



COLLEGE **RESOURCES** 16

ENVIRONMENTAL SCAN 2016



COLLEGES ONTARIO | COLLÈGES ONTARIO

COLLEGE RESOURCES 16

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COLLEGE RESOURCES 16

1. HIGHLIGHTS

REVENUES AND EXPENSES

- In 2014-15, college system revenue totaled more than \$3.9 billion. Grant revenue from all sources accounted for less than half of college system revenue.
- College system expense amounted to more than \$3.8 billion in 2014-15. Like other organizations in both the public and private sectors, salaries and benefits are by far the largest expense item for colleges.

TRENDS IN COLLEGE FUNDING

- In 2015-16, real operating funding per student (FTE) was 6.8 per cent higher than in 2001-02 – but 16.3 per cent lower than during the peak in 2007-08.
- Per student revenue from operating grants and tuition fees for Ontario colleges continues to be the lowest among the provinces. Funding per student for Ontario colleges continues to be significantly lower than that for secondary schools and universities.
- Space per student is much lower for Ontario colleges (90 square feet per student) in comparison to universities and secondary schools.
- In current dollars, the apprenticeship per diem has increased slightly since 2001-02. However, after inflation is taken into account, the per diem has decreased by 21 per cent. The student in-school fee, which was implemented in 2002-03, has not been increased since its introduction.
- The Ontario government announced last year that it will further support the apprenticeship system by providing additional funding for pre-apprenticeship programs and increasing the per diem.

HUMAN RESOURCES

- Colleges employ close to 46,000 people. Between 2001-02 and 2015-16, the number of full-time staff employed at colleges increased by 30.6 per cent, while full-time equivalent enrolment increased by 33.2 per cent.

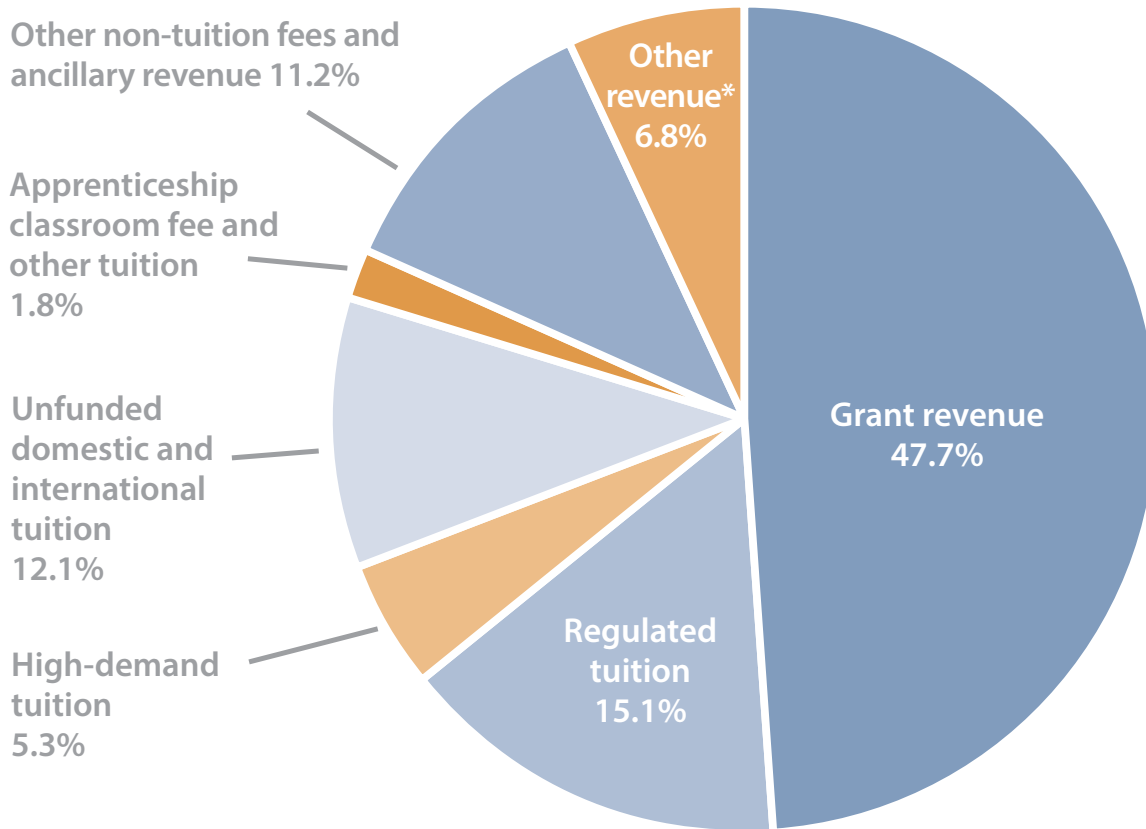
STUDENT FINANCIAL AID

- In 2014-15, almost 129,000 college students were OSAP recipients. This represents 68 per cent of the total full-time post-secondary enrolment.
- The default rate for student loans for all post-secondary institutions in 2014 was nine per cent. For the public college system, it was 12.1 per cent. For the private colleges, it was 18.5 per cent.

