

# Institutional Diversity in Ontario's University Sector: A Policy Debate Analysis

Pierre G. Piché  
*University of Toronto*

Glen A. Jones  
*Ontario Institute for Studies in Education, University of Toronto*

## **Abstract**

In order to meet the demands in a cost-effective manner of an emerging knowledge society that is global in scope, structural higher education policy changes have been introduced in many countries with a focus on systemic and programmatic diversity. There has been an ongoing debate about institutional diversity in Ontario higher education, especially within the university sector, for at least five decades. This paper will provide insight into issues of quality, accessibility, and funding through the lens of the current policy debate about institutional diversity by using document and policy analysis, and by drawing on a number of semi-structured interviews with senior university and system-level administrators.

## **Résumé**

Dans le but de répondre, de manière rentable, aux exigences d'une société globale et émergente basée sur le savoir, de nombreux pays ont apporté des changements structurels dans leur politique d'enseignement supérieur en mettant l'accent sur la diversité de leurs programmes et système. Un débat sur la diversité institutionnelle des établissements d'enseignement supérieur existe depuis au moins cinq décennies en Ontario, particulièrement dans le secteur universitaire. Par le truchement du débat politique actuel sur la diversité institutionnelle, cet article donnera un aperçu des questions de qualité, d'accessibilité et de financement en utilisant l'analyse de documents et de politiques, et en s'appuyant sur un nombre d'entretiens semi-directifs avec des administrateurs universitaires et de système à l'échelle supérieure.

## Introduction

The governance of higher education takes place at multiple levels: the academic department (micro-level), the institution (meso-level) and the higher education system (macro-level). System-level governance has received considerable attention in the research literature over the last few decades, with a particular focus on analyzing the changing relationships between institutions and the state. Studies in many jurisdictions have noted the increasing role of government in reshaping and steering the higher education system, including decisions related to institutional types and missions (Austin & Jones, 2015).

Institutional diversity (the variety of types of institutions within a higher education system and their dispersion across types; see Huisman, 1998) has been a topic of interest for policymakers and higher education researchers throughout the world. Van Vught (2008) notes “diversity has been identified in the higher education literature as one of the major factors associated with the positive performance of higher education systems” (p. 154). The positive benefits of a diversified higher education system have mainly revolved around increased access, since potential students have more options and may be more likely to find a match for their interests and ambitions. A second benefit is efficiency and effectiveness in delivering teaching and research in a cost effective manner that can meet the varied needs of its constituencies (Birnbaum, 1983; Singh, 2008; Van Vught, 2008).

There are several factors that influence the extent of institutional diversity or convergence in a system or sector. Codling and Meek, (2006) examined how “the environment, policy intervention, funding, competition and cooperation, and ranking” (p. 1) influence diversity. They concluded that convergence will occur without government policies that promote diversity, when institutions operate in a competitive environment with high resource flows or when there are few diversity objectives in funding regimes. Jones (1996) attributed the lack of diversity between Canadian universities to the small number of universities with relatively similar objectives that facilitate extensive cooperation and the sharing of best practices. With respect to Ontario’s university sector, a review of the literature by Piché (2015a) noted that Ontario’s university sector has “been influenced by the uniformity of funding regimes, restrictions on degree granting, democratization, dominance of values and norms of equality among regions, and increased competition” (p. 55). An in-depth analysis of provincial funding policies in Ontario also attributed the lack of diversity in the university sector to the lack of diversity objectives in its funding regime and with its current egalitarian operating funding model (Piché, 2015a).

Structural higher education policy changes have been introduced over the years in Australia (Goedegebuure, Coates, Van der Lee, & Meek, 2009; Meek & O’Neill, 1996;), Latin America, (Balán, 2012), the Netherlands (Huisman, 1996; Veerman, 2010), Finland (Kivinen & Rinne, 1996), South Africa (Singh, 2008), Italy (Rossi, 2010), Portugal (Teixeira, Rocha, Biscaia, & Cardoso, 2012), and Romania (Vlăsceanu & Hâncean, 2012). These changes have primarily focused on systemic diversity (differences in the type of institution and size of institution; Birnbaum, 1983) and programmatic diversity (differences in degree level, mission and program emphasis; Birnbaum, 1983). In Ontario, over the last few decades, a number of task forces and system reviews proposed modifications to the design (distribution by type of institution, location, and relationship amongst institutions) of its higher education system by increasing institutional diversity. These

modifications (that resulted in few policy changes) were suggested in an effort to increase quality (instruction and research) and accessibility in a cost effective manner, and to meet the demands of an emerging global knowledge society (Jones, 2013; Piché, 2015a).

