



**Canadore College:**  
The Gateway to Economic  
Revitalization in Northern Ontario  
Post COVID-19



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The StrategyCorp Institute of Public Policy and Economy provides thought leadership on important public policy issues facing Canadians and their governments across the country by combining policy expertise with key political insights.

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# INTRODUCTION

Northern Ontario possesses a unique way of life and a distinctly different set of realities from the rest of the province. Geographically it is sizably larger but demographically it is much smaller. Its economy is rooted less in the scientific and professional industries, though they do certainly exist in the North, and more in the service and resource economy including things like forestry and mining.

The unique northern economy means the impact of significant economic events, such as the 2008-09 recession or the COVID-19 pandemic, are also different in the North compared to the South. There are fewer businesses and fewer people to soften the blow of negative economic downturns. The recovery from significant shocks can be slower and the need for unique tailored solutions greater. It is critical that policymakers understand that the North not only deserves but needs locally tailored solutions that meet its economic challenges head on, not the challenges faced in the Greater Toronto Area and its suburbs. That is where the Government of Ontario comes in.

In Northern Ontario, publicly funded institutions serve as hubs of the community. In North Bay, Canadore College and Nipissing University alone see nearly 8,600 students enrolled in their institutions on a part- or full-time basis every year.<sup>1</sup> In a city with just over 51,500 people, that is a significant number and a significant source of economic activity. Despite the significant local importance of these educational institutions, they often find themselves given the same solutions as the rest of Ontario.

When it comes to Canadore specifically, it finds itself restricted from using the same revenue generating and student attracting tools that other colleges in the rest of Ontario can use. Further, it suffers from the same

post-secondary-wide barriers on the type of credentials it can offer, the lengthy requirements it must fulfill to access public funding, and the types of students it can attract.

These barriers to growth, and overall lack of autonomy, mean Canadore's unique positioning as a hub of economic activity in North Bay, and Northeastern Ontario more generally, is not properly harnessed. Given that the College is only provincially assisted rather than truly provincially funded, and with those provincial contributions on the decline, Canadore must seek out private sector funding in order to expand or simply respond to changing labour market needs in the community. If Canadore was able to combine its ability to source private sector funding through its deep roots in the community with a strong public sector partner that provided proper resourcing and removed artificial impediments to growth, Canadore could play a leading role in helping reverse troubling negative economic trends in North Bay and throughout Northern Ontario.

These trends, of course, have been exacerbated by the economic impacts of the COVID-19 pandemic. Be it struggles to attract working age residents, the need for existing workers to re-train and gain new skills, or to attract new businesses to the region, the COVID-19 pandemic has highlighted the need for changes in government policy and support for the North. Throughout this paper, we will show the impact of the pandemic on the economy of North Bay and Northern Ontario and how it hit an economy still grappling with the effects of the 2008-09 recession, and how the College can play a key role in this pivotal post-COVID economic recovery period.

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<sup>1</sup>City of North Bay. Community Profile. Retrieved from <https://www.northbay.ca/media/jhil2tdq/north-bay-community-profile.pdf>, 14.



Ultimately, this paper will show that the Ontario government needs to tailor specific and unique policy solutions to North Bay and Northern Ontario's economy. Luckily, it can do so by leaning on its strong public institutions, like Canadore College, to ensure Northern Ontario is not left behind. Those solutions include:



1. Eliminate international student ratios for colleges in Northern Ontario to encourage greater in-migration to northern communities;
2. Expedite the approval of 160 new long-term care (LTC) beds to The Village at Canadore College to increase long-term care capacity in North Bay, reduce waitlist demand, and support new healthcare jobs in the region;
3. Designate The Village as Northern Ontario's Centre for Learning, Research and Innovation in Long-Term Care (CLRI), which will promote the North as a centre of applied research in aging and support new jobs and training opportunities in the regional health sector;
4. Provide provincial funding support for the Canadore Gateway Centre, a one-of-a-kind facility bringing together people, programs and services to support collaborative research, science and technological innovation and job-focused training and upskilling;
5. Reduce red tape and administrative burdens, including reporting requirements and approval requests for financing, to enable college leadership in the North to focus more on strategic investment and growth, rather than day-to-day operations;
6. Increase provincial funding through the Local Poverty Education Fund for the Nipissing Poverty Reduction through Education Program (NPREP) and Indigenous Poverty Reduction through Education Program (IPREP) to support Canadore in breaking the cycle of poverty by training, upskilling and supporting low income and Indigenous students in their journey from post-secondary education to the workforce;
7. Provide multi-year funding to expand Canadore's Innovation Centre for Advanced Manufacturing and Prototyping (ICAMP) and ensure that the Centre continues to drive innovation and meet the needs of local and regional businesses;
8. Design a pilot project giving colleges full autonomy to create and establish new programs by removing the requirement for ministerial consent; and
9. Consolidate and provide predictable multi-year funding for Special Purpose Grants to support long-term financial sustainability for colleges and ensure a more level playing field between Ontario's smaller and larger colleges.



