



ISSN 1181-6465

**Legislative Assembly
of Ontario**

First Session, 40th Parliament

**Assemblée législative
de l'Ontario**

Première session, 40^e législature

**Official Report
of Debates
(Hansard)**

Wednesday 5 September 2012

**Journal
des débats
(Hansard)**

Mercredi 5 Septembre 2012

**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

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Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 5 September 2012

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The committee met at 1550 in room 1.

ELECTION OF ACTING CHAIR

The Clerk of the Committee (Ms. Valerie Quioc Lim): Good afternoon, honourable members. It is my duty to call upon you to elect an Acting Chair. Are there any nominations? Mr. Leone.

Mr. Rob Leone: I wish to nominate Mr. Vanthof.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Mr. Vanthof, do you accept the nomination?

Mr. John Vanthof: Yes.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Are there any further nominations? Further nominations? There being no further nominations, I declare the nominations closed and Mr. Vanthof elected Acting Chair of the committee.

MINISTRY OF TRAINING,
COLLEGES AND UNIVERSITIES

The Acting Chair (Mr. John Vanthof): Good afternoon, committee members. We're here today for the consideration of the estimates of the Ministry of Training, Colleges and Universities, which was selected for a total of 15 hours of review. The ministry is required to monitor 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 issues being tracked by the research officer.

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 the third party. Then the minister will have up to 30 minutes for a reply. The remaining time, if any, will be apportioned equally among the three parties.

Minister?

Hon. Glen R. Murray: Thank you very much, Mr. Chairperson and colleagues. It's a great pleasure to be here. It's a very important part of our democratic process and we've been preparing for this with great enthusiasm. We look for your input and the opportunity to provide some accountability for the ministry.

I'm just going to introduce my deputy and then ask her to introduce the members of the team. Any questions you have, we've got the full range of our management expertise here to help out. So my great deputy is Deputy Deborah Newman. I'll turn it over to her to do the introductions of the staff.

Ms. Deborah Newman: Thank you very much, Minister Murray. I'm very pleased to be joined at committee by our senior executive team. Our ADMs are present, including David Fulford, the ADM responsible for the employment and training division; Nancy Naylor, the ADM responsible for the post-secondary education division; Marie-Lison Fougère, ADM for the strategic programs and policy division; Grant Clarke, acting ADM for the French-language and aboriginal learning division; and Warren McCay, acting ADM responsible for corporate management services, our CAO. Thank you very much.

We're also joined by several other officials who have expertise in various technical areas should the committee wish to receive further information.

Hon. Glen R. Murray: Okay. Thank you very much.

What I'd like to do is just, in the first hour, give you a bit of an overview of where the ministry is at right now, what some of the key trends have been in the last couple of years, where we're going, and give you hopefully a bit of context so we can explain a little bit about not just the whats that we're doing, but the whys.

I think the government—and I think it's probably shared with all members of the Legislature—understands that our universities, colleges and training programs are arguably one of the most important and foundational ministries in a provincial government. Our new economy, driven by innovation, really looks to our ability as Ontarians to attract and retain capital for investment.

The one thing probably more important than that is the thing that attracts that capital, which is talent and the educated level and skills of our workforce in the trades, apprenticeships, colleges and universities. Our ability to build and retain a high-skills workforce is fundamental to our social policy, to reducing poverty at one end, and to our economic policy in a knowledge economy in driving the growth of that. We have some very clear aspirations, which I'll get into, and look forward to your comments.

The government started with the Reaching Higher plan, which was a \$6.2-billion investment in our universities and colleges and apprenticeships. It was arguably

one of the largest expansions of investment in post-secondary education in Ontario, and it really came at a time when we hit extraordinary global economic turbulence, with the worst recession in our lifetime, the rise and fall of the tech industry and the rapid expansion in mobility of capital.

There was an interesting study by Richard Florida, published at University of Toronto, pointing out that young folk spend as little as three years in one city and one year in a job and are as likely to graduate from university to start a business as to go and seek employment. So it puts a lot more demands on the university and college platform to meet the increasingly rapidly changing needs of young people. As my friend John Polanyi, Canada's Nobel laureate, said when asked what age we live in, we live in the age of acceleration, where change is happening so fast that the normal systems of government and business and academia can't make decisions in time to understand change, never mind anticipate it. So I think for all of us, as public policy makers in this field, this is a time of great challenge.

That \$6.2 billion was really started as a result of about 13 years where we saw really no net growth in any of our university/college budgets. We almost had the same budgets in 2003 as we had in 1990. As a matter of fact, in many of our northern colleges and universities, we saw as much as 25% and 30% actual net reductions in spending. We were also coming in at a time when the demand for colleges and universities was growing rapidly but the capacity had been shrinking.

So the government set out to really achieve what we called Putting Students First, our first Putting Students First policy, and part of the goal of that—and we've come pretty close to achieving it right now—was, over the next decade, to increase the capacity of the post-secondary system by about 250,000 students. I think right now we're at about 210,000.

In the years ahead, the government's efforts will focus on the needs of students as a top priority. We'll continue to work with our colleges and universities to build on this past success and to align our strengths and aspirations with the college and university sector.

I would also just like to take a moment to really thank the great leadership that's not just caused by our management, by our staff, by the unions, by our students who have worked to build the system, but the incredible leadership that's come from Colleges Ontario and the Council of Ontario Universities, whom we have had as great partners in developing policy, coordinating dialogue in the sector, understanding the current needs and anticipating changing needs.

Out of, I think, the conversations that we've had in the provincial Parliament, a number of things have emerged that are really critical.

One is integrating employment and training services across government through Employment Ontario, which is a major initiative that we are in the middle of right now, which my deputy is fearlessly leading, and I say "fearlessly" because if you've ever tried to pull together

employment programs from 11 different ministries, it takes huge courage to do that in a short period of time.

Promoting apprenticeship completion to increase supply of skilled workers: I think this is a system that has not seen reform in almost half a century. It's now going through, arguably, one of the biggest reforms and re-thinks through the work of Mr. Armstrong and Mr. Whitaker.

Maintaining support for the Second Career program: This is a program that I think we're particularly proud of because it has been imitated in so many different places. One of the things that happened in the recession that hit us and hit the entire Western world in 2008 was about a quarter of a million jobs lost, but it was the nature of that job loss that I think profoundly underlined the importance of colleges and universities and apprenticeships. Of the people who lost jobs, as has been pointed out by many of my colleagues and I think many of you, 81% of them had a high-school-or-less education.

As we came out of this recession, and we're at somewhere upwards of 550,000 jobs created since, 70% of those jobs require university or college education, or a trade.

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One of the great challenges for our university and college system is that it's been generally tooled to meet the needs of young high school graduates. It has re-tooled itself, and I think they've done it quite brilliantly, to meet the needs of older workers who sometimes have been out of the education system for 10 or 20 years. Many of them never even completed high school. Some 62,000, I think, is the latest number. The deputy will jump in if I get any of these numbers wrong, I'm sure. At this point, we have 62,000 older workers who have gone back to school, back into a trade, back into apprenticeship. This program provides \$28,000 to each of these families to keep them financially secure so they don't drop through the bottom of the social safety net.

We're over about 80%, I think, of these folks, or 76% of these folks, who have landed jobs in the fields that they studied for. You can imagine the relief. If you had never, ever been able to get that education, you lose your job and you're in a moment of terror. The industry that you were in before for some reason has been disrupted by the economic change, and you managed to get those kinds of skills. That is not easy, and I think we should have huge respect for the people who put themselves through that. This is a program that continues to be a high-demand program in the ministry and one that we get probably more calls about than almost any other from other parts of the world, especially other industrial manufacturing economies or resource economies that have gone through that kind of downturn.

Right now, about 64% of Ontario adults have post-secondary education. That's up from just about 50% in 2003. For the Premier of this province, if he had one very determined goal—and he had many, but this was certainly a priority one—it was to achieve a 70% attainment rate for post-secondary education. We're well on track for

that. We are within spitting distance, quite frankly, of achieving that 70%, and that will actually line up with the 70% of jobs that require university or college education.

The spectrum of that has been quite amazing in the range across socio-economic groups and in aid. Our colleges are attracting more mature students, often in their 20s and 30s. Some of them, interestingly, even have university education; we now find they are tracking back to college to get a college program to get the skills on top of the theoretical education. The colleges have been handling that. One of the things we're discovering is that it's very hard to predict demand because individuals in a lifelong learning economy, like we are in right now, can re-enter for a partial education or a complete education or supplemental education repeatedly through that.

Ontario now has about 210,000 new students, as I mentioned earlier; 60,000 new apprenticeships, up to 120,000—one of the things that we're very proud of. This has been extraordinary, not just by the students who do that, but by many entrepreneurs, labour leaders, college folks, that our apprenticeships are now growing by 30,000, and probably greater than that this year. We're now seeing the fastest growth we've seen ever in apprenticeships in Ontario, so that is pretty exciting news for all of us.

We have 114 college confirmations for first-year fall entry. That exceeds the double cohort confirmations in 2003. So we now have more students entering our colleges than in 2003—

Interjection.

Hon. Glen R. Murray: Sorry, 114,000. Thank God you have a deputy.

To date for 2011-12, Ontario has issued approximately \$1.1 billion in grants and loans, including the 30% tuition grant. I think \$380 million was what we did back in 2003. Ontario has one of the most generous financial aid programs in Canada, supporting our students and the workforce of the future. Ontario's publicly funded PSA system includes 20 universities and 24 colleges of applied arts and technology.

The Ontario employment network has helped more than one million Ontarians in the last year, including more than 90,000 employers in Ontario. It is one of the most successful networks in Canada. Employment Ontario invests more than \$1 billion annually in employment services. Despite the challenging economic times we discussed earlier, Ontario will continue to invest in the post-secondary sector.

In keeping with the recommendations made by the Drummond commission, funding provided to the sector will grow at a sustainable pace. As you may remember, Mr. Drummond said that given the importance of education, there was no net gain if you cut in this area. You just really cut off the supply of talent to the economy, and there would be consequential diminishments on the other side of the ledger.

In 2012, the Ontario budget, Strong Action, announced that funding for Ontario colleges and universities will increase by \$111 million in this coming fiscal year, rising

to \$155 million in 2014. Stability is being provided to the sector through multi-year frameworks and a number of modest expenditure management measures that are being implemented in light of the current fiscal challenges.

Although enrolment growth has moderated in the past year, we are still committed to the 60,000 additional spaces—budget 2012's commitment to improve access to colleges and universities. The government will continue to strengthen student aid to ensure that every qualified student has access to post-secondary education and we will continue the new 30%-off tuition grant, which, you may know, is indexed to increase with the rate of increase in tuition.

In the 2012 budget, the government also announced that it would further improve employment training programs and services to better prepare Ontarians to meet the increasing challenges of the global economy. Programs would focus on delivering measurable results such as integrating employment services and strengthening apprenticeships and maintaining the Second Career program.

More than 363,000 students—the full-time head count—are enrolled in Ontario universities. In our colleges, we now have 181,000 students. To give you a little summary of enrolment growth, enrolment for the 2011-12 year indicates that there are more than 544,000 eligible-for-funding, full-time students that are enrolled in colleges and universities. That represents a 2% increase over 2010-11—essentially more than 10,500 students than in the previous year. More than 150,000, or 38%, more students are attending colleges and universities than in 2002-03. Post-secondary enrolment growth for the last decade was about five times higher than in the 1990s. Between 2002-03 and 2011-12, enrolments increased by 57%. So if you just think about that scale of expansion, that is huge. There are very few things in our society that have grown, that have been in that much demand, and that gives you a little sense of how much Ontarians value post-secondary education and seek it out.

