology. He himself, I understand, was an apprentice in the automotive sector.

We have Sue Allen, who is—in fact, I know Ms. Allen has appeared in front of committee. She has been someone who has worked very hard to look for more women in apprenticeship. She's a professional tractor-trailer operator, a certified fleet trainer and examiner, and a transportation specialist for film and television productions. She's an equity and diversity specialist. She has coordinated programs to encourage women to train in the skilled trades at Centennial College's school of transportation in Toronto, and developed and implemented the women's STOP, skilled trades opportunities program, at the college to recruit and train more women to apprentice in motive power trades.

#### 0940

Patrick Dillon, of course, is the business manager and secretary-treasurer of the Provincial Building and Construction Trades Council of Ontario and himself a certified electrician, a journeyperson, a former apprentice. He represents the unionized construction sector.

Colin Heslop is a national director of the skilled trades department for the Canadian Auto Workers. He's an industrial electrician and a construction electrician with a red seal certification.

Hugh Laird is executive director of the Interior Finishing Systems Training Centre and the Interior Systems Contractors Association of Ontario. Again, Mr. Laird has extensive experience. He's operated the largest



drywall training centre in North America, assisting thousands of young men and women to complete their apprenticeships.

We have Gail Smyth, who is the executive director of Skills Canada—Ontario. I think most members are familiar with that outstanding organization which promotes careers in the skilled trades and technologies to young people in Ontario. Gail's efforts and those of her organization have been tireless in promoting apprenticeship in skilled trades.

We have Allan West. He is vice-president and director of the K.J. Beamish group of companies. He's been involved in estimating and project management of roadwork projects for more than 30 years.

And we have Norman Wolfson, president of Lecours Wolfson Ltd., a recruitment firm servicing the North American foodservice and hospitality industry. He comes forward, obviously, from that perspective.

We also, as I mentioned, have put forward the name of a final member, Madame Côté. She has not been appointed. She represents the north. She represents another service industry in terms of her background and is also a francophone member, but obviously, as I say, her name has not yet been looked at by the standing committee.

**Mr. Jim Wilson:** Do you have anybody from what they call the "open" shops, the smaller, non-unionized shops? Beamish is private sector, but they're rather large. Everybody else seems to be rather academic or unionized.

**Hon. John Milloy:** As I say, I think Al West—

**Mr. Jim Wilson:** How is the small business man or business woman from my Main Street represented?

**Hon. John Milloy:** Well, they're represented a number of ways. First of all, I'd point out that Mr. West obviously comes from a private sector firm. There are individuals on it—and I reference Gail Smyth; I reference others who have day-to-day contact with employers. But more importantly, the work that's done by the college right now is really two streams.

One is getting the college up and running, and they certainly have a mandate to reach out to everyone who's involved with apprenticeship and skilled trades. When you talk about the small business person, they're going to be reaching out to them, asking them to take a role on the college in terms of the final governance structure that's put in place in terms of the various industry committees.

The second stream that they're working on is they are looking at the issue of ratios and compulsory certification, and they will be holding—we can certainly get you the dates—public meetings to get input on a process by which they can look at both these issues. We are reaching out to everyone in the sector, including the small business person that you're referencing.

**Mr. Jim Wilson:** Okay. I would appreciate the dates.

A little different tone—I've never been asked this question in 20 years, so maybe you can help me out. A little bit of a different twist on student aid: I had a town hall meeting for my riding last Thursday and a lady by

the name of Heather was asking a question on behalf of her daughter. Her daughter is in Australia, where it's costing her about \$50,000 a year to take a master's degree in art therapy. Apparently, in Ontario and Canada, we don't offer that degree at the master's level, so in order to do what she wants to do in life and in her profession, she's had to go to Australia, and I guess the family is at their wits' end in terms of financing the daughter through school.

The question was—as I said, I've never been asked it before, but I told her I'd check it out—whether, through OSAP or any other means you can think of, there is any support for an Ontario student taking a rather unique course in another country because it's not available here?

**Hon. John Milloy:** Sure. I'd be happy to respond. Deputy, I don't know if we want to call on an official or if you want to tackle that? Someone from the OSAP branch, I think. Is that okay if we ask—

**Mr. Jim Wilson:** Yes, whoever. I just want to make sure we uncover all stones for Heather.

**Hon. John Milloy:** Nancy?

**Ms. Nancy Naylor:** I'm Nancy Naylor. I'm an ADM in the Ministry of Training, Colleges and Universities. Our division includes OSAP.

The answer is yes, most likely. We support Ontario students at hundreds of overseas post-secondary institutions. We would probably have to ask you offline the exact institution that this young woman is studying at and confirm that that is a recognized institution, but this young woman, depending on her financial circumstances, would certainly qualify for OSAP assistance if she chose to study overseas.

**Mr. Jim Wilson:** Okay. Who do I get back to on that with the information? I'll probably have Heather get back to you.

**Ms. Nancy Naylor:** Sure. My name is Nancy Naylor. You can check with me or we can get in touch with your office through the Chair's office.

**Mr. Jim Wilson:** Thank you—very helpful.

Speaking just a couple of weeks ago, Minister, to the College Student Alliance, they had two interesting questions for me which would be better answered by you. One is, there's a rumour out there that your party's thinking of bringing in a four-year tuition freeze. Is there any truth to that? Are you thinking of a tuition freeze of any duration in the next few years?

**Hon. John Milloy:** We are at present in the middle of a two-year tuition framework, which I suspect we may spend a bit of time talking about over the next few hours. I can tell you there has been no decision made as to what's going to happen. Following that, obviously, we will have to signal to institutions—it's usually around February or March of the year before, so that would be 2012—as to what would move forward, but no decisions have been made as to what the next iteration will look like.

**Mr. Jim Wilson:** When you did have the two-year tuition freeze, it occurred to me—and I hear from a lot of students—that it was beneficial, I suppose, for the

students who were in the system during those two years already in college or university, because they weren't going to get an increase, and perhaps beneficial if you were just going in for the first year of the freeze, but when you exited that freeze, we had tuitions with as high as 8% to 16% increases in one year. Are they inherently fair?

**Hon. John Milloy:** I respect the question, but I'm not sure how—tuitions are capped. The overall average is capped at 5%; professional and graduate programs are 8%. For a student entering a program—so in year one, it's 4.5% in undergrad, and then moving through it, it's capped at 4%. When the freeze was lifted, it was replaced by a cap, so I don't know how tuition could have jumped by 16%.

**Mr. Jim Wilson:** We had examples, and we've raised them in the Legislature. In some cases, apparently, that was the case. Again, do you think it's fair to all students, particularly students who will be coming in after a tuition freeze, given there's pent-up revenue demand there?

**Hon. John Milloy:** Our view has been that, first of all, we've had a framework in place which has controlled tuition and has allowed students to plan or anticipate what their costs would be. But at the same time, our focus has been on increasing student aid, increasing OSAP and making sure that financial issues are not a barrier to a student who wishes to pursue post-secondary education.

I meet regularly with student groups and we always have very lively discussions. At the end of the day, a tuition freeze is of a benefit to—I point out I come from a high-tech community, where we literally have billionaires. It will help their children and it will also help the single parent who's struggling to get their child into university or college. But if it's a funded tuition freeze, as it was in the first part of our mandate, it's going to cost a considerable sum of money. So the question is, should we take those resources and aim them at those who need it the most? That's what we've done. We've kept the cap on, the framework on, so that there is predictability and we don't have wild fluctuations, and we focus it on who needs it the most.

0950

**Mr. Jim Wilson:** If you're not able to fully fund it in terms of making up any expected increase of tuition to colleges and universities, will you be serving the colleges and universities—asking the presidents, for example, what the effect would be of a partially funded, if not fully funded—

**Hon. John Milloy:** Yes. We're getting into the hypothetical of the hypothetical, I guess. The freeze that we had in place under our government was funded. We then brought in the framework, and I want to assure you that I talk regularly about tuition with the colleges and universities. Certainly when you take a look at the various revenue streams that exist, we obviously take that into account when we look at the system. So we're going to continue that dialogue as we move forward, as I say, when we move to that official point, in what I suspect

would be very early 2012, when we will have to signal to the system what the guidelines are for moving forward.

**Mr. Jim Wilson:** Just along this revenue and expense line of questioning, David Naylor mentioned that just as a result—I saw in a press article right after the arbitrator's ruling—off the top of his head, he thought, when all was said and done, he'd have about a \$4-million shortfall or he'd have to find \$4 million—I think it was in that range—as a result of the arbitrator's ruling there at the University of Toronto. If, across the board, other settlements are in the same range as what happened at U of T, have you costed out what that's going to cost the treasury in Ontario?

**Hon. John Milloy:** I'm certainly not in a position to comment on an arbitrator's ruling. I think the government has made its position very, very clear in terms of the broader public sector and what our expectations are on bargaining going forward. We continue to work with the sector and to call on everyone to abide by those expectations in light of the financial difficulties that the government is facing and that the province is facing.

**Mr. Jim Wilson:** The government keeps saying that, other ministers more than you—the finance minister, for example—but the arbitrator was pretty clear. I think he said he wasn't going to be a minion of the government of Ontario, the McGuinty government. Do you have any plans to legislate a 0% wage increase, or are you just going to spend the next 12 months telling the taxpayers that you're protecting them, but at the same time not really doing anything about it?

**Hon. John Milloy:** We've already seen examples of the zero compensation increase going forward, and I can share a number with you. The University of Waterloo and the University of Waterloo Faculty Association negotiated a five-year agreement starting May 1, 2010, and the terms of the agreement regarding scale are a 0% increase in each of the first two years. Trent University and OPSEU Local 365 ratified a two-year agreement with a 0% wage increase per year effective July 1, 2010, till June 30, 2012. The University of Windsor and CAW Locals 196 and 2458 recently ratified a three-year agreement with 0% wage increases in the first two years.

So I think there is a willingness out there to sit down and negotiate and to recognize that this is part of the plan to address some of the revenue pressures that the province is feeling, the lack of revenue. It's not a secret.

**Mr. Jim Wilson:** No, it isn't.

In the estimates book, can you point to where your planning is around this area? Is there an increase for some of these expected arbitrations?

**Hon. John Milloy:** We provide funding to the colleges and universities based on a variety of factors, mainly around the issue of enrolment. We do not directly fund wage increases. Wages are part of what the colleges and universities spend the government transfer on. There's not a pay envelope, so you wouldn't find it in estimates. The funding is a BIU, a basic income unit, which is how we fund enrolment. There are also special operating grants, which are ancillary funding that goes

for certain projects. There are also things like support for first generations, support for aboriginal students—some of the things that I mentioned in my statement. But you would not see in the estimates book a line marked “salary” to talk about the demands, no matter what is coming forward.

**Mr. Jim Wilson:** I think, if I’m reading the estimates book right, you’re going to spend about 17.8% more this year on capital and operating.

**Hon. John Milloy:** I’m very happy to get into the book, but maybe I’ll—

**Mr. Jim Wilson:** Just generally, I think I would like that. I’ll just give you a heads-up. So often, we have voted over the years and not gone through the actual line items. So, maybe we could do that.

But first, just generally: Of that 17.8% increase, I can’t go out and tell people that a certain percentage of that is for wage settlements?

**Hon. John Milloy:** No. This year, the bulk, putting aside capital, of the increase—virtually the entire increase is to support 20,000 more students coming into the system. Part of that support may involve hiring more faculty. So, the university may decide to put that, as I say, to hire a new professor or a new teacher, so it’s translated that way. It may go to purchasing new periodicals because they’ve introduced a new program. They’re allowed to translate, within certain guidelines, the money that they receive for enrolment increases. As I say, that’s the thrust of the increase this year in terms of operating.

Maybe I’ll ask the deputy too, if you want to pick up on it or correct me.

**Mr. Jim Wilson:** I wouldn’t do that, Deputy, if I were you. I’d find a very diplomatic way to do this.

**Ms. Deborah Newman:** You’re absolutely right, Mr. Wilson, and the minister is absolutely correct.

**Mr. Jim Wilson:** They might just retain you.

**Ms. Deborah Newman:** There has been an increase in the budget, as you point out, of \$1.2 billion between 2009-10 and 2010-11. As the minister points out, the bulk of that increase is to support increased student enrolment in the system. We’re looking at flowing additional operating grants to colleges and universities to support that growth of an additional 20,000 students in the system this year. As well, we’ve increased OSAP funding to support student need with that growth in enrolment. The balance of the increases is increased funding for Second Career and employment programs and literacy programs. Finally, on the capital side, it reflects the increase as a result of the knowledge infrastructure program and the 49 projects that we have under way over two years under that particular program.

**Mr. Jim Wilson:** Did you get an increase from Ottawa at all to help cover the increased enrolment, for example?

**Hon. John Milloy:** The federal transfer, the main one, obviously, goes to the Ministry of Finance and is part of the general transfer—

**Ms. Deborah Newman:** CST.

**Hon. John Milloy:** The CST. I got it right. I knew it.

The CST that comes in, of course, goes to the Ministry of Finance as the central agency, and then our budgets are apportioned from that.

If, Mr. Wilson, you’ll allow me to go back to your earlier question, the budget made clear that the funding was for this enrolment increase, and we’ve certainly made it clear to institutions that there’s no new money for increased compensation costs. We expect the two-year freeze. So, it was very clearly communicated that this was for enrolment only. As I say, when you say, “What’s the money used for?”, they then translate that into the costs associated with having more individuals on their campuses.

**Mr. Jim Wilson:** To make sure they do spend it on creating more spaces and meeting the enrolment challenges, how does that work on the institution level, between the ministry and institutions? Is there a regulation?

**Hon. John Milloy:** I may ask the deputy and, through her, maybe some of the officials to go through exactly how it works. There is a report-back that happens in November, where we’ve negotiated or talked to each institution about the number of additional students that they will be taking. There’s a report-back in November and a reconciliation that takes place.

#### 1000

Deputy, perhaps you or ADM Naylor may be able to provide a little more technical detail, a more robust answer.

**Ms. Nancy Naylor:** Sure. Very briefly, what we did with the funding for 20,000 new students was we asked colleges and universities to give us a projection of their enrolment growth for the 2010-11 academic year. That confirmed that they were all on track on planning for something very, very close to what we had been projecting.

For universities, whose enrolment is funded in-year, we are flowing about 75% of what we call the planning allocation. Once their enrolment is confirmed, based on reporting on November 30, we will finalize the funding flow to universities and true it up to their exact enrolment.

