

Trends in Higher Education: Shifting the Policy Debate



Victoria, British Columbia
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Association of Universities
and Colleges of Canada

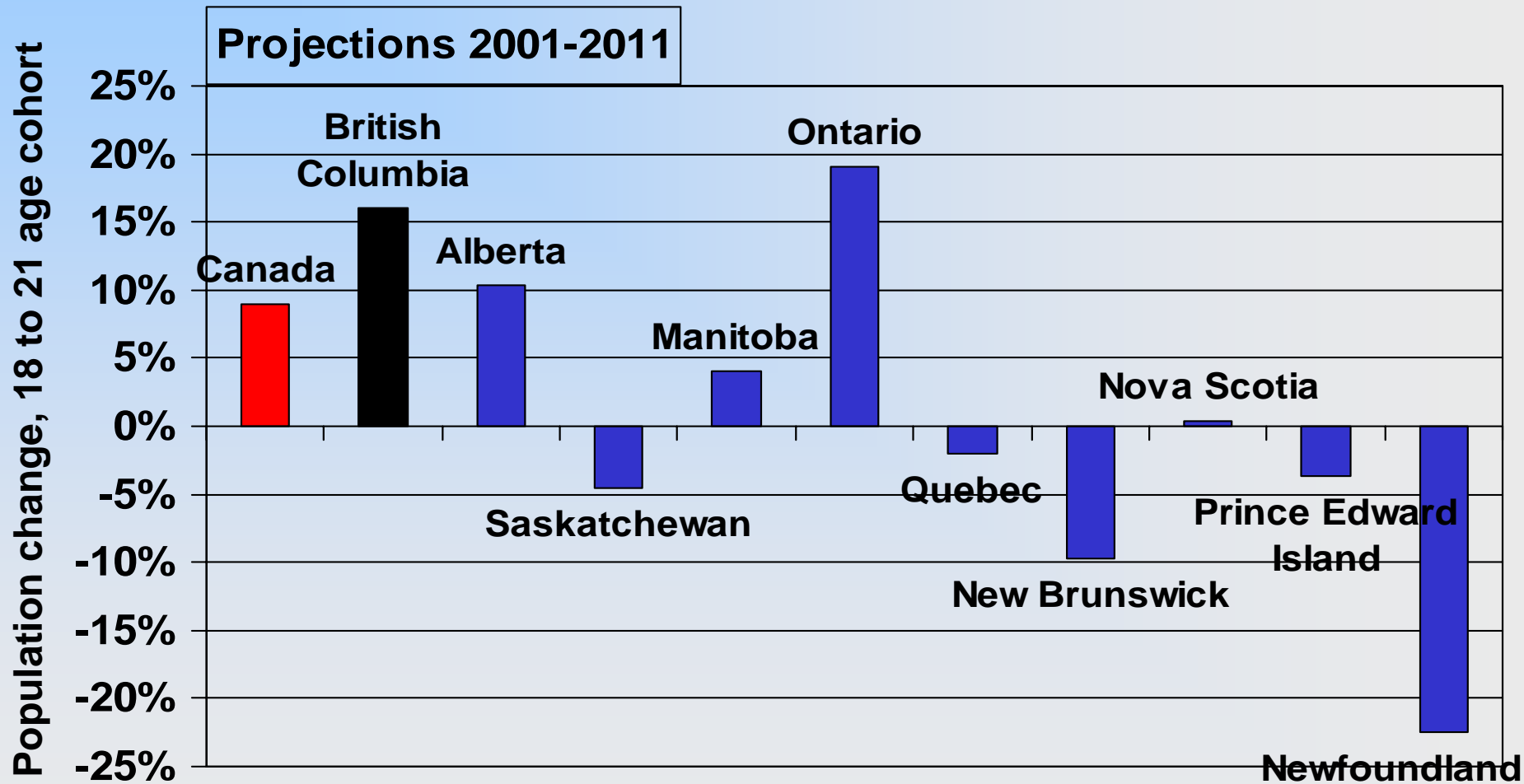


Association des universités
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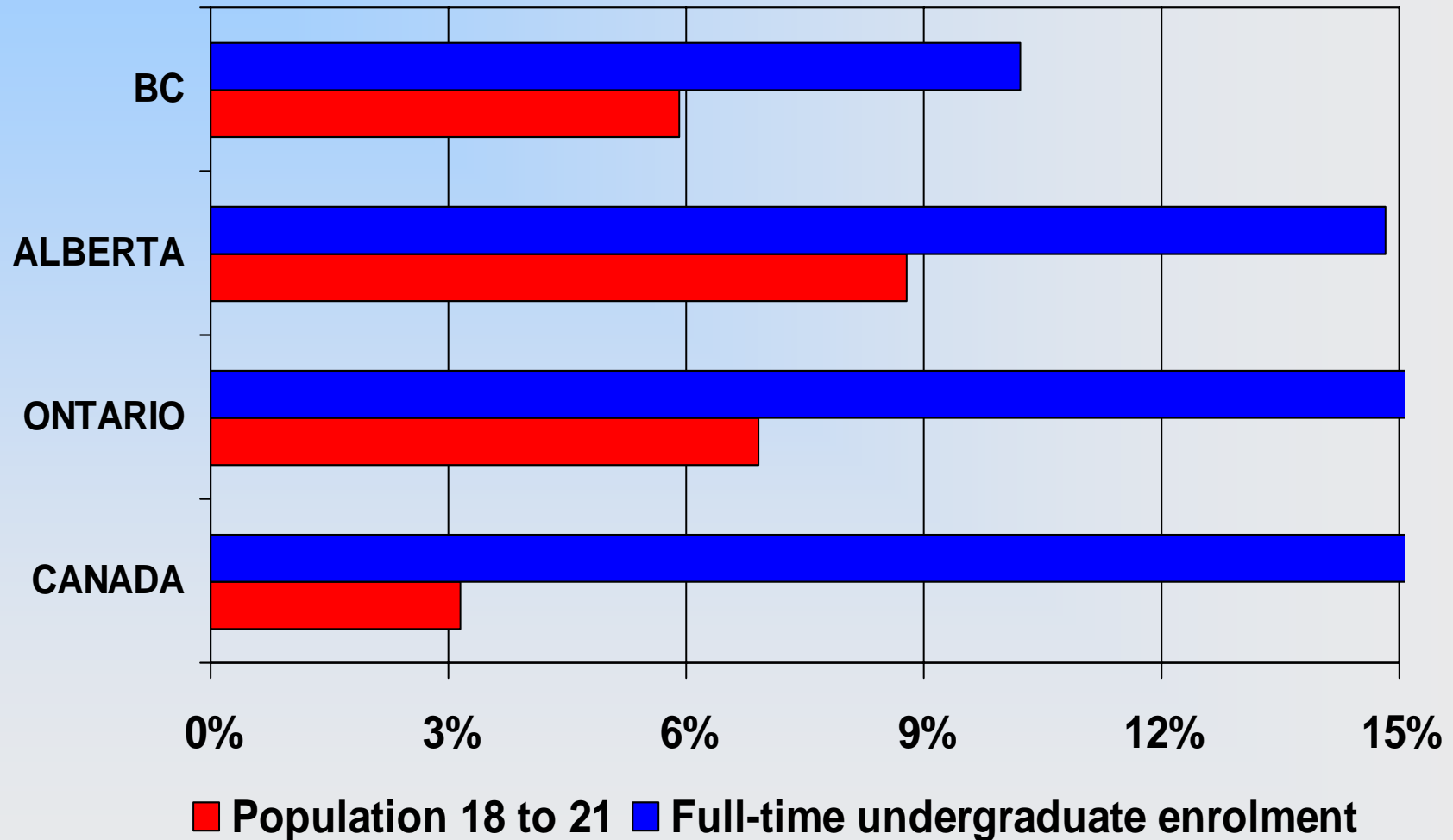
Drivers of change: Enrolment

- **Population push**
 - 8.5% more students aged 18-21 by 2011
- **Participation pull**
 - Growing parental and peer pressure
 - Positive cost-benefit assessment
 - Strong labour market demand
 - Response to knowledge-based economy
 - Significant individual and societal returns