We have in the graduate area, which, as you know, historically has been a challenge for Ontario—we're quite happy to report that we have 9,542 additional masters students as well as 4,750 additional Ph.D. full-time-equivalent enrolments.

Completion rates for students: 81% of undergraduate students are now completing university, up from 73% in 2002, and 65% of college students are graduating, compared to 57% in 2002; 92% of 2008 university grads, at the worst of the recession, were employed within six months. You've heard the Premier talk at times about—in the recession we actually had increased job uptake for people with university education, and you see that in the results of our 2008 grads, and that has continued since.

Even during the challenging market—sorry. College graduation rate is 83% within six months of graduation today, and the employer satisfaction rate with college graduates is 93%. That is really quite remarkable. You will not find many public education systems or private institutions, when you go to the people who hire the

students, where you get a 93% satisfaction rate, which speaks not only to the quality of our education but, particularly in the college and skills-based area, how relevant to employers the skills are that the college is putting out.

Student satisfaction rate with the quality of their programs and learning experience, which we evaluate—and it's very important to us—is 77%, and that's the same with universities. In the National Survey of Student Engagement, the university student satisfaction rate was also 77%.

Anyone who has a college or university anywhere near you will be aware of the provincial capital program and also, generously from our federal government, matching dollars in many cases for that. Our contributions under the Reaching Higher plan have been \$2.45 billion invested in capital funding for Ontario colleges and universities, providing really critical investment in capacity for this rapidly growing student body and providing them with excellent technology, housing, labs and advanced facilities.

In May 2009, Canada and Ontario announced infrastructure investments totalling \$1.5 billion for 49 projects at Ontario's colleges and universities through the federal knowledge infrastructure program, KIP, and the 2009 Ontario budget. And there's been a very high level of synergy in planning and collaboration with the federal government in these programs.

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In addition to that, we as the Ontario government added \$75 million to provide support for eight more projects at institutions that did not receive funding under the federal program. So for those institutions that were provincial priorities or for communities often where members both in the government and on the opposition side had come forward with that, the government found additional money.

As part of the ministry's long-term infrastructure plan, we announced funding of \$594 million towards 20 capital projects at 10 colleges and nine universities.

I want to thank my colleague, Minister Chiarelli, who has worked very closely with us to ensure that there is room and that we're not just building only roads for cars, but we're building pathways for students as well.

As many of you know—and I want to thank all of you, because many of you, completely non-partisanly—there's been great interest from folks in all parties in the three new campuses. We have huge capacity challenges. We have a lot of high-growth communities in Ontario that are underserved. We also realize—and I've received letters from many members of the Legislature who have pointed out—that one of the biggest costs for students is that if you live in a community that's a high-growth community where you can't go to college or university, the cost of relocating to a large city like Toronto or Ottawa can be very expensive. You're very familiar with—we inherited a commitment and an initial investment for the northern medical school; we've continued that. We now have a law school in Thunder Bay and a medical school that spans northern communities—Sudbury.

We also know that to build capacity in the north is really, really critical, and if northern Ontarians can get their education—we also know that it builds alumni and it builds more sophisticated employment networks that, as things like the Ring of Fire expand, a lot of those jobs are not blue-collar jobs; a lot of them are human resource jobs, finance jobs, administrative jobs, and we want to see cities in northern Ontario actually build the talent base so they can build the additional value and additional higher-value jobs and businesses that go with that. So we'll be working with you on that. We're also looking at unmet community needs, aboriginal communities and others like these.

I want to thank the member of provincial Parliament for Cambridge. We've had a very good discussion about some of these things, and I think we're always at our best when we're Ontarians before we're partisan because these kinds of initiatives really have to get out there in front of community need. It's very hard today to be a successful community if you don't have some sort of post-secondary institution. It's just vital to the success of most cities and most towns in Ontario, large and small.

More student spaces: We have support right now to colleges and universities of \$111 million in 2013, growing by \$155 million in 2011-12. I won't repeat that. I think I've already bored you to death with graduate spaces.

Research support: This has probably been one of the biggest areas. Ontario is one of the highest investors per capita in the world in public sector research dollars. We do that with the Ministry of Economic Development and Innovation. We have, with the federal government, wraparound programs that provide high-value research dollars. It's quite extraordinary. We are seeing now increasingly from the private sector more dollars in investment in research, and we're working with the federal government on a number of studies that look at the measurement of technology, R&D and commercialization.

Queen's University's Parteq program right now, the president there tells me, is the fourth-ranked in the world, and we're seeing some of the best platforms for acceleration and research right now almost anywhere in the Western world.

Our medical school commitment is very important. Since 2009, we've been providing our medical schools with an additional \$20 million each year to help support high-quality innovative medical education for students. Through our investments, we are creating 100 first-year medical school spaces, establishing four new medical education campuses and improving the quality of undergraduate medical education. With an aging population, you can appreciate that this profession and the training of this profession continues to be an absolute critical priority. We've been working with Ontario medical schools in planning this expansion. The additions include 24 new spaces in 2009-10, 67 in 2010-11 and, in the coming fiscal year, an additional nine spaces.

Demand for nurses: We have more than 4,000 new full-time nurses enrolled in nursing degree programs in

2011-12. In 2012-13, we provided colleges and universities with over \$109 million to support nursing degree programs in Ontario and provided an additional \$99.7 million for the extension of the nursing graduate program, guaranteed to provide new Ontario nursing graduates with an opportunity to gain full-time employment. Our government is also providing colleges and universities with \$11 million to enhance clinical education in nursing programs, which again connects people to life-long learning.

One of the areas that has been really quite positive: This is one of the areas in nursing where colleges and universities show a high degree of collaboration in joint programs, in sharing facilities and getting much greater value for the tax dollar. It is one of the models that, as we're going through our reform and transformation package about how we get institutions to share platforms and share services and reduce duplication so we get better value for students' tuition dollars and tax dollars, really, the nursing schools have been some who have been leading the way in showing best practices in this area as well as meeting an incredibly important need.

Financial assistance arguably has emerged and continues to emerge as one of the most important areas. I mentioned the \$1.1 billion in grants and the 30% off tuition, but that builds on a number of other initiatives that we have undertaken.

Almost half, just over 45%, of all full-time students attending an Ontario college or university qualified for the Ontario student assistance plan. With the introduction of the OTG, the share of students receiving OSAP increased to over half. An additional 53,900 non-OSAP students received the 30%-off tuition grant. Most of these had never received student financial assistance before.

We're really experimenting with this in some ways, and we'll be reviewing it again in the spring, because we brought it in in January, in the middle of an academic year, so it's hard to get a good measure of that because people have already enrolled.

One of the things in the demographic changes, if you go knock on doors—Vic and I went and knocked on doors in his constituency. One of the things the Premier noticed—and my predecessor John Milloy, and we heard from Vic and Amrit and Bob Delaney and folks, if I just go around, Michael Chan—is, we have a lot larger demographic families. We have many communities, and many of the high-growth communities, where it is not unusual to find four, five or six kids at home and often grandma and grandpa living at home with the family as well. So there's a lot of financial stress on the new demographic that has emerged, particularly in the 905. The 30% tuition grant, if you've got three, four or five kids going into college or university—one of the great things that we know about, especially with recently arrived first-generation families: huge importance on their children getting their education. You know, my family came from eastern Europe. I was the first person to go to university within my entire family. I remember my grandmother, who was living with us at the time, when I applied, was

the first one—she got up at the ungodly hours of the morning, even before the postman came, to see if the letter carrier had actually brought that. She said to me, “The most important piece of paper in our family's history was when I got my citizenship. The second most important one is when my grandson gets an acceptance letter to university or college.” We know these are deeply emotional because they really are the second passport, in a sense, to success in Canadian society. When you come from a newcomer family—so many Ontarians relate to that—these things are not just opportunities for their children; they are important standards of success and they are often the realization of the dreams of parents.

So we see this expansion, this ability to make sure that every qualified student has a seat in a university or a college, as a—well, I would almost call it a sacred commitment to Ontario families, and one that we have invested heavily in. I want to thank all of you, whatever party you're from, because I know there are many here who are not in our party who also advocate. I want to thank my colleagues in the Liberal governments before who made these investments before I had the pleasure of sitting with all of you.

The 30% tuition grant is really our first step in trying to meet those needs and trying to understand the demographic changes and move forward with that, and we are continuing those conversations with the students and with the sector to better retool and tool our financial programs. To that, we've had some initial advice from Don Drummond, and we continue, through the discussions, getting ample advice. The Ontario Undergraduate Students' Association just supplied us about a month ago with an 88-page submission, so we know it's being taken quite seriously.

OSAP improvements, other than the 30% off: We're providing access grants to students from low- and middle-income families, including crown wards, and I'm very proud of the crown wards program that we now have in place. We have increased OSAP student loans, making it easier for students, capping students' annual repayable debt at \$7,300, reducing expected parental income from middle-income families—this is one of the things that we are finding with the 30% grant. We often had assistance for very-low-income families or people of very modest means, but for middle-class families struggling through the recession, this really came forward. I know my colleague from Windsor, MPP Piruzza, who worked in the middle of employment aid, is very aware of this, and I want to thank you for the advice and help you've given us on this.

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Providing relief to students struggling to repay their loans—you know of that program—and creating a new distance grant: Under the direct results of our investment in student assistance, the number of Ontario college and university students qualifying for OSAP has increased by 77% because more middle-income families and more higher-needs students can now qualify. Ontario graduate scholarships: I'll just quickly—how are we doing for time, there?

Interjection.

Hon. Glen R. Murray: Two minutes? Okay. Maybe I will skip that and I will just get to a few other things.

I just want to talk a little bit about French language. We have replaced the old \$1,400 francophone one-time grant with a \$1,600 university grant. What's been really interesting is, we're seeing the highest growth in our francophone colleges right now. Our college enrolment—we just got the first numbers out in the last couple of weeks—was 3%. Collège Boréal, which is about to open up a new, small campus in downtown Toronto, grew by 14%.

One of the things that's been particularly important to us is the importance of the French language in places like Timmins, Sudbury and eastern Ontario particularly. French is very much a working language, and we know our francophone colleges and our bilingual universities play a particular role in that. We believe that the tuition grant, which provides more generous support—

The Acting Chair (Mr. John Vanthof): Minister, you have one minute remaining.

Hon. Glen R. Murray: I will wrap up, Mr. Chairman. Thank you very much. This is my very first estimates, so please be gentle with me. Thank you very much, Mr. Chairman. I appreciate that.

The Acting Chair (Mr. John Vanthof): Thank you, Minister. It's my first job at estimates as well.

Now I turn the floor over to the official opposition. You have 30 minutes for statements and questions.

Mr. Rob Leone: Well, Minister, I think you're going to have another half an hour after our party and the third party get a chance, so whatever you didn't finish, you can get to in a few minutes.

I'm going to start to talk about some of the things that you mentioned in your opening remarks, particularly with respect to the Ontario tuition grant. I know a lot of MPPs have received some commentary from various groups and students who qualify for it and those who don't, as well. I guess the first question for you is, can you tell us exactly how many people receive the Ontario tuition grant?