The objective of this paper is to review, analyze, and provide insight into issues of quality, accessibility, and funding through the lens of the current policy debate about institutional diversity. This debate has intensified in Ontario with the provincial government's recent adoption of a diversification (process in which the level of diversity increases; Huisman, 1998) policy framework that will "steer the system in ways that align with provincial priorities while respecting the autonomy and supporting the strengths of our institutions" (Ministry of Training, Colleges and Universities, 2013, p. 6). The adoption of this diversification policy framework places institutional diversity in the centre of higher education policy discussions in Ontario. While a few studies have examined diversity, diversification, or differentiation (a process in which new entities emerge in a system or sector, Huisman, 1998) in Canada and/or Ontario (Clark, Moran, Skolnik, & Trick, 2009; Fallis, 2013; Jones, 1996, 2004; Jones & Skolnik, 2009; Piché, 2015a, 2015b; Skolnik, 1986, 2005, 2013; Smith, 2013), there is a need for a scholarly analysis of Ontario's current debate about diversity in order to provide insights into policy issues through the lens of diversity.

The contemporary policy debate about institutional diversity draws on historical policy conversations dating back to 1966 (see Piché, 2014, for a detailed historical analysis). Historically, the dimension of diversity that attracted most attention in the university sector was the extent of its systemic and programmatic diversity, which were attempts to increase the quality of instruction and research, and increase access to postsecondary education in a cost-effective manner. Policy recommendations historically revolved around funding levels and program rationalization (mix of programs) to reduce duplication, all within a context of respecting institutional autonomy, rejecting central planning functions while increasing competition, and enhancing cooperation and collaboration amongst postsecondary institutions.

This paper focuses on the contemporary policy debate (2001–2013) about institutional diversity and will be examined through document and policy analysis, with a focus on structural recommendations from the 2004 Ontario postsecondary education system review and several studies under the direction of the Higher Education Quality Council of Ontario and the 2012 Drummond Report. It also draws on public responses to those recommendations from organizations representing the interests of students, faculty, and the Council of Ontario Universities (COU). This paper will also draw on a number of interviews with Ontario university presidents or their designate and the president of COU (collectively referred to as university administrators) to get insights into institutional attitudes toward diversity and the various recommendations made in the literature to increase diversity in Ontario's higher education system.

It should be acknowledged that with the creation of the colleges of applied arts and technology in 1965, established to respond to a diverse set of communities and regions to offer programs in response to regional-specific labour-market needs, there was an immediate increase in systemic and programmatic diversity in Ontario's higher education system. Other dimensions that differentiate higher education institutions include

the qualifications for admission to a postsecondary institution; the spectrum of occupations for which the institutions provided preparation; the balance and relationship between the applied and the theoretical in the educational process; the balance between teaching and research; and the type of academic credential (i.e., degree versus diploma or certificate) awarded. (Skolnik, 2013, pp. 3–4)

However, since the college sector was established, the extent of diversity within that sector has attracted very little attention. The first attempt to further diversify the college sector occurred in 2000 when some colleges were assigned the status of Institute of Technology and Advanced Learning (Skolnik, 2013).

### **Methodology**

This paper used document and policy analysis, and semi-structured interviews as its main qualitative research methods. As suggested by Bowen (2009), the document analysis consisted of a systematic evaluation of the findings and recommendations of various panels, commissions, system reviews, and various studies that were synthesized to gain insight into the policy debate about institutional diversity. Policy analysis “as the disciplined application of intellect to public problems” (Pal, 2006, p. 14) was used as means of critically assessing and understanding various stakeholder contributions to the diversity debate in Ontario.

Semi-structured individual interviews were conducted with 10 university administrators from March 1, 2013, to May 31, 2013. The selection ensured that they represented a cross-section of university types (three comprehensive, three primarily undergraduate, two medical/doctoral, and one special purpose) and sizes (six large, two medium, and one small). They also covered Ontario’s geographic regions (three from the Greater Toronto Area; three from central Ontario; and one each from eastern, southwestern, and northern Ontario) and represented over 40% of publicly assisted universities.

