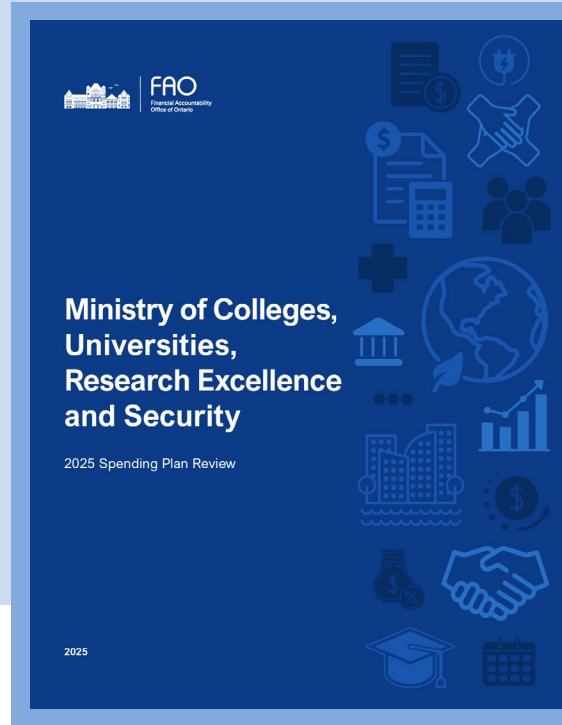




Ministry of Colleges, Universities, Research Excellence and Security

2025 Spending Plan Review

Briefing Deck



FAO

Financial Accountability
Office of Ontario

Overview

- This report reviews the Government of Ontario's (the Province's) Ministry of Colleges, Universities, Research Excellence and Security (MCURES) spending plan as outlined in the 2025 Ontario Budget.
- This analysis was undertaken in response to a request from a Member of Provincial Parliament and is part of a planned series that reviews the spending plans for five ministries:
 - Health and Long-Term Care, which form the health sector;
 - Education;
 - Colleges, Universities, Research Excellence and Security (MCURES); and
 - Children, Community and Social Services (MCCSS).
- For additional information on the five ministries' 2025-26 spending plans, see the FAO's *Examining Ontario's 2025-26 Expenditure Estimates*, which compares planned spending against actual spending over the previous four years to the standard account level of detail.