Hon. Glen R. Murray: I'll actually give that to my deputy. Oh, she's going to tell me here, so I can answer you: 207,000 received it in its initial launch in the winter semester.

Mr. Rob Leone: Great. When we met in May—I have to say, Minister, our meetings have been pretty—I have enjoyed them. Given some of the information or lack of information that's come from estimates, I'm quite confident that you're going to be able to provide us with some answers to the questions that we provide.

Going to our meeting in May, you were suggesting that there was going to be a 60% uptake of the program in its first semester, and you expect the uptake to be 75% in the year 2012-13. Are you on track to achieving that goal?

Hon. Glen R. Murray: Let me be clear. Our typical pattern—and we've never done this before. We made a commitment last election that we would introduce this for January 1. I will never forget that day in early

November when the Premier looked at me and said, "We will have this ready, Minister, for January 1." With Christmas in between, there went my holidays.

We did get it up and operating. I want to thank the ministry staff. I don't know how they did it; they made me look obsolete—

Mr. Rob Leone: So you're saying Dalton McGuinty is Santa Claus? Is that what you're suggesting?

Hon. Glen R. Murray: I felt like the overworked elf that month, but we did deliver it. I always take credit for their work, and I'll do that again now, but the staff were pretty extraordinary.

We got it out and we built it on the OSAP platform. We expected that the maximum take-up would be somewhere around 300,000 students. We knew we wouldn't get that. I think I said to you that about 60% was our hopeful target. We got to about 207,000. We're hoping that will grow.

Normal take-up on a program like this is 75% to, maybe, if we're lucky, 80% of eligible folks. Usually, that has taken anywhere from two to three years, with our past programs, to fully introduce them. Our expectation is that by—this is really our first full year with it, so we're going to review, and I'll gladly meet with you and give you sort of an update in the spring as to how it's going. But we should know by the spring how the first full year—we expect, barring any unforeseen circumstances, that we would start to be moving toward that 70% to 75% goal next year and then hopefully beyond that the year after.

Because we're in a period of fiscal restraint, coming back to balance, the controls on this program are quite restrictive, that you have to be within four years of high school, and you have to have a family income of under \$160,000, because in year five, as you probably know, the calculation of student aid is not against your parents' income, but it becomes against your income as a student, so the rules change under OSAP. The four-year window is really for the period of time in which it's determined against your parents' income, and there is an income test of \$160,000 in family income. So those restrictions are there.

We'll see what the number is, what kind of room we have in the budget when we get there, but those controls are in place because we're trying to meet the greatest need and we want to be prudent. This is not a time to have an unrestricted program out there where we can't predict the costs, so I'm going to guess we're erring on the side of probably being a little prudent. I would expect that we would see the numbers probably as under-budgeted projections at this point rather than over-budgeted projections. I think that's a prudent position to have at this point.

Mr. Rob Leone: Your ministry conducted, I know, a pretty big public relations campaign last winter and spring to promote the tuition grants. Do you have an estimate of how much that cost?

Hon. Glen R. Murray: That would be a management question. I'll throw it over to my deputy, who knows the numbers, that detail, much better than I do.

Ms. Deborah Newman: And I'm actually going to have to ask our communications director, Heather Wright, or Nancy Naylor for that answer.

Interjection.

Mr. Rob Leone: Sorry, I'm going to think that Hansard wants you to come to the microphone to answer that.

Hon. Glen R. Murray: Maybe I could just repeat it, if that's helpful: \$759,000.

Mr. Rob Leone: Okay, and is the ministry planning on doing the same thing this year?

Hon. Glen R. Murray: We've been doing a lot. I mean, quite frankly, for a program launch, that's not a huge amount of money comparative to what most governments would do. We've been doing a lot of earned media. I and my parliamentary assistant, Kevin Flynn, another person whose work I take a great amount of credit for, went around the province. We had quite outstanding support from the undergraduate student alliance and the College Student Alliance, as well as most of the student newspapers. I've also been doing high school visits, and we sent stuff out. We have kits, again, that we send out, which give the information. We've been encouraging MPPs to put this in their householders, and we have websites. So we've been relying as much as we can on earned media.

We're doing an evaluation right now as to what the uptake is. If we think there are student groups, groups of students or families that we have not been able to reach, we'll do that. We did a student run. We hired students and did a sign-up right on the campuses, which was quite successful.

Deputy, we're also looking at where we had the impacts. We're looking at the numbers from different colleges and universities. I haven't got those yet, but we'll get a sense of where the take-up was in the first semester we did that. If we notice a gap—if we notice, for example, Northern College had a terrible take-up rate—we may try to do some more targeted work, where if we have good take-up rates in institutions—I know York University, for example, just from the reports from the students out there, from the president, had a very, very good take-up rate, so I think we're pretty good there. We're getting pretty close. So it'll depend.

We would like to avoid the cost of another general blitz if we can, and focus, if we can, more on specifics, but I'll be taking advice from the deputy on that, and I'll certainly be happy to consult with you on that as well.

Mr. Rob Leone: That's great. I wondered, as well: Did that money that you spent, the \$700,000-plus—was that already accounted for in the budget, or was that extra money, an unplanned expense?

Hon. Glen R. Murray: I sure hope so, but I'm going to ask the deputy here.

Ms. Deborah Newman: Thanks very much. You know, given the era of fiscal constraint that we're all operating within and mindful of, the Ontario tuition grant was funded through offsets, including the advertising campaign to try to make students aware of the avail-

ability of this financial support for them. The ministry had to make some difficult decisions around finding financial offsets in order to fund the tuition grant program and support the government's commitment to needs-based financial aid for students. So all of the money that was spent on the tuition grant, including the advertising, is within our own allocation and through offsets.

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Mr. Rob Leone: What would have been offset to pay for the PR campaign?

Ms. Deborah Newman: There is quite a list of offsets that were generally used to fund the tuition grant. If you're interested, we can go through that list of offsets.

Mr. Rob Leone: Sure. I'll get to that in a second, actually; I have a question about that.

As far as I understand from our previous meeting, Minister, the government allotted \$480 million for the OTG, which was based on a 90% uptake. You said you were erring on the side of caution. I assume that means that the overall cost last year, or this year, is actually going to be substantially less than that. Can you give us a global number on how much the OTG costs?

Hon. Glen R. Murray: I haven't seen the final numbers yet, because I haven't gotten those quarterly reports. As soon as I have them, they should be public.

There were a lot of offsets; you asked a little bit about that. We made a decision strategically to have a much more broad-based program that would go to many more students. So we looked at what were somewhat expensive programs that would go to less than 10,000, less than 20,000 students. So the francophone grant went—that was 800 students. The Queen Elizabeth scholarships were eliminated.

We made a conscious decision, when we looked at what was happening out there, that there was increasing support from the private sector, particularly for scholarships, and that we had an incentive program for that, which we now withdrew—we had phased it out; it was \$50 million down to \$25 million; it has now been phased out this year—that matched dollars from private companies. I have been quite assertive with folks in the private sector that—they like to give scholarships to students; we like them to do that, and we are directing more of our money to student aid. And so you saw that transition through.

The deputy probably can give you, and I can—

Mr. Rob Leone: They're actually my next questions: Where are the offsets, and how much in value? So you might as well get to that.

Hon. Glen R. Murray: Those were some of them, and I think there were about seven or eight of them that were used.

Ms. Deborah Newman: Okay, just an outline of the offsets that were used to support this new program: I would generally characterize the kinds of offsets that were used as scholarship and grant funding in other areas that were specifically targeted to more limited use or limited numbers of students. So we made some decisions to move, generally speaking, from merit-based scholar-

ship funding, and a number of other programs which I'll go through, to needs-based funding through the Ontario tuition grant. That's the general sort of shift, I guess—and also recognizing that over time, the colleges and universities have been able to establish a significant number and range of merit-based scholarships as well as needs-based scholarships themselves, so we made some of the program offset decisions recognizing that the institutions themselves have been able to support students in those areas.

One of the offsets was the Ontario trust for student support, which had historically provided funds to colleges and universities to match donations from companies and individuals for endowments for students. A number of Ontario students had benefited from an average bursary of \$1,500—23,000 students, to be specific, as opposed to the 207,000 that benefited from the Ontario tuition grant in its first uptake.

The textbook and technology grant—

Mr. Rob Leone: How much was the value of that, Deputy Minister?

Ms. Deborah Newman: The Ontario trust for student support was a \$25-million fund. The textbook and technology grant, which had provided \$150 to every full-time OSAP-eligible student attending one of our colleges or universities, to help with textbooks and technology-related costs, was used as an offset. That program has now been eliminated as well, and—

Mr. Rob Leone: How much was that?

Ms. Deborah Newman: I don't have the total figure. I will make sure that my staff can correct me if I'm wrong. My recollection is it was worth \$37 million—

Interjection.

Ms. Deborah Newman: —Thirty-nine point five million. I am corrected.

The Queen Elizabeth II scholarship program, which was a merit-based program for high school graduates who had the top marks at their school, had provided 8,000 new high school graduates with scholarships—and 6,000 returning students. It also included students with no financial need. If they had top marks, they got \$100 scholarships and—

Mr. Rob Leone: I'm sorry. What was that?

Ms. Deborah Newman: The Queen Elizabeth II scholarship included both students with and without financial need.

Mr. Rob Leone: Right.

Ms. Deborah Newman: It was based on academic performance in high school. There was a split between students who actually had financial need and those who did not. If you did not have financial need, the quantum of your scholarship was \$100 only, as compared to those with financial need, who received a higher scholarship.

That was worth \$20 million in 2012-13 to pay for the Ontario tuition grant, and recognizing year over year as—this is being phased out, so it's \$20 million in 2012-13, \$26 million in 2013-14, and \$31 million in 2014-15.

There was a Canada study grant, which was delivered on behalf of the federal government. We historically

found that there wasn't full uptake on that grant. It's for students with permanent disabilities and—

Mr. Rosario Marchese: Which one was that again? Sorry.

Ms. Deborah Newman: It's the Canada study grant. Because we looked at historical uptake on that grant, we determined that we could reduce the transfer payment budget to more accurately reflect the amount that was actually taken up of that grant.

There were some college consolidation forecast adjustments, and if we want to have a conversation about consolidation, I'll have to call a friend, because it's very technical, but we can certainly do that.

Mr. Rob Leone: Do we have a global number on how much that saved?

Ms. Deborah Newman: I do not, at the moment. Maybe when we get through the list, I can ask—

Mr. Rob Leone: Sure.

Ms. Deborah Newman: —either Nancy Naylor or David McIntosh to respond to that.

There were some savings in the employment and training division. Now we're getting into some naturally occurring savings that were realized due to lower-than-projected demand in some of our Employment Ontario programs. For example, for Second Career, we had forecasted a demand of 14,000 clients, and we actually served 12,700, so there were some natural savings there.

There were some natural savings in the post-secondary education division as well, based on slowing graduate enrolment growth—so, still committed to the same number of graduate enrolment spaces but over a longer period of time. We found there, again, that was \$15 million, and we were finding that the institutions weren't actually growing their graduate enrolment as quickly as we had forecast.

There were a \$2-million savings in collaborative nursing. There was a \$10-million savings just in terms of cash flow for capital projects. There was a small savings in our credit transfer initiative as it was rolling out.

There was actually some savings in our base forecast for OSAP because, again, there was actually lower-than-projected OSAP demand by students.

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There were automatic OSAP savings because there's an interaction between the Ontario tuition grant and OSAP, so that resulted in some savings as well.