All university administrators were provided with a list of discussion points and were asked to comment on suggestions that would increase institutional diversity that had been made in the literature and in the university sector, generally. All interviews were conducted in person, were digitally recorded, and targeted to last no more than one hour. All interviews were transcribed within approximately one week of the date of the interview and provided to the university administrators via email to review the transcript and make additions, deletions, or corrections as they saw fit. They returned the revised transcript within one month. The written text was analyzed and synthesized to identify major themes.

### **Contemporary Policy Debate**

The description of the contemporary policy debate about diversity will be framed by first examining the extent to which institutional diversity is a shared value between the government and various stakeholders: Colleges Ontario, COU, Higher Education Quality Council of Ontario [HEQCO], organizations representing the interests of students and faculty, and, university administrators. An examination of structural recommendations from the 2004 Ontario postsecondary education system review, several studies under the direction of HEQCO, the 2012 Drummond Report, and related stakeholder responses will follow.

## **Institutional Diversity—A Shared Value**

In November 2013, the Ontario government formally adopted a policy framework that outlined its desire to pursue greater institutional diversity in its public postsecondary system (Ministry of Training, Colleges and Universities, 2013). This general policy direction was supported by HEQCO (Weingarten & Deller, 2010; Weingarten, Hicks, Jonker, & Liu, 2013), COU (Council of Ontario Universities, 2010, 2011), and Colleges Ontario (Colleges Ontario, 2013). The Ontario Undergraduate Student Alliance (OUSA) supported moderate levels of diversity with the provision of a broad range of courses at all institutions but opposed the creation of any hierarchical system where some institutions would benefit from having special status. OUSA also sought to have resources allocated that would “keep all schools in Ontario competitive in the province and world market” (Ontario Undergraduate Student Alliance, 2014, p. 15). The Ontario Confederation of University Faculty Associations (OCUFA) raised general concerns about increasing institutional diversity due to its possible intrusion into academic planning and freedom. OCUFA was also concerned about how the policy could impact geographic accessibility (a concern also raised by OUSA) (Ontario Confederation of University Faculty Associations, 2013).

University administrators interviewed in this study generally agreed that diversity or differentiation is a cherished value in Ontario’s university sector. As one noted, “it would be nice to have a healthy and diverse ecosystem because that is a sustainable ecosystem in the post-secondary sector; you need all types of different types of institutions.” However, diversity is also a concept that is lauded and feared due to the ongoing debate of what it actually means for institutions. Interviewees often noted that diversity, or differentiation, is a concept that is poorly understood, represents different things to different people and is often interpreted according to criteria that are not very useful. Some administrators wanted to see a definition that is agreed upon by the sector. One university administrator sought a more fluid definition. Some noted that while the sector may value diversity, it is constrained by another cherished Canadian value, that of equity. They felt the need to have policies treating everyone consistently and fairly constrains diversity. “Some would argue that Canada handicaps itself because we try so hard to treat people fairly, equitably. While this is an admirable value, if you are aspiring to be world class that does not get you there.” Another university administrator stressed, “Everything in this sector seems to be sacrificed on the altar of consistency.” Concerns were also raised by university administrators as to how diversity or differentiation could be achieved in the sector, especially with respect to possible redistribution of funding while still highlighting the need to be seen as equals.

Six university administrators expressed the importance of programmatic diversity. One administrator noted that it can be achieved by “creating a niche with depth in certain areas and some breadth in others.” Some noted that, in each community, students should have access to high-quality programs across a limited number of disciplines. The community’s needs should dictate which programs are offered. Five university administrators mentioned that they value systemic diversity as the size component is very important, especially from an economy-of-scale perspective and for creating a sense of community. Others noted that climate diversity (differences in campus environment and culture; Birnbaum, 1983) was important and can be achieved by institutions that provide a quality graduate student experience or by institutions with low student-faculty ratios. They also

thought reputational diversity (differences in institutional status or prestige; Birnbaum, 1983) has some importance. One university administrator spoke of the importance of procedural diversity (differences in the way institutions deliver their programs and services; Birnbaum, 1983).