# THE 2008-09 RECESSION

When the recession hit in 2008-09 it stunted and reversed economic growth throughout the province. As the global economy recovered so did much of Ontario, gradually returning to pre-recession levels of employment, earnings, and population growth. However, in Northern Ontario, all three of these metrics would continue to lag behind for years to come, putting the North in a worse position than the rest of Ontario when the COVID-19 recession hit.

First, on population, it was no secret that the North was having a difficult time retaining people. Many working age individuals were leaving to pursue careers or education unavailable in the North. When the 2008-09 recession hit, it made employment opportunities even more scarce, saw manufacturing leave the area in search of lower cost jurisdictions, and contributed to higher rates of unemployment.<sup>2</sup> In turn, this acted as a catalyst of de-population trends. In 2006, North Bay had a population of just under 54,000 people. By the time the 2011 census was taken, shortly after the 2008-09 recession, that population number dropped just 315 people to 53,651. However, by the time the 2016 census was taken and the region still had not recovered from the recession, the population drop saw a noticeable decline of 2,098 people in just 5 years or, in other words, a 3.9% drop in population.<sup>3</sup>

More concerning for the local economy than a sheer loss in population, and therefore the economic activity those people bring, was the ages of the people being lost. Between 2006 and 2016, the percentage of North Bay residents aged 65 or older increased from 15.5% to 19.8%, increasing the median age of the city.<sup>4</sup> In four out of five years between 2011 and 2016, the Nipissing District as a whole saw the largest amount of out-migration occur in the 25-44 age bracket, meaning a steady and consistent decline of working age individuals.<sup>5</sup>

These drops in working age population meant significant challenges for local employers to find workers, let alone workers with the right set of skills for the positions available. Making matters worse, many of the individuals who left the region were seeking education or had skillsets that made it possible for them to pursue careers in other cities. As of 2015, the skill level of the working age population in Northeastern Ontario lagged below both the provincial and national average.<sup>6</sup> As of the 2016 census, in North Bay specifically, 46% of the working age population currently had either a high school education only or no post-secondary education at all.<sup>7</sup> This trend is concerning given that various studies suggest the region will need approximately 80% of its workforce to possess post-secondary credentials, such as an apprenticeship or college diploma, by 2031 to remain employable.<sup>8</sup>

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<sup>2</sup>Lafleur, S. (2017). Uneven Recovery: Much of Ontario still hasn't fully recovered from the 2008 recession. Retrieved from <https://www.fraserinstitute.org/sites/default/files/uneven-recovery-much-of-ontario-still-hasnt-fully-recovered-from-the-2008-recession.pdf>, p24-25.

<sup>3</sup>Campagne, Stu. (2017). The hard numbers behind North Bay's population decline. Retrieved from <https://www.baytoday.ca/local-news/the-hard-numbers-behind-north-bays-population-decline-687251>

<sup>4</sup>Ibid.

<sup>5</sup>NECO Community Futures Development Corporation. (2019). Socio-economic Profile for the Geographic Area. Retrieved from [https://neco.on.ca/wp-content/uploads/2019/12/NECO\\_E\\_August2019\\_compressed.pdf](https://neco.on.ca/wp-content/uploads/2019/12/NECO_E_August2019_compressed.pdf), 11.

<sup>6</sup>Moazzami, B. (2019). Northern Projections: Timiskaming District. Retrieved from <https://www.northernpolicy.ca/upload/documents/publications/reports-new/timiskaming-19.12.17.pdf>, 26.

<sup>7</sup>City of North Bay. Community Profile. Retrieved from <https://www.northbay.ca/media/jhil2tdq/north-bay-community-profile.pdf>, p8.