Spending Plan Overview

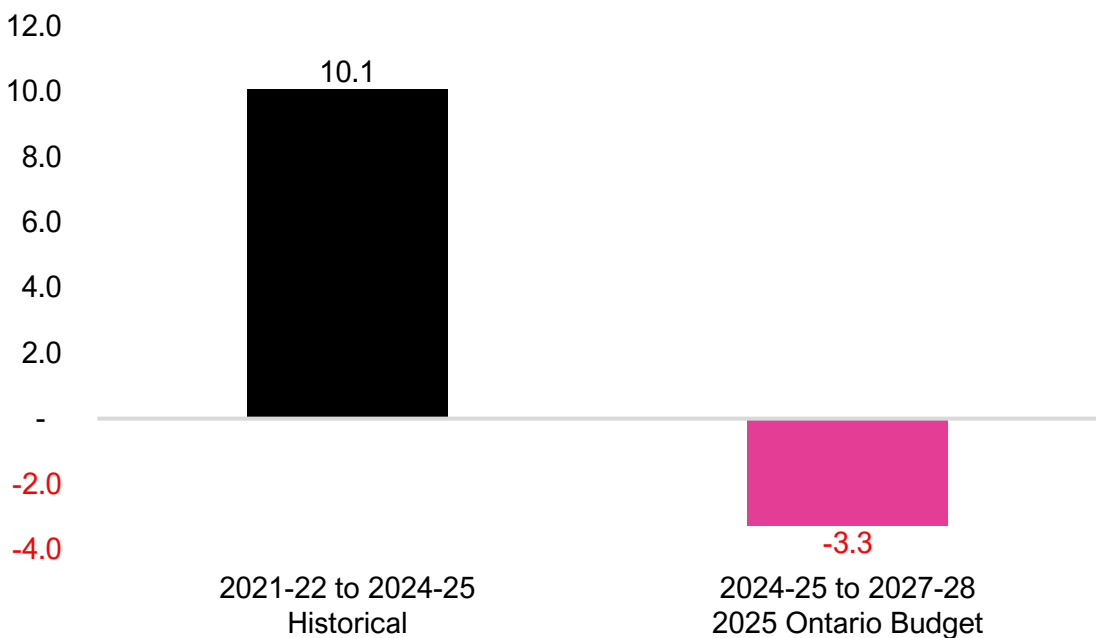


MCURES Spending Plan

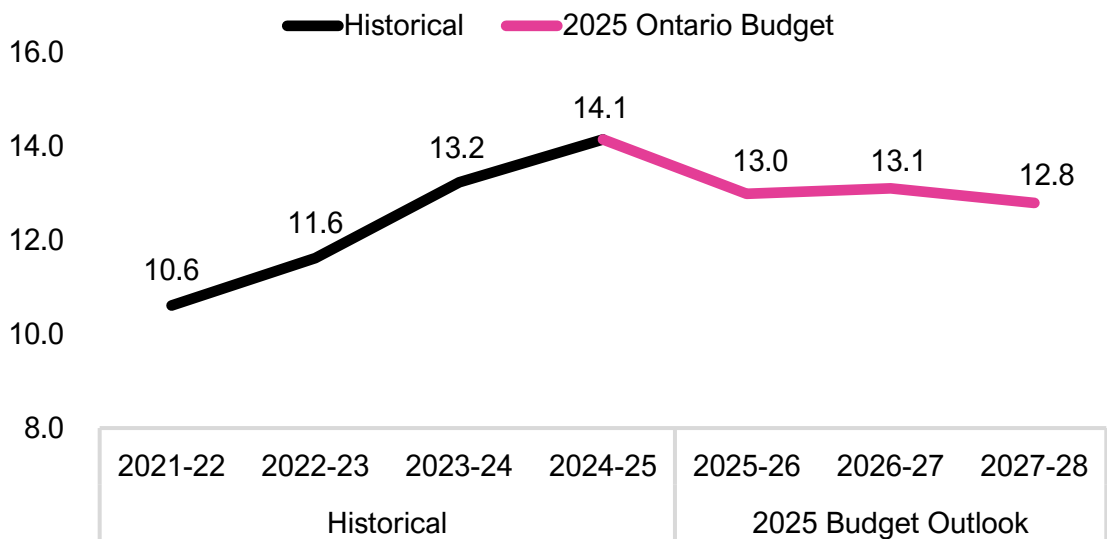
- In the 2025 Ontario Budget, the Province projects that MCURES spending will decrease at an average annual rate of -3.3%, from \$14.1 billion in 2024-25 to \$12.8 billion in 2027-28.
- This is a significantly slower pace than the 10.1% average annual growth over the previous three years.

Ministry of Colleges, Universities, Research Excellence and Security spending plan in the 2025 Ontario Budget

Average Annual Spending Growth (Per Cent)



Annual Spending (\$ Billions)



Note: Historical values are not restated for program transfers or reclassifications, if any.
Source: Ontario Public Accounts and the 2025 Ontario Budget.

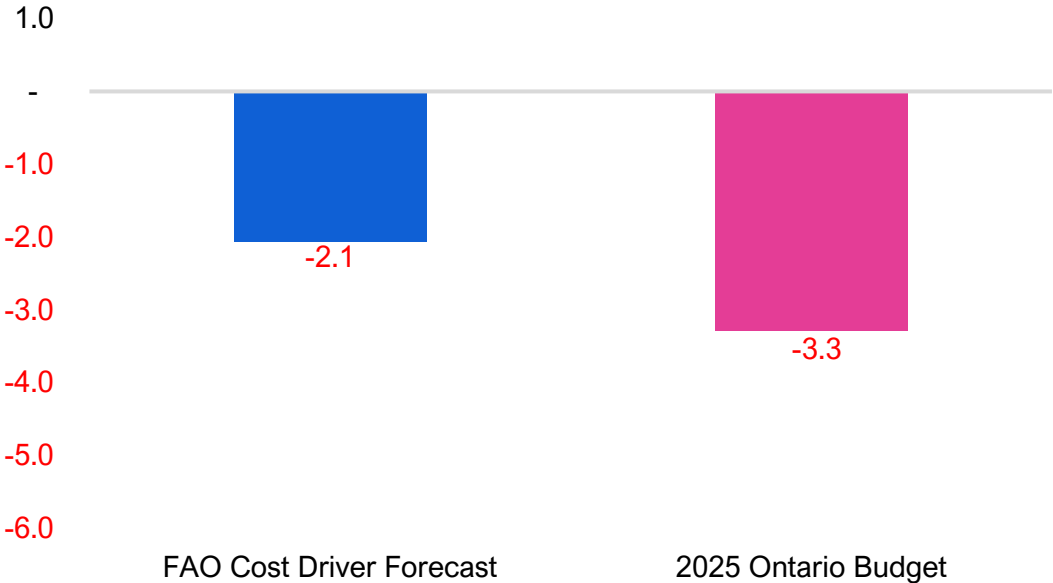


MCURES Spending Plan

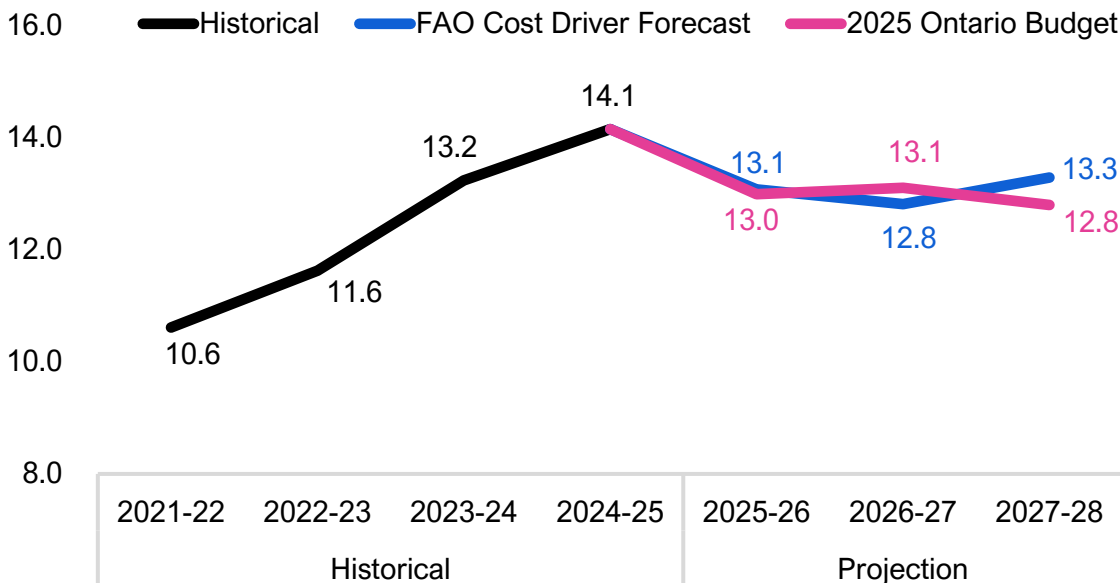
- The FAO estimates that spending consistent with maintaining 2024-25 ministry service levels would result in an average annual decline of -2.1% over the next three years.
- In 2026-27, the 2025 budget spending plan exceeds the FAO's cost driver projection by \$0.3 billion, and in 2027-28, the 2025 budget spending plan is below the FAO's cost driver projection by \$0.5 billion.