### **Structural Recommendations**

In June 2004, the Ontario Liberal government, under Premier Dalton McGuinty, appointed Bob Rae, former New Democratic Party premier of Ontario, to undertake a review of the public postsecondary education system and provide recommendations on how funding and design of the system could be incorporated in the 2005 provincial budget. The review focused on how to increase access to postsecondary education and improve quality and accountability. It also considered the adequacy of the system's design and structure to meet future needs. With the exception of tuition deregulation and a few other key issues (Lennon, Skolnik, & Jones, 2015), the Ontario government has since incorporated most of Rae's recommendations (2005) through its *Reaching Higher: The McGuinty Government Plan For Postsecondary Education* by completing its promised \$6.2 billion cumulative investment in higher education by 2009–2010.

With respect to institutional diversity, Rae (2005) encouraged its promotion “through the tuition framework, accountability arrangements and the design of the province's funding formula” (Rae, 2005, p. 41) in order to eliminate unwarranted duplication. He also rejected the need for central planning and instead chose “to reconcile three objectives: institutional independence and diversity, the need for greater co-ordination and clearer pathways for students, and accountability to the public” (Rae, 2005, p. 13).

The report did not provide a clear definition of diversity and therefore one can only suspect that he was referring to increased systemic and/or programmatic diversity. He did recognize that as institutions become more specialized, credit transfer arrangements among institutions need to be enhanced to create effective pathways to attain a university degree and therefore suggested more government involvement in this area. While the report failed to note what type of structural reform would best serve Ontario, it was

enthusiastically received by Ontario university and college administrators and most media commentators. That it also gained the support, albeit mixed, of the major students groups and the Canadian Association of University Teachers attests to its success in identifying the main challenges, risks and opportunities faced by the post-secondary education system. (Lowy, 2005, p. 23)

OUSA, which supported affordable access to higher education (using a cost-sharing approach) for all qualified students in an environment with stable and sufficient government funding, did not support Rae's recommendation to fully deregulate tuition fees. They believed the government should control tuition fees in order to ensure affordable access for all qualified students and to ensure that students don't pay more than their counterparts in other provinces (Voakes & Chan, 2005).

In 2009, HEQCO, an intermediary advisory agency that had been recommended by Rae, commissioned a study to identify any gaps in Ontario's higher education system and issue a report on the benefits of differentiation. In their report to HEQCO, Jones and

Skolnik (2009) called for increased access to baccalaureate education in Ontario through increased institutional differentiation, and they suggested the creation of a new sector composed of undergraduate teaching-focused institutions that would be differentiated from colleges and existing universities. These new institutions would have a limited research mission and would focus mainly on teaching-related scholarship. This proposal was also articulated by Clark et al. (2009).

Jones and Skolnik (2009) and Clark et al. (2009) noted several issues with creating new institutions. If created, they should be unencumbered by an existing institution's history, culture, and labour agreements. Some of these institutions could be career-focused (closer to polytechnic institutes without the graduate component) while others could be career-focused and offer liberal arts programs. Placing some of these institutions in the Greater Toronto Area (GTA) was also recommended, due to the future expected growth in demand for baccalaureate education in that region. However, the recommendation failed to address the impact on other universities outside of the GTA that draw a significant portion of their students from the GTA. They also suggested that a handful of colleges could have increased involvement in providing career-focused baccalaureate programs, or could have their mission redefined to substantially provide baccalaureate programs.

COU responded that

Ontario universities do not support the development of universities whose mandates are solely to teach undergraduate students. The expansion and innovative application of knowledge through research is part of the core mandate of all universities, along with equipping students with the advanced skills and capabilities that allow them to contribute to Ontario's knowledge economy. (Council of Ontario Universities, 2011, p. 2)

Fallis (2013) also disagreed with the idea of creating teaching-only undergraduate universities or polytechnic institutions, due in part to the current fiscal situation of the province and his projections of future demand for higher education, which did not support the need for new institutions. He concluded that if new institutions are created, they should be created in a large enough number so they can work together to establish their own distinct and recognizable identity in order to prevent institutional isomorphism.