2. COLLEGE SYSTEM REVENUES AND EXPENSES

Figure 1. Ontario college system revenues, 2014-15

Total revenue = \$3,929,509,992



Source: Ontario Ministry of Advanced Education and Skills Development, CFIS.

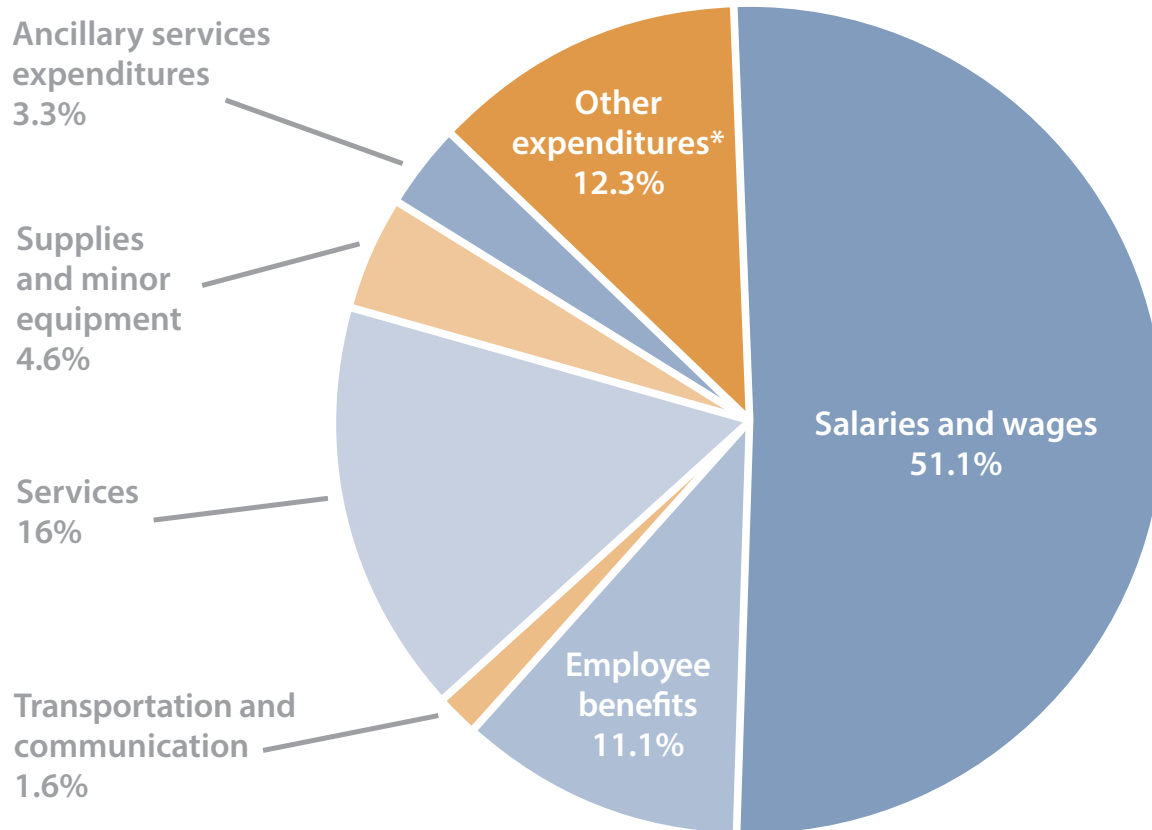
*Includes contractual and other fee for services.

- In 2014-15, grant revenue from all sources accounted for less than half of college system revenue.
- Tuition fees are a significant source of revenue for colleges. In 2014-15, regulated and high-demand tuition fees accounted for just over 20 per cent of system revenue.