On colleges: The funding formula for colleges lags the recognition of enrolment a little bit. That brings a little bit more revenue certainty to colleges. We are planning for the enrolment increases that they’re experiencing this year, and that will begin to be reflected in their revenue in the coming years.

**Mr. Jim Wilson:** On the capital side of this increased enrolment pressure, are you satisfied, Minister, that there are enough physical spaces for all the new students?

**Hon. John Milloy:** Yes. One of our successes over the past few years has been a significant increase in capital in our colleges and universities. You saw it, I believe starting in the fall economic statement in 2007 or 2008—I’ll have to refresh my memory—and moving on, certainly, to the KIP program, the knowledge infrastructure program, which was put together with the federal government, \$1.5 billion.

We've seen a significant increase in capacity at our colleges and universities. Is it enough for the continued growth that we see? No. We acknowledge the fact that we're going to have to do more. One of the things that we're doing is working very closely with the Ministry of Infrastructure to look at a long-term capital plan for the post-secondary education sector. We have worked very closely with the sector to get their list of priorities, everything from new initiatives they want to undertake to upgrades to simply the addition of more classroom and teaching space. There is very comprehensive work that's going on within our ministry so that, as we move forward and as we see this continued growth in the sector, we can again work with the Ministry of Infrastructure. These are ongoing discussions that are going forward.

I'll turn, maybe, to the deputy, who may have the statistics off the top of her head. I believe 2007 was the first wave of capital, and it preceded, I think, the 2008 budget; 2009 was KIP.

We've created in the neighbourhood—and I will turn to the deputy, if she has the figure, or one of the officials can give the figures of the number of spaces. I believe it's over 30,000 new spaces.

**Ms. Deborah Newman:** Yes, again correct, Minister. There were 36,000 additional spaces created through the knowledge infrastructure program.

As the minister indicated, that expansion through the knowledge infrastructure program has enabled the institutions to accommodate the increased numbers of students. Given our forecast of continued enrolment growth over the next five years, we do need to continue to plan long term for further investment in capital spaces.

**Mr. Jim Wilson:** In the knowledge program, is all that money gone now, all that capital money spent?

**Hon. John Milloy:** Yes, in the KIP program, it has all been allocated. We obviously are working very closely with the institutions, in partnership with the Ministry of Infrastructure, to make sure that the projects are on track. I believe a number of them have already completed, or are in the process of being completed. I certainly seem to get a number of invitations to go out and cut a ribbon for new buildings that are coming up.

**The Chair (Mr. Garfield Dunlop):** You have about 30 seconds left, Jim.

**Mr. Jim Wilson:** I'll just leave this with you then: The Canadian Federation of Students had asked me to ask you exactly how the BIU is calculated. What are the components in it? So maybe—

**Hon. John Milloy:** And we've got four seconds? No, I'm kidding.

**Mr. Jim Wilson:** I know it's complicated, so—

**Hon. John Milloy:** Maybe we can pick that up.

**Mr. Jim Wilson:** But it might be fascinating for all members to know how it is calculated.

**Hon. John Milloy:** Sure.

**Mr. Jim Wilson:** I'll just leave it at that. Thank you.

**The Chair (Mr. Garfield Dunlop):** Okay, thanks very much. We'll do 15 minutes with the third party and we'll adjourn for question period. Mr. Marchese.

**Mr. Rosario Marchese:** Mr. Milloy, I'm just going to make some comments for a while, just to present another side.

I went to bed last night to a beaming Rob Ford and I woke up this morning to a beaming Rob Ford. It's a wonder I got up this morning.

**Mr. Ted McMeekin:** The sun was shining.

**Mr. Rosario Marchese:** But you're right: The sun still shines the next day.

I look at all the fine assistants you have. Every time we see each other, I say, "How come we can't share some of that skill with the opposition in the spirit of collaboration?" Split the group up, right? Seven or eight for us—even proportionally, 10 for them.

But minister, I've got to tell you, I'm a bit worried about where we're going with respect to the funding and with respect to the quality of education of our post-secondary students. I know you paint a rosy picture, and you've got to. I'm sure all of you really believe that everything is great, but I have to tell you, I don't feel that way. I think that there is another side. There's a underbelly to this that we need to talk about.

Yes, we have a global recession; so did Bob Rae. When we had that recession, I remember the Tories and the Liberals saying that we didn't have a revenue problem, we had a spending problem. It's funny to hear you say today that you've got a revenue problem but you're getting over it and things are getting better.

From time to time we do face these problems, but in that context, I say to myself, how do you find \$5.2 billion to give away to corporations? We've got a \$20-billion deficit. It's going to be hard to pay that deficit. It's going to be harder now to get rid of that deficit than it was in 1995 because the deficit was half the size. The Tories inherited a good economy and they were able to pay off that deficit. In fact, we would have been able to pay it off quite fast in an economy that has grown for 10 years. But it's going to be tougher now because we don't see growth in the way that we have seen it from 1995 on. In that context, it's going to be really difficult to make the investments that we want to make in the post-secondary institutions, and we recognize we have to do that.

So giving away \$5 billion to corporations and more—and it's forever—is to me incomprehensible. We're giving money away without any strings attached, with the hope that somehow they're going to create jobs. Corporations are going to say, and they have been saying for the last 20 years, "You need to cut our taxes some more." Every year they say the same thing and every time they say, "If you cut our taxes, we're going to create more work," yet unemployment seems to be 7%, 8% all of the time. To me, it doesn't make any sense that we simply give away money without any obligation attached to that money and how it gets spent.

Then you give away \$1.2 billion in income tax cuts, and I would have understood it if you'd given income tax cuts to people who earn \$40,000, \$50,000, even \$60,000. But to give away money, to cut my taxes, yours, and so many of the civil service that earn more than we do, to

cut their income taxes, in my mind, doesn't make any sense. To cut taxes of civil servants, who work for us, who make a half a million dollars or \$700,000 or \$1 million, makes no sense.

When you combine those two in the context of a \$20-billion deficit and in the context of having to invest in our post-secondary education system, I just don't get it, I just don't.

I see problems in two areas: first, the quality of our education, and second, the incredible debt shifting that is going on. We are passing on debt to our students by way of tuition increases. The average debt for most students is now 25,000 bucks. It's just crazy. My debt was \$1,700. It took me forever to pay that, and that was in a growing economy. I don't know how people are going to pay off their debts, I really don't. Maybe doctors and lawyers who have \$80,000 to \$120,000 debts might be able to pay it off eventually—I suppose they will—but it's an incredible burden that they bear.

#### 1010

I know that those who would like to become doctors or lawyers and come from modest homes are thinking twice about their ability to be able to pay such debts. I believe it discourages a lot of students who come from modest-income homes from going into law, medicine or pharmacy because of the tremendous cost of deregulated fees. I think it has tremendous psychological, physiological and economic implications for a lot of our students—sociological implications. A lot of students who end up marrying with other students who have huge debts are going to have to decide whether they can afford to buy a car, even; whether they can afford to live in Toronto, whereas you know, in my riding, you can't buy a house for less than 500,000 bucks, and that's a house that's not in good shape. That's a tiny little house, by the way. They won't be able to live in Toronto unless they inherit some money from their parents, so they have to go outside of Toronto, naturally. They have to decide where they can afford to live. That has sociological implications.

Tremendous debt makes it difficult for students to make decisions about how many children they're going to have; whether they can marry and when; whether they will delay marriage; whether they will delay having children; whether they will have one child, possibly two, because they might not be able to afford it. These are profound implications that your government—few governments—ever bother to think about.

You've got a lot of people out there saying we should increase tuition fees even more; God bless them. I don't understand that. I don't understand how they don't know that debts are incredibly high now and that you've got a whole lot of students working to try to make ends meet. You've got many studies that show that those who work as they study are probably not doing as well as they should. I mean, it doesn't take a scientist to realize that if you're working, you're not going to have the concentration to be able to do well in university. So you've got a whole lot of students working to try to deal with debt. That has implications for their studies. It probably affects

them psychologically. If they're doing poorly, I'm sure they're not feeling that great. I'm sure their parents are not feeling that great either.

So if you've got rich parents who are able to help their children with tuition fees, God bless. There are a few. It's probably about 10% of the population that helps out their kids, but the majority of parents are struggling now. You feel the anxiety. Much of the Rob Ford support is based on that anxiety, in my view: People are so stressed economically they don't know what to do, they don't know who to turn to, they don't know who to attack. The easiest thing, of course, is to attack those who are in government, whoever they are. You guys are next, I think, but that remains to be seen. They lash out at people that they perceive to be the problem, and in Toronto, Rob Ford offered a solution. I don't know what you're going to offer next year except your attacks on the Tories, but I don't know. I don't think it'll work.

So we've got serious debt issues that we can't continue to pass on. This shifting away from government obligation to students picking up more and more of their own education is just not, in my mind, a good thing, and the fact that we have increased tuition fees hasn't made the quality of our education system any better. People were hoping that if the government doesn't give enough, they've got to go after students. And after your supposed Reaching Higher plan and higher tuition fees, you would think the world would be a better place, and yet we've got complaints from everyone imaginable: not just students, but professors who I talk to, and a whole lot of departments that have been complaining for years about the fact that they've had to make cuts in their departments.

I am not feeling very optimistic about how things are shaping up. I'm feeling a little negative these days, and I think things are going to get worse, not better. In the next 10 to 15 years, I really believe we're going to have a great deal of social dislocation in this country, and it will have political implications and social implications.

If you look at your Reaching Higher plan, you would think that instead of being number 10 in per capita funding we would be somewhere in the middle, where you wanted us to be. Your Premier said that we were going to be in the middle of the pack at some point; we're last in per capita funding. I'm not sure how that addresses the issue of quality. It speaks to the lack of quality. We are last. If other little provinces can give better support to their students than we can, it speaks poorly of us.

Look at the issues of quality. We have the largest class sizes in the country. I don't know how you could feel good about that. It affects quality. The larger the class sizes are, the poorer the quality of that instruction.

We have more and more part-time, contract professors than ever before. Half of our college professors are part-time—half. I know why they're doing it; they're not getting enough money. If you don't get enough money, you can't afford to have full-time professors with benefits. It's easier to hire part-time people because they're

less costly. But how does that affect the quality of the education? I say a lot. If you've got instructors going here and there in different places, they're not available to the students to help them out. In universities, you've got a growing number of professors teaching on contract. It ought to ring bells for us. It ought to say something is not right about this, but it doesn't seem to faze a whole lot of MPPs or your government. That, I don't understand.

OCUFA just put out a report saying more and more classes have multiple choice questions as a way of dealing with the high numbers. Surely that speaks strongly to the lack of quality in our educational system. Multiple choice questions mean fewer students are writing papers, which means when fewer students write, the quality of their writing does not improve. The improvement of writing is based on writing and if you're not doing it, it can't be that good. When you've got professors complaining that the quality of the student coming from the high school level is not so great, how can we improve that when you've got more and more students who are not writing at the university level, because they're forced to, in many classes and courses, do multiple choice questions.

We've got \$1.6 billion in capital deferrals, OCUFA says. Maybe some of you think OCUFA is wrong; I don't know. It speaks to a quality issue and I really don't know how you're addressing that. Your estimates show that you're going to have an increase in the next little while—which we'll get to in questions this afternoon—but I suspect that much of that money is for just marginal increases, and also to fund the 20,000 new spaces that you want to have at the university level, which sounds good—most of it will go to foreign students—but I don't know how that improves the quality of our educational system.

In my mind, unless we deal with these questions, which speak to quality and alleviating the financial burden for students, we are leaving an incredible, terrible legacy that I don't think you want to be remembered for—

**The Chair (Mr. Garfield Dunlop):** One minute left, Mr. Marchese, on this 15-minute shift.

**Mr. Rosario Marchese:** Okay. I was going to talk about training and I'll just make the point. I'm very impressed with what Quebec does. They force the corporations to invest 1% if those corporations have \$1 million in payroll. I think it's a great idea. I brought it forth as a resolution. It was defeated by Tories and Liberals. I just couldn't quite understand it. If Quebec, Ireland and France can do it, where we oblige the corporations to make a contribution in their own training, you would think that Tories and Liberals would jump with joy and support it, because we all need to do this together, and yet I could not find one Tory or Liberal to support me.

We'll get back to this. Thank you.

**The Chair (Mr. Garfield Dunlop):** Okay. We'll begin this afternoon's session with the final 15 minutes by the third party.

With that, we'll recess until 3:45 or after routine proceedings this afternoon. Committee is recessed.

*The committee recessed from 1019 to 1553.*

**The Chair (Mr. Garfield Dunlop):** Thank you very much, everyone. We'll call the meeting to order. We are now resuming consideration of the estimates of the Ministry of Training, Colleges and Universities. There's a total of five hours and 15 minutes remaining. When the committee recessed this morning, the minister had completed his opening statement, as had the official opposition. The third party critic has used 15 minutes and now has 15 minutes remaining of his allocated time. Following the third party, the minister will have up to 30 minutes for a reply. After that, the remaining time will be apportioned equally among the three parties.

By the way, I want to thank the minister and the staff of the Ministry of Training, Colleges and Universities for being here again.

I now recognize the third party critic. You have up to 15 minutes to finish your half-hour leadoff.

**Mr. Rosario Marchese:** I'm not sure I'm going to use the rest of the 15 minutes, but I did want to finish my comments on the matter of training, because I really do believe that we have to do training differently.

When I read what Quebec has done, and they got it from Ireland and France, I was impressed with the fact that employers have to take on the responsibility, which is what their bill did with employers having a payroll of over \$1 million, that they've got to put 1% of their funding into training. I thought it was a great idea. It speaks to the collaboration that we have to have with employers.

Employers are quite happy for governments to spend our public dollars to train people. Employers are quite happy to say, "We've got a gap." There are all sorts of manufacturing plants that are short of certain employees, and as more and more retire, we're losing that expertise and we're going to need to train them. But they don't step up to the plate to say, "We, too, will contribute to that."

In part, it's because some of them, where they now do it, are afraid of poaching, so many of them don't do it because of the poaching scenario, whereby you spend a whole lot of money training and somebody who doesn't do the training simply picks up the trained worker for maybe a slightly better salary and they don't have to worry about training anyone.