The vast majority of individuals interviewed for this study were also opposed to the idea of a teaching-only undergraduate university sector. The link between teaching, research, and community service was viewed as sacrosanct and should not be broken, since without these, the institution is not a university as evidenced by this university administrator's comment: "Undergraduate students need to have exposure to research, researchers, research methodology, and that is one of the reasons you go to a university and not a college." Some university administrators raised other concerns, including the potential for graduates from a teaching-only undergraduate university facing restricted access to graduate education in the future. Another concern was academic drift whereby the new institutions may not always be limited to offering only undergraduate education and may have future aspirations of offering graduate education. One administrator suggested that a mechanism must be in place to ensure that the focus on the teaching at these institutions was not reduced. There was support for having teaching-focused faculty within universities and that teaching, research, and community services should be equally valued

within existing universities. A university administrator did note that teaching-focused institutions are a good idea as long as they have “a scholarship mandate, and research that suits and fits their areas of excellence.”

Jones and Skolnik (2009) and Clark et al (2009) also suggested the creation of an open university to enhance degree completion in Ontario because traditional universities currently do not have an open admission or the flexible credit recognition features of an open university. University administrators were generally supportive of this initiative. One university administrator noted that

the open university concept serves an important niche. An important part of the ecosystem. An open university would meet the needs of a lot of people who want to complete degrees, pursue degrees, particularly while they are still working and when they don't have access.

Another university administrator suggested that “anything that democratizes access to knowledge is a really good thing.” Another suggested that an open university should be created as a joint venture amongst existing universities. Concerns around the quality of education that could be obtained from an open access institution were raised by one university administrator: “If you are going to mix open access with specializations, you will diminish the educational experience for the people who really want to be experts or at the forefront of a field as you will have to dumb down the material.”

In July 2010, the Ontario deputy minister of Training Colleges and Universities requested HEQCO to explore the issue of

whether a more strongly differentiated set of universities would help improve the overall performance and sustainability of the system, and help Ontario compete internationally [and] . . . how to operationalize a differentiated policy, should government be interested in pursuing this as a strategic objective.” (Weingarten & Deller, 2010, p. 6)

HEQCO's report provided a roadmap for the provincial government to increase diversity in Ontario's postsecondary education system in a period where increased enrolment (due to market demand for credentials) is threatening quality, and government resources are being constrained. It acknowledged that the current system is somewhat differentiated due to its existing binary structure. The university sector is also differentiated as a result of offering a wide range of programs that serve a variety of communities combined with its

history, geography, regional development, innovation and response to student demand and the labour market [which has] . . . created an organic diversity in the Ontario university system and a good base to build on for further differentiation. (Weingarten & Deller, 2010, p. 9)

Rationalizing some of these programs might result in students having to travel further in an effort to have access to desired programs. Additional funding might have to be provided to students to ensure an equitable access to all programs.

According to Weingarten and Deller (2010), differentiation can be achieved if the government acknowledges that teaching, research, and, in some cases, community service is



valued equally as institutions compete for outcome-dependent funding, which is within their stated mandates. They further suggested that a comprehensive agreement between government and universities laying out each institution's priorities, goals, and areas of future growth and development is the cornerstone of increased differentiation. The notion of a comprehensive agreement as suggested by Weingarten and Deller (2010) is well accepted by Ontario universities (Council of Ontario Universities, 2010). However, COU opposes the categorization of institutions that would arbitrarily limit institutional aspirations: "The approach to differentiation should enable innovation and allow universities to develop in response to their students, communities and competitors across the globe" (Council of Ontario Universities, 2011, p. 3). Government will be required "to realistically evaluate the elements of a mission proposed by universities and inevitably it will be called upon to say no to some elements forwarded by some institutions" (Weingarten & Deller, 2010, p. 14). Government may also want to seek third-party advice from an expert panel or from HEQCO to assist them in making these difficult choices. OUSA indicated that it does "not believe that government should unilaterally determine the mandates of Ontario universities . . . [but] supports the use of multi-year accountability agreements to naturally differentiate universities" (Ontario Undergraduate Student Alliance, 2010, p. 1). OUSA would also like to have a voice in any future negotiations of multi-year agreements.

Third-party advice may be a good idea, given that the government may not have greater expertise or a greater capacity for long-range planning than the institutions themselves. For example, the financial resources provided to universities in the late 1990s in an effort to increase the enrolment of computer science and technology students was followed almost immediately by the collapse of the dotcom bubble. This left few jobs for recent graduates and shows the limitations of government system planning: "This programme was conceived of by the private sector for the province, after having failed to influence the federal government on immigration policy" (Jones & Young, 2004, p. 199).