2. COLLEGE SYSTEM REVENUES AND EXPENSES – CONTD.

Figure 2. Ontario college system expenses, 2014-15

Total expense = \$3,849,390,643



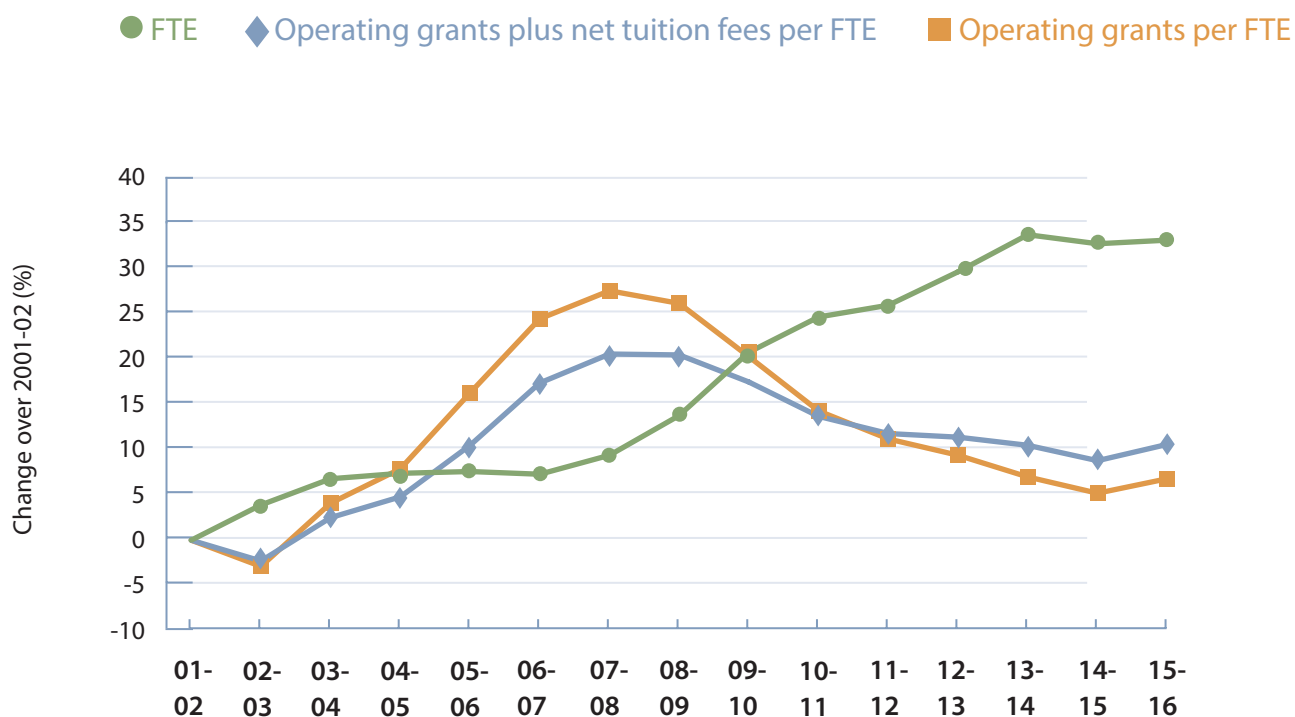
Source: Ontario Ministry of Advanced Education and Skills Development, CFIS.

*Includes amortization expense.

- College system expenses include items such as amortization expense, contract services, scholarships and student assistance from the tuition set-aside.
- Like other organizations in both the public and private sectors, compensation costs – salaries and benefits – are the largest expense item for colleges.

3. TRENDS IN COLLEGE FUNDING

Figure 3. Enrolment and revenue changes, 2001-02 to 2015-16 (Indexed to 2001-02)



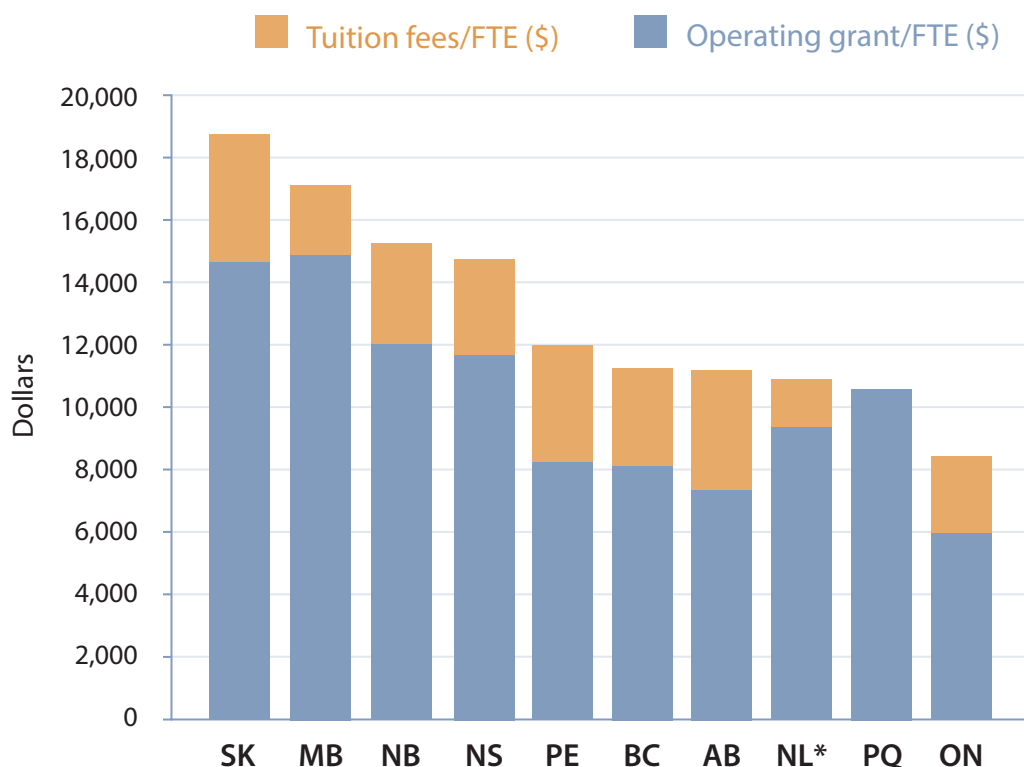
Note: Revenue figures are in constant 2002 dollars. Figures exclude tuition set-aside, collaborative and second-entry nursing and clinical education funding for collaborative nursing. Regulated tuition fees.