Youth population growth will vary widely over the next decade

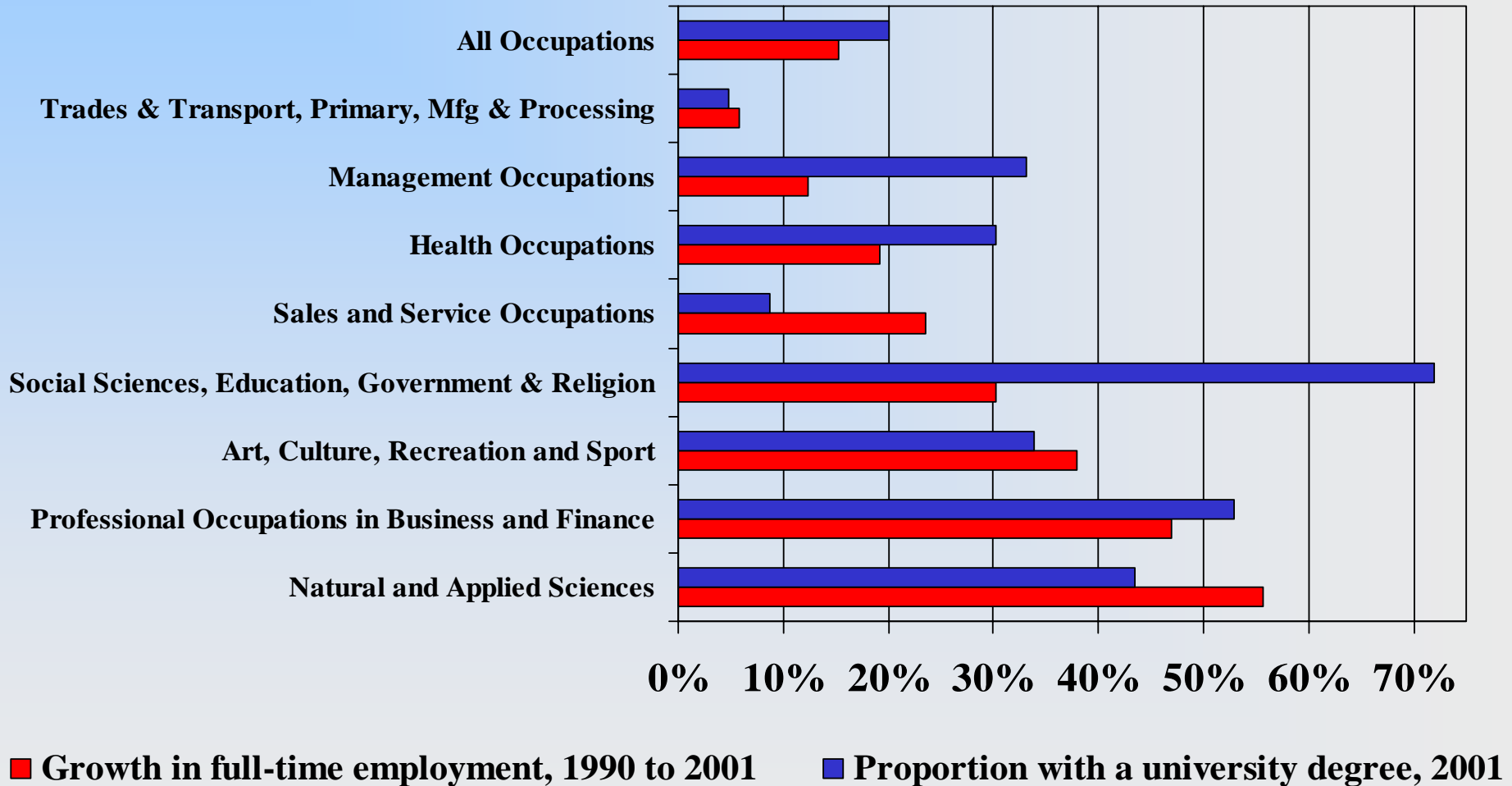


Enrolment has grown more rapidly than population since 1998



Years: 1998 to 2002

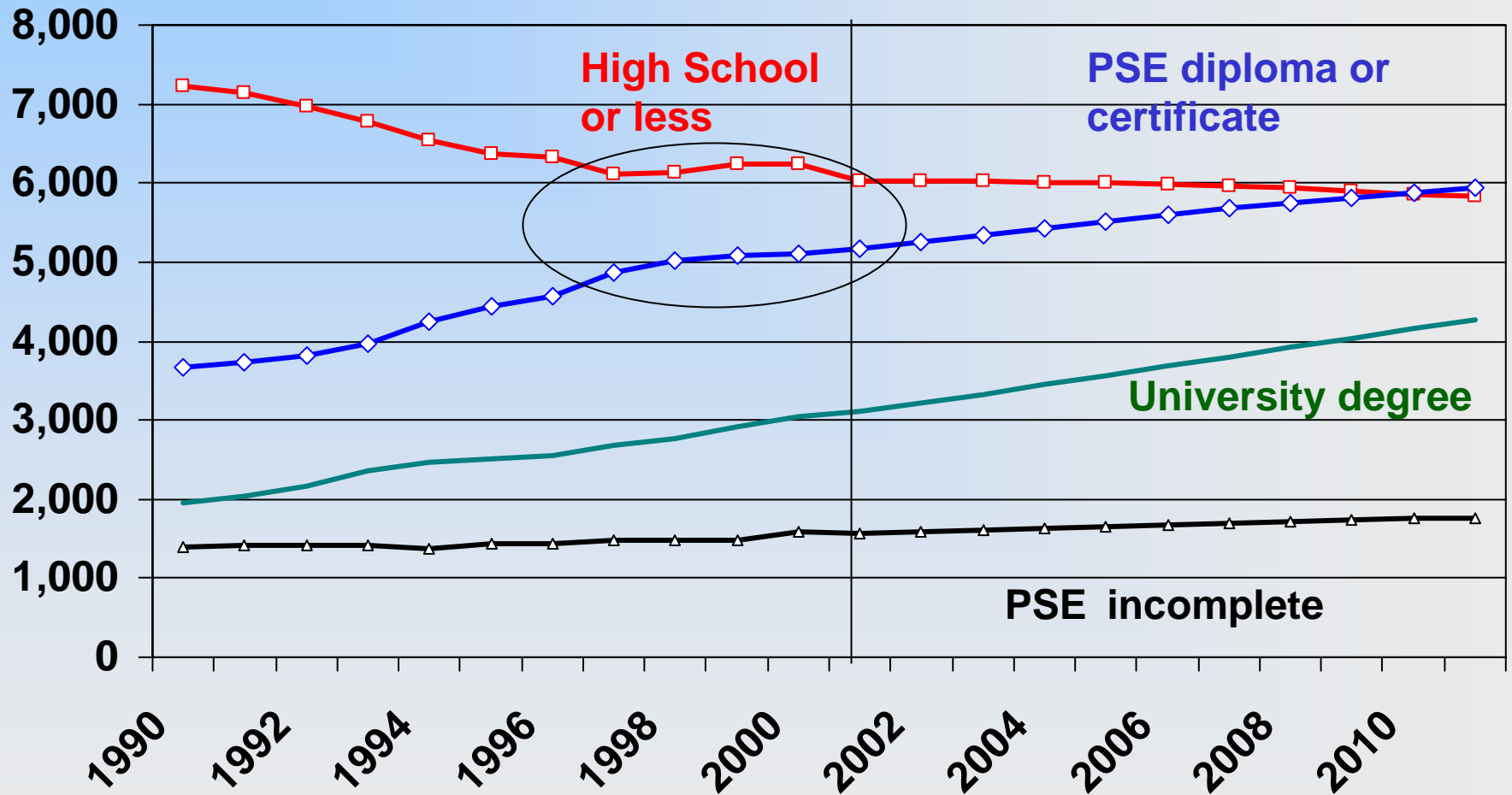
The fastest growing occupations require the most education



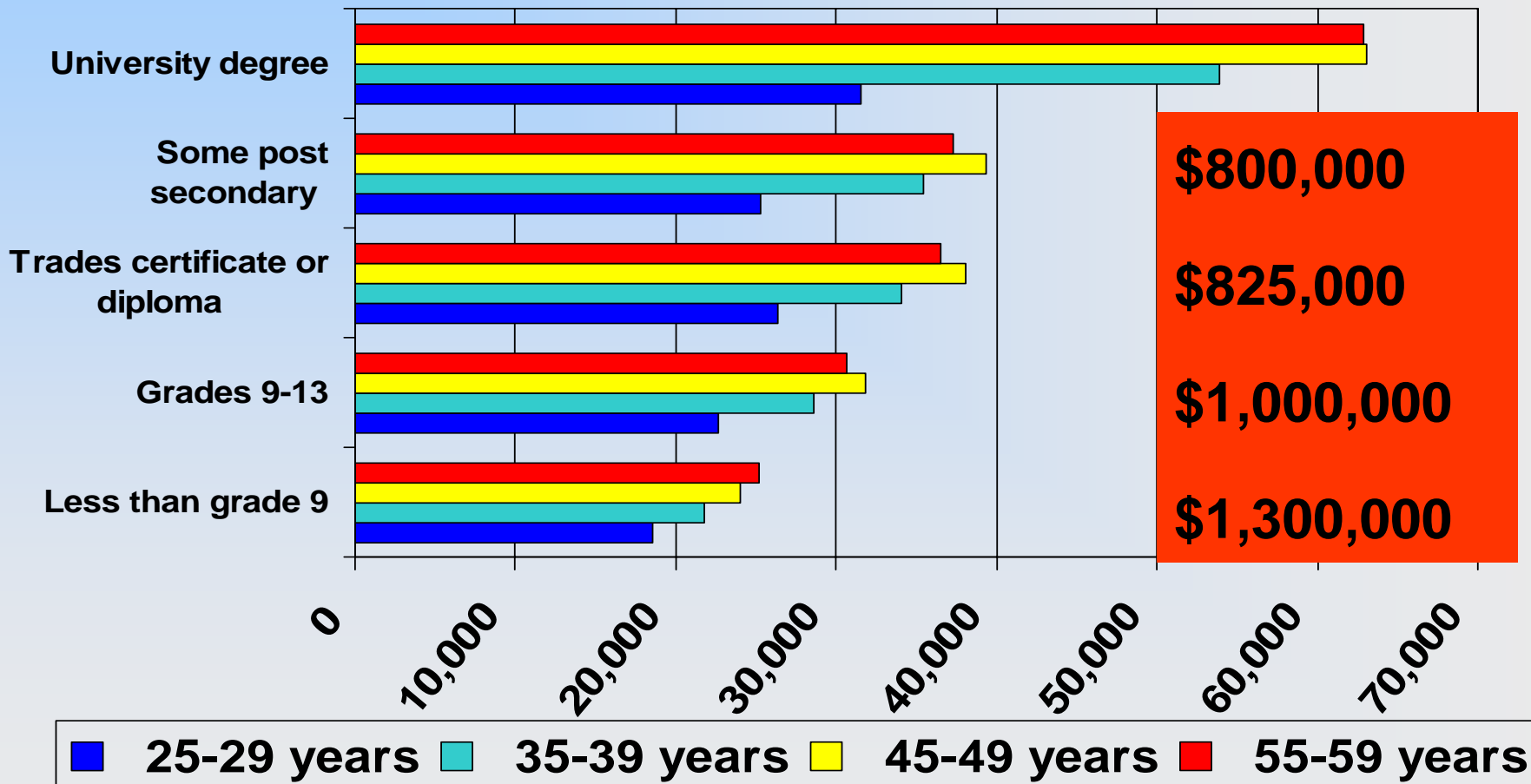
Source: Statistics Canada, Labour Force Survey, 2001



Labour market growth is driven by those who have completed or attended PSE



University graduates continue to earn far higher salaries



Source: Statistics Canada, Census, 2001



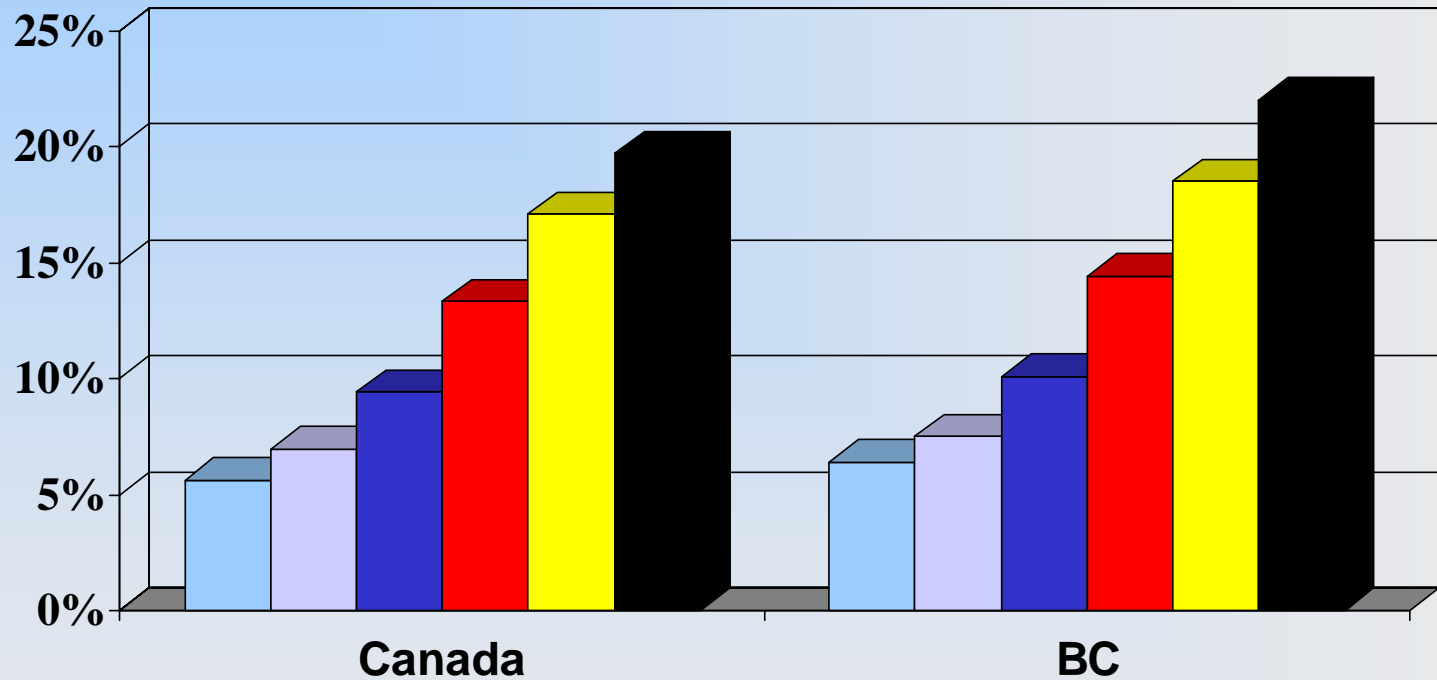
Studies confirm recent graduates continue to have higher incomes