Comparing Ministry of Colleges, Universities, Research Excellence and Security spending growth, FAO cost driver forecast vs. 2025 Ontario Budget, 2024-25 to 2027-28

Average Annual Spending Growth (Per Cent)



Annual Spending (\$ Billions)



Note: Historical values are not restated for program transfers or reclassifications, if any.
Source: Ontario Public Accounts and the 2025 Ontario Budget.



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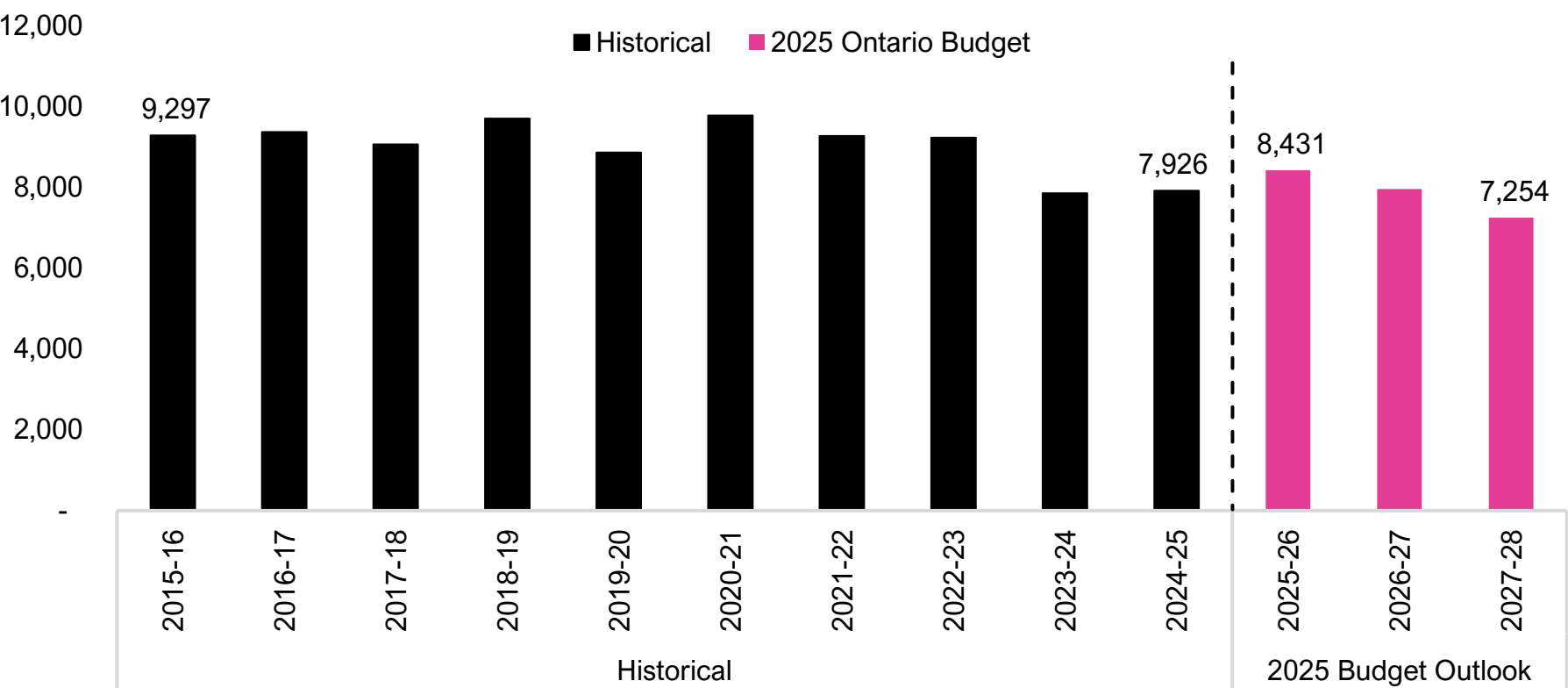
Spending Plan Analysis

The FAO analyzed the potential impact of the ministry's spending plan in the 2025 Ontario Budget on provincial funding for colleges and universities.