Sources: Ontario Ministry of Advanced Education and Skills Development and Ministry of Finance; Statistics Canada; Colleges Ontario.

- In 2015-16, real operating grants per student are 6.8 per cent higher than in 2001-02 – but 16.3 per cent lower than they were at their peak in 2007-08.
- When tuition fees and operating grants are considered together, in 2015-16, real per student revenue is estimated to be 10.6 per cent higher than in 2001-02. However, compared to the 2007-08 peak, it is 8.4 per cent lower.

3. TRENDS IN COLLEGE FUNDING – CONTD.

Figure 4. Estimated grant and tuition fee revenue per college student, all provinces, 2014-15



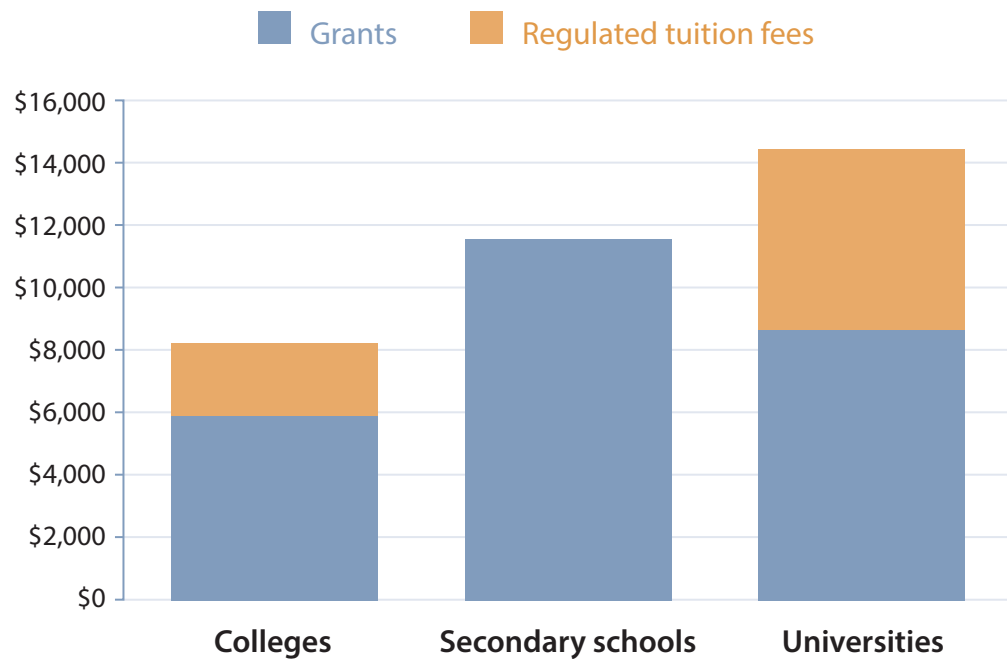
Notes: Ontario figures exclude the tuition set-aside and collaborative and second-entry nursing and clinical education funding for collaborative nursing. Operating grants and enrolments are for provincially funded activity and exclude apprenticeship. Enrolment and funding data for Quebec are for full-time students. *Data for Newfoundland are for 2013-14.

Sources: Colleges Ontario; Ontario Ministry of Advanced Education and Skills Development; relevant provincial ministries.

- When college operating grants and tuition fees are considered together, in 2014-15 per student revenue in Ontario (\$8,362) was significantly lower than that in any other provinces.
- Per student revenue in Saskatchewan was the highest among the provinces and more than double that in Ontario.

3. TRENDS IN COLLEGE FUNDING – CONTD.

Figure 5. Operating funding and regulated tuition fees per student, Ontario education sectors, 2015-16