My argument in the bill—the resolution; I had it in the form of a bill, and at the last moment it had to be changed in the form of a resolution—would force the majority of corporations to make a contribution to training. In my mind, they have to be partners in this. It cannot simply be governments that do this job of training. Unfortunately, it is left to governments to do it, and whatever investments governments make now and then—you put in some money as well. I obviously criticized you in the beginning for not doing enough because the criteria was restricted. Then you opened up the criteria and people applied and now you tighten the criteria again because you simply don't have the money. You can't say that, but that's the effect of why you tightened the criteria, and you do so because you find yourself in a

deficit of \$20 billion. All ministries are forced to review their money, and one of the things that has to go, of course, is your training money. You'll be able to talk about how much money you've spent and blah, blah, which is fine.

I really do believe that the training that is being done is useful and people are taking it up, and I have a few questions for you—not now, but later—by way of how you're dealing with that. But I think that we've got to oblige the employers to pony up. They've got to put up some money.

As I say, your colleagues in the Legislature didn't support me. In fact, they spoke against it, as did my Conservative friends, of course, on this, because sometimes we find allies. Sometimes we're really close and on some issues we tend to not be so close. But I couldn't even find one Liberal to support me on that one, and I was puzzled by it. I'm just wondering whether or not—

**1600**

**Mr. Kim Craiton:** I thought about it.

**Mr. Rosario Marchese:** You did? But in the end, somebody twisted your arm. I am convinced a lot of progressive Liberals thought of supporting my bill, and then, in the end, they were probably pressured not. I am convinced of it. But you might comment on this in your half hour. I hope you do.

I really do believe we have to do training differently and it has to involve unions, it has to involve governments, and it has to involve the employer, and unless all three are doing it, we're just not going to get the right training to happen. That would be one way of making that happen.

I wanted to raise that in my comments. I know you'll comment on student debt in your half-hour response to me and whatever Mr. Wilson raised by way of questions. I know that you'll want to comment on the quality, because I really do believe quality is diminishing and a number of commentators have spoken to that as well. So I await your half-hour response.

**The Vice-Chair (Mr. Robert Bailey):** You've got some more—

**Mr. Rosario Marchese:** Oh, no. How much can one speak, Mr. Chair? Really, you get tired after a while.

**The Vice-Chair (Mr. Robert Bailey):** Okay, you're done. So we'll go to the minister.

*Interjections.*

**The Vice-Chair (Mr. Robert Bailey):** Are you going to respond to Rosario?

**Mr. Rosario Marchese:** He's got a half-hour response to us both.

**The Vice-Chair (Mr. Robert Bailey):** All right. Minister, you've got 30 minutes for your response, if that's the case.

**Hon. John Milloy:** All right. Sorry, Mr. Chair, there was a bit of a technical problem there.

I want to begin, actually, by noting for the record that Mr. Marchese was at a loss for words, which I think is a first in my seven years here in the Legislature.

**Mr. Rosario Marchese:** Well, I'm not sure about that.

**Hon. John Milloy:** I'm very happy to address many of the issues that were raised both by Mr. Wilson and Mr. Marchese in their opening statements and the exchange that I had with Mr. Wilson.

I want to start on the PSE side. Although we just heard about training, those who were here in the morning know that Mr. Marchese spoke in the first part of his session on the whole issue of PSE, post-secondary education, as did Mr. Wilson. A good chunk of what he spoke about was on that subject. I want to thank them both for the comments they brought forward from the perspective that they brought.

It's interesting, when I was first elected at Queen's Park, a more seasoned veteran politician from my community came to me and said, "You know, John, you're going to be going to Queen's Park and there's going to be lots of discussions of education. It's going to be one of the big issues that every provincial politician deals with." She said to me, "Play a little game. Go to meetings or discussions and see how many hours can go by before the word "student" comes up. I'm ashamed to say that I have been in meetings and discussions during the seven years here where everyone's talked about everything but students. So I want to congratulate Mr. Wilson and Mr. Marchese because they went right to the core of the issue, which is students. Notwithstanding the good research that goes on in our colleges and universities—and we had a chance last year when I was here in my capacity as MRI to talk a great deal about that—at the end of the day it's about students and it's about the student experience. It's around many of the issues that were raised primarily around affordability, issues around tuition, student debt and, of course, quality.

I want to begin with the issue of affordability and what's happening in the system right now. We get lots of numbers thrown at us. My measurement is always, is post-secondary education affordable? Is it affordable in absolute terms? And if there are barriers that exist there, is there assistance that's available to those students who are in need, those students who can't afford to move forward? I believe the answer to both of those in the province of Ontario is that education is affordable and that if someone does experience a barrier because of finances, there are tools there that can help that student pursue their education.

The most obvious—and I begin with this often when I have this discussion—is that we have 140,000 more students in our colleges and universities than when we took office, which I think is a testament, obviously, to the institutions themselves and everyone who works there, but I think it also demonstrates the fact that higher education is accessible in the province of Ontario, because not only are students streaming to our colleges and universities, they're streaming at even higher numbers.

Right now, 40% of 18- to 24-year-olds are attending college or university today, which is up from 35% in 2002-03. The number of graduate students at Ontario universities has increased by 53% since 2002-03. I think what Ontarians realize, and certainly what our govern-

ment has highlighted, is that post-secondary education means higher lifetime earnings, a lower chance of unemployment and a much more secure future. Certainly, the data that I've seen throughout the recession is that it was not a fair recession. It hit those who did not have post-secondary training—and I include apprenticeship and other types of training, not just college and university—much harder than folks who had high school or less.

We're committed to maintaining the affordability of college and university enrolment. We had a bit of a discussion this morning, I think it's worth reviewing, about our tuition policy. We do not allow tuition to float. It's not open-ended. It can increase, but it can only increase within a very set framework. That framework is 4.5% for basic college and most undergraduate programs. When you're entering the program, as you move through it, it's allowed to increase at 4%, and then 8% for high-demand college and university professional and graduate programs. For each institution, the overall average tuition increase cannot be greater than 5%. What does that mean? That means for this year, average tuition increases will be limited to no more than \$100 for about 85% of college students and \$200 for about 67% of university students.

Furthermore, and this is something that we don't talk about enough, institutions don't get a free ride on this. They are told that they can increase tuition within this framework, but they have to take on certain responsibilities, and one of them is to participate in the ministry's student access guarantee, which makes sure that institutions provide students with additional financial assistance they need to further their studies. We ask that colleges and universities contribute at least 10% of the tuition fee increase to bursaries and other student assistance programs that provide financial aid to students most in need. Ontario's post-secondary institutions have been complying with the cap since 2006, and we've never had any problem where we've had an institution that has, shall we say, overshot that cap as it's moved forward.

That's the tuition side. The other side, of course, is financial assistance, and over the past five years, we've invested under each. Reaching Higher: an additional \$1.5 billion in financial support for students. We've introduced extensive measures to help students repay their loans and provide relief to those in greatest need.

I want to talk a little bit about this issue of debt. In 2005-06, the government brought back the Ontario access grant, a non-repayable grant which is available to students from families earning up to \$82,000; in other words, moving students in that portion of their OSAP from loans to grants. Last year, about 58,000 students qualified for these grants. That's at the front end. Then, at the back end, we have the Ontario student opportunity grant, or OSOG, which limits the amount of debt students have to pay to \$7,300 for two academic semesters. The student access guarantee ensures that students receive enough OSAP aid and institutional funds to cover their tuition and book costs. These institutional funds, as I say, come from setting aside this 10% of revenue.

The other change that we brought forward, as I say, if we want to talk about the student debt front, is that we now have an interest-free, payment-free grace period for the six months following the end of a student's studies. This gives students a chance to work and save before they have to start repaying their student loans. I've got to tell you that that was probably the most common presentation that we heard from student groups—I meet with them regularly. What we had in the past was a six-month payment-free grace period, and yet the interest accumulated. The students said, "Look, the experts will tell you, it takes about six months to get your feet on the ground and get organized. Why should we have to pay interest during that period?" We agree, and we brought in that change.

#### 1610

In recent years, what has this meant? As I said, I want to talk about debt. In recent years, debt levels have remained constant. In fact, last year, the average repayable debt decreased slightly for university students and is actually lower than it was in 2002-03. As I mentioned, I believe, in my earlier remarks, default rates are at the lowest levels they've ever been: currently 8%. In 1997, when the government first started measuring default rates, the default rate was 23.5%.

We have more students coming into the system. We have a six-month period to help them once they finish their studies. We have upfront grants. We have the OSOG, which comes at the end to help them. All these are aimed at the whole issue of indebtedness.

What about getting them through their program? That, of course, is the OSAP program. We've taken a very careful look at the program, and we continue to take a careful look at the program. I was very pleased—and I've been around the province speaking at many institutions to student groups and others—about some of the changes we've made to OSAP, particularly this last spring.

As part of the Open Ontario plan, we provided an additional \$81 million in financial support for college and university students, to expand and modernize the OSAP program. We've worked to modernize some of the red tape around it. We've worked to make sure that students are able to access all that is owed to them, all that is available to them, under the program.

I just wanted to spend a minute or two talking about some of the changes that we've brought in. We're allowing students to keep more of the money they earn from part-time jobs while they're in school by boosting weekly loan maximums and doubling the student income exemption. Many years ago, it was decided that a student could work—and it seems reasonable—about nine or 10 hours a week. At that point, the minimum wage was about \$5 an hour, so students were allowed to earn \$50. Many, many years later, the student groups kept coming to me and saying, "Wait a minute. The minimum wage is now around \$10; we should be allowed to earn \$100." In fact, we've doubled it. I believe it's actually at \$103.

We've increased student loan limits. They're now \$360 a week for single students and \$560 for married students and students with children.



Another change that we've brought in: earlier I mentioned the student access guarantee. In the old days, this additional funding that institutions were obligated to provide to students who had need beyond what OSAP could meet—they were obligated to provide it but in many cases they asked students to come forward and fill out application forms. Students, to be quite honest—I met with them—were not even aware the program exists. We've made it automatic so that every student who's attending an institution this fall will be assessed for this additional need and will automatically be sent it.

We're also providing students, as I mentioned, the six months.

To help married students, we're reducing the share of income spouses are required to contribute to their partner's education by 10%.

We're doubling the OSAP vehicle exemption for students who are married or have dependent children. All of this adds up to more supports for students.

What I want to talk about as part of this whole package and what I'm going to spend a minute or two on is what I think is the most important piece of this OSAP package and an important piece around the whole issue of student debt, and that is Ontario's involvement in something called the repayment assistance program, or the RAP. Starting next Monday, November 1, Ontario will be officially signing on to the repayment assistance plan. It aligns with a federal program, and I believe we're one of about three provinces that have signed on to this program.

Quite frankly, I've been going around the province certainly saying to colleagues and others that we should be shouting this new program from rooftops because it's going to create, I think, a bit of a revolution in terms of this whole issue of student indebtedness and the ability of students to pay back the loans that they may have taken out in order to pursue their education. Certainly, one of the groups that I'm talking to the most about it is students who are in the system or thinking of entering the system to tell them that this program exists and should relieve some of the anxiety that Mr. Marchese spoke about in his opening comment. It's a payment relief program for qualified borrowers who are having difficulties making their monthly payment on their government student loans.

Those of you who, I'm sure, have talked to constituents or may have had student loans yourselves or have children or relatives with student loans know that at the end of your studies—and now six months after—you are assessed what you're going to owe through your student loan. That assessment takes place taking into account the fact that we've capped at \$7,300, the OSOG. They total up your debt, amortize it and you're given a monthly payment that you have to make.

As I say, Mr. Marchese spoke about the burden that that can place on students, particularly if they're having trouble finding employment in this tough economy or if they're finding employment where they're not receiving high income.

What the RAP program does is it allows individuals to go forward and say, "Look, I've been assessed at a certain amount through this amortized loan. This is the income I'm making. I'm looking for relief." What the RAP does is it offers relief under two stages. Stage 1—we call it interest relief—lasts for up to five years or until the borrower reaches 10 years out of school. In this stage, the government of Ontario pays some or all of the monthly interest for borrowers and whatever the borrower can pay goes towards the principal. I'll give you an example in a minute or two, but perhaps you're alone and you're supposed to pay \$500 a month. We assess you and say, "Based on your income, you can pay 25 bucks a month. That all goes towards the principal, and the government picks up the interest."

Stage 2, called debt reduction, follows stage 1. In this stage, the government of Ontario pays some or all of the monthly principal and interest until the debt is paid off. Each term of eligibility is for six months and borrowers with continued financial difficulty are required to renew their eligibility every six months. For borrowers with prolonged periods of financial difficulty, student loans are paid off in a maximum of 15 years, and for borrowers with disabilities their loans are paid off within 10 years.

In both of these RAP stages, eligible borrowers are required to make what is called an "affordable payment," as I mentioned. I just want to say that, in many cases, this affordable payment will be zero, and I'll give you an example.

A single borrower in RAP with an annual gross income of less than \$20,200 or a monthly income of less than \$1,684 before income tax and other deductions would be assessed at zero. The borrower does not have to make any payments toward their student loan while they're part of the RAP program, and if their income increases, they just join the repayment where they would have been naturally. There's no retroactivity. They don't have to make up lost time. As I referenced, after 15 years the entire thing will be paid off.

**Ms. Deborah Newman:** Any remaining debt would be paid off—

**Hon. John Milloy:** Yes. Any remaining debt would be paid off after 15 years.

Above the income thresholds for no payment is in the example I just provided. The affordable payment ranges increase gradually until it reaches a maximum contribution of no more than 20% of income. For the vast majority of borrowers on RAP, their payment will be much lower than 20% of their income.

To be eligible for RAP, a borrower's loans must be in good standing. They must complete a simple application, and it's online or paper. The borrower's calculated affordable payment based on their income and family size must be less than the calculated requirement payment based on their student loan debt, and if requested, they must provide some proof of their current income, such as a pay stub.

As I said, the RAP program starts in Ontario on November 1, and all Ontario student loan borrowers are

eligible for the program right away. For those Ontario borrowers who have already participated in the older repayment programs before November 1, formally called interest relief and debt reduction and repayment, their time in the older programs will be credited towards RAP. This will enable Ontario borrowers to benefit from the debt reduction provisions long before 10 or 15 years from now.

I've spent a lot of time on RAP, but I think it's going to set the stage for a new approach to student loans here in the province of Ontario, because under RAP—and I've raised this with officials, who have agreed—someone who keeps on top of the fact that they have taken out student loans and pursues this relief should never find themselves in default. Theoretically, we should have a zero-default rate in the province of Ontario because we are willing to take a look at every single individual's financial circumstances and adjust their monthly payments in a way that reflects them, including reducing them to zero.

As I referenced earlier, once they get their feet on the ground and start to make a healthy income, there's no retroactivity, there's no fines or penalties that they have to pay. They basically pick up that loan repayment situation where it would have naturally occurred.