Funding to Colleges

Provincial operating funding to public colleges per FTE domestic student, inflation-adjusted, 2015-16 to 2027-28
2024-25 Constant Dollars

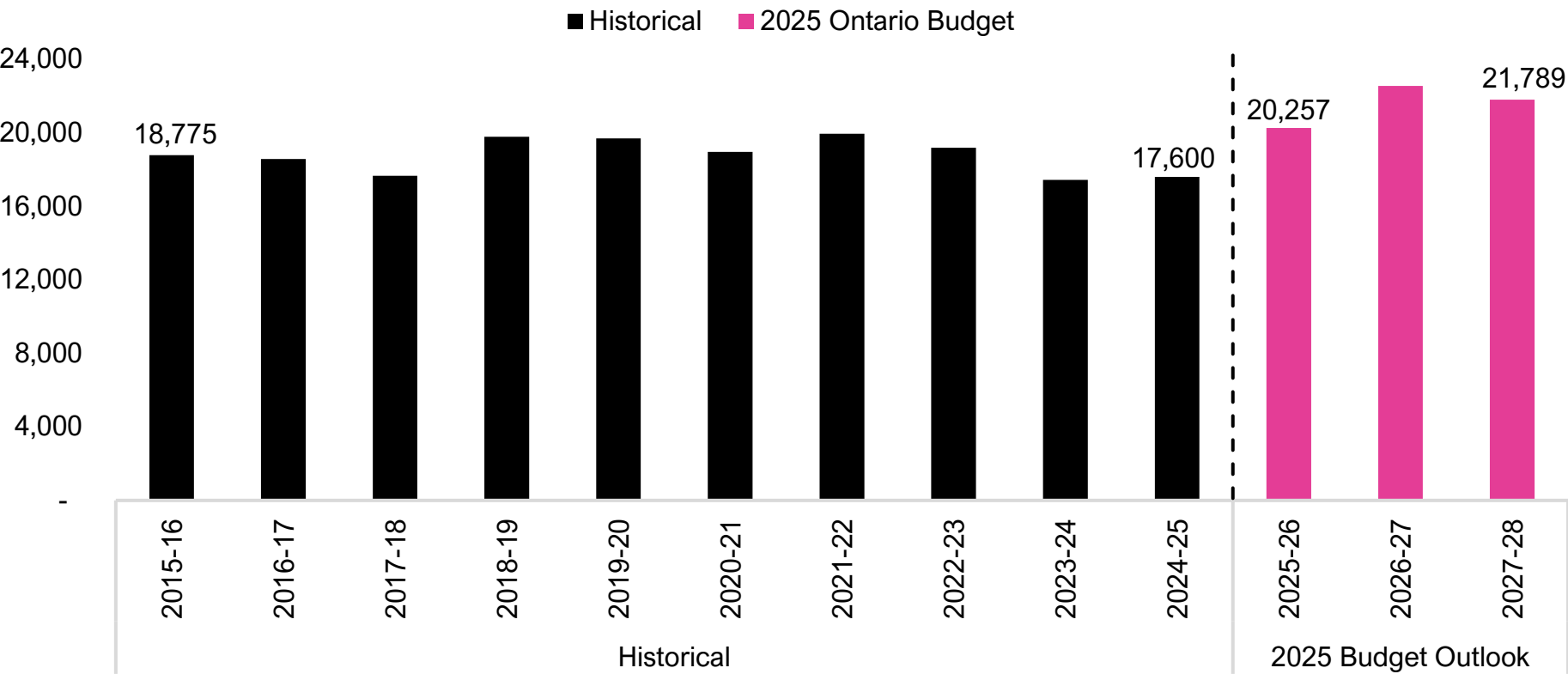


Note: The FAO estimates full-time equivalent enrolment as full-time enrolment, plus part-time enrolment divided by 3.5.
Source: Statistics Canada, “Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender”, Table: 37-10-0018-01, and FAO analysis of information provided by the Province.



Colleges Spending

Public colleges operating spending per FTE student, inflation-adjusted, 2015-16 to 2027-28
2024-25 Constant Dollars