Statistics Canada: Income of B.C. graduates

Confirmed faster income growth for recent cohorts of graduates early in their careers

- Recent National Graduate and Labour Force Surveys show income of recent graduate cohorts is also on the rise
- B.C. Graduate Survey shows strong income growth in first five years on the labour market

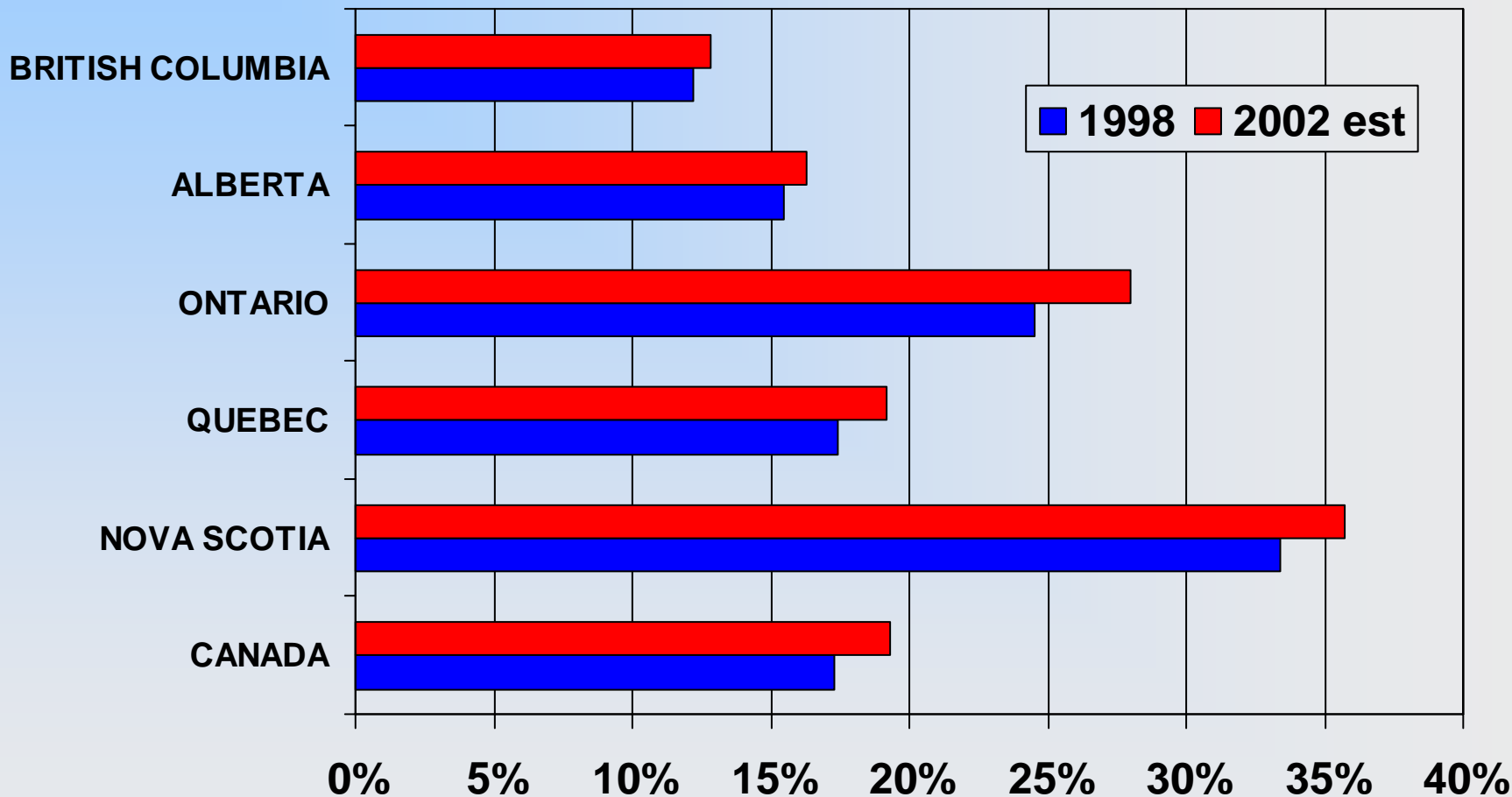
The growing educational attainment of “parents” should push up youth participation



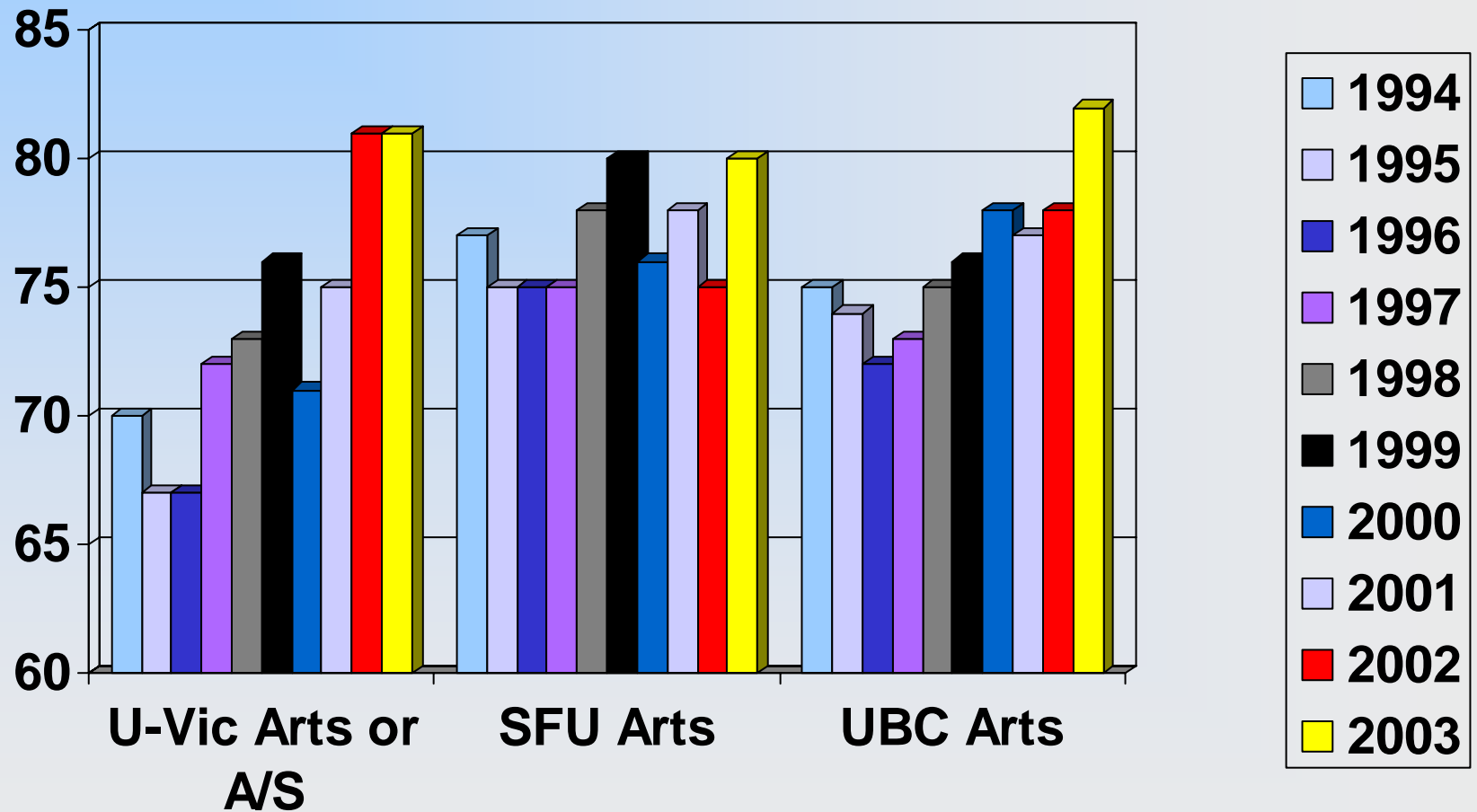
% of population aged 45 to 54 with university degrees

1976 1981 1986 1991 1996 2001 (LFS)

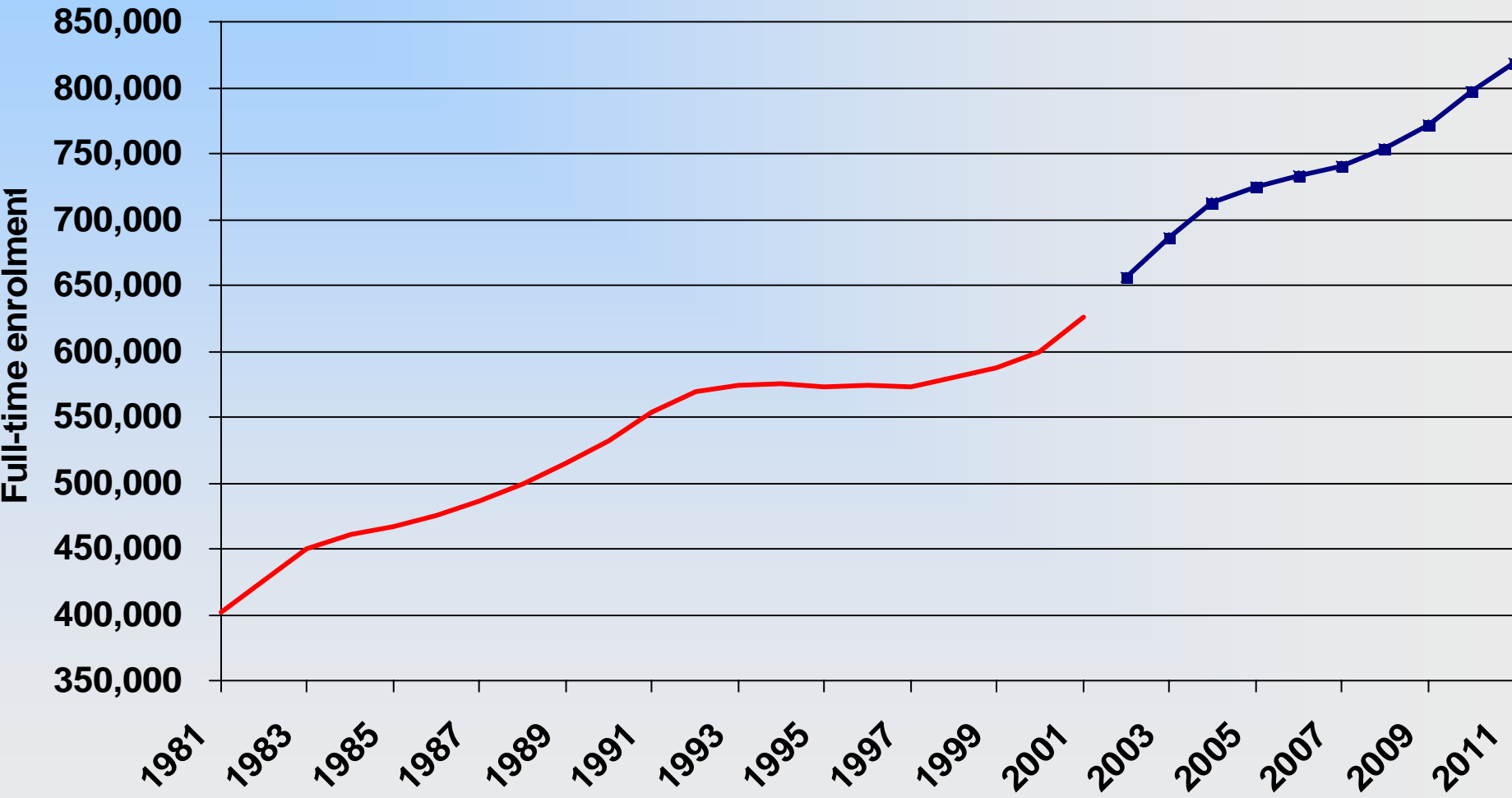
University participation rates in the 18 to 21 age cohort