1620

As I say, I've talked to student groups that are very excited about it. The fact that we're now, in a sense, saying to students: "Pursue your education. We're going to give you the time needed to settle" is, I think, a very, very important message.

Can I ask for a time check?

**The Vice-Chair (Mr. Robert Bailey):** You've got about 12 minutes.

**Hon. John Milloy:** Twelve minutes, all right.

**The Vice-Chair (Mr. Robert Bailey):** Ten.

**Hon. John Milloy:** Ten minutes. I want to talk a bit about the issue of quality. Mr. Marchese, you and I have had this discussion two years ago. We've had this discussion in various exchanges in the Legislature.

I'm very proud of the quality of education in the province of Ontario, in our post-secondary institutions. I'm aware—the statistics come out, reports come out, that you've referenced, but at the same time, we have other work that's being done on the system, everything from outside evaluators who come in and rank Ontario universities as some of the best on Earth to the work that we do through things like our multi-year accountability agreements.

As you know, as part of Reaching Higher, we entered into agreements with colleges and universities to start to measure what's going on within our colleges and universities. What we're hearing back is demonstrating to me that we have very good, quality education in our colleges and universities and that we're on track to improving that quality. I certainly don't want to leave the impression that we're not always trying to figure out ways to make things better.

But my measurement of quality is perhaps a little bit different than yours, and I want to share with you some

of the statistics that support what I'm saying. First of all, to go back to the original point that I made in this 30-minute session, it's about the students. What are students saying? Well, in 2008-09, under the multi-year accountability agreements, about 79% of undergraduates said they were satisfied with their post-secondary education. In addition, 78% of undergraduates agree that given the option to start again, they would choose the same university they are now attending. University graduation rates increased from 73% in 2002-03 to 78% in 2008-09. These are the last years that the figures have all been assembled.

One of the issues that you talked about, I believe, was class sizes or faculty-to-student ratios. It's very interesting that sometimes the media take a look at student-faculty ratios and use that as a proxy for class sizes. It's a little more difficult to get a total view of what is going on in terms of class sizes because the student-faculty ratios can be measured in different ways. They're not the most accurate thing.

But at the same time, when we're looking at class sizes, I think we've got to take a look at some of the research done and some of the comments that have come forward from students. Recently, the president of the Ontario Undergraduate Student Alliance, Meaghan Coker, who I've met with a number of times, said, "Look, it's about the quality of the learning environment." A better learning environment is not necessarily a direct result of lower student-faculty ratios. It's about that learning experience.

The fact is that we do take a look through some of our measurements as to what is going on in terms of the size of university classes in particular. I'll share some statistics with you. Institutional data from the COU website Common University Data Ontario, CUDO, reports that for 2009, 40% of first-year undergraduate classes had average sizes under 30 students, and 75% under 100 students. Of fourth-year undergraduate classes, 78% were under 30 students, and 99% were under 100 students.

So, as I said to Mr. Marchese and others, I think that sometimes, there's all these proxies about how many faculty versus the students. We hear that that there's a lecture hall with 600 or 700 students; that must be bad. Yet, as I say, to quote from the head of OUSA herself, she said no, it's about the learning environment.

That being said, when we look at some of these statistics, what we find out is the majority or the vast number of these classes that are going on are actually at what I think would be a reasonable level. It depends on what's going on in the classroom in terms of the size that's going forward.

I want to get to training, and I'm just a little worried about my time.

**The Vice-Chair (Mr. Robert Bailey):** You've got about—

**Mr. Rosario Marchese:** You have time.

*Interjection.*

**Mr. Rosario Marchese:** He's got time to respond to the training one, I think.

**Hon. John Milloy:** Yes, I've got six and a half minutes.

**Mr. Rosario Marchese:** Take your time.

**Hon. John Milloy:** Take my time?

One that I do want to talk about, before I go to training, is the support for students on a per-student basis. Obviously, when we're dealing with a situation where we're seeing tremendous growth in the system, the increases in budget go to cover that growth, but they've also gone to cover the amount of per-student funding.

Just to put it on the record, in terms of overall amounts, in 2009-10 we allocated \$3.242 billion in operating grants to universities. That's an increase of 70% over funding provided in 2002-03.

University per-student funding has increased to \$8,565 per full-time eligible student in 2009-10, from \$6,718 in 2002-03. Based on preliminary enrolment data, that's an increase of 28%.

I could also provide you with the numbers for colleges, but I think Mr. Marchese raised the OCUFA study, so I was trying to look at what's happening with universities. Again, not only have we funded growth, but we've funded the dollars per student, moving forward.

With the limited time I have left, I want to just talk a little bit about training and what Mr. Marchese has said.

Mr. Marchese, I want to tell you in the general thrust that government can't do it alone; I agree with you 100%. This has to be a partnership, and it has to be a partnership between government, between employers, between unions. I've been proud of the work that we do.

Informally, I've met with many of the organizations that are responsible for issues around skills shortages and training—the Canadian Manufacturers and Exporters, the CAW; the list goes on of groups that have come to us and said, "How can we engage employers?"

One of the ways that we've done it in the area of literacy is putting forward programming which offers support and partnerships to employers who want to increase the level of literacy amongst their employees. Certainly, we've had some very positive feedback. We have a number of pilot projects that are working in that area.

We've also reached out in terms of aboriginal communities to employers, saying, "Can we set up a partnership so that you can designate or identify certain aboriginal students who you want to put through a training program, with the expectation that there's going to be a job at the end?" We're building those types of partnerships.

One of the problems that we've had is convincing employers of the value of training. Obviously, an employer who has a new technique or a new technology realizes they may have to train a particular worker on how to use a new machine or how to use a new technique. But at the same time, what they also have to realize is that there's tremendous value in upgrading the literacy and upgrading the numeracy of their workforce.

I remember hearing a presentation from a woman who was the head of a large hospital, who talked about how they had brought in a new emergency management

technique involving a great deal of the support staff—the porters, that sort of thing. She said the first day they tested it out, it was an absolute disaster because what she discovered, to her embarrassment, because she had no idea, was that the material that had been provided in writing to the staff as part of an educational component—the literacy levels of some of these staff was not high enough, and she had a bigger issue in the hospital that she had to deal with.

It's getting that message out to employers that they need to recognize that raising the level of literacy and numeracy, even if it doesn't correspond to that new piece of machinery or that new piece of technology, is going to help increase the capacity of their workforce.

As I say, I've been very proud of some of the partnerships that our ministry has had. It's certainly an area where we should be doing more, and we're going to continue to work with them.

#### 1630

**Second Career**—I've got two minutes—we will have an opportunity to discuss. I think it has been a very, very successful program. Part of its success has been that we've adapted the criteria to the needs of the workforce and to what's happening out there, particularly in terms of individuals who are part of a large layoff, the large waves of layoffs that come forward.

I will say, if I'm allowed one little comment here, of this end, that you and I will always disagree over the history of the changes in criteria, because my recollection is we brought in the program in June and we made some adjustments in November to make sure that it was open to people. You were standing up and still criticizing it for many months after. But maybe we'll leave that as a point of disagreement between us.

With about one minute left, I do look forward to talking about some of the Second Career issues as we move forward.

**The Vice-Chair (Mr. Robert Bailey):** You've got 30 seconds if want to finish.

**Hon. John Milloy:** No. I'll just thank Mr. Wilson and Mr. Marchese again for their comments.

**The Vice-Chair (Mr. Robert Bailey):** Thank you, Minister and staff, deputy ministers, for being here.

We'll now move to the official opposition. We're going to go in 30-minute rounds—20-minute; sorry—20-minute rounds, starting with Mr. Wilson.

**Mr. Jim Wilson:** Thank you, Mr. Chair. I just lost 10 minutes.

Minister, we must have had very similar advisers when you said you had a local adviser have you play the game to time how long it took an interest group to mention the word "student." I had the exact same advice my first week as Minister of Health from one of my local advisers around the word "patient." My chief of staff and I did that for the first couple of months. We had some meetings where you'd go as long as 40 minutes before anybody got around to mentioning patients. It was all about—

**Mr. Rosario Marchese:** I don't remember getting that advice.

**Mr. Jim Wilson:** Yeah, well, that's why you are where you are. Sorry. It's a compliment to Mr. Marchese, though. You have your take on student-faculty ratios, for example. But that is sort of the most commonly used measurement of quality with the student groups we talk to, with OCUFA and when we look at stories across North America. We still rate, if OCUFA is correct, among the lowest in North America for student-faculty ratios.

I'm just going to ask you, have you not tried to improve the ratios during your time as minister? Or do you just not believe in that measurement? You've given the same answer in the House in the past, that they're kind of irrelevant. They're not irrelevant. I have students who are sitting in POL208 at U of T who have one professor to 1,200 students.

**Hon. John Milloy:** I've had this discussion with the folks in my ministry who crunch the numbers. Student-faculty ratios—I forget; OCUFA uses, I think, 1 to 26 or something, so one to 26 becomes 1,200 students in a lecture hall. It's used, I think, very casually as a proxy for class sizes.

First of all, I'm saying—and I've had university presidents confess to me that you can have all sorts of fun with student-faculty ratios in terms of what you count, what you don't; if I want to compare myself to someone else and make it look good or make it look bad; what's the definition of "faculty" and what's the definition of "student." The issue, and you got right to it, was class sizes.

As I said, I provided some of the Common University Data Ontario, CUDO, data set reports of what's going on out there. I've also taken a look at some of the research that's going on in terms of class size. The fact is that what I've heard from student groups—as I say, Meaghan Coker, of the Ontario Undergraduate Student Alliance; I could provide the quote for you. I believe it was in Maclean's magazine that she gave an interview. What she basically said—I'm paraphrasing; I don't have the article in front of me—is "Look, you can have a very, very small class with a very, very bad professor."

It's about the learning environment, and that's not necessarily a direct result of this student-faculty ratio. We're looking through the MYAAs, and we're looking at negotiating a new set of MYAAs. We're looking at indicators around quality that are going to say, what is the student experience, what is the educational environment and the learning environment, and how are students getting supported? I read into the record in my 30-minute response that students are saying they are having a good experience and that they would recommend it to other people.

We could also talk about the employability of PSE students in the province of Ontario. They are leaving college and university and being snapped up by employers. There is that great partnership that's going on.

**Mr. Jim Wilson:** Along the line of faculty, we have had programs in the past that gave extra money to uni-

versities, for example, for faculty renewal and the hiring of new faculty. What are you doing in terms of trying to get more professors in the classrooms?

**Hon. John Milloy:** Well, the 20,000 students that were funded for this fall, the \$310 million—I think that was part of the exchange we had this morning—part of that money will go, in many cases, to hiring new faculty because of the pressures of these new students.

Part of the problem—and we'll probably experience this anytime the TCU minister is in front of the estimates committee—is of course that there's a marginal aspect to funding colleges and universities. If I want to expand a program that has 25 students to 28 students, it's probably not going to cost me very much to have three extra chairs in the back row so that I can have three extra students. If I want to add an entire new section of a program and have to hire new faculty, that's going to have more costs per student. So although we fund on a per-student basis, a lot of it goes, as I say, in terms of what the marginal cost is.

The deputy has just given me some information on new faculty hires, and I can certainly read it into the record. As I said, through the MYAA, we are having a very close-up view of what is going on in our institutions, and we have an annual review process. The ministry has confirmed that there were 847 net new university faculty hires in 2006-07, 600 net new university faculty hires for 2007-08, 1,795 net new hires in 2008-09 and 150 planned net new university faculty hires for 2009-10. In the college area, according to College Employer Council Data, there were 475 more full-time faculty staff at colleges in fall 2008 compared with fall 2003, and 65 more full-time faculty staff in fall 2008 compared with fall 2007. We have more breakdowns, if you want, on part-time versus full-time in the universities.

**Mr. Jim Wilson:** So why does OCUFA constantly lobby that they need 20,000 more professors? Your numbers fall far short of what their discussion always is.

**Hon. John Milloy:** I'm not here to answer for OCUFA. Certainly those I know who are working in the sector are very proud of what is happening. I'm not saying there are not pressures and that we haven't seen tremendous growth in the system, and one of the comments I always leave with every university and college gathering is to thank them for this growth. I mean, 140,000 more students is phenomenal growth over a short period of time.

There are always pressures as this growth goes forward, and I'm sure there are always opportunities to expand. But I look at the fact that students are expressing satisfaction, graduation rates are going up, students are leaving to get jobs and again, as international rankings come out, Ontario institutions are seen as some of the best in the world. We're attracting students from all around the world. I'm very bullish about the college and university system here in the province of Ontario.

**Mr. Jim Wilson:** As was mentioned this morning by my colleague from the NDP, the Premier did make a promise to bring per-student funding up to I don't know

if it was the average for Canada, the middle of the pack or the median, but you mentioned just a few minutes ago that, yes, per-student funding has gone up about 28% since 2002-03. What should it have gone up to, had the Premier kept his promise?

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**Hon. John Milloy:** I'm just going to ask the deputy. We have the college and the college per-student—I also want to get that on the record, and then I'm going to answer you. University is 28%, and college—sorry, perhaps I can get you the college increase.

**Mr. Jim Wilson:** Because it still leaves us, even with the increase—

**Hon. John Milloy:** You know, this is—

**Mr. Jim Wilson:** We get a lot of student groups who do the research telling us that we're still either the lowest or the second-lowest in Canada in support for students on a per-capita basis and the lowest on just a pure per-student basis among all the provinces. You may want to refute that.

**Hon. John Milloy:** If I remember correctly—I think we had the discussion several years ago as to the source, where you said the Premier's comment about where we would be in regard to other provinces, and actually it is all coming back as a bit of *déjà vu* that we had this discussion. In terms of comparisons of per-student funding with other jurisdictions—again, I can turn to the deputy, and we have some folks who can walk you through the numbers—I do have some problems with some of the interprovincial comparisons.

When we look at jurisdictions like Newfoundland, Manitoba or Prince Edward Island, which have just a couple of small institutions with a small number of students and a certain course mix, and compare the per-student funding they receive from the province—in other words, take the provincial budget and divide it by the number of students when the number of students is in fact smaller than one institution in the province Ontario—I don't know how accurate it is to make those comparisons.

When you have institutions like York or U of T, with tens of thousands of students, of course you're going to find that per-student funding is different because of the economies of scale that are there. So I have problems, and I've had this discussion with reporters and others making those types of comparisons. But I'm happy and, Deputy, I look to you if we want to bring forward—we do have people who are very familiar with the numbers, who can outline where we stand. I'll ask you if you want to respond on interprovincial comparisons.