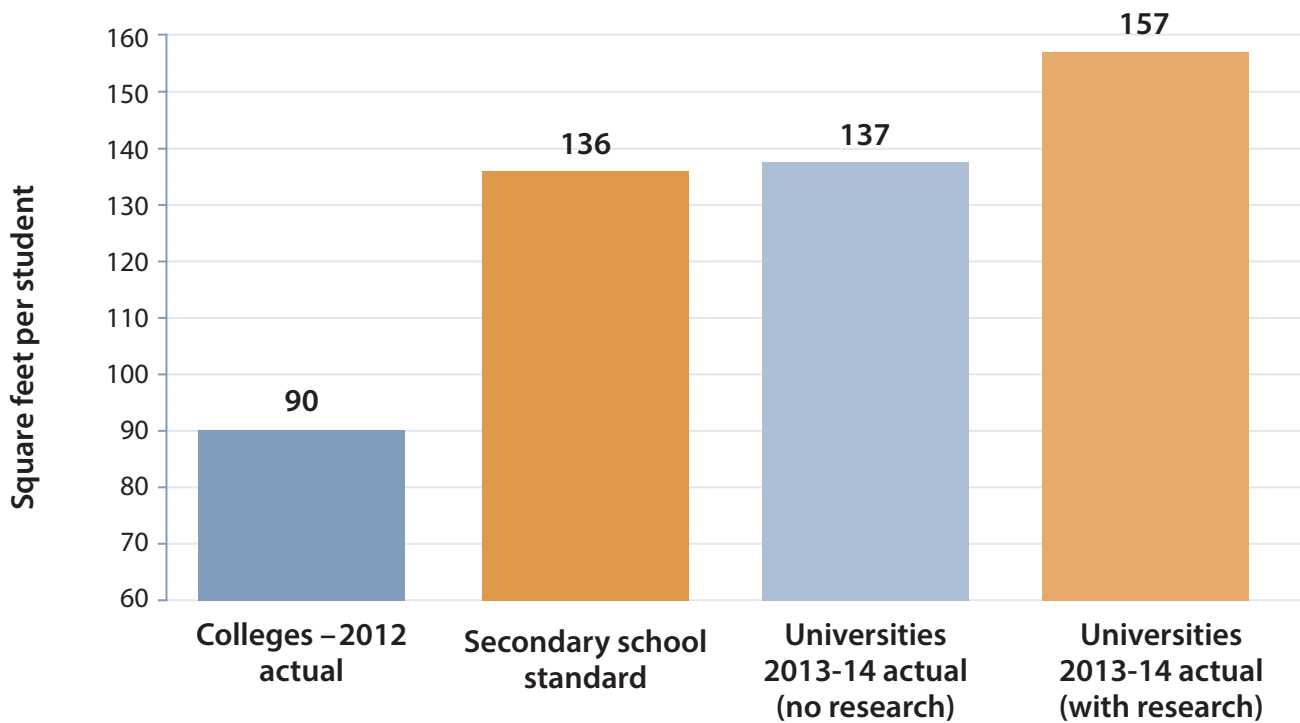
Note: Figures for colleges exclude the tuition set-aside and collaborative and second-entry nursing and clinical education funding for collaborative nursing. Tuition fees for colleges are estimates.

Sources: Ministry of Advanced Education and Skills Development; Ontario Public School Boards Association; Colleges Ontario.

- On a per student basis, funding for Ontario colleges continues to lag that received by publicly funded secondary schools and universities.

3. TRENDS IN COLLEGE FUNDING – CONTD.

Figure 6. Square feet per student, Ontario education sectors



Sources: Educational Consulting Services Corp.; Colleges Ontario Facilities Standards and Inventory Report (COFSI) 2013; Inventory of Physical Facilities of Ontario Universities, 2013-14.

- Capital funding for colleges has resulted in much lower levels of space per student than in the other two education sectors.
- The shortfall in space is particularly acute in the student success and learner support spaces that contribute to student success and retention.

3. TRENDS IN COLLEGE FUNDING – CONTD.

Table 1. Summary of apprenticeship per diem history, 2001-02 to 2015-16

	Per diem fee	Student fee	Total apprenticeship budget per student	Ontario CPI (constant 2002 dollars)	Per diem in constant 2002 dollars	Total per student apprenticeship budget in constant 2002 dollars
2001-02	\$59.81	n/a	\$59.81	98.0	\$61.03	\$61.03
2002-03	\$51.01	\$10	\$61.01	100.0	\$51.01	\$61.01
2003-04	\$52.23	\$10	\$62.23	102.7	\$50.86	\$60.59
2004-05	\$53.47	\$10	\$63.47	104.6	\$51.12	\$60.68
2005-06	\$54.74	\$10	\$64.74	106.9	\$51.21	\$60.56
2006-07	\$56.03	\$10	\$66.03	108.8	\$51.50	\$60.69
2007-08	\$56.03	\$10	\$66.03	110.8	\$50.57	\$59.59
2008-09	\$57.35	\$10	\$67.35	113.3	\$50.62	\$59.44
2009-10	\$57.35	\$10	\$67.35	113.7	\$50.44	\$59.23
2010-11	\$57.35	\$10	\$67.35	116.5	\$49.23	\$57.81
2011-12	\$57.35	\$10	\$67.35	120.1	\$47.75	\$56.08
2012-13	\$57.35	\$10	\$67.35	121.8	\$47.09	\$55.30
2013-14	\$57.35	\$10	\$67.35	123.0	\$46.63	\$54.76
2014-15	\$57.35	\$10	\$67.35	125.9	\$45.55	\$53.49
2015-16	\$61.36	\$10	\$71.36	\$127.4	\$48.16	\$56.01
Change 2001-02 to 2015-16	2.6%		19.3	30.0%	-21.1%	-8.2

Note: Per diem and classroom fee are based on the standard six-hour training day.

Sources: Ontario Ministry of Advanced Education and Skills Development and Ministry of Finance; Statistics Canada; Colleges Ontario.