Escalation in entry requirements is a cause of growing concern

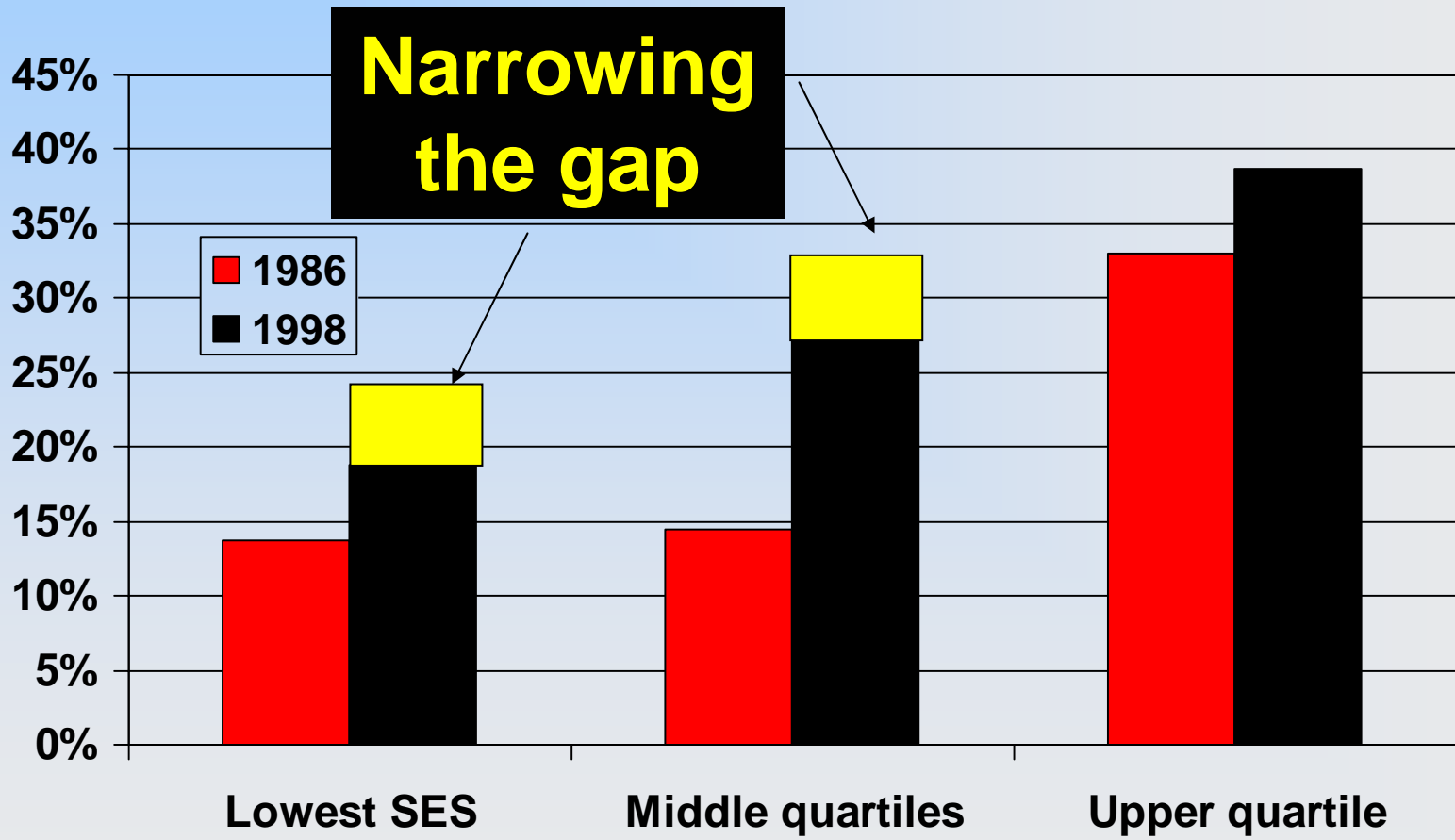


Demand for full-time enrolment is expected to increase by 30 percent



Source: Statistics Canada data and AUCC projections

Narrowing the participation gap for children from families with lower income



Source: Data for 1986 and 1994, Statistics Canada, General Social Survey

Data for 1998, Statistics Canada, Survey of Labour and Income Dynamics (SLID)



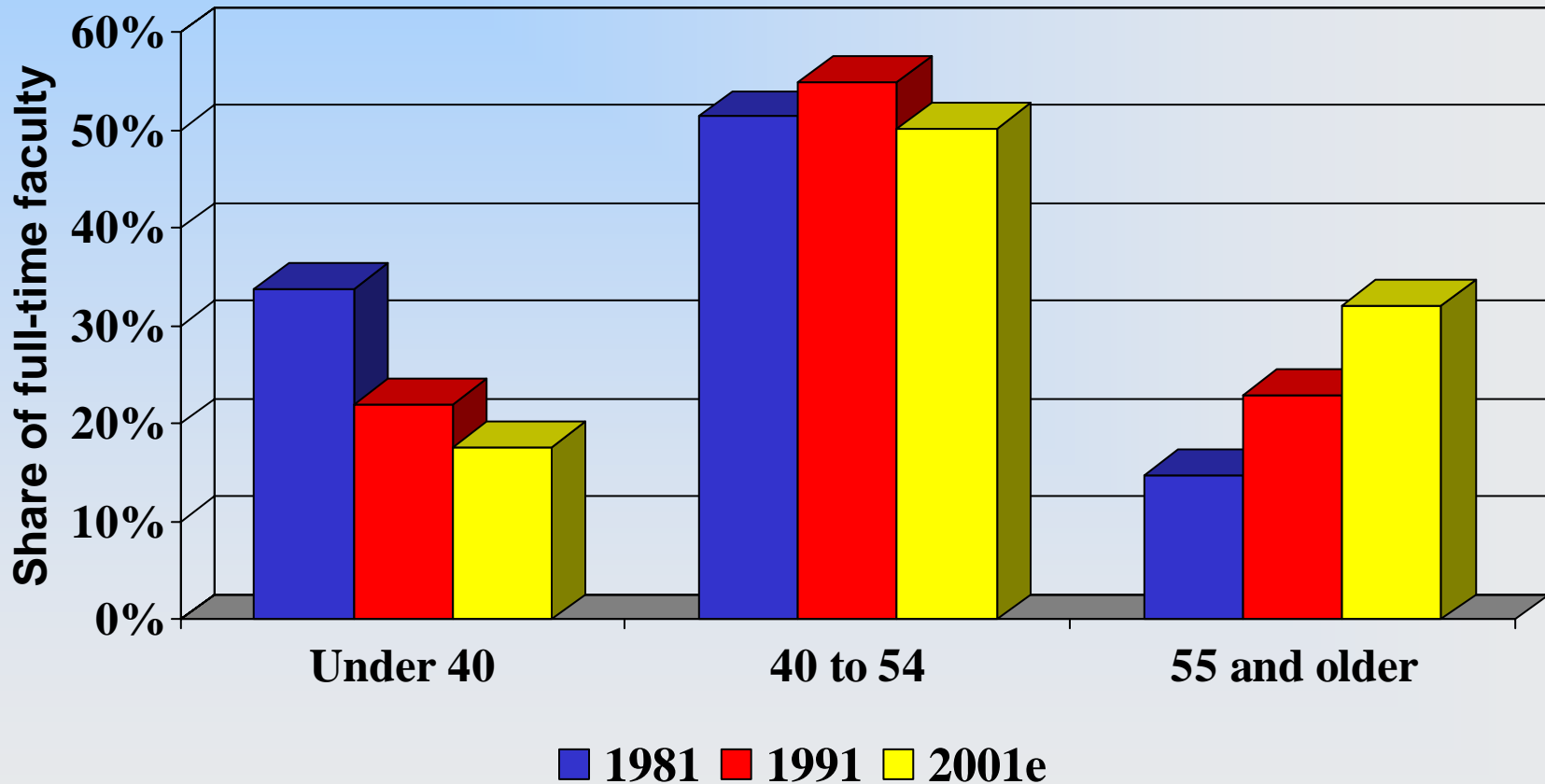
E-learning is not the answer

- Some say “Use technology to transmit education to the masses”
 - Don’t need to expand “space” for 200,000 more students
- E-learning can:
 - enhance and supplement the traditional learning experience
 - hence TEL
 - provide continuing education & training
 - Not replace traditional classroom-based degree program
- But, students are at our doors despite being “computer savvy” wanting a classroom based degree program
 - Want technology, but not just technology