As you can see, we took from quite a number of different areas. Some were actual programs. Some were naturally occurring savings, because there was a somewhat lower uptake or demand for some of our programs than we had forecast.

I think those were the primary sources of the offsets for the tuition grant.

Mr. Rob Leone: The estimated budget was \$480 million for this program, as was stated, but I don't see \$480 million in offsets. I don't have the numbers for all of them, so perhaps some of the smaller ones end up adding up to a lot. But I'm just wondering where the other money came from.

Ms. Deborah Newman: We would have to look year over year, certainly, as the program ramped up. As you know, the Liberal platform estimated the program at maturity would cost \$423 million, when it was fully mature. This was the first semester of its use, and essentially for a much shorter period of time and at a time when it's a new program, and the marketing and awareness of students—that's why we did try to create that level of awareness.

There was a 60% uptake of the program. Where we had estimated there would be 300,000 students who could potentially be eligible for the OTG, we got 207,000 of them actually applying for and receiving the grant.

The ramp-up in terms of the cost of the program is going to take some length of time. As the minister said, we can make different assumptions, going forward, about the level of uptake. It remains to be seen how much uptake there is in fact.

Mr. Rob Leone: I would appreciate it if the ministry could provide us with the breakdown of the costs and with the offsets that have come with that, in some table, some format.

Ms. Deborah Newman: We'd be pleased to provide that and undertake to gather that.

Hon. Glen R. Murray: Part of what we're trying to do is, a lot of these very small programs had very small numbers that could be eligible for them, and some of them—we have a plethora of programs, and we're so over-specialized that they were done at particular times to incent certain types of students, and they'd long been successful. I give the example of francophone students, who are now one of the fastest-growing groups by a factor of several-fold—not really a justification for that, but there's a real student-need issue.

Part of the other thing is, we also saved money because we built this on the back of the OSAP infrastructure. We didn't create a parallel bureaucracy to deliver this. It was delivered through our Thunder Bay operations, and most of it went right on, so the take-up was there. We predetermined the need because you have qualifications that you've got for OSAP.

The other thing is, it doesn't come to \$480 million—you'd be quite correct—because the offsets were offsetting to the demand right now. So we're pretty close to a reconciliation, if we haven't exceeded it, on the demand there.

As you know, we're going through some really fundamental discussions with the sector right now that I know many of you have expressed views on, around looking at higher levels of productivity through innovation in the post-secondary system. Some of those assumptions will be built into future budgets and for future discussions, as we get those results of those consultations.

Mr. Rob Leone: Certainly, this was a commitment that your party made during the election. I think for a lot of students that have come and complained to members about not receiving it, it is because they all thought that they were going to get the 30%-off grant.

I'm wondering, Minister, if you could comment: Do you think students knew, ultimately, that you would be

taking away the Queen Elizabeth scholarship, the textbook grant, to finance this OTG? Do you think they knew that when they were making their voting decision at election time?

Hon. Glen R. Murray: That's sort of a hypothetical question I can't really answer because I wasn't in their brains. But one of the things I believe in, and I feel very strongly about, and I think most of my colleagues do, is that if you don't sunset programs—and none of these programs were established forever, in perpetuity—if you're not readjusting and replacing with better-quality programs, if your approach to government is simply to add cost ad infinitum, you're not going to manage. And I think that with some of the assumptions that we made on some of these programs, we're actually seeing better student performance, we're seeing students getting net more money in many cases, and we're moving towards a more universal program for people who meet a needs test rather than doing that. I think when you are in a period where you have more discretionary spending, you can try things like that.

I think this government has said, as we move forward with new programs, one shouldn't assume—and I think that would be a general rule of thumb for anyone in government at any level in this country today—that every time you do something new, you have to keep everything you do. I, when I was appointed minister, looked very carefully at these programs, made some determinations about whether there was need, whether students who were receiving money here could compete for money and more likely get it over there, and where was the real unmet need. Going forward, I am concerned about part-time and mature students, and I think there are other areas that we need to look at in coming years where there is still unmet need out there.

I don't think any of the programs that we are phasing out—and we're phasing them out with lots of notice—are negatively consequential. There's a net benefit. I'd much rather get \$1,600 to go to university than a \$150 textbook and technology grant, if I had the choice. And I think you cannot improve benefits for students unless you're prepared to phase out programs that were past their best-before date.

I think you and I share that view. I hope we do, and I think that's been pretty much the consistent behaviour of this government. So one shouldn't assume that. We continue to consult. We're in one of the largest consultations I think we've ever done—certainly in a very long time—in post-secondary education, and we're hearing from students about that. Every month I meet with each of the student associations at least once, and all of these things are on the table. So I don't think anything we're doing is coming as any big surprise to students.

Mr. Rob Leone: The Queen Elizabeth grants were merit-based grants. What do you say to a student who received the Queen Elizabeth grant but does not qualify for the OTG? You're making a choice between need versus merit. What do you say to a student who has worked hard in school, who's done their best and re-

ceived a benefit from the government that the government has now taken away from them?

Hon. Glen R. Murray: Because I think for students who are excelling in high school—and I think we all go to our high school grants. I'm amazed—I think there were over 100 students at Jarvis Collegiate who got merit-based grants. There are ample merit-based grants in our universities now; there is a lot. Finally, because we've been incenting it now through a policy for eight years, we're seeing the private sector step up.

I think one of the things that's really critical is that our students are paying a lot for their university and college education—a pretty competitively good deal compared to most American students, but they make a pretty good investment. It's one of the largest investments that most young people make, that most people make, is their tuition contribution.

We as a government keep on investing more. We've seen a huge increase in the amount of funding for post-secondary education from the government of Ontario on behalf of the people of Ontario. You simply cannot be all things to all people. I think when Jim Flaherty and Mark Carney put a call out to say, "Look, our corporations in Canada are sitting with some considerable reserves of funds as a result of federal and provincial fiscal policy, from all policies"—and I said this when I gave my speech at the Canadian Club; and I'll happily send it to you. I said that the third partner in all of this is the private sector. They benefit hugely from a highly skilled workforce. It's determined by economists, and one of the biggest reasons we're second only to California in direct foreign investment is because we have one of the highest-skilled workforces in the OECD.

We have to look in government today for partners outside of the taxpayers of Ontario and the students of Ontario to come to the table who are the other beneficiaries of this, and you see Joe Rotman, Mr. Schulich, and Jim Balsillie right now with the Balsillie school. We are starting to see the private sector come forward in a way that their peers in other jurisdictions are, and I think that's important.

So we know that—and we talk to private sector leaders—there is a greater appetite to put names on buildings and names on student scholarships for merit. We'll watch that. If we're wrong in that proposition and the evidence doesn't hold up—we're an evidence-based government—we'll review those things.

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But we think that students who are good students, the good B students as well as the A students, have to get a chance. We know that especially with larger families—a new demographic in Ontario—that was a need that the private sector or others were not going to step up and meet. We can't be all things to all people, so we chose our place, and our place was to meet unmet need, and it will continue to be, because there's still considerably more unmet need out there.

Mr. Rob Leone: Minister, I certainly agree that the private sector needs to step up in endowments, but part of

the reason for doing that was the Ontario trust for student support. I know that my colleague Michael Harris from Kitchener–Conestoga has contributed to an endowment fund at Conestoga College on his own for that purpose. It was a way—certainly, the development people, the fundraising people at the colleges and universities loved it because of that, but it's now being taken away.

So you're now suggesting—

The Acting Chair (Mr. John Vanthof): You have one minute remaining, Mr. Leone.

Mr. Rob Leone: One minute?

You're now suggesting, Minister, that part of the way of encouraging private sector investment with the creation of this fund is now lapsed, which encouraged the private sector to contribute to funds that provide merit-based scholarships and grants. Again, I'm trying to get a sense of what the government's position is with a need-versus-merit student financial aid system.

Hon. Glen R. Murray: It's our view, and I think it's pretty clear, that we want to make sure, as the government of Ontario, that we're making our very best efforts to deal with need. We have increased funding and re-directed funding. We're not just redirecting dollars. We're exceeding the amount of money that was there before, because we think, coming out of the worst recession—born in the United States, globally—that student need for the times has to be a higher priority.

Second of all, the other programs that we're investing in, that are in other ministries and other areas, are really critical. Pathways to Education, which I think last year we put an additional \$28 million into, has been one of the most successful programs not just in providing funding; it incents students to do well and complete high school. It means that by the time they get ready for college and university, they have considerable money in the bank. They get mentoring through that. I think Pathways to Education, which didn't start in government—it started in the community, out of Regent Park in my community—is a shining example of a much more innovative and dynamic approach to higher education funding than the scholarships. If you asked me if we would rather put greater amounts of money into Pathways to Education or continue the Queen Elizabeth scholarships, I've seen greater results, and I think most objective third party folks would do that.

If you say to me, and I think you've said it to this government, "Is it important to get back to balance?": Yes. Do you have to make some tough choices? Yes. If you want to meet unmet need, you just simply cannot increase government spending. We have to reduce government spending in some areas, and we have to reprioritize dollars that are existing to more effective, higher-value programs.

Balance: Queen Elizabeth scholarship, Pathways to Education; textbook and technology grant, 30% off. I think the choices we made are pretty clear, and I think they're generally good choices.

You could add too. I'm sorry; I don't want to cut my deputy off there.

Ms. Deborah Newman: With your indulgence, quickly, Mr. Chair: Just to assure you, Mr. Leone, that any QEII scholarship recipients now will see their scholarship through to completion, so they're not losing any of their scholarship funding. It would be new graduates who will have received notice of the cancellation of the program.

The Acting Chair (Mr. John Vanthof): Thank you for the clarification. I'd like to now turn it over to the third party for 30 minutes.

Mr. Rosario Marchese: Thank you, Mr. Chair. I just want to say for the record that I'm filling in for our critic, who couldn't be here today.

I want to make some statements, and then I'm going to ask you some questions, Minister. I appreciate the presentation you both made.

I want to say, just as a comment on things that I've heard, I know that the government has put \$6.2 billion in the Reaching Higher plan. I have to admit, I say with some irony that we have invested \$6 billion and we're still number 10 in per capita funding. So I often say to myself, "Imagine, if we had invested more money, where we would be." It's a pretty serious problem. Clearly, investments had to be made, and clearly we are not making the investments that we need to make.

I have to say I am profoundly worried about the state of affairs as it affects our students in particular. I know that access has increased; we know that. I'm not sure it's because of any government policies, to be fair—not because of what we did or what any other political party did. Because of pressure from parents, more and more students are going to colleges and universities. I think students are realizing that if they don't go to university or college, they're in trouble. Think of it: You need grade 12 to become a garbage person, man or woman. There was a time when you didn't need grade 12 to do that, and now you need a degree to do anything.

The problem with it is, as more and more students are realizing, that even with a four-year degree, they can't find good-paying jobs anymore. And that is a profound concern of mine. It's a profound concern of many young people who study with the expectation that they're going to do well economically, and their second expectation is that they're going to find work in their field. They're realizing, many of them, that they can't find work in their own field and that the jobs they do find don't pay very well.

What we know from the data is that salaries have, for the last 20 years, been flatlined, which is an incredible economic problem people are facing when you realize that homes are inaccessible to most human beings these days. If you want to live in downtown Toronto, you can't get a house for less than 800,000 bucks. In your riding, it's the same problem. And \$800,000 is probably the lowest that you would have to put into purchasing a home. Things are really getting seriously out of whack.