**Ms. Deborah Newman:** Sure. I'll begin with the increases in per-student funding for university students and college students. University per-student funding has increased from \$6,718 in 2002-03 to \$8,565 in 2009-10, which is an increase of 28%. College per-student funding has increased from \$4,594 in 2002-03 to \$6,654 in 2009-10, an increase of 44.8%.

As the minister mentioned, I think this is an issue of scale and volume, in the sense that unlike any other

province in Canada, we're growing at unprecedented enrolment rates. With 140,000 more students with this infusion of funding and the massive enrolment growth we have experienced, it's always a case of continued investment to bring up the levels of per-student funding. It's a scope and scale issue.

**Mr. Jim Wilson:** Of the 20,000 additional student spaces you're paying for this fiscal year in these estimates, how many are international students? That comes from the Canadian Federation of Students, wanting to know that.

**Hon. John Milloy:** None of them are international students. The 20,000 are all domestic.

**Mr. Jim Wilson:** So when the Premier talked about making money off international students, where it might be good business for Ontario, what was he referring to? When is he welcoming all these international students, and where are you going to find the money?

**Hon. John Milloy:** Well, we have 37,000 international students who are studying in the province of Ontario right now. We are looking at increasing that number over the next five years. We've made a commitment, I believe, of a 50% increase in that number. Those students are not eligible to receive support from the province of Ontario through operating funding, so they pay a fee which covers the cost of their education.

To go back to reference something I said earlier: Certainly, with the popularity and the prestige of many Ontario universities, we're seeing an increasing interest in international students coming over. They enhance the learning experience at the college or university. They certainly add to the economy in the sense of the resources that they bring to live here, to study here and to make their lives here, and they do pay foreign student fees which, as I say, cover the cost of the program. To go back to some of the cost issues I mentioned in universities and colleges, many of them find it an additional source of revenue to bring in these international students. Other jurisdictions, Australia and other places, have seen it as a very valuable way to enhance the system and to bring more resources to the system.

We've seen an increasing interest in terms of international students. I've met with representatives of various governments who are interested in strengthening their ties here. We work with a variety of organizations and with the institutions themselves in terms of promoting Canadian study or Ontarian study—or the Ontario part of Canadian study. We certainly think there's a great deal of interest internationally on it. One of the things we're looking at is, how can we strengthen the strategies of institutions so that we can achieve the growth that we outlined?

**Mr. Jim Wilson:** I'm sure there are lots of benefits to having the international students that we do have and welcoming some more. The worry for people who may not understand all the intricacies of the post-secondary education system is that people want to guarantee that Canadian students or Ontario students who are applying won't be somehow displaced by a fairly large influx of international students. What's your comment on that?

**Hon. John Milloy:** That certainly has to be paramount in terms of the planning that goes on. The institutions take a very balanced approach in terms of going out and recruiting students, identifying programs that they want to promote and making sure that the two are complementary. I mean, we've seen a significant increase in the number of international students over the last number of years and we've seen a phenomenal increase in the case of the number of domestic students.

One of the things we did this year which was very different from previous years is that we went out and worked very, very closely with the institutions to get their estimate of the number of domestic students, if I can use that term—non-international students—who were coming into our colleges and universities this fall, so that when the finance minister presented his budget, he said, "Look, we're planning for 20,000, we're funding 20,000." We're going to continue to work with the system to make sure that we have a good handle on the number of domestic students who are coming in and making sure that we can create the spaces for them.

**Mr. Jim Wilson:** Directly from one of the student groups, the question is: Why has the government not fulfilled its 2007 platform promise to reallocate money from education tax credits to fund upfront grants? I know they've discussed that with you.

**Hon. John Milloy:** I'm sorry?

**Mr. Jim Wilson:** They've discussed that with you.

**Hon. John Milloy:** Yes, I've heard from student groups on it.

We continue to look at areas of student assistance, and we brought forward what I thought was a very robust package. It was certainly greeted very warmly by the student groups in the spring, and that was based on very careful discussion with them.

In terms of that particular plank of the platform, it's something that we continue to look at in terms of continuing to move on support for OSAP. But at this stage, it's something that we haven't been able to move on.

I've said to the student groups that we're going to continue the dialogue. We had a meeting with a number of them just several weeks ago to talk about where we should go in terms of student assistance. We're going to continue to look at that proposal and continue the dialogue.

**Mr. Jim Wilson:** Another question from a student group, and I alluded to it at the end of our last session before the break: What is the exact monetary value of one university basic income unit, BIU, this year and what are the projected values for the next two years?

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**Hon. John Milloy:** Mr. Wilson, you'll be pleased to know that we have an official who has been practising, I think, all through the lunch hour. If we have time, Mr. Chair—do we?

**The Vice-Chair (Mr. Robert Bailey):** We have a minute and a half.

**Hon. John Milloy:** A minute and a half. Could we go in the next round, do you think?

**Mr. Rosario Marchese:** How long does it take?

**Mr. Jim Wilson:** How long does it take?

**Hon. John Milloy:** We'll—

*Interjection.*

**Hon. John Milloy:** Yes.

**Mr. Rosario Marchese:** We don't want to deprive that person of the—

**Hon. John Milloy:** Well, I think, in fairness, Mr. Wilson had asked a broader question about BIUs.

**Mr. Jim Wilson:** Well, I was going to broaden it out, so I'll give you a break. We'll go on to Mr. Marchese.

**The Vice-Chair (Mr. Robert Bailey):** We've got about a minute and a half. If you want to sum up, Mr. Wilson, or if you've got something to—

**Hon. John Milloy:** But I would be happy, Mr. Wilson, as I say, to have someone go back to the question that you had.

**Mr. Jim Wilson:** Well, here are a couple more that hopefully we'll get back to either today or tomorrow.

**Hon. John Milloy:** Yes.

**Mr. Jim Wilson:** Again, from the student groups, one of them: How much did the government spend to subsidize interest on student loans for students who are in school?

*Interjection:* There's another expert on that.

**Hon. John Milloy:** Another expert. I'll turn to the deputy to—

**Mr. Jim Wilson:** This one has got me stumped: How much did the government receive in interest payments on student loans? It seems to me you wouldn't receive interest payments on student loans.

**Hon. John Milloy:** Can we call ADM Naylor?

**The Vice-Chair (Mr. Robert Bailey):** We've got 30 seconds.

**Mr. Jim Wilson:** Answer one of them. I've got about 54 of them.

**Hon. John Milloy:** We could also get back to you in writing, Mr. Wilson. Should we do that, Mr. Chair?

**The Vice-Chair (Mr. Robert Bailey):** Why don't we do that?

**Hon. John Milloy:** Yes, and we could take a list of the questions.

**The Vice-Chair (Mr. Robert Bailey):** We're running down the clock here, and it would be fair to everybody.

**Hon. John Milloy:** Yes.

**The Vice-Chair (Mr. Robert Bailey):** So we'll say that's—

**Mr. Rosario Marchese:** She's got so many tabs over there.

**The Vice-Chair (Mr. Robert Bailey):** Well, maybe next round.

If you want to start, Mr. Marchese, we're moving to the third party. There are 20 minutes to Mr. Marchese, so wherever you want to—

**Mr. Rosario Marchese:** Thank you very much, Mr. Chair.

Mr. Minister, according to Stats Canada data for the current year, Ontario's post-secondary students pay the highest tuition fees in the country. The average undergraduate tuition this year in Ontario is \$6,300. The national average is \$5,100. In Quebec and Newfoundland, it's well under \$3,000. I'm assuming you agree with these numbers, yes?

**Hon. John Milloy:** No.

**Mr. Rosario Marchese:** I see.

**Hon. John Milloy:** No, and I'm happy to provide an explanation.

**Mr. Rosario Marchese:** I do want to tell you that these figures come from Stats Canada.

**Hon. John Milloy:** I realize that.

**Mr. Rosario Marchese:** You and I respect Stats Canada, don't we?

**Hon. John Milloy:** I greatly respect it.

**Mr. Rosario Marchese:** And you and I attacked the federal government when they were just playing with that, right?

**Hon. John Milloy:** I wrote a very strongly worded letter.

**Mr. Rosario Marchese:** I remember.

**Hon. John Milloy:** Yes.

**Mr. Rosario Marchese:** All right. Speak to that, and then—

**Hon. John Milloy:** Yes, and I'm not trying to be difficult. You did ask whether I agree with them. Stats Canada used a different methodology. Stats Canada includes fees from all types of undergraduate programs, including high-demand, professional programs like medicine, law and dentistry, which are not available in all provinces. This resulted in the average for Ontario being \$6,307. In fact, the average Ontario undergraduate arts and science tuition for the same year, based on our calculation, was \$5,214. I'm happy to have the folks who've maintained the numbers for the province of Ontario to explain the difference or to walk you through the numbers.

**Mr. Rosario Marchese:** If that is true, you would have been upset about how Stats Canada did these numbers. You sent a correction, at least, showing them that somehow they were using data that doesn't reflect very well or adequately your own position. Have you sent that information to them?

**Hon. John Milloy:** We have had discussions with Stats Canada. Also, to put it on the record, I had a Liberal question in the House on the issue of the tuition framework, because the Stats Canada figures, to be very candid—I had a number of journalists phone me on this—showed that our framework was in fact being broken, that overall, universities and colleges were charging higher than the framework that was allowed.

**Mr. Rosario Marchese:** Have you met with them to discuss this matter? How are you fixing this little problemo?

**Hon. John Milloy:** Deputy, I can turn to you.

*Interjection.*

**Mr. Rosario Marchese:** Maybe we should. Yes, Deputy?

**Ms. Deborah Newman:** Interprovincial comparisons are made difficult by the fact that different jurisdictions use different kinds of data, and StatsCan uses particular calculations. In fact, we've been discussing, both interprovincially as deputies of higher education as well as with Statistics Canada, on this and other fronts about comparability of data so that we are speaking the same language.

**Mr. Rosario Marchese:** Absolutely.

**Ms. Deborah Newman:** This is a conversation we're having.

**Mr. Rosario Marchese:** Have you sent your disagreement with how they're calculating this information to Stats Canada, and what did they say to you?

**Ms. Deborah Newman:** My own involvement is in meetings with StatsCan, rather than putting something in a written record, to talk about the difficulties around comparable data.

**Mr. Rosario Marchese:** So when you meet with them, what do they say to you?

**Ms. Deborah Newman:** I think it's acknowledged that interprovincially it is difficult, on these and other fronts, to compare the data and that we need to work toward some common benchmarking and definitions of data.

**Mr. Rosario Marchese:** I understand that too, but this has been going on for quite some time. Have you met with—you've been a deputy for how long again?

**Ms. Deborah Newman:** Two years in TCU.

**Mr. Rosario Marchese:** Did you meet with them last year as well?

**Ms. Deborah Newman:** Actually, it was just an opportunity we had about a month ago, to get together to have a meeting to talk about data and interjurisdictional comparisons of—

**Mr. Rosario Marchese:** Well, I have to tell you, if you don't correct this soon—I keep beating up the minister in the Legislature, and he doesn't like it, you understand? People watching this program—because you know there are a lot of fanatics who watch this program—are very concerned. They call me and, of course, they're upset with your minister. You've got to set this matter straight, it seems to me.

**Ms. Deborah Newman:** We've certainly raised the issue, of course: identifying a common solution among provinces, territories and federal colleagues. It's not the easiest thing to do.

**Mr. Rosario Marchese:** Sure, I understand. I'm looking forward to a solution. Minister, you and I both respect Stats Canada, so we've got a little problemo to fix, right?

**Hon. John Milloy:** Yes.

**Mr. Rosario Marchese:** Okay. Ontario had the highest tuition fees last year as well. This year, they increased by 5.4%. That's the highest increase in the entire country. In our view, this is spiralling out of control. But your legislation—and you, in fact, argue today that there's a cap. Is there a cap?

**Hon. John Milloy:** There is a cap. Actually, the 5.4% is as a result of—and this isn't a matter of opinion. The

framework in place has definitions of—and I mentioned in my response to you and Mr. Wilson what the tuition policy is. Through that policy, we have definitions of what is an undergraduate program, what is a professional program etc. Stats Canada is using different definitions. Therefore, that 5.4%, we disagree with that. We have a cap in place where the overall average for an institution is 5%. They have to report to us.

As I said, it's 8% for professional programs, 4.5% for undergraduate in the first year and then 4% as you move forward. The institutions have to report to us and if they've gone over, we will impose a penalty on them. We've never had to do that.

**Mr. Rosario Marchese:** But you see the problem we're having again, right? Stats Canada does one thing and then you say another. They have one framework or one way of describing or counting the numbers, and then we come to you and you say, "But they got it all wrong. We have a different way of doing it." So it creates a problem for everyone: for critics, obviously; for you, even. This is a problem for you because you have to defend yourself and say, "No, they got it wrong." Of course, I tend to support Stats Canada in terms of the ultimate arbiter of these things.

**Hon. John Milloy:** Although, if I may, we are talking about two slightly different things. I'm not trying to be difficult here. In one we're talking about measurement and in one we're talking about a policy framework.

We do not have medicine, dentistry or law as an undergraduate program as part of our tuition framework. That is not an undergraduate, it's a professional. That's the way we've chosen to define it. You and I could have a debate about the policy of that, but the fact is, if StatsCan wants to define it that way it doesn't correspond with our framework, so you get this apples and oranges situation. So one's a measurement, another is a definition.

**Mr. Rosario Marchese:** But that becomes a convenient little thing for governments to be able to say: "Well yes, but they do this," and, "Yes, but we've got some other things in terms of a policy framework that they don't take into account." So in the end you argue, "These numbers don't mean anything." They mean something, but not much, because as soon as you do comparisons, you say, "Yes, but they don't calculate this or that because we've got a different policy framework." So what do these numbers mean, in the end?

**Hon. John Milloy:** You see, I would argue that the question is, is post-secondary education in Ontario affordable?

1700

**Mr. Rosario Marchese:** Yes, we'll get to that, because that's a concern for us as well.

The government of Ontario is the last in the country in per capita funding, which is disputed by you. According to StatsCan information from the 2008-09 academic year, their most recent available, Ontario spends \$420 per capita. The national average is over \$500. In Quebec and Newfoundland, it's over \$600.

Clearly, I see a pattern here. More provincial dollars mean lower fees; fewer dollars from the province mean higher fees for students.