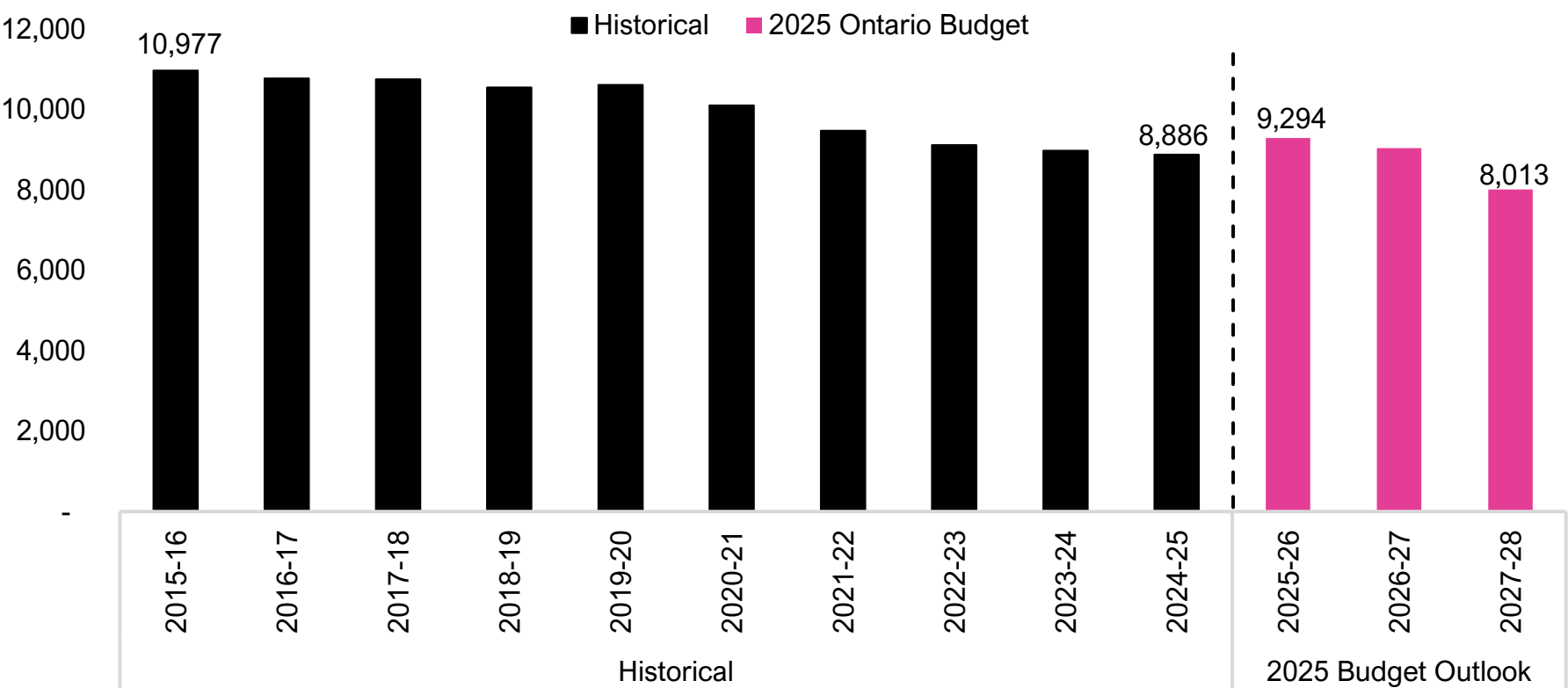


Note: Excludes spending and enrolment related to public college-private partnerships. The FAO estimates full-time equivalent enrolment as full-time enrolment, plus part-time enrolment divided by 3.5.
Source: Statistics Canada, “Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender”, Table: 37-10-0018-01, and FAO analysis of information provided by the Province.



Funding to Universities

Provincial operating funding to public universities per FTE domestic student, inflation-adjusted, 2015-16 to 2027-28
2024-25 Constant Dollars



Note: The FAO estimates full-time equivalent enrolment as full-time enrolment, plus part-time enrolment divided by 3.5.
Source: Statistics Canada, “Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender”, Table: 37-10-0018-01, and FAO analysis of information provided by the Province.



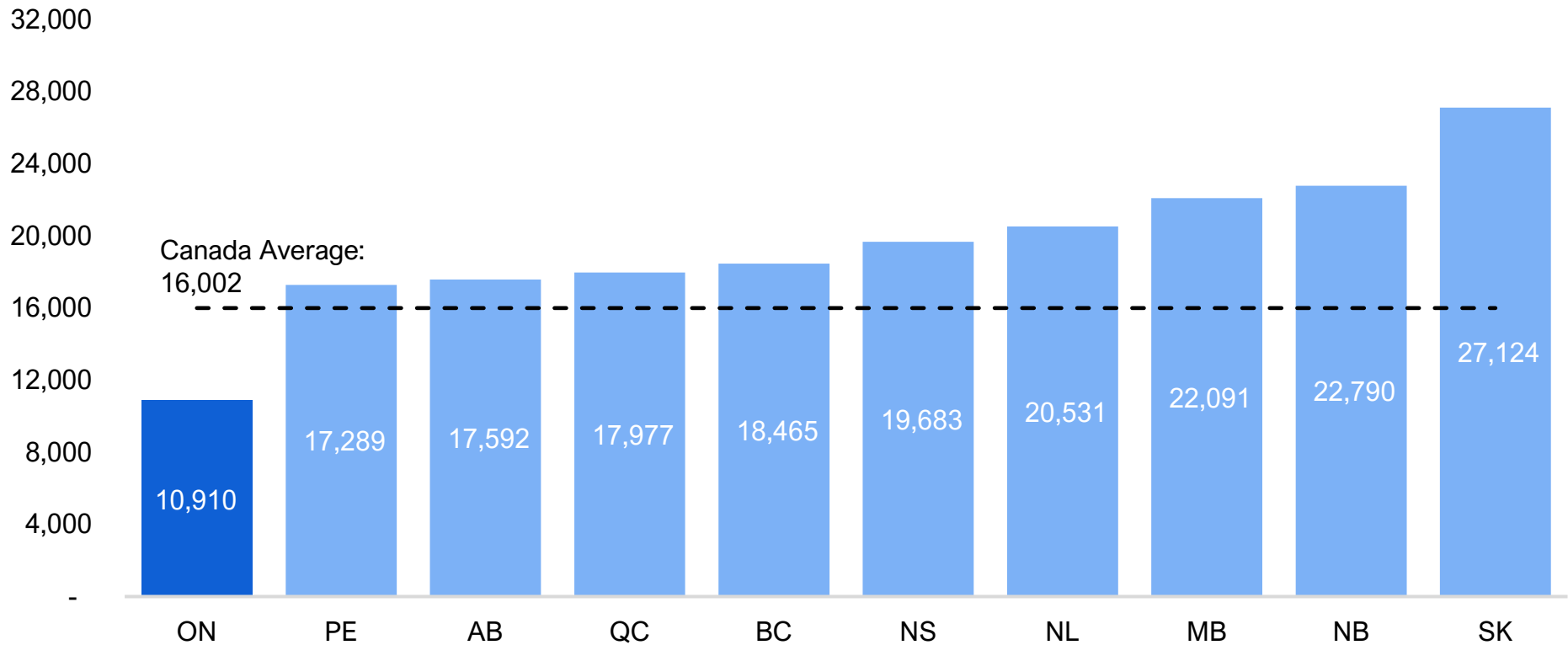
Interprovincial Comparison

The FAO compared provincial funding to colleges and universities with funding in other provinces. The FAO also compared colleges and universities spending and average domestic tuition fees across provinces.