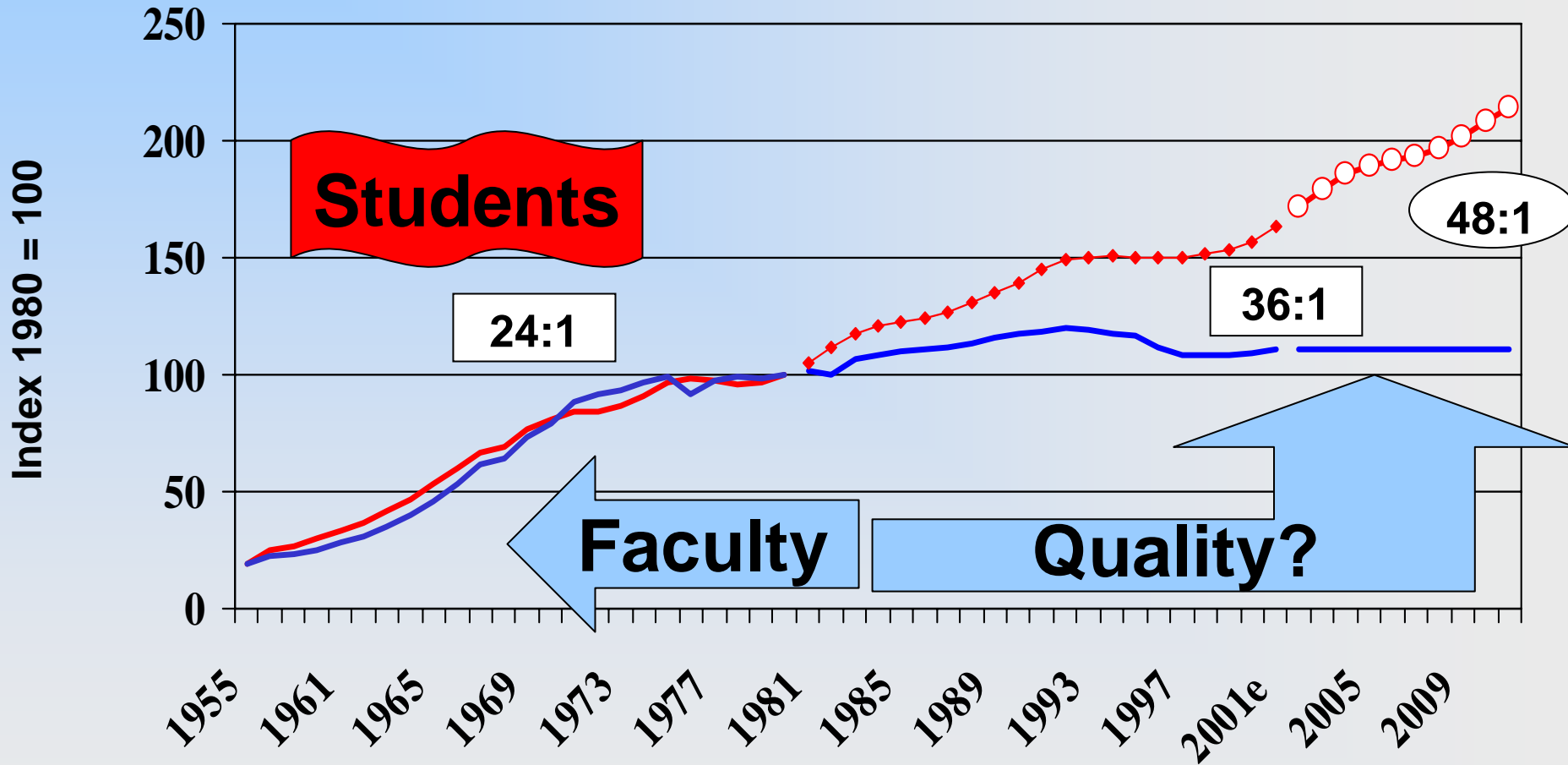
Drivers of change: Faculty

- **Faculty replacement**
- **Enrolment growth**
- **Growing demand for research and enhanced quality**

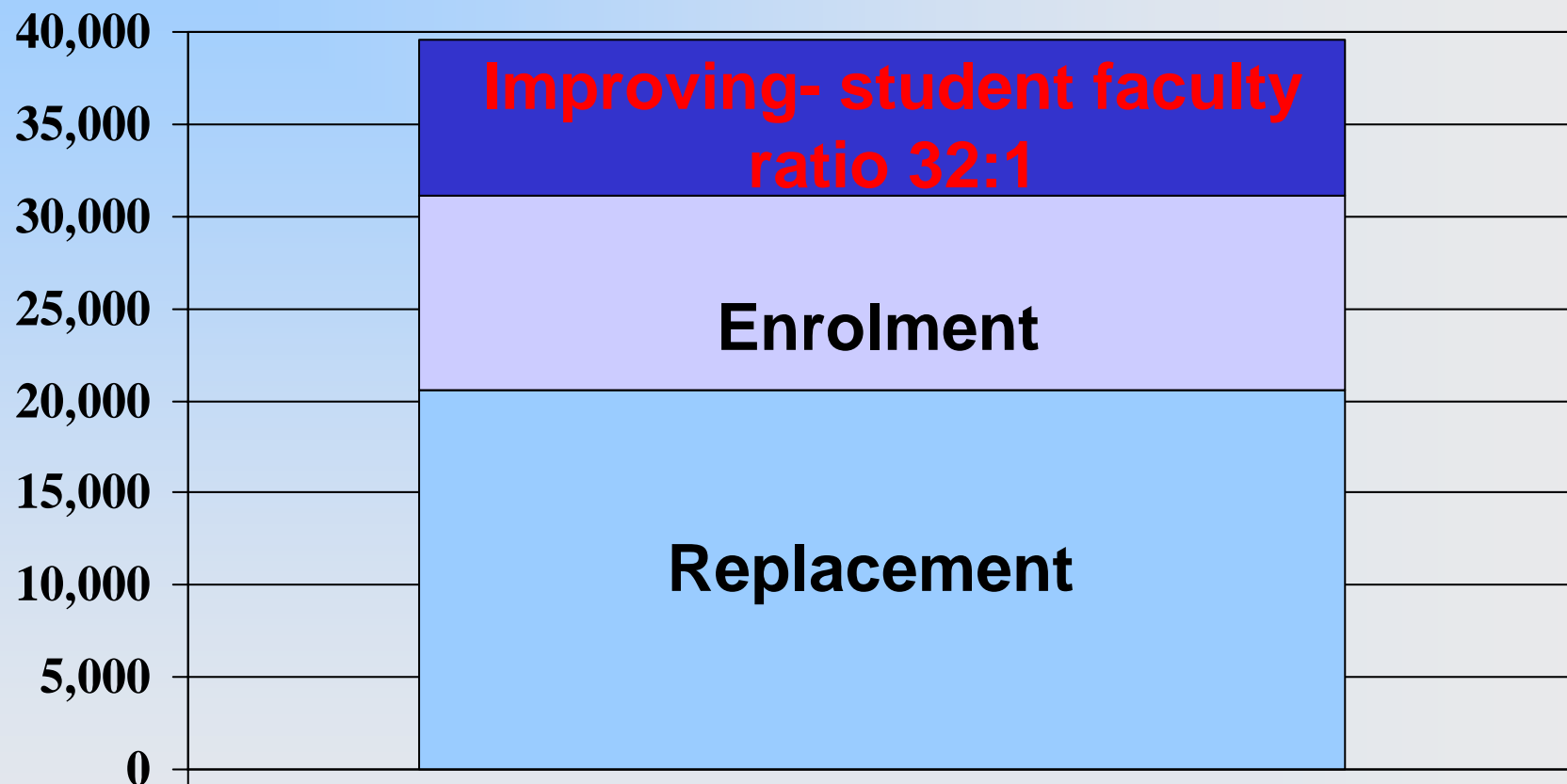
Over the past twenty years the proportion of faculty over the age of 54 has doubled



Pressure for renewal is growing : fewer faculty to support more students



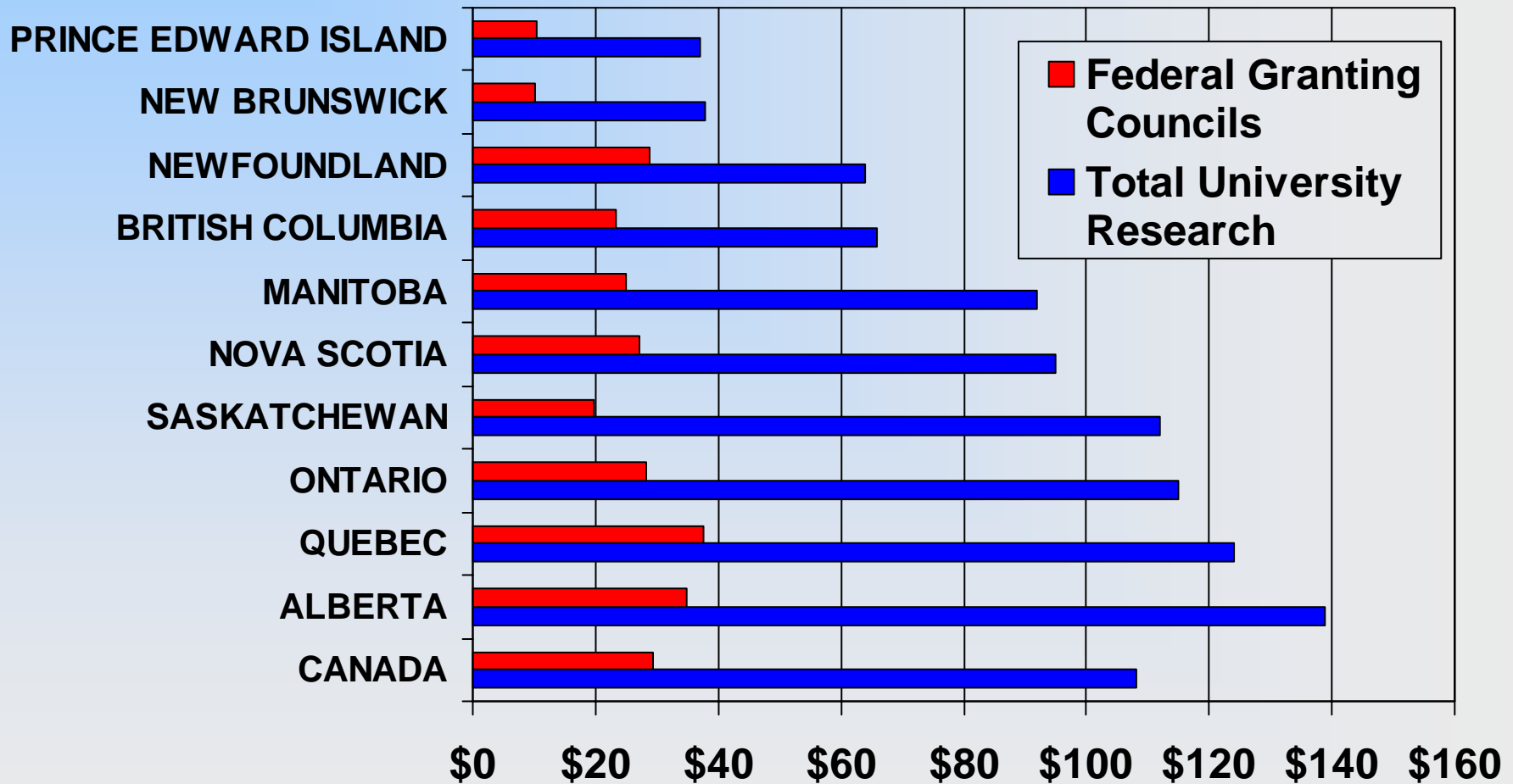
In total, 30,000 to 40,000 new faculty will be needed by 2011