By the way, this is Stats Canada as well. I see all these numbers here, in terms of what each province gives. There we are in Ontario. We're pretty low; we're the lowest.

**Hon. John Milloy:** I'm not sure that the chart you're referring to—I think the StatsCan data I have is that provincial operating grants per FTE in 2008-09, which is the last year it's available, were \$8,471.

**Mr. Rosario Marchese:** The point I'm making here is this is per capita, right?

**Hon. John Milloy:** Yes—oh, I'm sorry. You're speaking per capita in terms of population of the province; I'm talking about per student. I apologize. We're talking about different measurements.

**Mr. Rosario Marchese:** We are the derniers, last, ultimo. Any comment on that?

**Hon. John Milloy:** Sure. I'll talk about a few things. One is that we're talking about—I don't know. Again, if you're looking at Prince Edward Island—which I believe has a college and a university; it has a handful of students and it has a very small population—compared to the province of Ontario, where we're talking about dividing it up by 13 million, where we're talking about universities and colleges which literally have tens of thousands of students—in the case of the University of Toronto and York University, I think, together about 125,000 students—the fact of the matter is, in terms of the scale of the operations you're seeing there, it would be logical that there would be less spent per student. You maintain a very large library for 10,000, 20,000, 30,000 students, versus PEI, which would have to maintain a large library for a handful of students.

The comparisons—I don't know how valuable they are or how much they say.

**Mr. Rosario Marchese:** I can only use comparisons done by Stats Canada, and we both respect them. You too, right, Ted?

**Mr. Ted McMeekin:** You have admitted several times—you acknowledge that they're wrong, so let's—

**Mr. Rosario Marchese:** Oh, I acknowledged they're wrong?

**Mr. Ted McMeekin:** Yes, you did.

**Mr. Rosario Marchese:** Oh, I see. Okay. Thanks, Ted.

You've announced, of course, the Reaching Higher plan, which you've always made reference to with great fanfare since 2004. That plan pledged to increase the province's per-student funding by 20%. Since that time, the per-student funding has actually declined by 2%—again, Stats Canada.

**Hon. John Milloy:** No, the university funding has seen an increase of 28%, and college funding around 44.8% for 2009-10.

**Mr. Rosario Marchese:** I'll have to pass these stats, the same information I got, to you so that you can have it.

**Hon. John Milloy:** Okay.



**Mr. Rosario Marchese:** In my mind, your government has been failing our students miserably and failing miserably to meet these targets. Clearly, you're saying that this number I provided here is not true, is that correct?

**Hon. John Milloy:** I'm just giving you the number that is based upon the data that's provided by the ministry, which the experts in the ministry put together.

**Mr. Rosario Marchese:** Okay. You ended your tuition freeze a while back and embarked on the Reaching Higher plan. The plan was touted as a massive investment in post-secondary education, but tuition went up every single year at a rate greater than inflation. Don't you think that some of that investment should have gone to reducing tuition fees?

**Hon. John Milloy:** Again, we had a chance to comment a little bit on this this morning. I'm happy to go into it again.

First of all, we've put a framework in place which limits tuition fee increases so that there is that cap that exists, but we have put the revenues for student aid into helping those students most in need. We've also expanded that definition to include more middle-class students.

The other thing, if I may, is that part of the tuition increase, there's a tuition set-aside, so in fact that tuition increase money has to, by its nature, go into student aid.

**Mr. Rosario Marchese:** In your mind, 4.5% is not so bad. A 4.5% increase for the last four years is not so bad, and we're talking cumulative increases.

**Hon. John Milloy:** You see, what I measure is, is it affordable?

**Mr. Rosario Marchese:** I see.

**Hon. John Milloy:** I say there's 140,000 more students in the system. We have a student aid system, and I referenced in my opening this morning, which is highlighted as one of the most generous, if not the most generous, in Canada.

**Mr. Rosario Marchese:** So, when inflation was about 2% or less in the last four years—basically it would fluctuate between 2% and much lower—and tuition fees are almost more than double, in your mind, it's not so bad?

**Hon. John Milloy:** I'm saying that my measurement is, is it accessible—call it an absolute term—and then is there assistance there for students who are finding it a challenge.

**Mr. Rosario Marchese:** I got you.

**Hon. John Milloy:** I'd say yes in both cases.

**Mr. Rosario Marchese:** In a Toronto Star column last year, a former president of Ontario Confederation of University Faculty Associations, Brian Brown, wrote that Ontario's universities are being privatized by stealth due to chronic and systemic underfunding. As the shared provincial funding declines, tuition and corporate grants pick up the slack. Mr. Brown argues that this privatization will lead to the exclusion of the less affluent. What do you think about that?

**Hon. John Milloy:** First of all, some of the comments you're making—here, I think you asked me what I think

or perhaps Mr. Wilson asked me what I think about a certain comment made by OCUFA. I'll let OCUFA explain their comments. But the fact of the matter is, we have literally put billions and billions of dollars more into our colleges and universities over the last number of years and we've welcomed 140,000 more students into the system. We have a system which I am very proud of, which is producing outstanding graduates, and we continue to rank among the best colleges and universities around the world.

I guess my response is, is there more work to do? Are there pressures that are being felt? There are pressures that are being felt everywhere in the economy right now—

**Mr. Rosario Marchese:** You don't have a comment on what Mr. Brown said in terms of privatization—

**Hon. John Milloy:** What? About the privatization?

**Mr. Rosario Marchese:** Yes—by stealth.

**Hon. John Milloy:** I think that the government support—his comment was somehow this government is starving universities and colleges when we're literally putting billions and billions of dollars in, not only for growth, for capital and for per-student funding.

**Mr. Rosario Marchese:** I hear you. Billions of dollars that put us at 10th place on a per capita funding basis. I don't know how you could say that. I don't know how you could be investing so many billions of dollars and one of the wealthiest provinces in Canada being in last place. It just doesn't make any sense to me.

The government set a target for post-secondary attainment of 78%. In order to reach this target, post-secondary education must be accessible to low- and middle-income Ontarians. However, on page 9 of the Toronto Vital Signs report—have some of you read the Toronto Vital Signs report? An expert on the staff, perhaps?

**Hon. John Milloy:** The Ontario—

**Mr. Rosario Marchese:** You don't have to be—

**Ms. Deborah Newman:** It's not ringing a bell.

**Mr. Rosario Marchese:** Anyway, I'm making reference to the Toronto Vital Signs report. It was just released about a month and a half ago or so. The Toronto Community Foundation writes that astronomical tuition fees “put post-secondary education out of reach for many.”

This conclusion is based on a TD Economics' special report entitled The Changing Canadian Workplace. It shows that for Canadian students whose average marks in high school are 80% to 89%, the chances of going to university really depend on their family's income. For the wealthiest quarter of families, over 65% of students in that range of marks go to university. For the least wealthy quarter families, and these are students who have good grades, it's only 45%.

To quote the TD report, “This is a clear indication that many students who are very capable of succeeding at the post-secondary level are not pursuing this opportunity, in part, due to financial barriers.” This is from the TD report.

1710

**The Vice-Chair (Mr. Robert Bailey):** Two minutes, Mr. Marchese. Two minutes.

**Mr. Rosario Marchese:** Does the Ministry of Training, Colleges and Universities keep data, by the way, on the attainment gap between wealthy and low-income families? Do you keep that data based on what the TD study revealed, and do you have data for Ontario numbers, by way of what TD was saying is part of a Canadian kind of issue that we need to address?

**The Vice-Chair (Mr. Robert Bailey):** Minister, a minute and a half.

**Hon. John Milloy:** A minute and a half?

Listen, you're hitting bang on one of the issues that we spent a lot of time and resources focusing on, and that's reaching out to those who are not usually represented, or were not in the past usually represented in our colleges and universities. We're talking about first-generation students, the first generation in their family to attend college or university; aboriginal students; students with disabilities. We, as part of Reaching Higher, have put together a funding envelope which I believe this year is peaked out, because it was ramped up to about \$55 million.

We're working with a variety of programming to help reach out to these students. We've certainly continued to enhance OSAP. I spoke about the RAP program and other ways in which we're allowing students to have that financial security or that security as they go forward.

In terms of some of the measurements that have been done, I'm kind of caught because we're about to run out of time, but I know—and deputy, maybe we can come back to it on the next round—that we do have individuals here who can talk about the data that's being collected and some of the frameworks that are being put in place to move ahead with that.

**The Vice-Chair (Mr. Robert Bailey):** That's just right on the button, so now we'll move to a 20-minute round with the Liberal Party, the government party.

**Mr. Jim Brownell:** I first of all want to congratulate you on the birth of your son and to do that personally. I know the words did go around this morning, but I didn't get a chance to do it personally. I just wish you all the best.

I would like to recall a visit that you made to my riding. I'd like to get into Employment Ontario and the transformation that's gone on there. You came down to my riding a little over a month and a half ago to visit Job Zone d'emploi on Pitt Street. There, you met Wendy Woods-Fontaine at the site—she's the executive director—and met the wonderful group of leaders there helping out in this transformation that's gone on.

I know at Job Zone they provide many services. They were providing services in the past, but I know that with changes, they're providing expanded services: such things as resumé writing, interviewing tips for those seeking to advance in employment opportunities, job searching and counselling. They do many valuable activities for those people who are out looking for new

job opportunities and to upgrade skills etc. I've seen many folks in my office come in wondering where they can go for that kind of help, and I, and certainly my staff, have had opportunities to invite them to go down to Pitt Street to Job Zone and see the folks down there, Wendy Woods-Fontaine being one who I've had many dialogues with with regard to what I can offer those folks and encourage them to get down there.

I'd like to know, Minister—certainly we've heard about the transformation, but perhaps you could give some idea of what was transformed. Also, why was there a change made? Why were changes made to Employment Ontario; to possibly expand opportunities? I wonder if you could give us on the committee a little more information on what has gone on in the transformation and why the changes were necessary.

**Hon. John Milloy:** Sure. Thank you very much for the question, thank you for the good wishes about my son and thank you very much for hosting me in your riding several weeks ago—actually, I believe it was early August.

**Mr. Jim Brownell:** It was early August.

**Hon. John Milloy:** It was the point when the Employment Ontario transformation took place.

You raise a very important question about some work that I think is crucial, particularly in this economic climate, that the ministry has been undertaking. It actually goes back before I became minister following the 2007 election.

The core of the Employment Ontario transformation, or the heart of it, is the simple fact that up until very recently, labour market training in Ontario was divided between the federal government and the province. Many of us are old enough—I'm even old enough—to remember the old manpower offices, as they used to be called. There were federal employment programs and federal employment offices throughout the province. They contracted with community services and community agencies to deliver programming, most of it targeted at people who were eligible for employment insurance. The province, meanwhile, had a network of employment providers who provided a variety of employment services to those who tended not to be EI eligible. Again, there were various programs in a patchwork across the province.

As a result of some careful negotiations that I guess went on for some time between the province and the federal government, there was a labour market agreement that was reached between Ontario and the federal government with the transfer of virtually all federal employment services—there are still a few that they retain—to the province. That came into effect in January 2007, and under the leadership of my predecessor, Mr. Bentley, the ministry put together a network of employment opportunities called Employment Ontario. The problem is that with the federal programs and the provincial programs now under one umbrella, there was a tremendous amount of duplication and there were gaps in the system. You had situations where someone who was looking for a job could start in one office that was on one corner and be

directed to another office that was two doors down, or who might be directed across town or to another town in order to access a particular service.

We sometimes talk about this on a very vague level, but just to give you an idea, the types of things these groups do—I think you referenced Job Zone d’emploi—are things like resumé writing, referrals for training programs and information about labour markets; also, employers who want to come in and hire individuals. So we had this hodgepodge of groups and organizations, some of whom offered more services than others. You might have a little group that offered a job-finding club—twice a week, certain unemployed people could come forward and receive some help finding a job—but if they wanted to know about a training program, well, no, they couldn’t help you; you had to go down the street, as I say, or sometimes next door or upstairs.

Part of the challenge, I’ll be honest, is that many of these organizations had been providing these services for many, many years; they were established in the community. I’d say that virtually all of them had done an excellent job. We had a great relationship with them as a ministry, and as the transfer happened with the federal government, they became part of the family. So we had to sort out a way to take this patchwork and turn it into a system, and that became the Employment Ontario transformation.

I want to very publicly thank the officials in the ministry who worked very, very closely with the organizations. I joined this transformation midstream. There was a lot of consultation on the work that was done, both with the organizations themselves and also looking at all the communities, so taking a look at a community like Cornwall and saying: What services are available, who is providing them and how would it make sense? Because the goal we wanted was that an individual could walk into an Employment Ontario office—as I say, these offices are run by agencies we contract; in this case, Job Zone d’emploi—and get access to a full range of services. There would be no referral to another organization. They wouldn’t be told, “No, you can’t get Second Career” or “You can’t access this, that or the other service.”

We worked with the agencies and organizations to put together a plan that would make sure communities were well served across the province—fill in gaps and, I will be very frank, get rid of duplication where it existed, because there were communities that were, if I can use the term, “overserviced.” When you’re looking at a large community like the city of Toronto, there were neighbourhoods that were overserviced. What we had to do was work with the various organizations to understand what their capacity was and whether they’d be able to take on these different responsibilities, and talk about the fact that if it was an overserviced area, we couldn’t maintain three or four organizations that in some cases were literally within blocks of each other and we were going to have to—I have to be careful with my words, because it wasn’t a case where we were funding them in

the core funding sense. What we had was a contract with them to provide services.

**1720**

So what we said was, “We’re going to issue a new contract with organizations that are going to provide the full range of services in communities across the province to make sure that people have access to them. In cases where there is overlap and duplication, we may have to wind up that contract in favour of another group that has greater capacity moving forward.”

As you can imagine, it was a very delicate process, but there was a lot of good work done, and in January this year, the announcement was made about how this new network was going to be in place. Those organizations that were winding up—I should point out that some organizations said, “Look, this is a sideline we do; we’re not interested in moving forward.” But we worked across the province, and then, on August 1, we had done all that administrative back and forth, and reconciliation, and we had the network in place. That’s why I went to Cornwall. I went to Cornwall because Job Zone d’emploi has done such an excellent job. They have provided a full range of services, and to be quite honest with you, they were a model of what we were looking for in other communities across the province.