Funding to Colleges

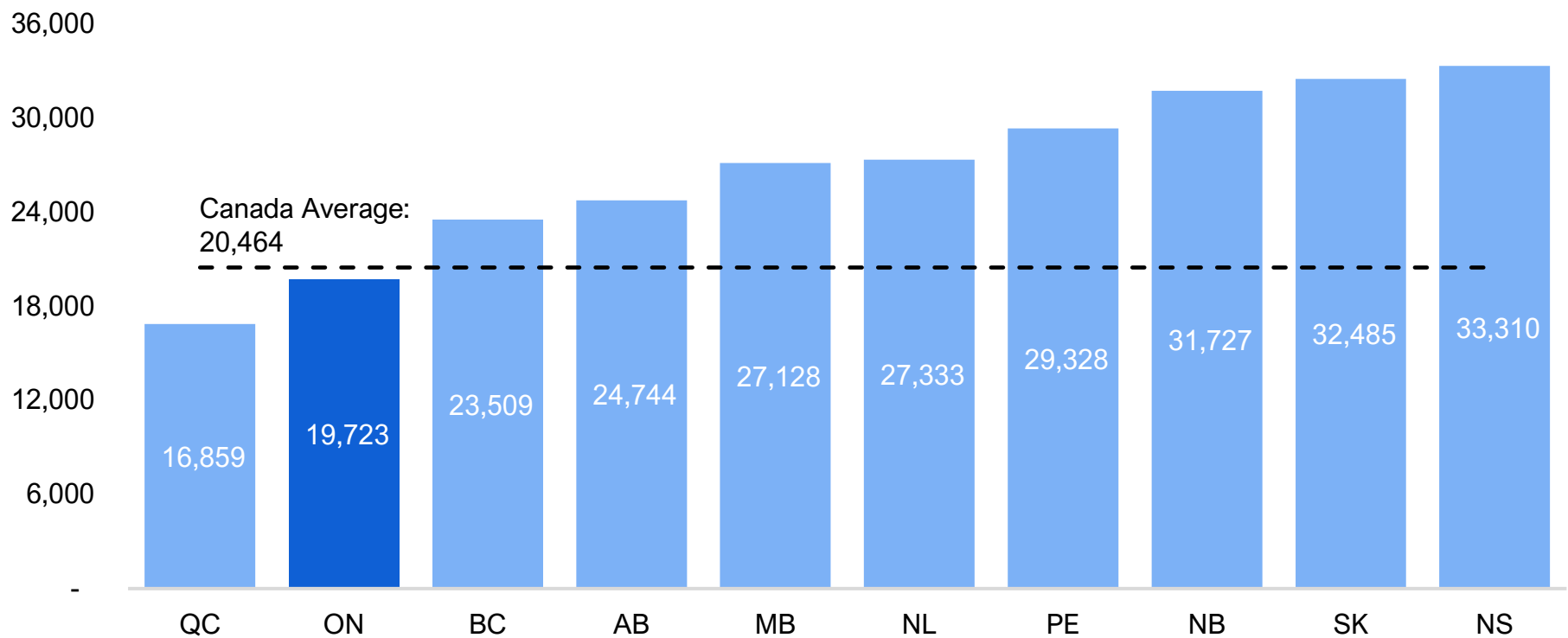
Provincial funding to public colleges per FTE domestic college student by province, 2022-23
Dollars



Note: The FAO estimates full-time equivalent enrolment as full-time enrolment, plus part-time enrolment divided by 3.5. Canada average does not include territories.
Quebec college funding includes direct subsidies to lower “in province” domestic student tuition fees.
Source: Statistics Canada, “Revenues of colleges by type of revenues and funds”, Table: 37-10-0028-01 and “Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender”, Table: 37-10-0018-01.