- In 2015-16, the government announced an additional \$19 million for the in-class portion of apprenticeship training over the next three years. The per diem amount provided to colleges per apprentice was increased for 2015-16 and will rise to \$63.09 in 2016-17 and beyond.
- The government also announced a \$23-million increase over two years to the Apprenticeship Enhancement Fund and a \$13-million increase over two years to attract more people considering careers in the trades to pre-apprenticeship programs.

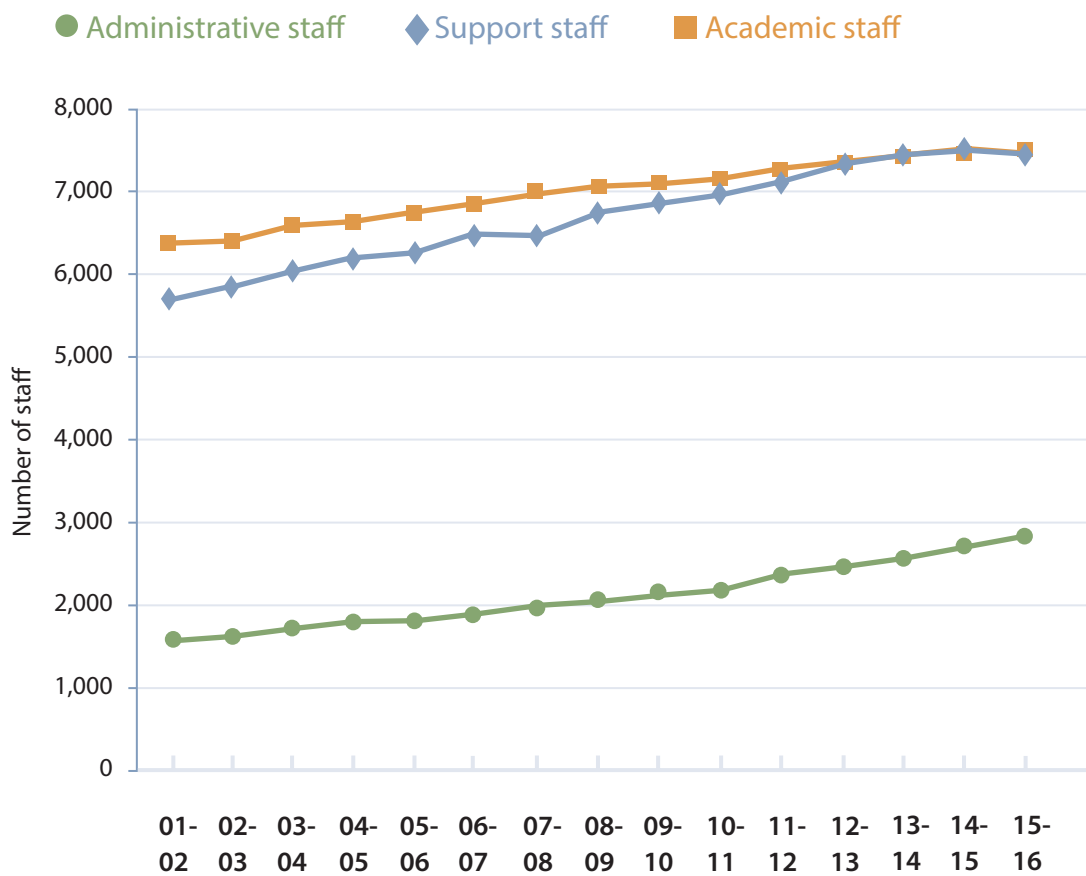
4. HUMAN RESOURCES TRENDS

Table 2. College staffing levels (head count), 2015-16

	Full-time	Part-time	Total
Academic staff	7,494	15,400	22,894
Support staff	7,462	12,629	20,091
Administrative staff	2,825	N/A	2,825
Total	17,781	28,029	45,810

Source: College Employer Council.

Figure 7. Number of full-time college staff by category, 2001-02 to 2015-16



Sources: College Employer Council; Colleges Ontario.

- The total number of full-time staff at colleges increased by 30.6 per cent between 2001-02 and 2015-16 while full-time equivalent enrolment increased by 33.2 per cent.

5. STUDENT FINANCIAL AID

Table 3. Levels of student assistance and number of recipients, college sector

Year	Canada-Ontario Integrated Student Loans (\$)	Total Canada and Ontario Grants excluding OSOG ^{1,2} (\$)	No. of college OSAP recipients	Total full-time post-secondary enrolment ^{**}	% of total
2005-06	430,131,400	57,362,068	59,605	151,105	39%
2006-07	457,360,843	64,542,486	63,390	151,147	42%
2007-08	486,729,589	65,951,458	66,994	155,124	43%
2008-09	515,398,451	72,819,012	71,737	161,422	44%
2009-10	545,333,004	152,203,148	81,328	172,070	47%
2010-11	623,246,349	164,232,978	88,712	178,139	50%
2011-12*	689,338,751	195,598,764	111,529	179,740	62%
2012-13	782,584,506	224,477,517	124,551	185,445	67%
2013-14	857,042,853	240,984,355	130,962	192,466	68%
2014-15	832,532,779	243,396,255	128,991	190,758	68%

Notes: * Starting in 2011-12, the number of OSAP recipients includes students who received the 30% Off Ontario Tuition grant.