As with incentive funding, incremental funding, tied to desired outcomes (measured with performance indicators), was recommended as the key lever to enable differentiation to occur: "universities will do what you [government] fund them to do. If you don't tell them what you want them to do, they do what they want" (Weingarten & Deller, 2010, p. 19). The use of incremental funding tied to performance is a notion that is well supported by students, especially when it comes to funding tied to student outcomes (Ontario Undergraduate Student Alliance, 2010). Funding should also be made available through a proposal process where institutions would "compete for funds that are consistent with their mandate and multi-year agreement with government" (Weingarten & Deller, 2010, p. 20). Funding would also be allocated to those institutions that have already shown excellence in achieving the desired goal and committed some of their own resources to the project. Targets should also be set and must be met in order to retain the incremental funding. Consideration was also given to reallocating some of the existing base operating funding as a means of moving differentiation forward. Weingarten and Deller (2010) rejected this option: "this maneuver would certainly elicit considerable protest from the [university] sector . . . in what is perceived to be an already underfunded system" (pp. 25–26).

It is unclear to what extent institutions will want to compete for such incremental funding at the risk of losing future funding should the quantitative or qualitative metrics not be achieved. Weingarten and Deller (2010) suggested that targeted funding pools may

be those “related to teaching quality, teaching innovations and the quality of the student experience. . . . This seems a bit inconsistent after determining that “a strict ‘teaching versus research’ dichotomy may not be a useful differentiator” (pp. 21, 24).

The Ontario Confederation of University Faculty Associations (OCUFA) was quite critical of the HEQCO report.

If differentiation is pursued with the goal of creating the best possible university system, then it will likely be driven by well-designed, beneficial policies. If, however, differentiation is pursued as a means to deliver higher education on the cheap, then it will be an unmitigated disaster. (Ontario Confederation of University Faculty Associations, 2010, p. 1)

They noted that HEQCO failed to make the case for why more differentiation is needed and suggested that HEQCO’s approach will make universities servants to government because it failed to recognize university autonomy and academic freedom as cherished Ontario university values. OCUFA objected to universities competing for funding because it might lead to varying degrees of quality within the system: “it seems wiser to ensure every institution is of comparable quality to ensure every student can benefit from a quality education” (p. 2).

Further, they questioned HEQCO’s research approach as one that starts with

a conclusion—usually based around a political goal, like saving the government money—and then conducting research that tends to support that conclusion. HEQCO should be conducting research aimed at producing good policies that address real issues in the university sector, not aligning itself with fiscal restraint narratives emerging from the provincial government. (Ontario Confederation of University Faculty Associations, 2010, p. 2)

OUSA viewed HEQCO’s report with cautious optimism. Meagan Coker, OUSA president, noted that “students are hopeful that the process proposed by HEQCO will ensure a renewed emphasis on teaching and the student experience at our universities, while increasing sustainability, accountability and transparency” (Ontario Undergraduate Student Alliance, 2010, p. 1). They also noted that the current emphasis on differentiating the system “should not disrupt current progress toward fixing the broken credit transfer system” (Ontario Undergraduate Student Alliance, 2010, p. 1).

In early 2012, as the province still faced large deficits and limited economic growth, Premier McGuinty and Minister of Finance Dwight Duncan, asked Don Drummond, an economist, to chair the Commission on the Reform of Ontario’s Public Services with a mandate to provide advice

on how to balance the budget earlier than 2017–2018. . . . Once the budget is balanced, ensure a sustainable fiscal environment. . . . Ensure that the government is getting value for money in all its activities . . . I [Drummond do] not recommend privatization of health care or education . . . [or] tax increases. (Drummond Report, 2012, p. 11)

The recommendations touched on all aspects of public services, such as health, elementary and secondary education, social programs, employment and training services, and the postsecondary sector. The recommendations were focused on achieving increased productivity through cost-reduction initiatives.