<sup>8</sup>Moazzami, B. (2019). Northern Projections: Timiskaming District. Retrieved from <https://www.northernpolicy.ca/upload/documents/publications/reports-new/timiskaming-19.12.17.pdf>, 26.



The population and skilled labour loss manifested in many employment and income metrics. Lower skilled positions in retail, social assistance, and some health care fields became the most common sectors in the labour force in the Northeast region.<sup>9</sup> The labour force participation rate in the North Bay area dropped to 58.3%, compared to a provincial average of 64.7%. In other words, the area had 19,640 working age individuals either unemployed or out of the labour force compared to 23,065 people employed, a ratio perilously close to one-to-one.<sup>10</sup> Similarly, the region lagged behind the provincial average in median household income, after tax income, and total employment growth.<sup>11</sup>

Though the most recent reliable data for North Bay itself is the 2016 census, more recent data exists for Northern Ontario as a whole. That data continues to show negative trends around population and job growth. For example, in 2009 Northern Ontario as a whole had 350,800 jobs but, by 2019, that number had only increased by less than 3,000 positions. In comparison, the Greater Toronto Area saw an increase of nearly 560,000 positions and central Ontario, which borders the Northern region, saw an increase of just over 169,000 positions.<sup>12</sup> Despite the lack of newly created positions, the unemployment rate in Northern Ontario dropped from 9% in 2009 to 5.8% in

2019.<sup>13</sup> There are only two ways for the unemployment rate to drop: more people employed or fewer working age people in the labour force seeking work. Given the number of new jobs created was miniscule during this time, it is clear the population of Northern Ontario has been steadily shrinking.

Clearly, the positive change in unemployment rates was masking negative economic trends in the North, largely caused by the significant impact of the 2008-09 recession and a prolonged economic recovery that, could be argued, was never completed. Despite the greater impact of the 2008-09 recession on the North compared to the rest of Ontario, dedicated and targeted provincial investments to help the region recover never truly materialized. All told, the North was clearly at an economic disadvantage even before the COVID-19 pandemic hit Ontario.

<sup>9</sup>NECO Community Futures Development Corporation. (2019). Socio-economic Profile for the Geographic Area. Retrieved from [https://neco.on.ca/wp-content/uploads/2019/12/NECO\\_E\\_August2019\\_compressed.pdf](https://neco.on.ca/wp-content/uploads/2019/12/NECO_E_August2019_compressed.pdf), p29.

<sup>10</sup>City of North Bay. Community Profile. Retrieved from <https://www.northbay.ca/media/jhl2tdq/north-bay-community-profile.pdf>, p26.

<sup>11</sup>NECO Community Futures Development Corporation. (2019). Socio-economic Profile for the Geographic Area. Retrieved from [https://neco.on.ca/wp-content/uploads/2019/12/NECO\\_E\\_August2019\\_compressed.pdf](https://neco.on.ca/wp-content/uploads/2019/12/NECO_E_August2019_compressed.pdf), p8.

<sup>12</sup>Lafleur, S. (2017). Uneven Recovery: Much of Ontario still hasn't fully recovered from the 2008 recession. Retrieved from <https://www.fraserinstitute.org/sites/default/files/uneven-recovery-much-of-ontario-still-hasnt-fully-recovered-from-the-2008-recession.pdf>, 6.

<sup>13</sup>Government of Ontario. (2019). Ontario Employment Reports: January to March 2019. Retrieved from <https://www.ontario.ca/document/ontario-employment-reports/january-march-2019>

<sup>13</sup>Ibid.





# THE IMPACT OF COVID -19

All of Ontario has felt the economic impacts of COVID-19; the North has been no exception. In North Bay alone, 81% of businesses experienced a loss of revenue from the pandemic. Almost 6 in 10 businesses have had to lay off staff, with over half of those businesses laying off full-time employees instead of just part-time or casual workers<sup>14</sup> In total, more than 80 North Bay businesses laid off staff in May of 2020 and nearly 80 more closed their doors. In May 2020, at the height of the first wave of COVID-19, North Bay experienced an unemployment rate of 13.7%, topping the previous high set in December of 1982.<sup>15</sup>