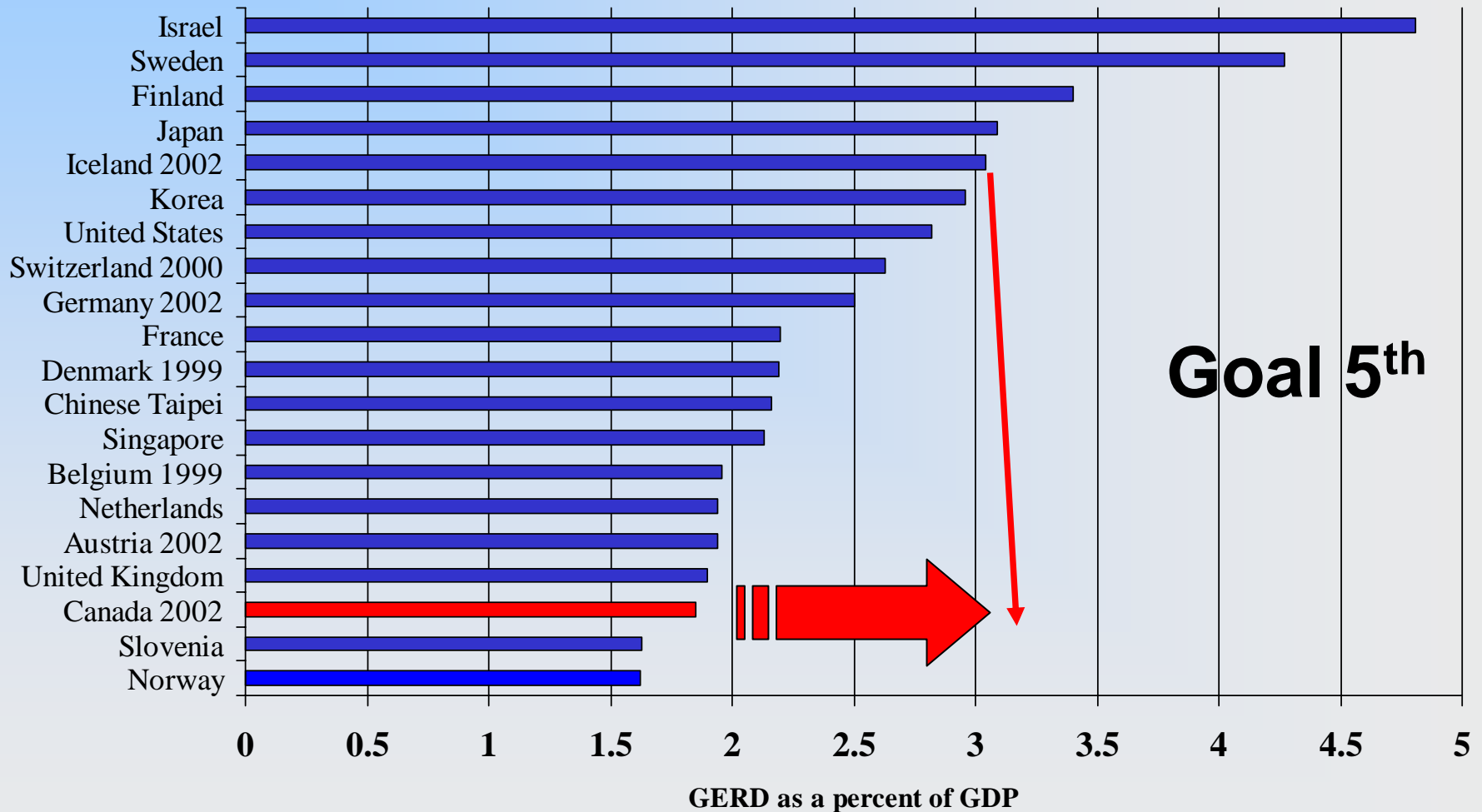
Drivers of change: Research

- Demand for more research
- International competitiveness gap
- Increase in international collaboration
- Increasing complexity and cost of research

B.C. is 7th among the provinces and trails well behind the national average in per capita university-based research funding



Canada ranks in the middle of 30 OECD nations in GERD to GDP ratios



Source: Canada, Statistics Canada, Science and Innovation Surveys Section
All others, OECD Main Science and Technology Indicators 2003, mostly 2001 data



Contributions of the last six federal government budgets to the foundations of university research

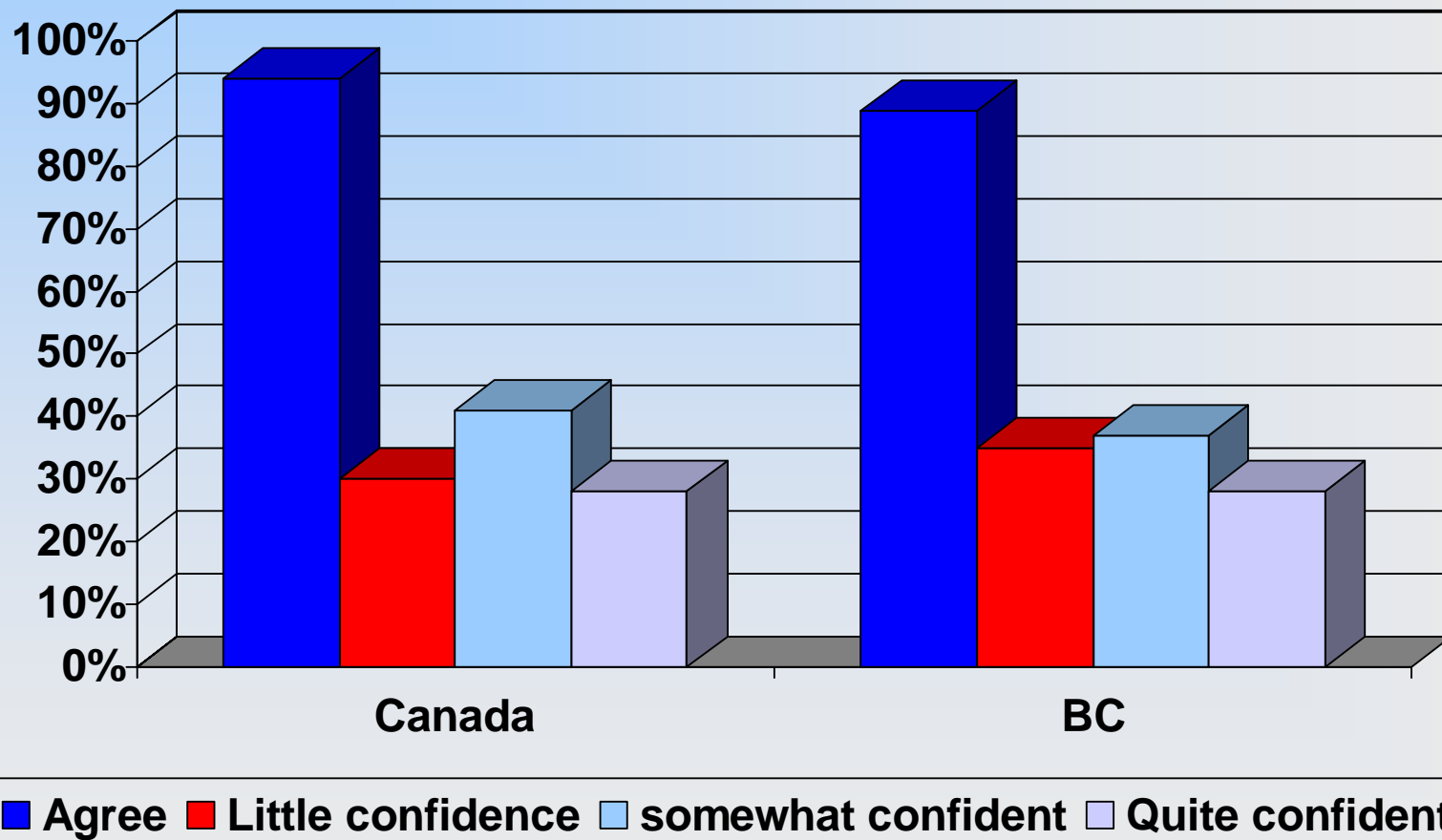
<p><u>Direct Costs of Research</u></p> <p><i>Restoration of funding to granting agencies, etc</i></p> <p><i>Increased funding to granting agencies - 10% for 2003-04</i></p>	<p><u>Infrastructure</u></p> <p><i>Canada Foundation for Innovation</i></p> <p><i>\$500 million for research hospitals</i></p>
<p><u>Indirect Costs of Research</u></p> <p><i>One-time support (2001)</i></p> <p><i>Permanent support 2003-04 and beyond</i></p>	<p><u>Human Resources</u></p> <p><i>Canada Research Chairs</i></p> <p><i>Graduate studies - 4,000 scholarships by 2007-08</i></p>

Provincial Governments Are Also Making Important Contributions

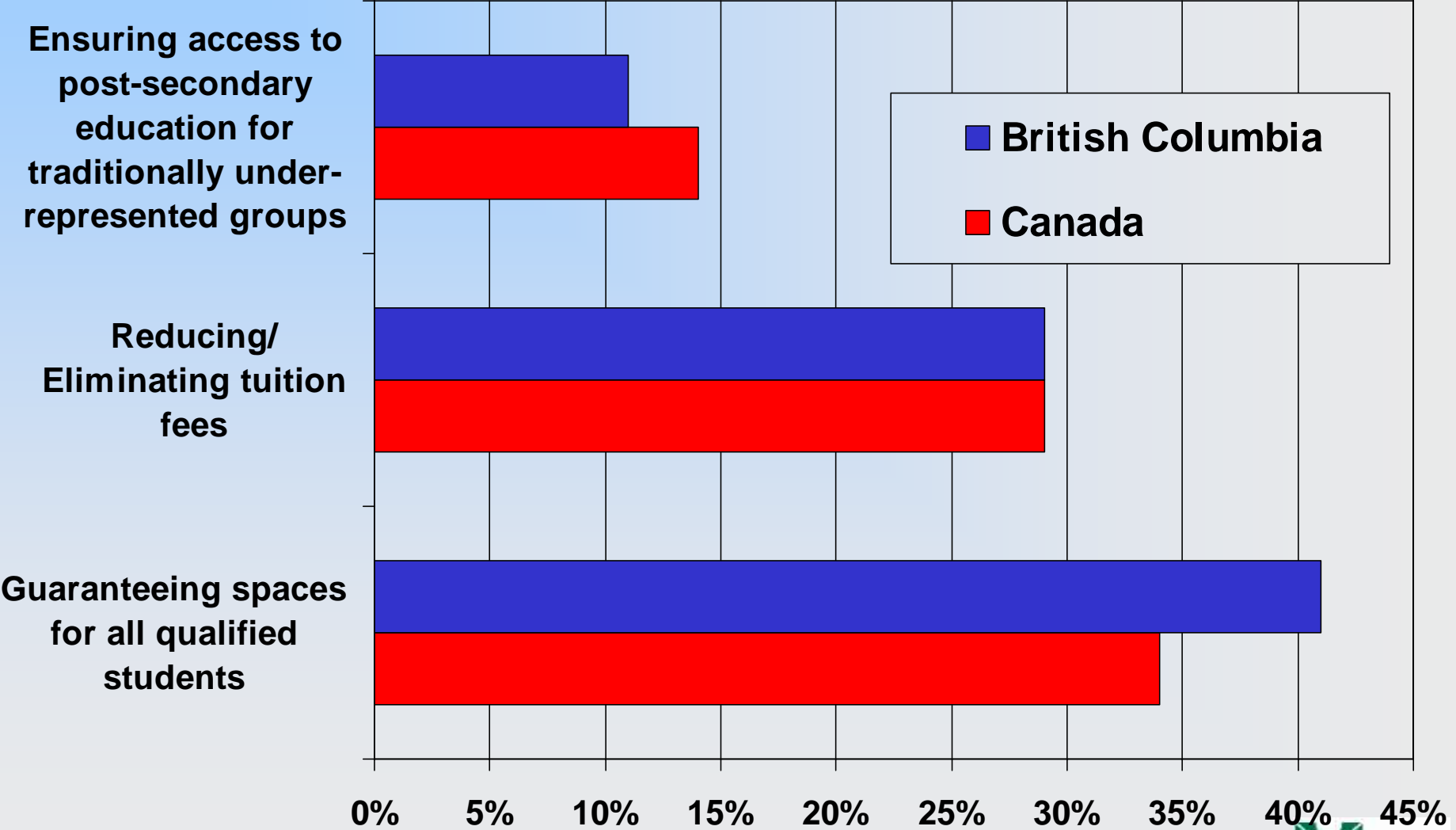
- **Primary source of core funding for universities**
- **Growing role in support of research activities including matching funds for CFI**
- **Varying levels of provincial direct and indirect support for research**
 - **For example B.C. biomedical facilities and B.C. Leading Edge Chairs**