The Drummond Report (2012) recognized that the postsecondary sector in Ontario had just experienced a period of “rapid expansion, combined with the lowest funding levels in Canada [which had] . . . undermined quality—more sessional instructors, larger classes and less contact with professors” (p. 33). The postsecondary sector was deemed “unsustainable from both a financial and quality perspective” (p. 34), due to its anticipated and continuing annual cost increases of up to 5%. Demand for postsecondary education was expected to continue rising in a period of constrained government funding. The Drummond Report called for greater efficiency in order for the system to meet the province’s demands to “educate a rising share of the population; help equalize economic and social outcomes across the population; provide an important component of lifelong learning; be an engine of innovation; and deliver quality education in an efficient manner” (p. 240).

While the Drummond Commission made a total of 30 recommendations for the postsecondary sector around the areas of student financial aid, tuition framework, teaching and research funding structures, and back-office functions, this paper will focus on its key recommendations with respect to increasing diversity. Institutional diversity was viewed by the commission as a

logical progression to improve quality and sustainability. Inherent in differentiation is the potential for reducing inefficiencies and realizing cost savings by minimizing further duplication of programs . . . [by implementing] multi-year mandate agreements with universities and colleges that provide more differentiation and minimize duplication . . . a rational and strategic division of roles between the college and university systems . . . [and by creating] a comprehensive, enforceable credit recognition system between and among universities and colleges. (Drummond Report, 2012, pp. 246–247)

The division of roles included limiting colleges from offering any additional degree programs and the creation of standards of quality and attainment that would allow college students who completed two years to enter university. It is unfortunate that the commission did not take into account that some duplication in programs is necessary if one values accessibility to programs over a geographically vast province. It also failed to acknowledge that universities and colleges have entered into a multitude of bilateral and multilateral articulation agreements to facilitate transfer, although there continues to be no system-wide approach to transfer issues.

OCUFA (2012) was critical of the commission’s extensive use of three sources (the Clark, Trick, Van Loon 2011 book, *Academic Reform*, HEQCO, and OUSA) and concluded that the data were “incomplete and that the Commission failed to conduct the research necessary to make appropriate and useful recommendations for Ontario’s higher education sector” (p. 2). With respect to the recommendations to differentiate the postsecondary sector, OCUFA observed that the failure of the commission to define differentiation creates “an ambiguity which undermines the usefulness of his recommendations” (Ontario Confederation of University Faculty Associations, 2012, p. 6).

When it comes to the negotiation of multi-year mandate agreements and the introduction of new programs, OCUFA “rejects in principle any attempts by the Government of Ontario to interfere with academic planning and the operation of existing programs. Our current institutional and program mix has evolved organically with the needs of students and communities in mind” (Ontario Confederation of University Faculty Associations, 2012, p. 6). Furthermore, when it comes to the responsibility to negotiate any new mandate agreements, OCUFA is “concerned that a blue ribbon panel would not have a significantly robust mandate to conduct such a consultation. Similarly, HEQCO has an abysmal record of sector consultation, and would be an inappropriate body for developing new mandate agreements” (Ontario Confederation of University Faculty Associations, 2012, p. 6). OCUFA supports limiting the degree-granting roles of colleges as the division of roles between colleges and universities has been blurred as a result of “a combination of institutional aspirations and political expediency” (Ontario Confederation of University Faculty Associations, 2012, p. 6).

While the Drummond Commission recognized that the sector already made use of system-wide indicators, it recommended more extensive use of “performance measures in multi-year accountability agreements with post-secondary institutions through the use of teacher performance scores and student satisfaction ratings where the primary reasons for dissatisfaction are adequately captured” (Drummond Report, 2012, p. 250). The commission also recommended increased outcome measures tied to funding as part of the mandate agreements. OCUFA (2012) objected to funding tied to quality performance indicators as “such a funding mechanism takes resources away from institutions that need it most, and hurt students at institutions not seen to ‘measure up’ to poorly designated proxy measurements of quality” (p. 8).

It is too early to tell at this time to what extent the Drummond Report’s recommendations will be accepted by government since the commission was an initiative of Minister of Finance Duncan who resigned his seat in February, 2013, and was replaced by Minister of Finance Charles Sousa.

### **Conclusions**

There appears to be a general consensus that Ontario’s higher education system could benefit from increased levels of institutional diversity in order to ensure its future sustainability. There is also general support that the level of institutional diversity should be limited to ensure that every community has access to a number of high-quality programs. However, there are also implications for system-level governance, including concerns that an increase in institutional diversity may intrude into academic planning, reduce institutional autonomy and academic freedom, and limit institutional aspirations.