However, the pandemic has actually increased demand for many of the natural resources that the North possesses, such as lumber and minerals. Although this is a positive economic trend for the region, the increased demand simply negated COVID-19 job losses. The North experienced job losses in many sectors but, in mining for example, it experienced zero change, meaning no new jobs but also no jobs lost. That said, the labour stability in these industries is not without complication as these jobs cannot be performed remotely. That means a larger amount of employment in the North is more susceptible to severe fluctuations with changes in social distancing requirements and provincially imposed lockdowns. When surveyed, three-quarters of the businesses in North Bay responded that only about 10% of their total workforce could shift to remote work. Nationally, about 40% of workers in the average business were able to make that transition.<sup>16</sup>

As the pandemic carried into 2021, the negative underlying economic conditions did not significantly improve. Though many businesses could re-open or re-hire, persistent problems with under-population and a lack of proper skills training have persisted. As of the first quarter of 2021, which is the most recent economic data available, Northern Ontario has seen a 3.4% decline in total employment year-over-year. Though the unemployment rate for the North came in at 8% compared to a provincial rate of 9.1%, it was

not because of more employment opportunities.<sup>17</sup> Rather, the better performance stems from a systemic problem of too few people. In fact, Northern Ontario's Q1 2021 labour force participation rate of 57.6% is the lowest of any region in Ontario. Again, that means, of working age people, the region has nearly one unemployed or non-working individual for every employed individual, a worrisome statistic to be sure.<sup>18</sup>

When one looks to projections for the future, the trends are set to continue without policy changes. With the exception of Northwestern Ontario, which suffers from similar problems, employment growth in every other sector of the province is expected to be more than double that of Northeastern Ontario. The population in the Northeast is only set to grow by 0.1% compared to 1.6% in Kitchener-Waterloo-Barrie, and 1.3% in Toronto, Ottawa, and the Greater Hamilton Area.<sup>19</sup> When combined with the past trends of population loss, total employment losses, and a lack of proper skills in the area, it is clear that the COVID-19 pandemic has and will continue to set the North back further in comparison to its regional counterparts. To address this unequal burden and chart a path forward towards economic revitalization in Northeastern Ontario, the government can look to the local career-focused colleges to lend a hand. Colleges like Canadore College are not only the primary gateway to post-secondary education and training in Northern Ontario but these institutions are also directly plugged into their local communities and labour markets. As we emerge from the shadows of the pandemic, leveraging and investing in the local expertise and networks of these learning institutions will be the key to tackling economic recovery and growth in Northeastern Ontario.

<sup>14</sup>The Labour Market Group. (2021). COVID-19 Impacts. <https://www.northbay.ca/media/fyzfecq/covid-impacts-a.pdf?v=637521762130270000>

<sup>15</sup>Hamilton-McCharles, Jennifer. (2020) Local job losses 'unprecedented'. Retrieved from <https://www.nugget.ca/news/local-news/local-job-losses-unprecedented>

<sup>16</sup>The Labour Market Group. (2021). COVID-19 Impacts. <https://www.northbay.ca/media/fyzfecq/covid-impacts-a.pdf?v=637521762130270000>

<sup>17</sup>Government of Ontario. (2021). Ontario Employment Reports: January to March 2021. Retrieved from <https://www.ontario.ca/document/ontario-employment-reports/january-march-2021#:~:text=Participation%20rates%20by%20Ontario%20region&text=The%20overall%20participation%20rate%20for,to%2065.0%25%20in%20the%20GTA%20>

<sup>18</sup>Ibid.

<sup>19</sup>Ontario Chamber of Commerce. (2021). Ontario Economic Report. Retrieved from <https://occ.ca/wp-content/uploads/2021-Ontario-Economic-Report.pdf>, 30.





# CANADORE COLLEGE

**Canadore is the college of choice for connecting people, education and employment through leadership and innovation.** The College provides access to over 80 full-time quality programs and apprenticeships through innovative programming, applied learning and customized training with first-rate faculty and student services. Canadore's campuses offer state-of-the-art equipment and facilities to support its programs, including over 150,000 square feet of premium skilled trades lab training space, a 5,550 square foot post-production centre, and the most aircraft of any college in Ontario.