When you have growing inequality—because you've got two streams now; you've got the people at the very top and you have a growing middle class that's just slipping into the lower echelons of pay—that's going to

create a serious social instability in the future. When you've got salaries that are not increasing as they used to in the old days, and housing that's going through the roof, and other related prices for certain goods are shooting higher than most people's salaries, the question that we ask is, what do people do? When students graduate from university with an average debt of \$22,000, that's a huge problem for me—and for them.

If you are in a deregulated field, if you're going into law, it's \$20,000 a year just for tuition fees. If you're getting into medicine, it's 20,000 bucks, depending on the university you go to. Dentistry: It's the same thing. Engineering: It's the same problem. Business classes: In just a general business program, it's 8,500 or 9,000 bucks. It's insane. So if you're in a deregulated course or courses or field, and you want to be a doctor or a lawyer, your debt could be 80,000 to 100,000 bucks. And if you've got to go out of town, as you were saying, Minister, it's even more costly. What do people do?

You realize that some of these fields are just for the privileged folks. Mom or Dad is a lawyer or a doctor. Mom and Dad are going to pay for those tuition fees—God bless—and they're okay. But what we're noticing, since we deregulated tuition fees, is that a whole lot of people who used to go into those fields are not going in there as often or as much as they did, because it has become too expensive for them. So we're creating, through deregulation in particular—something you haven't done, I know, but through that deregulation we've caused serious social problems for a lot of people. And I'm not sure people have thought about that.

Unless they inherit money, young people are going to have a terrible future. Debts will be unsustainable. If they can't find work in their field, and if they can't find good-paying jobs, and their debt is \$20,000, \$30,000, \$40,000, \$50,000—and let's assume it's a heterosexual couple, the ones to marry, and they have children. They have to decide: "Do we have one child? Do we have two children? Can we afford a car? Where can we afford to live?" These questions are, of course, for everybody. It's becoming a big, big issue for people.

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How are we tackling the issue of debts? How are we raising the money for it, and how do people feel? How do they feel about the fact that we've been cutting corporate taxes for the longest time—and most governments have done it—and most of these corporations simply put that money away, sock it away? As Mr. Carney said, there is a great deal of dead money, about \$500 billion of dead money, that's not being spent.

We're giving all this money away, year after year, with the expectation that it's going to improve productivity. We know by all that we read in the Globe and Mail and other places—unless some of you read books—that productivity is not going up very much. It has in the last six months, but overall, it hasn't gone up, and we've been cutting corporate tax for 20 years.

We don't have money, yet we're giving it away, and then we leave this kind of problem for students that

they're incapable of dealing with in the very near future. I'm profoundly worried about the legacy we leave them.

I wanted to make those points by way of statements, because through some of the questions I have, you'll be able to respond to them. But this is my overarching worry, and unless we find ways of bringing back some revenue, we're in trouble.

I've got questions on tuition fees, but before I get to the tuition fees, I wanted to ask a question that just popped up in my mind about teachers, and perhaps you, Minister, or the deputy knows about this. How many teachers graduated as teachers last year? Do we know?

Hon. Glen R. Murray: I don't.

Mr. Rosario Marchese: Deputy, do you know?

Ms. Deborah Newman: I'm not certain, Mr. Marchese. We'll have to get that number for you. What I would say is that we've reduced the number of funded teacher education spaces because there is such an over-supply of teachers in the labour force.

Mr. Rosario Marchese: That's the question I wanted to ask you, you see. The reason I'm asking is because there have been a number of teachers who have asked me, "How do I get on the supply list? I can't even get on the supply list. I can't even get an interview for a regular job." They can't even become supply teachers, because they can't get on the list. They can't even get an interview to do that.

The figure I have in my head is that 8,000 students graduate, or have been graduating, every year, which I think includes a number of teachers who get their degree outside of Ontario, but I could be wrong, and maybe the multitude of people who are behind you might have those numbers. I don't know.

But if that is true, I say to myself: Why don't we cut those numbers drastically? Because the hope we give to those students is that they're going to graduate and get a job, and year after a year, a lot of these students are not getting the jobs they're desperately looking for. Then what do you do, when you've invested so much time in that field, paying tuition fees, wanting to become a teacher and you can't, and you try desperately for a year or two to get in, and you can't get a job? What do you do? How do we respond to that?

Minister?

Hon. Glen R. Murray: Thanks. It's really tough. I always sort of think that the longer you're in politics, the more moderate you get, wherever you started from, and your empathy is built by the reality of what you have to confront. I think people get less ideological. I've always been torn by this, and I share your concern, very seriously and very sincerely.

Sometimes people get degrees not because they want to practise. Do you know what I mean?

Mr. Rosario Marchese: Not in that field.

Hon. Glen R. Murray: Yes, actually—

Mr. Rosario Marchese: But please go on.

Hon. Glen R. Murray: Some people do. People go to Yale for law school. The general feeling is that Yale is a

theoretical law school; the practising law school is Harvard, in elite law schools in the United States.

I've had students who have said to me, "There's all kinds of things—I wanted to work in international development. I wanted to do this," you know.

Two of my staff have planning degrees as city planners. They wanted to do the degree. I will tell you right now, this is not a high-demand job for public sector city planners, but they really wanted to get the degree. And we do live in a free society where students do pay a lot.

One of the things the colleges do much better than the universities, because the universities don't see them as—in spite of teaching lawyers and teachers and dentists, which is very demand-driven employment, they don't provide—and this is one of the issues that has come up in the consultations: It's a question of how interventionist does government want to be here—the kind of labour market information that people want.

We have, probably, somewhere in the range of 8,000 to 9,000 people who now have teaching degrees for whom there is not really a teaching job because of the demographics of our society. Some of them want to teach overseas. There are very aggressive border states where American universities are doing that.

I have to dissuade some university presidents from certain regions of the country, who say, "You know, we're not producing teachers in our neighbourhood. We have to produce more teachers in the north. You should let us expand these programs." So there's a whole bunch. But I agree with you. We have moved with the Council of Ontario Universities. We've had very candid conversations with the university presidents that we expect them to be de-emphasizing teaching right now. We expect them to be increasingly clear with students who are applying to educational faculties that, if they're looking to get a teaching degree because they want to be a teacher, the next five-year cycle is probably not one that is going to generate a lot of jobs anywhere in Canada right now. Given the demographic changes, it's not unique to Ontario.

Those are some of the challenges we have, but I would be very interested in your advice here, because I have a whole bunch of students who are taking off for Africa who wanted to get their teaching degrees because they want to work in international development.

Mr. Rosario Marchese: And I think that's true, in some cases. I know that many people become lawyers and use their law degree for something else. I think that's true.

Hon. Glen R. Murray: A few people in our profession, yes.

Mr. Rosario Marchese: And some of them become politicians and Premiers, this is true, and haven't practised very much. This is true, too.

Hon. Glen R. Murray: Presidents of the United States, I hear, as well.

Mr. Rosario Marchese: Quite a number, yes.

But in teaching, I suspect that most of them who get a teaching degree want to teach—I can guarantee it—with the exception of a few.

But the few who travel out of country to teach somewhere else—I don't know how many there are. Maybe the deputy has numbers; I don't know. But I suspect the majority would want to teach here and only a few end up going out of the country—which wouldn't be a bad idea to do, by the way.

I wanted to follow up on your comment about your discussions with presidents and de-emphasizing teaching as an option. My point is, why don't we just reduce the number of teaching spots? You were getting at the fact that you've made some reductions. First of all, what is the number? Secondly, I truly believe that rather than de-emphasizing teaching—because I think a lot of people want to become teachers, but many won't be able to qualify and there's going to be a selection process. So if you reduce it from 8,000 to 4,000 or 4,500, that may not be such a bad thing.

Hon. Glen R. Murray: We are in the process of doing that. It is a stepping-down process, but I'll turn it over to the deputy. It is a substantial number, but I'm not sure of the exact—I know we are still in negotiations with them. As you know, every university has its own separate legislation, and as much as the minister would like to have much more direct levers attached to some of these institutions, sometimes—it reminds me of being a mayor. You have convening and controlling abilities in some of these cases.

I'll be quite frank with you. One of the things that we are managing is, we want to manage direction in the universities and get them to respond without hurting students. There's one grey history in Canada, that sometimes universities will respond to fiscal direction that will end up penalizing students. It's very hard for us, then, to direct them to spend money exactly the way we want it to. We may say, "Look, we're reducing dollars here"; they may not do that. That's a challenge, and this is one of the things—and I'll be looking for support from all parties. I think this a completely nonpartisan issue.

This has come up from students and faculty, interestingly, as well as management: What is the accountability and how much of a role should we have over universities? We have much more control over colleges' budgets, and colleges are much more engaged and compliant in meeting employment outcomes—no problems there.

I have suggested, and I could really use the support of my colleagues in this Legislature, to say to universities, "You have to be much more accountable to students for labour market outcomes." We're on the same page on that.

Mr. Rosario Marchese: On that, I agree.

Hon. Glen R. Murray: I'll let the deputy talk a little bit about some of the financial tools that we're using right now. Just so you know, our challenge isn't a hesitation to act. Our hesitation is to make sure that we're not penalizing students because we had a good intention that led us to a bad outcome for students.

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Mr. Rosario Marchese: Very good. Deputy?

Ms. Deborah Newman: Thanks very much, Minister and Mr. Marchese, for that question. Last year, we consulted extensively with our sister ministry, the Ministry of Education, to really try to get at accurate projections of the demand in the labour market for teachers. We know that there is an oversupply of teachers, so we were working with the Ministry of Education—

Interruption.

Mr. Rosario Marchese: Go ahead, Deputy. Sorry.

Hon. Glen R. Murray: It's okay. The rest of us are House followers. We understand that.

Ms. Deborah Newman: I was saying that we worked with the Ministry of Education to try to come to agreement on what the right number of reduced teacher education spaces would be, and through a process of various projections and labour market demand, we identified a number—which my staff are going to provide to me momentarily—of the number of funded teacher education spaces that the ministry would support. We have a number of our universities providing teacher education. We allocated a reduction in funded spaces across the various teacher education programs.

Mr. Rosario Marchese: Right, and you didn't give a figure for what that reduction is.

Ms. Deborah Newman: Yes, we did, institution by institution, and that's the figure that I'm waiting for. We did consider the oversupply in the market and the disappointment of graduates who are unable to teach. I think you're absolutely right: People take teaching because they really want to teach. I think in general we know that post-secondary education graduates do well in the labour market, so you apply whatever your training or program was to different areas, and I'm certain teachers do that too. But your point is correct.

The other thing that we did do was review the length of teacher education programs and determine that Ontario was one of the only jurisdictions with a one-year teaching program. We're in the process of introducing a two-year teacher ed program, which will have the effect of reducing the number of teachers as well.

Mr. Rosario Marchese: Can I ask you a question? In that regard, if you're going to have a two-year program, is it your sense that students with a three-year degree would be just as good to become teachers, or do you believe that they need their four-year degree plus the two years in the teaching colleges?

Hon. Glen R. Murray: It's a good question. The thing about the two-year degree isn't so much the length of it; it's the content of it. This has been a big discussion with teachers' unions, students, recent graduates. It gets back to what is education today, because this is a very dynamic conversation. If we think about experiential learning as the things that go on in our neighbourhoods, Rosario, the member for Trinity-Spadina, like the digital media zone, where all these very smart kids—well, they're adults, I guess—are starting their own businesses, making more money than you and I probably together in our lifetimes by the time they graduate. It's quite extraordinary, the platform they've got. But experiential learn-

ing for teachers is the second year is to be classroom- and experience-based. That's been driven by a number of things, because school boards, teachers, mentors, principals, get a better sense of the teachers when they have some classroom experience. It gives people a better sense of whether they want to do that.