Should there be opportunities for post-secondary education for every qualified high school graduate who wants to go?

Recent AUCC – CMSF polling data



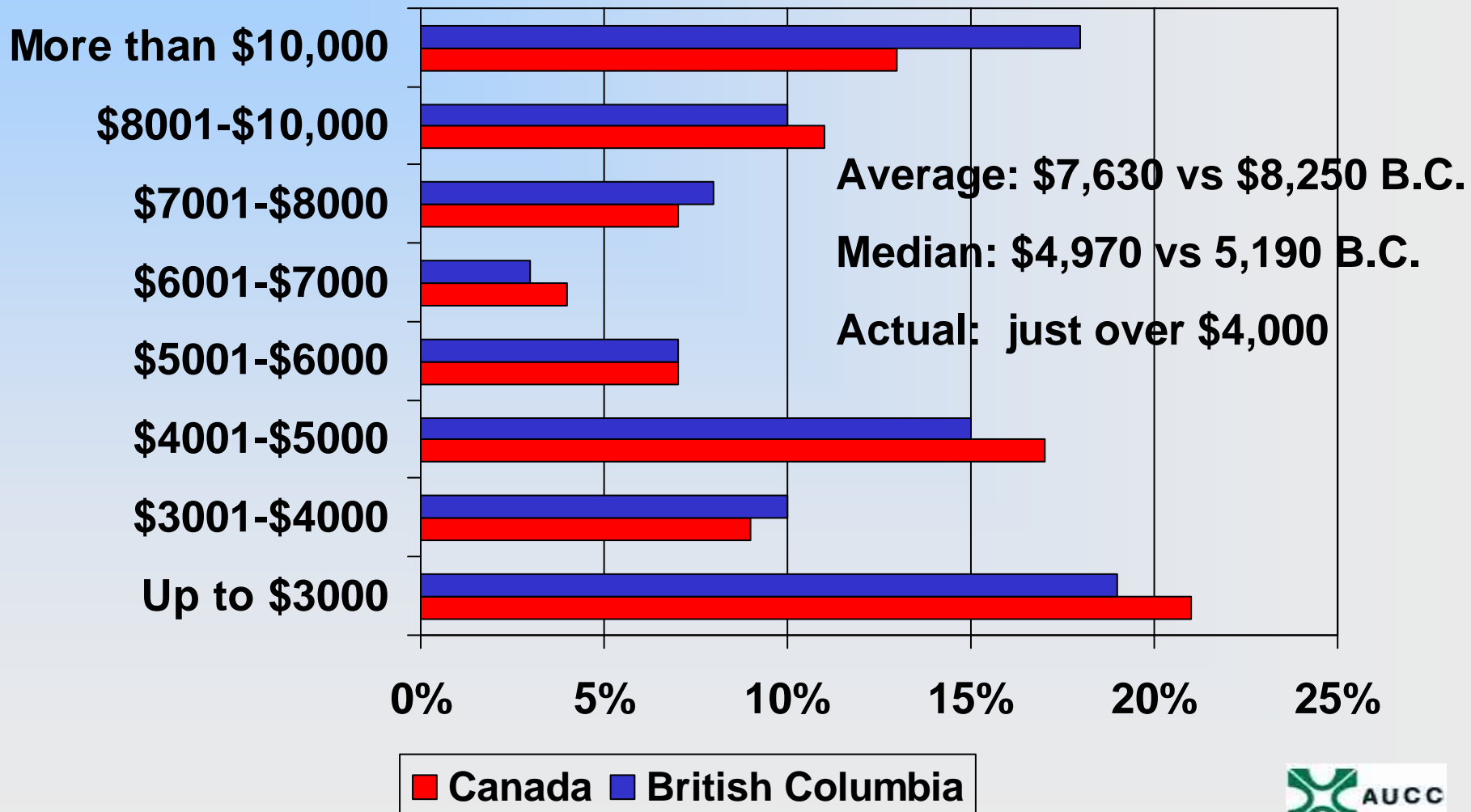
Guaranteeing spaces for all qualified students remains the highest “access” priority