Colleges Spending

Colleges spending per FTE student by province, 2022-23
Dollars

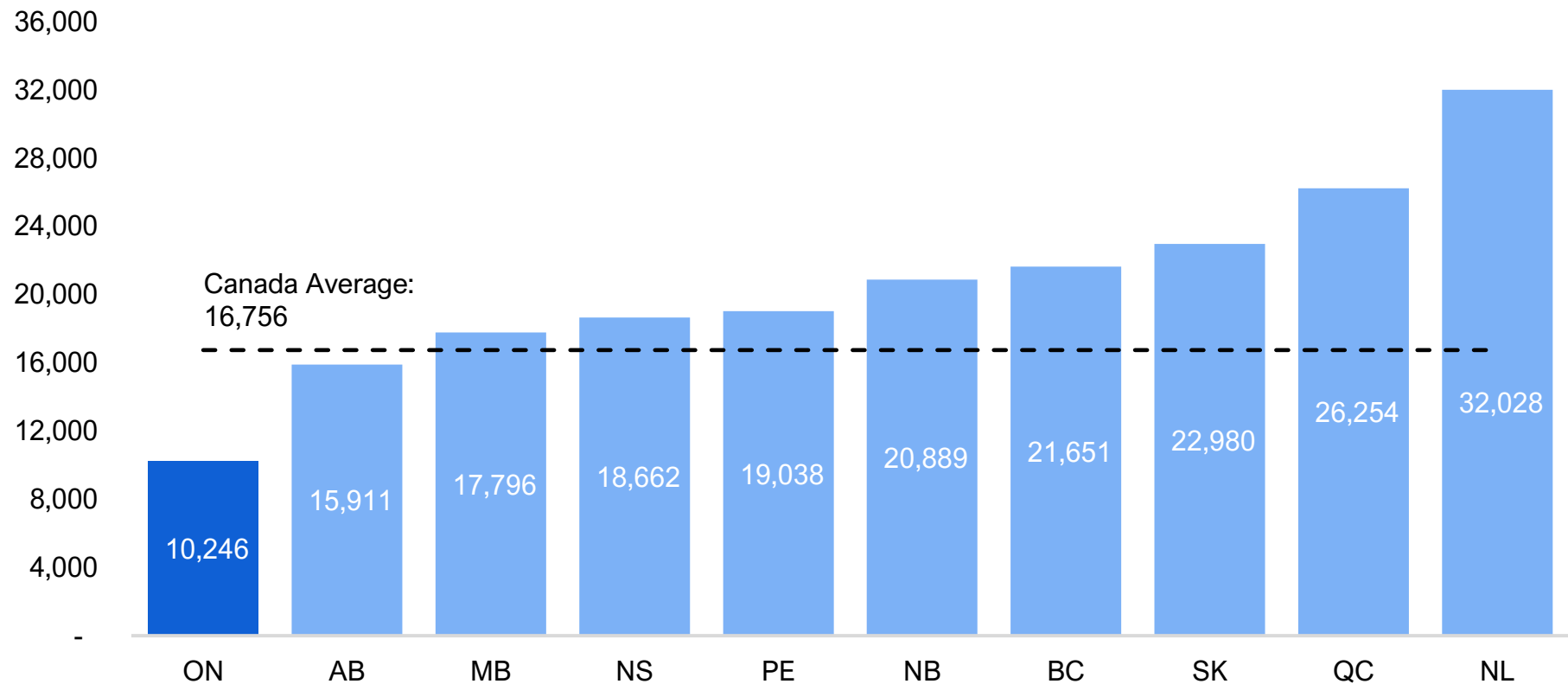


Note: The FAO estimates full-time equivalent enrolment as full-time enrolment, plus part-time enrolment divided by 3.5. Canada average does not include territories.
Source: Statistics Canada, “Canadian Classification of Functions of Government (CCOFG) by consolidated government component”, Table: 10-10-0005-01 and “Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender”, Table: 37-10-0018-01.



Funding to Universities

Provincial funding to public universities per FTE domestic university student by province, 2022-23
Dollars



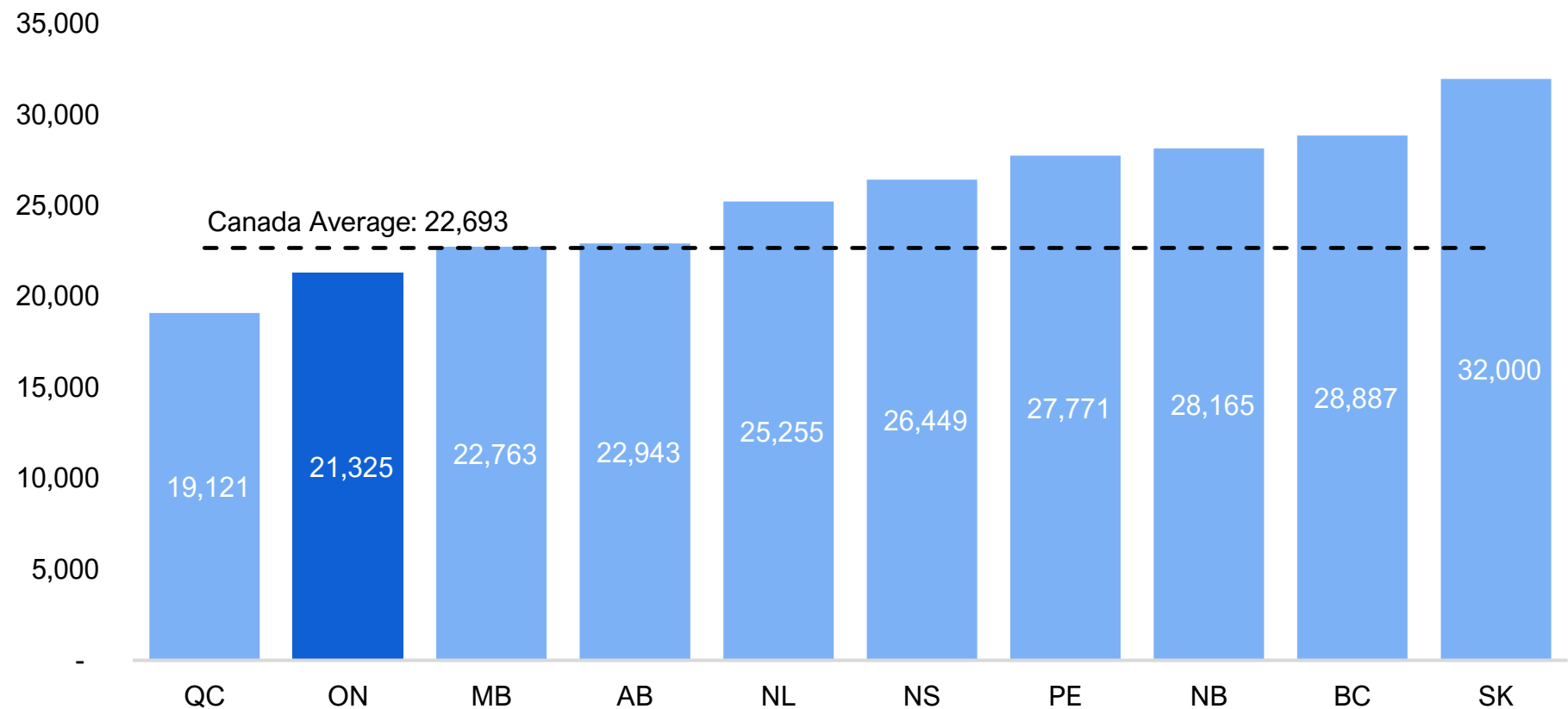
Note: The FAO estimates full-time equivalent enrolment as full-time enrolment, plus part-time enrolment divided by 3.5. Canada average does not include territories. Quebec and Nova Scotia university funding includes direct subsidies to lower “in province” domestic student tuition fees.
Source: Statistics Canada, “Revenues of universities by type of revenues and funds”, Table: 37-10-0026-01 and “Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender”, Table: 37-10-0018-01.