In a lot of our schools, you're teaching very complex challenges today. We have spectrums of autism now. Autism is almost an epidemic in Canadian society. You're dealing with the most complex multicultural, multifaith society in the world, so you're dealing with a sensitivity about identity issues. Kids are coming out of the closet at 12 and 13. The experiential learning part is not just to deal with the technical, but also to deal with the humanity and complexity of it. I think it was a wise move to do that. It was less about the additional time, but to move to sort of theory, classroom-based for one year and then move into an experiential year. We're trying it. We'll see how it works. I think one of the collateral benefits of it may be that it will slow down the demand for teaching and slow down the process to put a little bit of brake on the system in doing so. That's the kind of thinking behind it, if that's helpful.

Mr. Rosario Marchese: Very likely. I just want to say that for a lot of teachers, that one year at the faculty simply isn't very adequate in terms of learning all that one needs to know about students. I know that my daughter went through the early childhood education program; she's a teacher now at the elementary level. She knows so much more than I think most of us who went through that one-year degree do. There's a lot to be said about how much teachers need to know to be able to teach the multiple learning styles that we have as people, as students. Unless we deal with that, we're going to have problems, because we won't be able to reach a lot of kids.

I want to talk about Pathways to Education briefly, because I'm a big supporter of that program. I think I asked the previous minister this, but I don't remember. You spent \$25 million, I think, at one point, and then you increased it, but I don't remember by how much. I truly believe that this is prevention. If it works so well, as I believe it does, why aren't we investing serious, serious money into that? Because I think \$25 million or \$30 million—whatever we're spending—is a drop in the bucket, when it comes to how you're able to take students who are likely going to fail and make them succeed with the efforts and the supports that are put into this program. Why aren't we expanding it to the fullest possible extent so that we can keep more and more students in school?

Hon. Glen R. Murray: We are. This is not my ministry, so I'm saying this with hesitation, but I think closer to \$30 million was the second investment just a few months ago.

I'm quite close to it because it was born out of the neighbourhoods I represent. My understanding of it is that it's not just a government program, as you know. This is a true partnership, and it is the capacity of our partners to do that. It is also important to them in their approach and their philosophy, which I also endorse, that

they're not entirely dependent on government to do this; this is bringing the private sector in, and it's bringing the community sector in. Having worked in the not-for-profit sector, I always liked to make sure that my revenue sources were diverse, because you can very easily become a not-for-profit that becomes a branch of government if you're too dependent on it.

I can't speak for them, but this government has responded, I think, very generously to all of the demands that have been placed on it.

In a very non-partisan way, I would be happy to work with you. This is a program that you and I share a great passion for, and I appreciate your advocacy for it. It's important.

But those are some of the dynamics behind it. I'll certainly discuss this with my colleagues in cabinet who are responsible for supporting that, but it has certainly been something that has been nurtured, grown and that, and I totally agree with you.

I was recently up in Timmins meeting with some of the First Nations folks who were proposing some similar different partnerships for post-secondary education—different because if you're in Attawapiskat, for example, where I was meeting with Chief Theresa, the context has to be a little bit different, and the dynamics are substantially different. You have to be sensitive to a different set of potential partners.

But I think this is something that this government is very committed to and something that you and your colleagues in the third party, in the NDP, are very committed to, and I hope this is something we can explore.

Mr. Rosario Marchese: I only asked you because you raised it. I know it's not in your portfolio—

Hon. Glen R. Murray: No, no. If I had an unlimited budget, you know—

Mr. Rosario Marchese: Except that one of the things that we can do well in committee is that we can talk about things that work well; whereas when we do the politics, it doesn't work as well.

But we know this is prevention. Prevention happens in the early years; later on, it becomes much more complex to solve problems that have been ingrained for 18 years—but that's another thing. We could talk about everything, I mean.

I have some questions around tuition fees.

Hon. Glen R. Murray: Could I just—sorry to interrupt. The deputy can answer your question now about the teacher ed spaces.

Ms. Deborah Newman: Thanks very much. Before the reduction, the number of teacher ed spaces was 9,906 at 10 universities. We reduced them by 885 spaces. Of that 9,906, we took 885, so they're now capped at 9,021 spaces.

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Mr. Rosario Marchese: Wow.

Ms. Deborah Newman: We're continuing to monitor that with the Ministry of Education, together with the introduction of the two-year program, to see what the impact is in terms of supply and demand in the labour market.

Mr. Rosario Marchese: Oh, there will be an impact. I guarantee it. I know that you know that, too.

Anyway, I'm glad that we're having this conversation. Hopefully, the next time we meet, there will be follow-up on that particular part of it.

The recent *Falling Behind* report of the Ontario Common Front released last week pulls together some stats on the cost of post-secondary education. The report says, "While across Canada universities are relying increasingly on private income sources—primarily tuition fees—to fund university operations Ontario's record is worse than the rest of Canada."

Based on the Canadian Association of University Teachers' figures, the report says that operating revenue from government sources has declined from 84% to less than 58% in Ontario over the past 20 years, and the percentage of funding from tuition fees has risen from 12% to 35%.

The *Falling Behind* report indicates that both undergraduate and graduate tuition fees were the highest of any province in Canada, 2011-12. Is that consistent with the ministry data?

Ms. Deborah Newman: Yes.

Hon. Glen R. Murray: Certainly that we have higher fees is really—I just want to try—because you raised a lot of things in your questions and issues in your preamble. Right now, per student funding from university and college has gone from \$6,700 in 2003 to about \$8,643. For college, it's up from \$4,500 to \$6,298. Those are substantial. But what's interesting—and this is one of the questions I have. I go through every institution in Ontario and I look at the history of their budgets. The University of Ottawa in 1995: a budget of \$160 million. It had the exact same budget in 2002. It now has a budget of \$305 million. The University of Toronto has seen one of the smallest increases percentage-wise. It's gone from \$387 million in 2002 to \$640 million. It was \$404 million in 1995. Ryerson has gone from \$73 million to \$191 million. York didn't change from 1995 to 2002, \$186 million to \$196 million—it's \$306 million.

I've gone through every university and college budget since 2003, and they are up 60%, 100%. UOIT is approaching a 400% increase. The capacity that's been built—so per student subsidies have gone up faster than they've gone up in probably 30 or 40 years. We have seen a dramatic expansion of funding for universities after about 13 or 14 years where there was actually a net decline—and I don't mean a net decline inflation-adjusted; I mean without inflation-adjusted, there's a net decline. So we are still rebuilding from what was the biggest drought in university and college funding.

Are we near where we should be yet? We're getting closer, but we're not. One of the things that I have to ask—

The Acting Chair (Mr. John Vanthof): One minute of the NDP's time remaining.

Hon. Glen R. Murray: —is, let's start looking at the money we're spending—one of the things I'm hearing from students—and start to get better outcomes, because when I sit down with university presidents and say,

"What do you do with the \$6.2 billion?" I'm not happy with the answers. When I sit down with college presidents, I see much more affordable tuition; I see much more student-centred learning.

I'm really looking to universities, and one of the things we're going to be asking for, as we approach this fall, is greater transparency in the dollars that we're giving and more accountability, because I think that the assumption that government isn't spending enough on universities is one that I can understand some out there like to make. I'm not sure it rings true with the facts, and I think that part of it is the level to which we as a government want to be gauged with universities about establishing how important the dollars are that we give them going to meet student need as opposed to other priorities. I'm looking forward and hoping I have your support in that effort.

The Acting Chair (Mr. John Vanthof): Thank you, Minister. The third party's time is up. You now have 30 minutes to continue your comments, if you so desire.

Hon. Glen R. Murray: I greatly appreciate that. First of all, I want to thank you—both excellent questions. Some of the issues that you raised, I think, are ones that are shared on all sides of the House.

The challenge I think we have going forward—there are a couple. One is, if we go back to the 2008 number, we get 92% of university grads being employed within six months, 94% within two years; 84% of them being employed within or in a field very close to their graduation. For my friend from Trinity-Spadina, I humbly and respectfully disagree with you. I think the actual case is that people who do get to university are doing very well in employment, especially that kind of take-up to get into your field.

If you are sweeping floors at St. Mike's and you go to George Brown and you get into the culinary program or you get into one of their business management programs and you're back sweeping floors at St. Mike's six months after graduation, I would agree with you; that's a problem.

I look at my staff in the minister's office. One of my staff is 22 years old. He did an accounting degree at Ryerson while his parents are still learning English. To say he comes from a modest-income family would probably be accurate, maybe a bit of an understatement, and here, in one generation, he's working in my office; I can't tell you—especially for today, having someone who has an accounting degree. Now, if I asked him, "Did you really want to be an accountant?"—I'm not sure.

I've got one person who has a master of social work and a degree in planning, who ran my constituency office and was a transformational community organizer who not just hounded out individuals, but the kind of organizing work that she's done in St. James Town and Regent Park to help get people there organized to change their lives is something that now—you know what constituency assistants get paid, so you can imagine how appreciative I am of someone who has two university degrees from the University of Toronto.

We're living in a dynamic world where people do not always get degrees in the middle of a field. Now, if you're in dentistry, I'm going to take a guess that you want to be a dentist. Unless you want to be a drug dealer, I'm going to guess that if you're a pharmacist, you probably want to be a pharmacist. I agree with you that there are some professions that are more A to B. But we're living in a society now where critical thinking skills that people are comfortable with is really kind of interesting.

I would invite all of you—and I mean this really sincerely; this isn't a partisan shot or anything. I've often thought it would be really kind of fun to organize a tour for us, to get a whole bunch of MPPs and go down and see what Joe Kim is doing at McMaster. Here's a guy who's taking dollars and saying, "Can I get more outputs from the dollars that my department gets and get greater outcomes?" The psychology department at McMaster got into this approach of, "What is surface learning versus deep learning?"—do you know what I mean?

I think we all took courses at some point in our educational life where we got really good at figuring out what was going to be on the exam and what you had to study to get the multiple choice questions right, or what you could focus on to write that paper. There are a lot of good people—Ian Clark, Joe Kim, many across the sector—who are saying, "We have to get into deep learning." The value of a university or college education is not just: Do people get content? Do they really understand the content and do they have deep critical thinking skills?

Joe Kim now uses online learning, mentoring, problem-based learning and classroom learning for classes of 400 students. If you go out and talk to those students, it's completely different than any other classroom experience. The per-dollar cost of delivering that program is a fraction of what the sage-on-the-stage model is. The quality outcomes are so excellent that Stanford University has hired him and the psychology department at McMaster University to redesign their undergraduate education. This is an Ontario leader.

There's an adjunct professor at the University of Toronto who's a lead researcher for Microsoft. He has now pioneered something that he's working with MIT and the University of Texas, Austin, because you know that MIT, outside of Canada, is one of the best universities in engineering and information technology. The University of Texas, Austin, is famous for its design school and fine arts school. Students want to take the best. He said that where education is moving in the United States in elite universities is that they don't have their own students. Students are students of a system. This is one of the profound challenges that many of our faculty and our students are putting to university and college leadership: "We're getting an education and we need to get a mix that's relevant for our own personal development, our literacy, our ability to participate as informed and literate people in a civil society."