** Full-time post-secondary head count (excludes other, sponsored and international students).

¹The Ontario Student Opportunity Grant reduces repayable debt on Canada-Ontario Integrated Student Loans to \$7,000 per two-term academic year up until 2009-10, and \$7,300 from 2010-11 onward.

²The composition of Canada and Ontario grants has evolved over the past decade.

Source: Ontario Ministry of Advanced Education and Skills Development.

5. STUDENT FINANCIAL AID – CONTD.

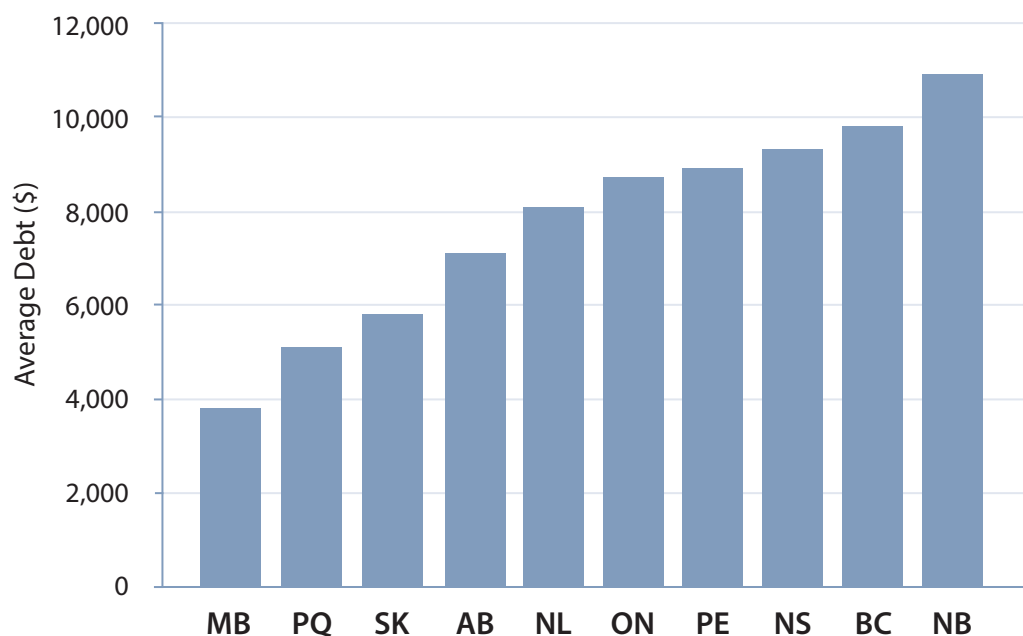
Table 4. Canada-Ontario Integrated Student Loan default rates for Ontario institutions

Type of institution	Default Rate for 2014 (%)
Colleges	12.1
Universities	4.0
Private career colleges	18.5
Other private and public institutions	3.7
Ontario total	9.0

Source: Ontario Ministry of Advanced Education and Skills Development.

- The default rates reflect the repayment status of borrowers who received the Canada-Ontario Integrated Student Loans in 2011-12 and did not receive funding through the OSAP program in 2012-13 and were in default of the loan repayment obligations as of July 2014.

Figure 8. Average government loan debt three years after graduation, 2009 college graduates (borrowers only)



Source: Higher Education Quality Council of Ontario, Canadian Post-secondary Performance: Impact 2015.

- The average remaining debt three years after graduation for Ontario college graduates who owed money on government student loans at the time of graduation was \$8,700.

6. APPENDIX

Appendix 1. Operating grants and regulated tuition fee revenues per FTE, 2000-01 to 2014-15

Academic year	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Total operating grants ¹ (\$millions)	\$746	\$768	\$869	\$922	\$1,019	\$1,105	\$1,177	\$1,238
FTE ²	169,923	176,482	181,414	182,413	182,873	182,255	185,939	193,420
Total operating grants per FTE	\$4,389	\$4,349	\$4,788	\$5,052	\$5,570	\$6,065	\$6,330	\$6,402
Ontario CPI (constant 2002 dollars) ³	98.0	100.0	102.7	104.6	106.9	108.8	110.8	113.3
Total operating grants per FTE – constant dollars	\$4,479	\$4,349	\$4,662	\$4,830	\$5,210	\$5,575	\$5,713	\$5,651
Regulated tuition fee revenue per FTE ⁴	\$1,752	\$1,786	\$1,820	\$1,820	\$1,820	\$1,911	\$2,008	\$2,110
Tuition fee revenue per FTE – constant dollars	\$1,788	\$1,786	\$1,772	\$1,740	\$1,703	\$1,756	\$1,812	\$1,862
Tuition set-aside per FTE ⁵	\$160	\$170	\$180	\$180	\$180	\$180	\$180	\$180
Net tuition fee revenue per FTE	\$1,592	\$1,616	\$1,640	\$1,640	\$1,640	\$1,731	\$1,828	\$1,930
Net tuition fee revenue per FTE – constant dollars	\$1,625	\$1,616	\$1,597	\$1,568	\$1,534	\$1,591	\$1,650	\$1,703
Total operating grants plus net tuition fees per FTE	\$5,981	\$5,965	\$6,428	\$6,692	\$7,210	\$7,796	\$8,158	\$8,332
Total operating grants plus net tuition fees per FTE – constant dollars	\$6,103	\$5,965	\$6,259	\$6,398	\$6,744	\$7,166	\$7,363	\$7,354