Universities Spending

Universities spending per FTE student by province, 2022-23

Dollars



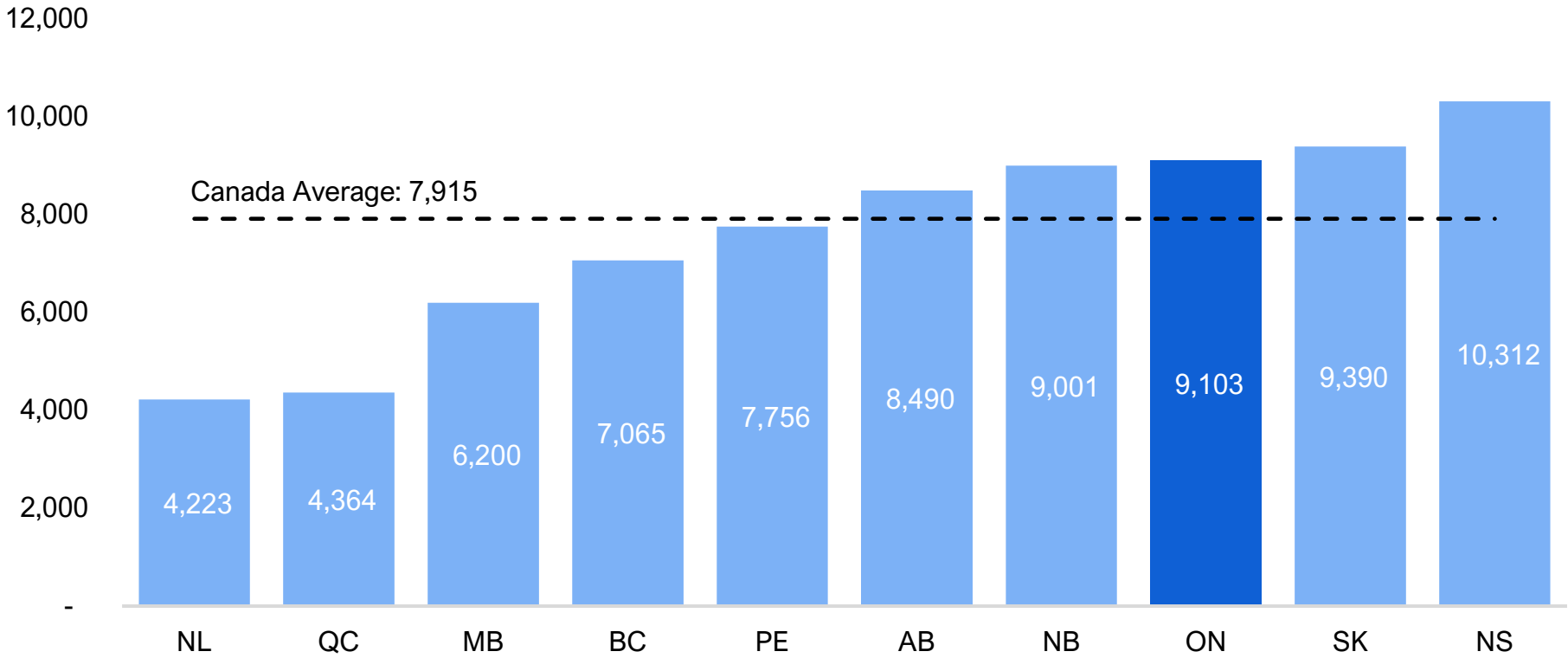
Note: The FAO estimates full-time equivalent enrolment as full-time enrolment, plus part-time enrolment divided by 3.5. Canada average does not include territories.
Source: Statistics Canada, “Canadian Classification of Functions of Government (CCOFOG) by consolidated government component”, Table: 10-10-0005-01 and “Postsecondary enrolments, by registration status, institution type, status of student in Canada and gender”, Table: 37-10-0018-01.



Domestic Tuition Fees

Average tuition and additional compulsory fees for undergraduate full-time domestic students in public postsecondary education programs by province, 2022-23

Dollars



Note: Additional compulsory fees are the fees paid by all full-time students, which include general fees (admission, registration, etc.), technology fees, student association fees, fees for athletics and recreational activities, etc. Canada average excludes all territories except Yukon. Quebec and Nova Scotia average tuition accounts for different fees paid by "in province" and "out of province" Canadian students. Quebec average excludes tuition fees for students enrolled in CEGEP.
Source: Statistics Canada, "Canadian students, tuition and additional compulsory fees, by level of study", Table: 37-10-0121-01.



Thank you!



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