Our whole approach has been about the individual, and you always have to keep that in mind. To go back to Mr. Wilson and our exchange about always talking about the student, when you’re talking about job services, you have to talk about either the individual looking for the job or the employer who is looking to hire someone. We wanted to make it straightforward. We wanted to bring forward a philosophy of no wrong door, and I was pleased with the way it went forward. There were some hiccups, there was a bit of press articles here and there as people adjusted to the new role, and some agencies and organizations moved on to focus on other work. But as I say, overall, I think it was a very positive experience. Particularly in this economic climate, where there have been layoffs and there is a high level of unemployment, it’s crucial that people can walk through the door and get the full range of services they need, and don’t feel that somehow they’re encountering a bunch of red tape and bureaucracy.

**The Vice-Chair (Mr. Robert Bailey):** Nine and a half minutes.

**Mr. Ted McMeekin:** Thanks, Mr. Chair.

**Hon. John Milloy:** Leave about half a minute for me.

**Mr. Ted McMeekin:** Minister, I was thinking of you this morning. Somebody was talking about change, and made the observation that the only person who likes a change is a wet baby. But you obviously know all about that, so congrats to you.

A couple of quick references. First of all, I appreciate your coming down to meet a couple of times with the post-secondary education advisory committee we have in my riding. I have two universities and a college in my riding catchment area, and we meet quarterly, as you know, with about 20 students to talk about post-

secondary educational issues. It's a great education for me, as one who has been off campus for a while. You've been down once, and you're planning to come again.

A number of the students who participate in that advisory group volunteer doing literacy-related programs, and you know of my interest in the whole literacy area as a former bookstore owner. They've asked this question and, like MPP Wilson, I like to ask questions that the students put: What really is our government's commitment to literacy investment, and are there any particular barriers? I know we do have partnerships with other players. Are there any particular barriers to our achieving enhanced literacy in this great, wonderful province of ours? Because we know literacy is the key, isn't it, to one's ability to be successful in life, in the workforce and around quality-of-life issues?

I wonder if you could make some general comments and then maybe identify any barriers you are currently experiencing as minister, as you lead us through this important area.

**Hon. John Milloy:** Sure. It's an excellent question. I know that everyone around the table is concerned with literacy and has raised it many, many times. I think it's a very important issue, and one of the connectors that we've seen during the recession, because so much of our focus has been, very candidly, on laid-off workers. As laid-off workers have come forward and have looked at going back to college or a private career college through, for example, the Second Career program, they've needed that literacy upgrading. It's interesting; some people have told me that you could have finished high school, but that was 25 or 30 years ago, and when you're facing a college course or a training course, you don't have the literacy level that you need, and you need access to it.

One of the real focuses that we've put is how we can make sure that we have that literacy and skills-upgrading available to individuals who are looking to go through this training continuum. Certainly, through the Second Career program, we do offer an opportunity for individuals to upgrade their skills as part of the Second Career journey so that they can move on to a college or university.

One of our big partnership areas, of course, has been with the literacy providers. A few days ago, the Ontario Literacy Coalition was here at Queen's Park, and I had a chance to address them. I think you may have actually been there, Ted.

**Mr. Ted McMeekin:** Mr. Marchese was there as well. He gave some wonderful comments.

**Hon. John Milloy:** I took a few minutes to talk about some of the excellent work that they're doing in terms of supporting people who are looking to upgrade their literacy skills.

I, of course, have had the opportunity to visit many of the literacy programs. I've said before, and I'll probably say many, many times, that if you want to meet people with courage, meet a 40-year-old laid-off individual who's going back to upgrade their literacy skills. These are people with passion and people with great ambition.

The Ontario Literacy Coalition is a confederation or an umbrella group of a number of literacy providers across the province. Certainly, we work very, very closely with them, particularly during this period of the downturn.

In the 2009 Ontario budget, we announced an additional \$90 million over two years to expand literacy and basic skills training. This has helped up to 13,000 more Ontarians each year train for more highly skilled jobs.

I also referenced the work that's going on in terms of Second Career and other supports that we have in place for students who want to become ready to enter particularly the college stream. You talked about some of the challenges that exist. Again, I believe I spoke about it that day at the lunch, and I've spoken about it in the House. The \$90 million that we were able to put in it was made possible because of some of the additional training money that came our way from the federal government during this downturn.

We continue to express our concern to the federal government. Again, I don't mean to be flip, but the idea that somehow the recession is going to end—I shouldn't say the recession but the by-products of the recession or the fallout of the recession—on March 31, 2011, certainly isn't the case here in Ontario. We have seen, obviously, tremendous job growth, but we've also seen tremendous job displacement.

We've seen such wonderful work that's happened with the level of literacy. We continue to push the federal government so that we can have the resources that we need to continue working with literacy providers to make sure that they have the resources they need.

I've got to say what I said that day at the lunch: We're going to continue to push with Ottawa, but we also recognize the importance of literacy, and we're going to continue to work with the providers. It's something that is key, and it's going to remain, certainly, one of the priorities that I will have as minister and one of the priorities of the government.

As I believe I said at the lunch, let's talk about the future, but let's also congratulate the system, that network and what they've accomplished over the past number of years because they have changed lives. It's had a huge payoff in terms of, as I say, this whole continuum of training that's moved on.

**Mr. Ted McMeekin:** Thank you, Minister.

**The Vice-Chair (Mr. Robert Bailey):** Two minutes.

**Mr. Ted McMeekin:** Just commenting on part of what you said, I want to acknowledge Mr. Marchese's remarks. He literally moved me to tears; he was so eloquent in his comments about the importance of literacy and making the point about how it was something that transcended the sometimes parochial, partisan nature of this place. I know that our Chair, Mr. Dunlop, has had a real interest in the whole adult literacy field. I'm sure he has been intervening with the federal government to try to shore up the ongoing support for literacy programs.

**1730**

Minister, I thank you very much for that, and on the literacy front, keep up the good work.

**The Vice-Chair (Mr. Robert Bailey):** We've got about a minute and a half, if you want to wrap up, or we'll move—

**Hon. John Milloy:** Well, I can give you some statistics on the literacy and basic skills program. I spoke about the \$90 million. The literacy and basic skills program, including academic upgrading, helped over 61,000 learners in 2009-10, with 72% of exiting learners going on to further education and employment. Over \$111 million was invested in the literacy and basic skills program in 2009-10. This investment provides programs through over 200 agencies at almost 340 sites across the province, including colleges, school boards and community-based organizations.

As I say, I know there's going to be another day devoted to literacy here at Queen's Park in a number of weeks. I think Mr. Dunlop is going to be one of the hosts here, so we look forward to more discussion on that.

**The Vice-Chair (Mr. Robert Bailey):** Having said that, that's time; that round's up. We've got approximately 30 minutes left, so we'll move to 10-minute rounds, starting with the official opposition. Mr. Wilson.

**Mr. Jim Wilson:** I just lost another 10 minutes. It's amazing, this committee. No wonder I got off of it 10 years ago.

Minister, as part of the softer, gentler me today, I do want to do a finance 101 PSE in terms of answering questions on the basic income unit. I just warn you that tomorrow you're going to have Mr. Bailey and Mr. Hillier, so it won't be so soft and gentle an approach. But I think your fellow back there is dying to answer that question, and given that I might be your minister in a year, I want to be nice.

**Hon. John Milloy:** As I said, Mr. McCartan has been practising his answer.

**Mr. Barry McCartan:** Just, in order to answer the question—

**Hon. John Milloy:** Say your name.

**Mr. Barry McCartan:** Sorry, Barry McCartan from the Ministry of Training, Colleges and Universities.

In order to answer the question, I just have to put a bit of context around it. The BIU calculation is a key part of the university funding framework. It essentially determines how we fund students at institutions in eligible programs, and that's a critical distinction. We fund certain kinds of students. The minister referred to that earlier.

The BIUs are also critical for both what we refer to as the basic operating grant, which is the lion's share of the students, and for growth grants. We've been talking about the increasing enrolments in universities this session.

The basic income unit, therefore, is an enrolment unit that is weighted to reflect the relative differences in program cost according to our formula for university funding. A BIU is calculated by multiplying the number of full-time equivalent students that we would have in the university system by a program weighting factor. To make that very straightforward, a student at university who has five full courses, that counts as one FTE. If you're taking

part-time, say if you're taking two courses, that's 0.4 of an FTE. We figure out how many students we have, weight them by enrolment, then we multiply them by the program weighting factor. This is the BIU program weight.

The BIU program weight varies by program and level of study. I'll just cite a couple of examples to make it clear. Weights range from one BIU for a general arts and science program in the first year to two for programs such as engineering and six BIUs for Ph.D work. That's based on a typical two terms of study for undergraduate students.

Just to help with what that translates to in terms of per-FTE funding, I'll give you two examples. A BIU weight in upper-year arts and science of 1.5 attracts about \$5,799 per FTE.

The question you've asked, specifically, is the value of the BIU. Because it's part of a complicated formula, I'd like to make two points about that. First, the current value in 2010-11, which was a part of your question, Mr. Wilson, is \$5,442 of what we call basic operating income per BIU. That's the base unit against which the others are calculated. That amount has actually been increased by 6.4% over the last couple of years, over 2007-08.

The other part of your question is, what would the value be next year? I don't think anyone's in a position to say, until budget approvals are in place, what the value would be going forward, in 2011-12 or 2012-13. That would involve both the amount you have for all the base students you have—the vast majority of students—plus the students you have in growth envelopes: How would they be funded? That will await subsequent decisions.

**Mr. Jim Wilson:** When I was president of the student council at U of T, we used to be able to say—and this is getting into more layman's talk—but for a basic undergraduate, for every dollar the student put in, the taxpayer put in about \$7. We didn't talk the BIU so much; we simplified it.

I'm just wondering how much that's changed over the years. When I was in cabinet, we would look at ratios, because that's easy for politicians to understand, and try and stay within a belt that said that, in spite of fees going up every year and that, proportionately students are paying about what they have been paying for many years.

I'm completely willing to be blown away on this, but are students paying a heck of a lot more proportionately than they were when I went to school 25 years ago, based on what you're saying?

**Mr. Barry McCartan:** I think that that is true in every province in the country, and in the United States as well. Yes. I don't have the numbers handy. Perhaps—

**Mr. Jim Wilson:** So what would you say to a group of students now or their parents? "For every dollar you're contributing, the taxpayer pays"—what?

**Mr. Barry McCartan:** I defer to colleagues on that. The problem is, to figure that question out, you need both operating grants and how much we put into OSAP and a number of variables, and you have to compare it. If you're just—

**Mr. Jim Wilson:** But given that other comparisons across the country don't seem to satisfy the minister, I'm trying to find one that we can talk about.

**Mr. Ted McMeekin:** As long as it's not StatsCan.

**Hon. John Milloy:** Again, you talk about tuition versus other—let's call them public revenues that are going to a college or university. Obviously, you have the operating grants but also the support that's going through OSAP, which of course then offsets some of the tuition. You have capital funding that's going through. You can have a number of variables in terms of the measurement and the way you look at it.

I tend to always say, "Is it affordable?" As I said to Mr. Marchese, we have 140,000 more students, and they're lining up again for next year. We're looking at another appreciable increase.

**Mr. Jim Wilson:** I just want to ask you about that. With the 17.8% increase this year in your budget, you must be very popular in cabinet in terms of coming in and—I admit, you must be getting among the largest increases.

But just your opinion: Have we gotten that far out of whack that students are paying proportionately so much more of their cost of education and the government really has slacked off in spite of these huge increases year over year?

**Hon. John Milloy:** No. I think that—

**Mr. Jim Wilson:** Because that's what the students tell us, always.

**Hon. John Milloy:** But the students are also telling us—I read some of the statistics, and I can go through again. Students are telling us that they're satisfied with their education. Students are telling us that they're getting jobs when they complete. They're getting jobs in their field. Our institutions continue to rank as some of the best in the world.

As I say, we're seeing this participation rate. I was just handed—Mr. Marchese may be interested in this as well—a StatsCan document which shows the post-secondary participation rates of young adults, and Ontario in fact has the highest participation rate.

We're seeing young people who are flocking to it.

**Mr. Jim Wilson:** It's because they don't have a job.

**Hon. John Milloy:** But again, Mr. Wilson—and I mean this very seriously—some of the stats that you see—the recession was horribly unfair. You know who got dinged by the recession? It was people who had not gone on to post-secondary education or training.

In fact, I believe university—and we can provide the stats for you; it's a fascinating chart. Among those who were university-educated, I believe there was actually a net increase in jobs during the worst of the recession, so it shows the—

**Mr. Jim Wilson:** How many went back to upgrade, though, who already had a college certificate or diploma or a university degree?

1740

**Hon. John Milloy:** I was talking about the unemployment rate in terms of people who were laid off, in terms of the labour force.

**Mr. Jim Wilson:** I'd just be curious to know: Of the 140,000 who have joined post-secondary education, how many are returning?

**Hon. John Milloy:** I'll ask my—do we keep track of—

**Mr. Jim Wilson:** Are you keeping track of that number?

**The Vice-Chair (Mr. Robert Bailey):** A minute and a half.

**Ms. Deborah Newman:** I'm not sure that we have those stats, Mr. Wilson. We'll check, and if we do, we'll get that to you.

I think the minister's point is that in the middle of the recession, with the record numbers of job losses, those with post-secondary education—there was actually a net gain of 14,000 jobs. So there was a huge differential between those with high school and those with college, university and apprenticeship. There's another recent study that also reports that the earnings gap between post-secondary education grads and those who don't have post-secondary education is widening. The higher the level of post-secondary education, the greater the earnings that are actually being realized by grads.

**Mr. Jim Wilson:** One of the questions from one of the student organizations, too, is: How many students have to get loans outside of—they're maxed out on everything you can provide them from OSAP. Do we keep track of what they're having to borrow from family and friends and banks outside of OSAP?

**Hon. John Milloy:** My guess would be that we wouldn't have a way to track that, but certainly, conscious that Mr. Bailey is about to call it, we can take note of both questions, and if the statistics exist, we'll get them to you. It's the usual practice to provide a written response at the end to the questions that have come forward.

**The Vice-Chair (Mr. Robert Bailey):** Thank you, Minister, and thank you, Mr. Wilson. Mr. Marchese?

**Mr. Rosario Marchese:** Minister, I just want to repeat the quote that I'd given from the TD Economics special report. It shows that Canadian students whose average marks in high school are 80% to 89%—the chances of going to university really depend on their families' income. For the wealthiest-quartile families, over 65% of students in that range of marks go to university. For the least-wealthy-quartile families, it's only 45%. They say that, "This is a clear indication that many students who are very capable of succeeding at the post-secondary level are not pursuing this opportunity, in part, due to financial barriers."