Access to baccalaureate programs to meet the future labour-market demands, in a more cost-effective manner, could be enhanced by increasing the extent of systemic and programmatic diversity by creating undergraduate teaching-focused institutions and an open university, or by having colleges offer more career-focused baccalaureate programs. These strategies can also increase access to underrepresented students: francophone, Indigenous, and first generation. However, concerns have been raised that these strategies conflict with our Canadian value of equity and that they may create a hierarchical system in Ontario. Furthermore, some projections of future demand for higher education in Ontario do not support the need for new institutions.

As for the issue of quality in the Ontario university sector, there currently exists no formal provincial government accreditation system, yet quality issues continue to be of interest as the government seeks to keep institutions accountable. Institutions in Ontario are expected to develop measurable program outcomes consistent with Ontario's qualification framework, but quality assessment has been left in the hands of universities. HEQCO is also interested in developing broad outcome standards that could be used in a provincial quality assessment tool (Jones, 2014). The diversity debate in Ontario has recently been focused on the balance between teaching and research and its related quality, and the debate has suggested that institutions should focus on their areas of program strengths. There have also been continued calls for institutions to be more accountable for their quality levels through various accountability measures.

The provincial government in Ontario controls the amount of funding it allocates to universities and colleges, and regulates most tuition levels. While it is understood that the province is currently operating in a period of fiscal restraint, increased government funding has been called upon to provide the right incentives for universities to increase institutional diversity in the university sector. Piché's (2015a) in-depth policy and descriptive analysis of funding policies in Ontario attributed the lack of diversity in the university sector, in part, to the lack of diversity objectives in its government-funding policies, combined with its existing funding model that essentially treats every institution equally. As the government moves forward to align its funding and other policies with its newly adopted diversification framework, it will need to balance any funding policy changes with the related impact on quality and accessibility.

The current debate in Ontario is illustrative of two very different approaches to increasing diversity within a higher education system. The first is to increase diversity through the creation of new institutional types (teaching-focused universities, an open university) or expand the role of existing institutions (such as colleges) thereby increasing access while also contributing to greater efficiencies in the provision of degree programs. This approach requires new investments, but it also requires a policy regime that addresses the concern of academic drift—that new or hybrid institutional forms will continue to be differentiated from the existing institutional types within the system.

The second approach, which now dominates the Ontario policy debate is to increase diversity within the existing array of institutions through incentives and mandate agreements designed to stimulate differentiation. This is the approach that has been frequently advocated in previous task forces and commissions, perhaps, in part, because the discussion of diversity seems to arise during periods of fiscal restraint, periods when government objectives for efficiency may overwhelm other perceived benefits of a diverse system. Without the resources needed to create new institutional types, governments ponder strategies for reconfiguring the existing institutional arrangements, but moving forward presents an immense policy challenge. Diversity, using this approach, implies an evolutionary process of limiting the missions, program offerings, and aspirations of some existing institutions within a university sector that has previously relished high levels of institutional autonomy. This approach also implies being limited to a single institutional type and developing a common funding formula focusing on inputs. It implies a long-term strategic approach to higher education policy combined with sustained system-level planning, two elements that have, at least to-date, been largely absent from the Ontario higher education system. 🍁

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### **Contact Information**

Pierre G. Piché  
Ontario Institute for Studies in Education  
University of Toronto  
[pierre.piche@utoronto.ca](mailto:pierre.piche@utoronto.ca)

Pierre G. Piché is a chartered professional accountant, and controller and director of financial services at the University of Toronto. He holds a PhD in higher education from the University of Toronto. He is an active member of the Council of Ontario Finance Officers and the Canadian Association of University Business Officers. His research interests include issues of institutional diversity, finance, and accountability.

Glen A. Jones is the Ontario Research Chair in Postsecondary Education Policy and Measurement, professor of higher education, and dean of the Ontario Institute for Studies in Education at the University of Toronto. Glen's research focuses on higher education policy, governance, academic work, and administration. He is a prolific contributor to the Canadian and international literature on higher education and a frequent public speaker and commentator on higher education issues.