Committed to supporting students increase their employability and providing them with the skills they need for fulfilling and prosperous careers, Canadore's flagship programs include its Health Science, Social Service, and Aviation and Aerospace Technology programs. Enrolments in these key programs have climbed over the past few years.<sup>20</sup> The College plans to build on the success of these leading programs by investing in new resources, service offerings and facilities. A case in point is the establishment of The Village, an ultramodern health and wellness facility that enables a contemporary approach to education and blends Indigenous, Eastern and Western practices while offering student-led clinics, custom built classrooms and a traditional Indigenous ceremony space. Other recent initiatives include the development of additional laboratories and training aids such as simulation, composite and non-destructive testing.

Moving forward, Canadore plans to evolve and expand its programming to meet changing student needs and market demands, including programs in Business and Entrepreneurship, Media and Design, and Trades and Technology. The College's focus on applied research is central to these efforts. As a Natural Sciences and Engineering Research Council approved applied research

organization, Canadore is committed to embedding research into its programs to support students in developing the critical thinking and problem solving skills needed to solve real world problems on the job site. Four major research hubs drive the College's activities in industry-specific applied research and development: the Innovation Centre for Advanced Manufacturing and Prototyping (ICAMP), Digital Media Hub, Health Hub, and Advanced Composites Fabrication, Repair and Test Centre.

Through its tri-focused approach to unique programming, experiential learning and applied research, Canadore is leading the development of a knowledge economy workforce able to contend with the pressures of the fourth industrial revolution, which fuses the physical, technological, digital and biological worlds, and is having a marked impact on the global economy.

Canadore's programs attract 5,600 students every year from more than 400 communities world-wide, and its track record in producing highly skilled and trained students ready to join the workforce largely speaks for itself.<sup>21</sup> The College graduates roughly 1,000 students each year, who then join the ranks of more than 46,000 Canadore alumni working across the globe.<sup>22</sup> The College also works closely with over 20 First Nations, Aboriginal institutes and employment delivery agencies to prioritize workforce development for Indigenous students who encompass one-quarter of Canadore's student population and represent more than 5,000 alumni.<sup>23</sup>

<sup>20</sup>Enrolment increased in the Health Science and Social Service programs from 1,305 in 2016 to 1,589 in 2018 and in Aviation and Aerospace from 202 in 2016 to 244 in 2018. Canadore College. Strategic Mandate Agreement 2020-2025. Retrieved from <https://www.ontario.ca/page/2020-2025-strategic-mandate-agreement-canadore-college-applied-arts-and-technology>

<sup>21</sup>Canadore College. Solution 2022. Canadore College Strategic Plan. Retrieved from <https://cdn.agilitycms.com/canadore-college/Attachments/about-us/edocs-downloads/Strategic%20Plan%202022%20-%20Digital%20Edition.pdf>, 18.

<sup>22</sup>Ibid., 17.

<sup>23</sup>Canadore College. Strategic Mandate Agreement 2020-2025. Retrieved from <https://www.ontario.ca/page/2020-2025-strategic-mandate-agreement-canadore-college-applied-arts-and-technology>



As the only college in the Nipissing and Parry Sound regions, Canadore is an essential provider for local education and training needs. The College is a major draw for students and the reason many relocate to Northeastern Ontario; nearly 69% of students at Canadore's North Bay and Parry Sound campuses come from outside the region.<sup>24</sup> While supporting in-migration, Canadore also helps keep working age people in the North. If not for the education and training opportunities offered by the institution, many local students likely would have left and gone south for education or work. The bottom line is that all of these students – those staying close to home and those from outside the region or abroad – put money into the local economy by buying groceries, eating out at local restaurants, and paying for housing and transportation. In 2019-20, this spending contributed \$22 million to Ontario as a whole, with \$15.4 million going directly into the pockets of Nipissing and Parry Sound regional economies.<sup>25</sup>

Canadore's students have also supported the local economy by working in it. Thousands of former students have stayed on in the Nipissing and Parry Sound area after graduating, bringing their newly acquired knowledge and skills to local businesses and industries. Each year, approximately 2,750 people relocate to the region to attend Canadore. The College adds nearly 6.5% to the region's GDP and its students and alumni generate over \$243 million for the region every single year.<sup>26</sup> The most recent key performance

indicator data available for 2019-20 indicates that nearly 87% of Canadore's graduates are employed within six months of graduating, surpassing the provincial average.<sup>27</sup> The vast majority of graduates (83%) report satisfaction with their learning experience and job preparation, while employers have reported an average satisfaction rate of nearly 88% with their new employees over the last 7 years.<sup>28</sup>