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I go out to Western university and I'm sitting, meeting with students. What was the thing that came up? "Well, we go to Fanshawe and we go to Western." I said, "How

does that work?" They talked about which courses they take and why they like to take some courses at Fanshawe, which are more technical courses which help them with their employment, but they also need the theoretical courses at Western university that they can't get at Fanshawe. Students in London now, and I'm told this is a very rapidly increasing demand, don't find satisfaction at either institution individually, but they can put together a high-value education.

My friend Sheldon Levy at Ryerson just did something really interesting. He decided he wanted to find out the values of self-directed online education, so he went online and took a 200 genetics course from a consortium of British universities that have online education. I said to him, "Sheldon"—all of us know Sheldon Levy; he's no wallflower and is very clear about his opinions on things. We were sitting over a coffee, and he said, "Jeez, you know, it was one of the richest learning experiences. You had access online to multiple lectures, embedded videos. I had interactive chat rooms I could go into. I had access to hard data. But the one thing I missed is, I didn't have a classroom experience." I said, "Could you produce that kind of genetic lecturing and experience from those world leaders?" He said, "I don't think anyone in this field has that kind of expertise. This is a cluster of researchers and faculty in England that just simply is one of the best in the world." I said, "What's stopping you?" There are 100,000 students, I think he said, if I can remember correctly, that were on. He said the cost of that per student is very inexpensive. "Why don't you do what basically Joe Kim is doing, which brings that rich content in from a world expert and then you do the mentoring in the classroom, you do the report writing, you do the experiential learning? You go down to the centre for structural genomics, where we have Dr. Aled Edwards and some of these folks and you add on to that online content that we couldn't afford—and why would we recreate it?—the highest-value components that you described."

When you look at Harvard edX, when you look at what Stanford is now doing, when you look at Western Governors University—my friend Kevin Flynn over there, the MPP for Oakville, just did his MBA at Athabasca in Alberta, which is really quite an accomplishment. But he's doing what most professionals are doing: You have to do a full-time job and you have to upskill yourself. That's tough and we all know that. We're particularly sensitive about that when we hold an elected office, how quick it is, when we've been away from the things we all did before we came here, to get out of touch. We have to find ways to serve our public and maintain our employability for the possibility of less-than-desirable election outcomes sometimes, so we might be more sensitive to parts of the population.

Interjection.

Hon. Glen R. Murray: No, but that's true, because it's a shifting economy. We have to reskill and reinvent ourselves. Sending 55-year-old steelworkers from Hamil-

ton back to a traditional classroom sometimes isn't the best way.

What we're trying to do—and I think this is a very positive kind of experience. How do we create post-secondary education—and when I say “we” I don't just mean us as politicians. I think this is a very passionate conversation going on with academics, university leaders, students and faculty. How do we create these different pathways to education? Because maybe for MPP Flynn, the online course really works very well. Maybe for someone who wants to do musical dance, musical theatre, it's pretty hard to do that kind of thing online, so how do we design programs that are more centred around student learning and student services? This is the biggest challenge to post-secondary education since we built the colleges, and we built the colleges because we had rampant industrial and service expansion of our economy in the 1960s and 1970s and our universities weren't well enough positioned to do that kind of skills-based education. So we invented colleges. I think at the time it was absolutely viewed as a horrible mistake. The headline in the Toronto Star of the day—when the first college, Centennial, opened its doors, it was called “Dropout U.” You look at Centennial today and it's got a partnership with Bombardier. It and the University of Toronto are now turning out aerospace engineers and high-skilled jobs which are the envy of most colleges and post-secondary institutions.

Where we're going forward—and I always think that we're living in a world right now where I don't care what your income is, your race is, what your partisan affiliation is. We're living in a world where people expect us to be Ontarians first and citizens of this planet first. The issues that we're dealing with, whether they're environmental, are existential right now. If we don't start fixing some of the changes going on in our natural environment, if we can't get the skill sets to young people that are relevant in time, we're going to leave our kids with some very ugly choices that we can avoid right now.

I got into this and I think, when I've talked to each of you personally, we all got into this because we really do believe in public service. One of the things that I love about this ministry and my relationships with many of you in the Legislature is that this is really a public service calling that we can get.

The challenges, and this is where I have some disagreements with our friends who did that report you mentioned, CFS and—I will never pretend for a second there aren't really financial and economic barriers out there, but when you look at the broad spectrum of incomes of who is actually going to Ryerson and who is actually going to George Brown, they are pretty reflective of the diversity of low-income families and modest-income families.

What we're finding—and the University of Ottawa is doing some very good research in this area—is that the cultural barriers are more pernicious and difficult to overcome to get people into that. If families have a

library card, if their parents got magazines in the House, read books, those kids are much more likely to go to university and college, and if that wasn't the condition in the family, those kids are much less.

One of the things that I'm hoping that we do as we move forward on this review, as we consult—and I want to thank my deputy and our team. This is where I think we all need to work together. How do we start to remove those cultural barriers, because they're a lot more difficult than simply increasing a grant. Do you know what I mean? They're not things that are easily solved.

Who is really left out? One of the things that particularly concerns me, again, especially for our northern members, and I include the Chair in this, is we've got some real challenges with First Nations people. I have an aboriginal name—“Niiganiishgam”—and an eagle feather because I spent about 10 years of my life in civic politics, I think with some great success, trying to support some transformation amongst First Nations folks. Half the population is under 25, and their participation rate from coast to coast to coast in Canada isn't sufficient for them to fully participate in the fruits of our economy and our society.

So how do we start to address those kinds of issues in a really meaningful way, especially in northern and remote communities? I'm hoping, as we go through the estimates, that these are the kinds of things that we can look at. We have a lot of work to do there and we've got to find models going forward that address increasingly those kinds of concerns. For the students who get into university, they are getting jobs and they're getting jobs at a rate. The students who are getting into university are more reflective of a broad socio-economic class than in many, many generations.

The capacity in the system is greater than it has been in a very long time. We've added the equivalent of three University of Torontos to the university and college system in less than a decade, if you think about how hard it is to actually build an institution or that kind of capacity.

We also have a more diverse university and college system, which I'm very proud of. You know, the days when you would drop out in high school to go and work on the GM line are gone. Innovation now drives, even more than production, our economy. So you now go to UOIT and you study robotics, you study software development for the auto sector and you go from UOIT with a degree on to the new electronics transmission plant in St. Catharines. That's a very different kind of thing.

Part of our challenge, I think, is that those kids who are disaffected, those young folks who are disaffected, who come out, are lost. One of the things that we're looking at with our colleges—Rob MacIsaac, who is the president of Mohawk, and Patrick Deane at McMaster, have raised this issue. I think that with this review that we're doing, where we're focusing more on outcomes, not so much on just simple enrolment expansion, is now coming out with really collaborative partnerships be-

tween universities and colleges about how we meet that student to avoid them doing that victory lap in high school and actually get them connected to something, and the number, whether it's self-directed or experiential learning. If universities sort of start to think about erasing the walls a bit and becoming much more extroverted and connected with young people, more in their life-planning—not just in simply, “Do you want to be a dentist or do you want to be an accountant?” I think that's really important. And how do we create that?

Broad undergraduate education is really interesting right now, how it's changing. The Australians and Europeans have completely restructured their undergraduate education—completely. It doesn't even look the same anymore. There are 49 countries that have just signed an agreement that has redesigned undergraduate education and set international credentials and accreditation. Canadian universities have not yet fully engaged in that. One of the important questions coming to us is: How do we engage with this new American system, with this new Singapore system, with a new Australian system when every European country has done that? Do we want to differentiate ourselves? In what ways do we do that, and how do we do that in a meaningful kind of way?

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It is also, I think, part of our agenda that we're going to have to spend smarter in government. The productivity challenge that my friends from Cambridge and Trinity-Spadina both pointed out is a very real one. Our productivity gap with the United States, in every single province now, is about 25%. If we closed that gap, it would be about \$6,000 in folks' pockets. The investments in education and technology and research, which this government is driving as a huge priority, are to meet that.

It's hard to quantify that to people, to understand that this is one of the most important measures in actually giving Ontario families more discretionary income in a very, very real way, because it's not writing a cheque and it's not doing that kind of thing. But we know that's a very, very real challenge. Don Drummond and Roger Martin have been beating that drum. We've read more—I mean, Toronto Life had a wonderful exposé on that.

I say that the priority to keep investing in education, to keep getting those skill sets up in young people, is as important an economic issue as it is an education or social issue, and that is really, really critical.

The last point—well, it's probably not the last point, but another point I want to make—is around graduate education as well. We have extraordinary success in graduate education. It is growing now after being, relative to other jurisdictions, somewhat depressed, and in the last seven or eight years, we've seen some real expansion in it.

One of the things that we're looking at is the length of time that it takes to complete a Ph.D. or a master's degree right now. I think one of the things that I'm hoping we'll have some support on is, as we open up the data and start to look at that, can we start to get a better performance for students in the amount of time it takes to complete a

degree, and that we're meeting a reasonable test, a comparative test, about what the turnaround times are in those areas.

The platforms for technology are quite extraordinary. If you look at Algonquin College right now, it is one of the global leaders in online education and self-directed education. It has taken most of its students and programs there. Contact North has been advancing the student portal, which I think most of us know is particularly important in northern and remote communities. But as my friend from Trinity-Spadina pointed out, how do you actually provide the capacity in smaller communities, going forward, to meet the needs? You can't simply—a phone line and a laptop, while really important in providing really high-quality education—we need to look at the kinds of things that we've done in Kenora, which is where we have a good centre, where people can go in physically. They can come in to a community which is in a more remote part of Ontario. They can get those services. We're really looking at: How do we deliver that? How do some of the dividends of that more productive online education system appear? Because there is a physical presence to that as well.

The other challenge I think that we have is, how do we start to build out things like the digital media zone, where you now have American companies—and we were talking a little bit earlier about the importance of private sector partners. You mentioned, I think, CAUT. Part of the challenge that we have is, some universities have been very good at attracting private capital and investments without any problem. I don't think anyone has a problem with the Rotman School, the Schulich School or the Munk Centre. I think what Janice Gross Stein has done at U of T is exceptional. I don't think anyone is saying that. But getting very, very clear rules—Professor Homer-Dixon at Waterloo wrote a very good paper, which I hope we're all paying attention to, on what the conditions are that universities should lay down for private sector investment.

I'm spending a lot of time right now with the college of Ontario universities and with others, saying, “You folks have to step up to the plate.” If we want private sector dollars—I don't think those things are driving that. I think that we have to make sure that we have conditions in our colleges and universities where we have a good, reasonable, ethical standard, and I think there are good practices for that.

There are a lot of things which the private sector benefits from. You look at the partnerships in Communitech, Waterloo and Wilfrid Laurier University. I think for faculty members at Laurier and at Waterloo who are involved in Communitech—because you go in there and there are Waterloo students and Laurier students wall to wall. Communitech now produces one new start-up company every single day, I'm told by Iain Klugman. That's just exceptional. I don't think there's an incubator in the world right now that I'm aware of—there may be a few—in a community of that scale and size that has that kind of take-up. MaRS is doing very, very well.

Also, the whole area of social innovation: You look at things like common ground. Our social work schools aren't about creating dependency anymore; they're working on social entrepreneur platforms. So you've got MaRS, 401 Spadina.