It's very revealing. It's very class-based, of course, in my mind. Do you have an opinion on that? By the way, this is a Canadian study. Do you have an opinion on that, first, and second, do we break that down in terms of Ontario stats?

**Hon. John Milloy:** Yes, I certainly have an opinion on it, which is that we have to reach out to those who are not traditionally well represented in our colleges and universities. The traditional individual who's there is some-

one whose parents went to college or university, who has—as you raise—the financial wherewithal to go forward, who does not have a disability, who is not an aboriginal Ontarian. These are under-represented groups. We've made a conscious effort to target programming, to target strategies, to get these individuals in the system and to provide them with financial support.

**Mr. Rosario Marchese:** Okay. We're looking at high school marks; right? I'm arguing, as they did—I'm not sure they say it, but it is class-based. If you're wealthy, you tend to go, and if you're not as wealthy, even though you have good marks, it means you don't go to university. So something is wrong.

Are you saying that your ministry or the Ministry of Education is doing something about making sure that those students who have the high grades somehow get to university and that finances ought not to be a barrier and could not and would not be a barrier? Are you doing something about that? Is that what you're saying?

**Hon. John Milloy:** Yes, and I'm happy to outline some of the programming and—

**Mr. Rosario Marchese:** No, no, I don't want to hear that. By the way, this has nothing to do with people with disabilities or aboriginal people. It's a range of people; it isn't just a target group. When we talk about class-based, yes, aboriginal people are part of that, and people with disabilities certainly would be part of that in terms of income and so on, but it's a range.

You're saying you're doing something about it. Do you have a sense of what we're doing in high school to make sure that a lot of those students get to university if they want?

**Hon. John Milloy:** I can give you one example through my ministry, and that's Pathways to Education; it's funded through my ministry. They received a substantial grant for—

**Mr. Rosario Marchese:** And that's funded through your ministry, not the Ministry of Education; is that correct?

**Hon. John Milloy:** Yes, it's funded through my ministry.

**Mr. Rosario Marchese:** And you agree that that's a very successful program, right?

**Hon. John Milloy:** Yes.

**Mr. Rosario Marchese:** I agree too. Why are we only spending \$19 million if it works?

**Hon. John Milloy:** We spent it over four years. We saw expansion into a number of communities. I had a meeting with them very recently. I think they would—again, I don't want to start answering for them. They're making slow and steady progress. They're trying to get a foothold; they're—

**Mr. Rosario Marchese:** But they have a foothold in four areas of Ontario, and it works. I agree with you.

**Hon. John Milloy:** Yes.

**Mr. Rosario Marchese:** Why aren't we giving more support to them if we know that it has tremendous success in terms of getting students from that class-based environment that might prevent them from going? When

we provide the extra support, they do go, and if it's true that it works, why don't we provide more support? It's a good question for you.

**Hon. John Milloy:** I'm very proud of the support that we have provided. Is there more work to do? I know my deputy wants to jump in on the question. Would that be okay? It's your time.

**Mr. Rosario Marchese:** No. Please go ahead. Do you keep stats? This is a Canadian study, by the way. Do you have Ontario stats, by any chance?

**Ms. Deborah Newman:** The only thing I wanted to add, really, to what the minister said is that there has been recent work done by the Canadian Millennium Scholarship Foundation and HEQCO that looked at accessibility to PSE and looked at the kinds of factors that affect the likelihood of attending post-secondary education. What we're finding is that there is a range of factors, and more determinant than income level appears to be whether or not your parents actually went to post-secondary education, so it's—

**Mr. Rosario Marchese:** True, and it's usually class-based as well. People who go to university tend to—

**Ms. Deborah Newman:** It's not a strictly direct relationship, so it's parental PSE attainment as a critical factor. We do have a range of programs that we can outline for you that try to support—

**Mr. Rosario Marchese:** Other than—

**Ms. Deborah Newman:** The Pathways to Education, yes.

**Mr. Rosario Marchese:** Other than that?

**Ms. Deborah Newman:** We have a variety of other—

**Mr. Rosario Marchese:** We don't have to do it now, but if you want to send it to me, that would be great.

**Ms. Deborah Newman:** Absolutely.

**Mr. Rosario Marchese:** I usually ask for these things, and who knows when I get it or if I get it? But if you do, that would be great.

**Ms. Deborah Newman:** I'd be happy to.

**Mr. Rosario Marchese:** I have a few more comments.

To the Minister of Training, Colleges and Universities: You present two ideas for addressing the issue of accessibility, but for me, neither of them is the real solution. The first idea is expanding the number of spaces. On page 3 of the ministry's results-based briefing book, the government pledges to create 20,000 new spaces in colleges and universities and to make sure that every qualified Ontarian who wants to go to college and university will find a place. So I understand that.

Simply creating more spaces, for me, does not mean that every qualified Ontarian will find a place unless, of course, "qualified" means "wealthy," which is the argument I made a moment ago. The flaw for me is that there are two types of accessibility. Type 1 is the sheer number of spots available. Type 2 refers to whether lower-income and at-risk groups can access the spots that are available. Ensuring a space for these students requires more than just creating extra spots. I know that you will raise the fact that you've put in \$81 million more to expand and modernize the Ontario student assistance program. I

understand that. This is the second idea that the government has for ensuring accessibility, and in my mind, it's not a real solution either. I don't believe the program is efficient, and it's not targeting the students who need it.

I want to return to the TD Economics special report. I'm assuming that many of the experts have seen that. The report examines the effectiveness of student aid and other needs-based programs. It shows that students coming from the wealthiest quartile of families receive almost half as much in needs-based subsidies as those who come from the least wealthy quartile. I don't know if you want me to quote what they said.

**Hon. John Milloy:** Can I just clarify? This is for Canada, right, not Ontario?

**Mr. Rosario Marchese:** This is for Canada, yes. That's why I asked in my previous question whether you keep stats of the other study that they refer to, and obviously you don't. So if you don't keep stats, it's hard to know whether you can do any extrapolation of numbers.

**Hon. John Milloy:** But I could also reference, and I referenced them in one of the comments or statements I made this morning, or perhaps in my response, that there are two studies that have looked at comparisons of the Ontario system versus assistance systems across the country. I believe the Canadian Millennium Scholarship Foundation and HEQCO show that Ontario has, if not one of the most generous, the most generous student assistance program in the country. So I'm just saying: a national study—you talk about provincial comparisons, and I'm very proud of how we stack up.

1750

**Mr. Rosario Marchese:** But here's what they say:

"Federal and provincial programs aimed at alleviating these costs for lower-income families are ... inefficient.... And most alarming is the fact that, on average, students in the highest income quartile are receiving more universal subsidies, which include tax credits, and other transfers that do not distinguish between economic status, and almost half the funding given based on financial needs, including grants, bursaries and student loans, those in the lowest income quartile receive. This is clear-cut evidence of two inefficiencies: individuals and families in the lower income quartiles are not taking advantage of universal transfers due either to financial inability or lack of information, and that the transfer system of needs-based subsidies is unable to distinguish those who face legitimate financial barriers from those who do not.

"Ultimately, an effective needs-based program is necessary to ensure that all Canadians have equitable access to higher education...."

**The Vice-Chair (Mr. Robert Bailey):** One minute left.

**Mr. Rosario Marchese:** Maybe quick—we have a minute left.

**Hon. John Milloy:** Sure. Listen, I'll comment. You're talking about a national study. I think Ontario ranks very high. What I heard you say there is that low-income

students are not taking advantage of student assistance in the province of Ontario. A lot of the changes that we've brought into OSAP this spring were based on the feedback that we were hearing from student groups and experts in the field on ways that we could make it more accessible.

OSAP itself—the whole principle behind OSAP is, of course, based upon the income of the student and the family. By its very nature, it's targeted at those students who are in need. We've seen an increasing number of students who have come forward to OSAP.

As I say, you're talking about a national study which, sure, is raising a concern that we all have, that we want to reach every single student, every single family, and make sure that they know that post-secondary education—you might want to put it as a slogan—is much cheaper than they think in terms of the support that can move forward.

**The Vice-Chair (Mr. Robert Bailey):** Thank you, Minister. We'll do the final round with the government.

**Mr. Ted McMeekin:** Minister, all of us, I suspect, have had occasional concerns raised about private career colleges, particularly some of those that, under the radar and unbeknownst to the government, have been operating illegally. I know that there was some legislation that was brought in recently. Can you tell us a bit about the background of that and what the government is doing to protect students from illegal private career colleges?

**Hon. John Milloy:** Sure. That's an excellent question. I want to begin by just giving a little bit of background.

We do have a large number of private career colleges across the province that offer vocational training to Ontarians. They're a major part of our Second Career program, because many students, although they look at a community college option, also see the fact that a private career college can sometimes offer them training on an accelerated basis and allow that they can move forward in that career.

The private career colleges—and I work very closely with the organizations that represent them—for the most part, I would say, the vast majority in the province of Ontario are excellent. They offer good service. They offer good value for money. They're looking out for the students. But at the same time, there are some bad actors out there.

In a world where it's easy to talk about York or U of T or Ryerson and know what that means, if it's a private career college which has moved to your community, a student may not know: "Are they a good actor? Are they a bad actor? Am I going to be getting the type of education that I'm paying for there?"

One of the things that we did is, we took a look at the oversight of private career colleges. Actually, it was my predecessor, Minister Bentley, who brought forward a new act. In the past, private career colleges were basically treated as a small business, and they are, in effect, a small business. There was a register that was kept; that was about it.

We brought forward legislation which placed them, in a sense, in a new regime where they would have to be regulated. There would be oversight by the ministry. We



would register them and we'd be able to provide information to students about the individual college and deal with concerns that came forward.

That has been an ongoing process. Part of it was education. The act itself came into effect in late 2006. Part of it was educating the sector to make sure that the private career colleges, these vocational institutions, knew that this new framework was in place. Then, as the education has gone forward, as private career colleges have come forward and registered and met the various criteria that we've put forward, we have started to enforce the rules and make sure that students are protected.

Part of our work was assisted—and I say this quite honestly when I say “assisted”—by a report from the Ombudsman. I've recounted, I believe, in other settings that I had a chance to meet with the Ombudsman on a number of occasions. He has been very complimentary of the work that we've done to put in place protections for students, information for students, and the oversight that these institutions need to make sure that they're offering good value for students and protecting them. As I say, the private career college industry itself is very, very anxious to make sure that bad actors are not prevalent in the system, because they give everyone a bad name.

As a follow-up to this, we had a piece of legislation which was passed and dealt with a number of things, as members may remember. Part of it was changing OCAD to OCAD University, but it also brought forward some protections to private career college governance. We've combined that with directives and actions that have been taken by the ministry, and I can give you what some of these enhancements are. I can read into the record what tools we have to respond to them.

Enhancements to private career college governance include, and I'll read this into the record: a rigorous scrutiny of PCCs before allowing them to operate in Ontario—that's private career colleges; the creation of a framework to set standard requirements for certificates, diplomas and other credentials; and improvements to the program approval process that will introduce program standards and key performance indicators for all private career colleges—in other words, making sure that you're getting a proper program when you sign up to learn a particular trade or pursue a vocation.

Increasing student protection is, above all, our number one concern. As such, we've developed a number of initiatives, including a student awareness campaign to arm students with the information necessary before enrolling in a particular private career college; new standards for the regulation of private career college advertising to protect students from misinformation—so if you're going to apply to a particular program, you've got to make sure that what's advertised in the newspaper, on the Web or on a poster, is correct; increased protection for international students who pay fees before beginning their programs in Ontario; informing students with a statement of students' rights and responsibilities and ensuring they have access to the complaint resolution process; and, finally, we've developed the training completion assurance fund, TCAF, which took effect

January 1, 2009, and allows students to complete their training or receive a refund if a private career college suddenly closes.

You may not believe this, but I've welcomed some of the media scrutiny, some of the work of the Ombudsman and others, because, quite frankly, it was a bit of the Wild West before the measures were taken. I give full credit to Mr. Bentley. It has been a slow and steady progress to educate the sector, to educate students, to bring in this framework. Where we've seen weaknesses, where there have been problems that have come to light, we've taken steps through legislation, through regulation, to make sure that they're addressed, because we've got to make sure that this sector is robust; it's an important sector, and we've got to make sure that students are protected.

**Mr. Ted McMeekin:** Thanks very much.

**The Vice-Chair (Mr. Robert Bailey):** Three minutes.

**Mr. Ted McMeekin:** Can you elaborate, perhaps, Minister, a bit on what the reaction from those in the private career college field has been? I know there was some anxiety expressed initially, but has that been replaced with more confidence in the regulations that have come forward?

**Hon. John Milloy:** I've been very pleased with the relationship that we've had with the private career college community and the organizations that speak on their behalf. When we brought forward legislation last fall which dealt with—“last fall”: I have no idea what time of year it is; you can tell I have a baby at home. I guess it was in the spring we brought it forward—I say “last fall.”

**Mr. Ted McMeekin:** It was the spring, John.

**Hon. John Milloy:** It was the spring when we brought it forward. There were some concerns that were raised. There may be members of this committee—Mr. Wilson is chuckling; I think you were perhaps on the committee that looked at the bill. There were some concerns that were raised by the private career college community, and I was very pleased. A committee is all about putting these bills under a microscope, hearing from stakeholders. We were able to address a number of their concerns with amendments that were brought forward and to put it on a sound footing.

Part of it is—let's all be honest here—not simply what's written in a regulation, what's written in a bill; it's how the act is managed by those in authority. In TCU we have a very good group. In fact, we have representatives here, if there are technical questions that are asked, and I think they have a good relationship with the PCC world. They operate in a reasonable and fair manner to make sure that PCCs are given the support they need in order to meet all the criteria, to meet all the benchmarks.

When I talk to people who run a private career college, they are terrified of the bad actor, because that bad actor down the street can destroy their livelihood. They run an honest shop. Everyone says, “Hey, I'm not going to go to a private career college, period.”

**Mr. Ted McMeekin:** It reflects poorly on all of them.

**Hon. John Milloy:** It does. So we have seen, I think, an evolution of a good relationship. As I say, we're

listening. We took their concerns into consideration and we did bring forward some amendments to that piece of legislation that addressed them.

**The Vice-Chair (Mr. Robert Bailey):** Thank you, Minister. The time for the hearings today is over.

We're adjourned until tomorrow, Wednesday, October 27, after routine proceedings, when we will resume consideration of the estimates of the Ministry of Training, Colleges and Universities.

*The committee adjourned at 1800.*



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