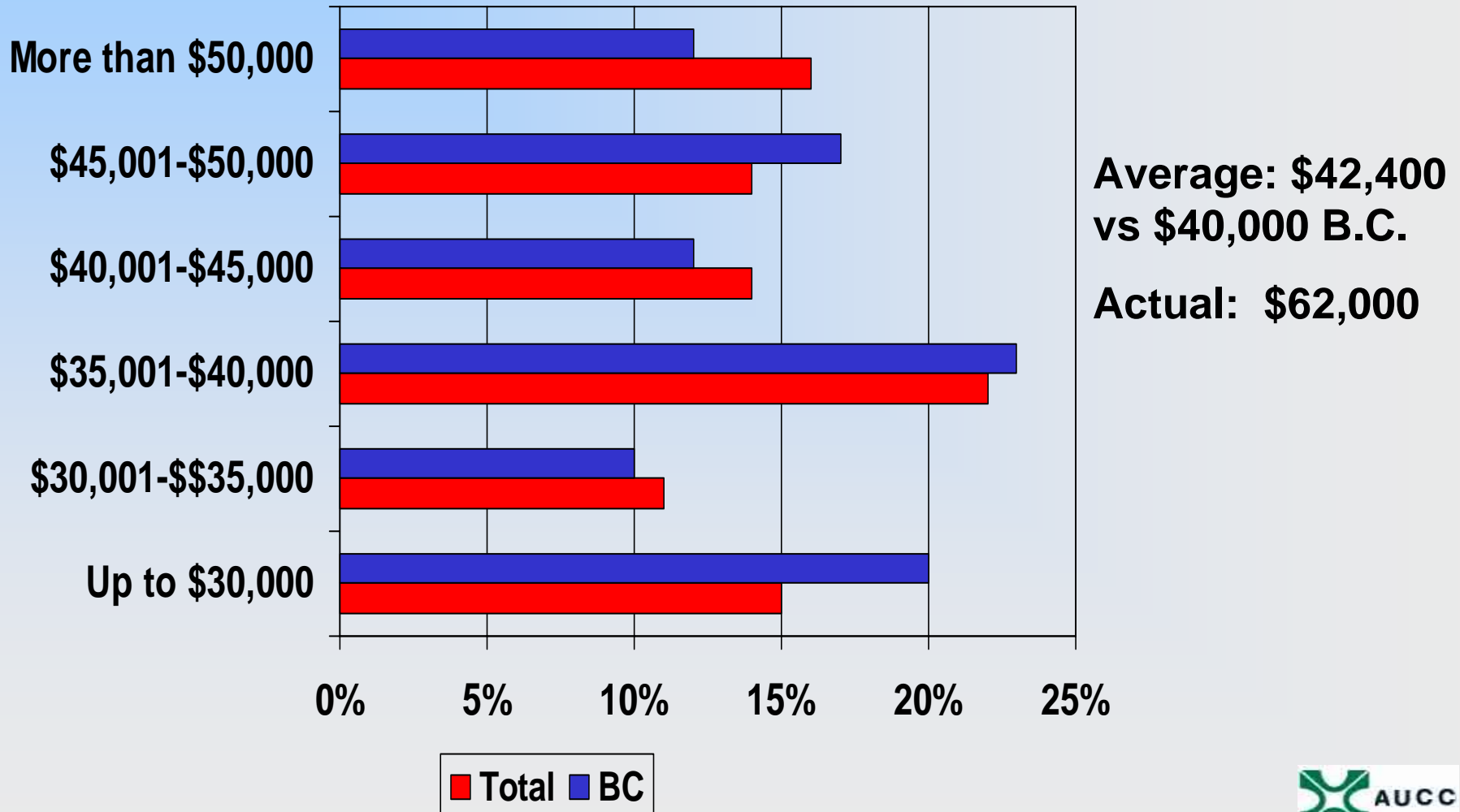
CMSF opinion poll August 2003



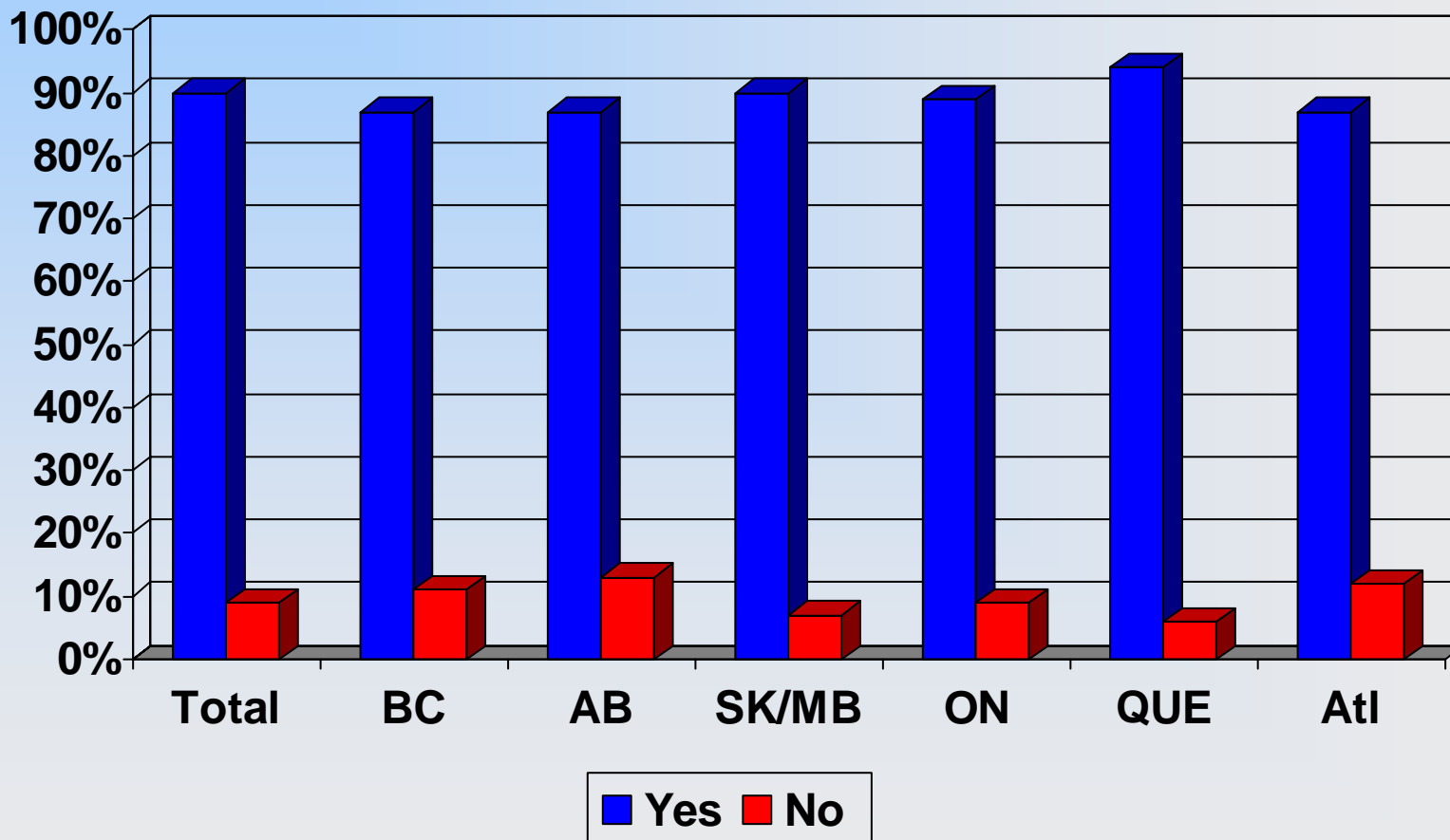
The public seriously overestimates tuition costs



The general public also seriously underestimate financial benefits



Is the cost to a student of a university education a good long-term investment or not?



CMSF opinion poll August 2003



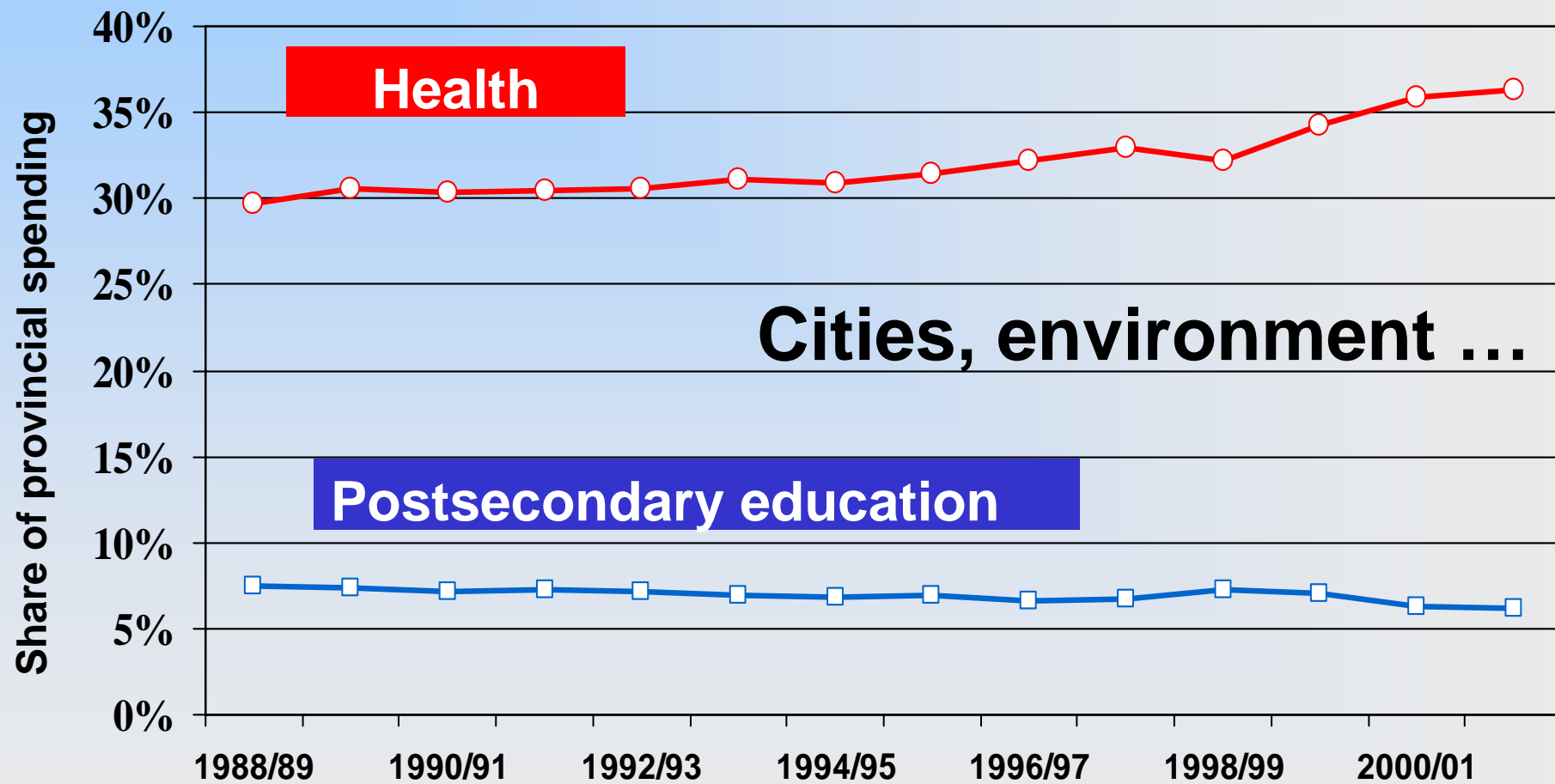
Expectations of universities

- **Increase capacity**
- **Expand access**
- **Ensure equity**
- **Enhance quality**
- **Expand research and commercialization**
- **Achieve excellence**
- **Provide leadership**
- **Maximize efficiencies**
- **Demonstrate accountability**

The policy challenges

- **Major preoccupation of citizens (voters) on health care**
- **Provinces face increasingly strong pressure to invest more in PSE**

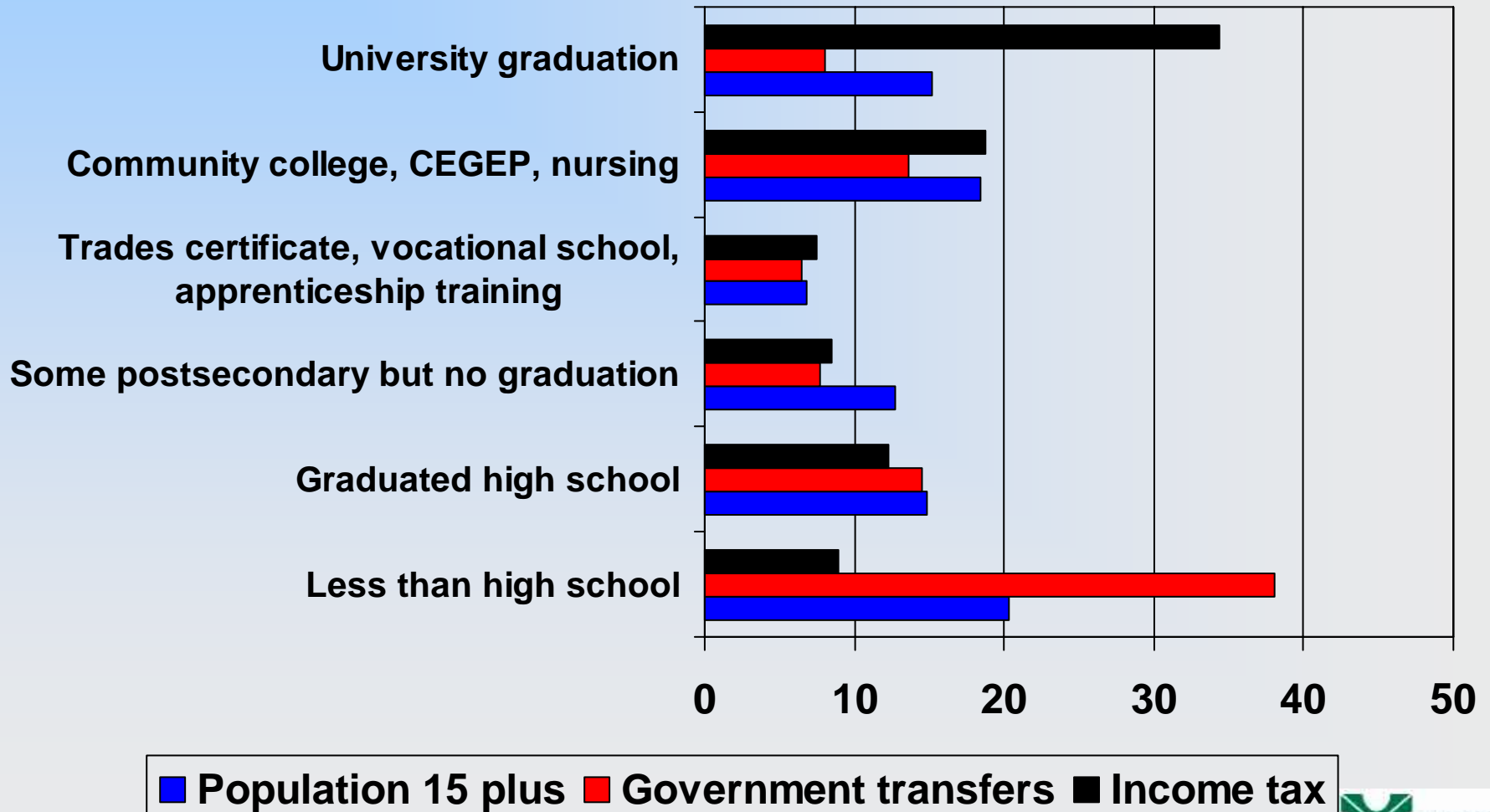
Health is attracting a greater share of provincial government expenditure



Shifting the public policy debate

- How to fund capacity, access and quality so that all can be enhanced simultaneously
 - **Critical funding challenge**
- Investing in university education and research creates wealth and economic growth

Investing in universities provides strong returns to graduates and governments



■ Population 15 plus ■ Government transfers ■ Income tax

The major question is:

How do we ensure that such a basic fact retains the attention of Canadians and translates into proportionately more public investment in PSE in the decade ahead?