We now have programs where we have folks out there who, with developmental disabilities, were never employable or trainable and are now in programs where they're actually running their own bakeries, running their own coffee shops. This idea that there are people who cannot learn in our system is really understated.

My friend Anne Abbott—if you ever want to see an extraordinary experience—whose interest is art, has the use of one single finger—one finger. If you go to the north end of St. Lawrence Market on a Saturday—if you ever get a card from me, you'll see it's her card. Here's someone who has the use of one finger whose fine arts abilities are enough for her to start her own business, and she operates that. We might not think—while we want everybody to go off and get something that sounds incredibly employable, this woman's passion for art has overcome a disability where she runs a very successful business making cards.

As you look at employment and training, what we're trying to do is really look at every individual as having potential and not seeing what is limited. We have a lot of the folks who have been chronically unemployed—people like Anne, people with developmental disabilities—of whom we have just simply said, “Well, those folks can be on ODSP.” I think that one of the things that is changing dramatically today, and I'm very proud that this ministry is doing, is that we are looking at the ability of everybody, not the disability of anybody to do that. That is very demanding in a post-secondary system. It is very demanding for colleges and for universities to create the kinds of facilities and the kinds of places where those students can get into it, because a barrier-free, universally designed college and university system is almost what you need right now if you actually want to place value on everyone's life and see everyone as employable.

If you look at the range of people who are going in, our student debt levels that you raised earlier—thanks; that's what I was trying to find. Student debt levels in 1999 were just over \$21,000; today, they're just over \$21,000. They've been pretty consistent. For two-year students, they were \$12,000 in 1999; they're \$12,000 today. For one-year students, they've been hovering around the \$8,000, \$9,000 mark. While we've made those investments in education—we've doubled student aid now, and it was halved by a previous government—we are not seeing rising student debt levels, which I think some people have imagined.

Part of the challenge we have going forward is, how do we look at affordability in higher education? If you go to Osgoode, you're going to pay \$23,000 in tuition, as you would in any excellent law school. Unless you're a really bad lawyer, you're probably going to be making about six figures when you get out there, so your capacity

to pay back a student loan is much greater than, let's say, someone who's going to a dental hygiene school, who's not paying much less than that but isn't going to be making a six-figure salary. But you've got a \$400,000 unit that you have to buy for every dental hygiene student. It's one of the most expensive programs—early childhood education. One of the things that we have to look at going forward is affordability, not just on what it costs to get in, but affordability, coming out the other end, on how people can pay for it. Elite MBA programs right now at Schulich or Ivey or Queen's are very important programs. There's a huge business investment that's often made by large banks and large companies into people getting those kinds of degrees.

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A lot of these things are not as simple as they used to be when you lived in an economy where—many of us in this room, I'm guessing, went to university or college—a small minority of people went to university or college. One of the things that we're dealing with in the discussion paper is that—and I'm sure you've read about this. Mamdouh Shoukri, at York, tells me all the time, “We're as research-intensive a university as Queen's, but we also have to educate about 40,000 general students every year generally for an economy.” We're really in one of the first decades where we're in an economy of mass education, where we've built our colleges to be skills-based and technical-based colleges to provide very market-savvy, market-labour kinds of technical skills employment for real jobs. They're very hard-wired, and I think our colleges have done a very good job. They're even going forward to actually bringing the classroom now to the plant floor or the workplace. Literally, they're teaching on-site right now and using the workplace as the laboratory, as the skill-sets builder.

Our universities have become institutions of mass education, and that creates some real questions for them, because if you are an elite, research-intensive university without that mass education, it's a lot easier. You focus entirely on graduate work and research, and you produce a lot of Ph.D.s and a lot of master's. If part of your mission is to take your research-intensive staff and repurpose them for mass education, it's much more challenging.

When I go back to the kinds of things that McMaster is doing, or what Queen's is doing right now with its commerce students, they are redesigning their undergraduate education so they can deploy their research-intensive, high-profile faculty—that people want to have an association with—into classes of 300, 400 students and giving them a more intimate kind of learning experience.

How do we now think about funding? How do we now think about our strategy going forward to provide a very broad platform for innovation in higher education? We don't have any quick answers for that, but I think we have to appreciate how different it is. You don't have to leave home to go to university anymore. My son, your son or daughter, can now go to their bedroom, open up

their laptop and take a course on Harvard edX for free— for free. What’s happening in universities and colleges in the United States now is, they’re taking that course content and they’re giving the degree. “Don’t pay Harvard. Just take Harvard’s content, and we’ll build it into the commerce degree at Milwaukee state university or Wayne State University of Detroit, and we’ll charge you \$10,000 a year at Wayne State and we’ll start using content.” How do we in Ontario want to start dealing with content produced in other places, especially if it’s produced at some of the most elite American and British universities, and students are doing it?

Students are using this also, because if they’re taking a law program at Osgoode or at U of T law school, you can bet your bottom dollar that, for free—they’re figuring out what the equivalent course is at Harvard and getting some of the best—

The Acting Chair (Mr. John Vanthof): Minister, you have one minute remaining.

Hon. Glen R. Murray: I’m sorry. They have some of the best faculty at Harvard and at Yale that they can take the same kind of course from. Do you know what I mean?

I’ll finish this: The minister in BC, at the last CMEC meeting, raised this issue of: How do we start to protect open-source education from being charged for, and protect access to it, and how do we look at content knowledge?

I think these are very exciting times to be into that, because not since Bill Davis and Bette Stephenson introduced colleges in the 1960s and 1970s because of a dynamically different economy have we seen such a change in our society, where technology is opening so any different doors to so many different pathways for us to create better learning opportunities for our children.

I will look forward in the coming days to discussing more of that with you. Thank you for your patience and for your collegiality today. You were gentle with me, and I want to thank you for that.

The Acting Chair (Mr. John Vanthof): Thank you, Minister. We have five minutes remaining. Would you like to start or would you like—

Interjections.

Mr. Rob Leone: Five minutes is five minutes.

Mr. Rosario Marchese: Rob wants his five minutes.

The Acting Chair (Mr. John Vanthof): Go ahead.

Mr. Rob Leone: There’s a reason for that, Rosie, and that’s the reality that we’re losing time on estimates to get through all our ministries, so I’ll take five minutes where I can get it. I apologize if I’m keeping everyone here for an extra five minutes.

I just wanted to pick up on—

Mr. Michael Harris: They brought us back two weeks early.

Mr. Rob Leone: I guess, yes.

The comments about the McMaster example of Professor Kim I think are instructive. I went to McMaster. I started my undergraduate degree in 1998. My wife

started at McMaster as well. She actually did a psychology degree at McMaster.

I think the concept that Professor Kim is building upon was first developed by Professor Day at McMaster, where they had this ability to educate thousands of students in a very efficient way. I think he’s harnessing information technology in very important ways in the example that you cited.

The problem, I think, is that while we have a few Professor Kims out there, there are many, many other professors who don’t have the skills, don’t have the ability, don’t have the desire to engage in harnessing online techniques, Internet techniques, in terms of developing and delivering their courses.

The great question, I think, that we face is: How exactly do we meet that challenge? How do we meet that challenge where we have professors who are the sage on the stage, as you like to suggest, who have done that for 30 or 40 years, and we’re now putting them in an environment today where we’re saying, “You need to have some online component. You have to use your desire to learn suites of software to help deliver your course material”? How do we get to that stage where the Professor Kims aren’t the exception but the norm?

Hon. Glen R. Murray: I couldn’t agree with you more. That is the challenge.

One of the things that exists—someone will correct me if I’m wrong, I hope, but I think in almost every college and university we have teaching and learning centres where we actually teach and help faculty learn how to be better teachers. Part of it is doing what we’re doing right now, and we’ve shared this, through the strengthening that is really—part of the focus of that is, how do you take what are very prudent and thoughtful institutions, ones that don’t often promote change very easily, universities—having spent three years at U of T helping them build the Cities Centre, it’s very hard to manage change in some of these very large institutions. The culture of embracing risk for change is not easy.

Part of the way we’re doing that is, every institution in Ontario will have a mandate letter. As you probably know, they have to submit those by September 30. The real focus point of those mandate letters is, over the next five to 10 years, how are you going to innovate? How do you meet student need? How do you do that?

When we did the round tables across Ontario, Professor Kim and probably a dozen other faculty members who, I think you and I would agree, are really producing high-quality education outcomes, and doing that in a rather brilliant way—technology-enabled, self-directed, experiential. We put those folks up there on showcase and we challenged. We had rooms of 50, 60, 70, 80, 90—I think probably close to 100, in some cases—executives from the university and college sector, and really challenged them, to say, “Why aren’t you deploying this?”

One of the faculty members from London and Fanshawe had—I’ll never forget this. I’ll actually share it with the committee members. You might be interested in

this. He had a hierarchy of the five ways in which students learn and faculty teach. He pointed out that in North America—not Ontario; North America—if you look at, and these are not my words, what in the business they call the sage-on-a-stage kind of model, that works for about 5% of students. They get a deep learning experience from that. Most of them just get surface learning from that.

He went through all of the ways and said, “Here are the four other ways.” He ranked them all and he showed the kinds of students. He challenged all of his peers, as Ian Clark has, as Joe Kim has, that we’ve got to start teaching the way the students learn and move—it’s not nuanced or subtle—from a teaching-centred system to a student learning-centred system.

This reform that we’re undergoing right now is really, if you asked me, in a nutshell—if you said to me, “Glenn, or Minister, what do you see this accomplishing?”, it’s really to change the dynamics in all of the ways—with all the tools that we have to bring innovation as a more supportive activity.

I think what’s happening in Ontario right now is that some of the best education innovators in the world are here. These folks are being contracted.

Our college system has done very well and our university system is starting to do very well at using their own expertise. There almost seems to be a deference amongst us Canadians, that we don’t want to believe that sometimes we’re the best. If you have a British accent or you come from California, some folks would suggest that somehow you’re smarter than the innately brilliant Canadians.

But I would suggest that the way we’ll do that is through the mandate letters, through negotiating those strategies and asking each university and college to do it.

I don’t think we need a made-at-Queen’s-Park prescription for this. I think it has to be a permissive system. But I think those mandate letters will really ask those institutions to define it.

I’ve asked the higher education council of Ontario, which is our body that reviews these, to panel experts and to review and evaluate each of those submissions and advise me on which institutions and what kinds of partnerships will accelerate that.

I’ve said that I think this is an important transformation. That’s one of the processes. I’d be very interested in other suggestions or ideas that people may have on how we can advance that.

Mr. Rob Leone: Just very quickly, Minister, before we—

The Acting Chair (Mr. John Vanthof): Mr. Leone, if you could hold that thought—

Mr. Rob Leone: Can I have 30 seconds?

The Acting Chair (Mr. John Vanthof): Thirty seconds. I’ll go for 30 seconds.

Mr. Rob Leone: Just to conclude on this point, one of the things I did earlier in the spring—Laurier and Waterloo had me over for a quality education thing they wanted to show. There was this really cool presentation by one of the professors who taught a course that walking is pedagogy. He taught a geography course. It was the most fascinating presentation I’d ever seen. There wasn’t one other professor in there to listen to it. So that’s the challenge I think that’s being faced by the whole system.

Hon. Glen R. Murray: You and I are on the same team on that one, I hope.

The Acting Chair (Mr. John Vanthof): Thank you for that point. It being slightly past 6 o’clock, we are now adjourned.

The committee adjourned at 1802.

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