Academic year	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Per cent change 2001-02 to 2015-16
Total operating grants ¹ (\$millions)	\$1,257	\$1,263	\$1,281	\$1,315	\$1,340	\$1,338	\$1,379	84.9
FTE ²	205,203	211,817	214,135	220,369	227,340	225,658	226,335	33.2
Total operating grants per FTE	\$6,127	\$5,965	\$5,983	\$5,969	\$5,896	\$5,929	\$6,093	38.8
Ontario CPI (constant 2002 dollars) ³	113.7	116.5	120.1	121.8	123.0	125.9	127.4	30.0
Total operating grants per FTE – constant dollars	\$5,388	\$5,120	\$4,981	\$4,900	\$4,793	\$4,709	\$4,782	6.8
Regulated tuition fee revenue per FTE ⁴	\$2,208	\$2,311	\$2,414	\$2,524	\$2,618	\$2,658	\$2,738	56.3
Tuition fee revenue per FTE – constant dollars	\$1,942	\$1,984	\$2,010	\$2,072	\$2,128	\$2,111	\$2,149	20.2
Tuition set-aside per FTE ⁵	\$180	\$190	\$201	\$212	\$221	\$225	\$233	45.9
Net tuition fee revenue per FTE	\$2,028	\$2,121	\$2,213	\$2,312	\$2,397	\$2,433	\$2,505	57.3
Net tuition fee revenue per FTE – constant dollars	\$1,784	\$1,820	\$1,843	\$1,899	\$1,949	\$1,932	\$1,966	21.0
Total operating grants plus net tuition fees per FTE	\$8,155	\$8,085	\$8,196	\$8,281	\$8,293	\$8,362	\$8,597	43.7
Total operating grants plus net tuition fees per FTE – constant dollars	\$7,172	\$6,940	\$6,824	\$6,799	\$6,742	\$6,642	\$6,748	10.6

¹ Figures exclude CERF and collaborative and second-entry nursing and clinical education funding for collaborative nursing.

² Enrolment for 2015-16 is estimated to increase by 0.3 per cent.

³ Sources include Statistics Canada and Ministry of Finance.

⁴ Tuition fee figures for 2015-16 are estimates.

⁵ Tuition set-aside figures are estimates.

Appendix 2. Number of college student assistance recipients, by student type

Student group	2010-11	2011-12*	2012-13*	2013-14*	2014-15*
Dependent at home	21,728	30,994	37,944	40,914	41,587
Dependent away	22,429	31,265	32,250	32,605	31,378
Independent home	8,105	9,257	11,324	12,757	12,934
Independent away	21,415	23,610	25,561	26,579	25,387
Married	7,886	8,427	8,827	9,184	9,000
Sole support	7,141	7,976	8,645	8,923	8,705
Total	88,704	111,529	124,551	130,962	128,991

Notes: * 2011-12, 2012-2013, 2013-14 and 2014-15 numbers include students who received the 30% Off Ontario Tuition.

Source: Ontario Ministry of Advanced Education and Skills Development.

Appendix 3. Average student assistance issued to college students, by student type (\$)

Student group	2010-11	2011-12*	2012-13*	2013-14*	2014-15*
Dependent at home	4,853	4,015	4,222	4,495	4,522
Dependent away	7,593	6,098	6,538	7,112	7,328
Independent home	5,476	5,620	5,782	6,089	6,096
Independent away	10,256	10,394	10,644	10,874	10,899
Married	14,085	14,333	14,637	14,936	14,363
Sole support	19,135	19,009	19,576	19,986	19,890
Total	8,878	7,935	8,086	8,384	8,341

Notes: * 2011-12, 2012-2013, 2013-14 and 2014-15 numbers include students who received the 30% Off Ontario Tuition.

Source: Ontario Ministry of Advanced Education and Skills Development.

Appendix 4. Distribution of student assistance recipients by post-secondary sector and student group, 2014-15*

	Married/sole support		Independent		Dependent	
	Number	Per cent	Number	Per cent	Number	Per cent
Colleges of applied arts and technology	17,705	52.2%	38,321	38.9%	72,965	31.5%
Universities	8,380	24.7%	53,917	54.8%	156,283	67.4%
Private career colleges	7,484	22.1%	4,637	4.7%	1,907	0.8%
Other Ontario post-secondary institutions	330	1.0%	1,579	1.6%	747	0.3%

Notes: * Distribution of recipients attending Ontario institutions.

Source: Ontario Ministry of Advanced Education and Skills Development.