As a result of their specialized education and capabilities, Canadore's graduates increase the productivity of the local businesses that employ them, leading to a more robust and prosperous regional economy. Canadore's alumni generate \$282.5 million in added income for the Nipissing and Parry Sound regions, an economic boost comparable to hosting 97 NHL games.<sup>29</sup> Graduates also earn more, with these higher earnings continuing to grow over the course of their working lives. The average diploma graduate from Canadore will earn \$10,100 more every year compared to someone with a high school diploma working in Ontario.<sup>30</sup>

<sup>24</sup>Canadore College. (2020). The Economic Value of Canadore College of Applied Arts and Technology Fact Sheet.

<sup>25</sup>Ibid; Canadore College. (2020). The Economic Value of Canadore College of Applied Arts and Technology. Executive Summary, 3.

<sup>26</sup>Canadore College. Solution 2022. Canadore College Strategic Plan. Retrieved from <https://cdn.agilitycms.com/canadore-college/Attachments/about-us/edocs-downloads/Strategic%20Plan%202022%20-%20Digital%20Edition.pdf>, 11-12.

<sup>27</sup>Government of Ontario. College graduate, satisfaction, and job rates. Retrieved from <https://www.ontario.ca/page/college-graduation-satisfaction-and-job-rates>

<sup>28</sup>Ibid.

<sup>29</sup>Canadore College. (2020). The Economic Value of Canadore College of Applied Arts and Technology.

<sup>30</sup>Canadore College. (2020). The Economic Value of Canadore College of Applied Arts and Technology – Executive Summary, 4.





Despite these strengths and successes, Canadore has not been immune to the broader and longer-term challenges faced by the college sector. The list is long: shrinking numbers of domestic students, increased fiscal pressures, more competition in the post-secondary sector, skills and knowledge shortages, higher expectations for credential completion to enter into traditional employment, expanding economic disparity in the province, and the disruption of traditional delivery models by technology. While these concerning trends are not exclusive to Canadore College, the burden is not shared equally in the sector. Small, northern, and rural colleges face special circumstances and have more limited resources to be able to effectively navigate these paradigm shifts in post-secondary education. The acute impacts of the COVID-19 pandemic on post-secondary institutions – uncertainty in the domestic market, international border closures and increased expenses to ensure COVID-safe campuses, to name a few – have brought these issues regarding the long-term sustainability of Northern Ontario’s colleges to the forefront.

“Re-thinking, re-tooling and re-training” is Canadore’s motto as it looks to the future.<sup>31</sup> With its leading-edge programs, the College has a strong platform from which it can continue to grow, modernize and build clear talent

pipelines connecting students to future employers. At the same time, Canadore will need to make additional investments in technology, space and expertise to deliver on these objectives, all the while facing the twin problems of increasing operating costs and declining funding from the province. The COVID-19 pandemic has underscored the need to reform the college sector to enable and empower these job-training focused institutions, particularly those in northern communities, to become more self-sufficient and sustainable. In turn, colleges in Northern Ontario will be better positioned to deliver the programs and services students and local businesses alike are demanding.

Canadore College has several recommendations for the Province of Ontario to support the sector in facilitating new jobs and economic opportunities in Northern Ontario. Over the last few years, the Ontario government has taken encouraging steps to address some of the core challenges facing colleges. But more work is needed to address the unique circumstances of small, northern colleges and support these institutions in keeping people and jobs in the North.

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<sup>31</sup> Canadore College. Business Plan 2021-2022. Retrieved from <https://cdn.agilitycms.com/canadore-college/Attachments/about-us/edocs-downloads/Canadore%20College%20Business%20Plan%202021-%202022.pdf>, 1.



# OUR RECOMMENDATIONS

Throughout this paper it has become clear that the status quo is not an option for Northern Ontario. More of the same solutions will lead to more of the same results and will not reverse the negative economic trends in the region. Provincial policy changes and investment in Canadore College are the key to unlocking the region's potential. After all, since 2007-08 provincial funding for colleges' operating costs have decreased each year.<sup>32</sup> Though there have been funding increases, they are targeted only at enrolment growth which benefits the largest colleges in Southern Ontario that have larger campuses and more private sector employers in the region to draw upon. It is worth stating, despite the larger economic challenges, that given this bias towards colleges in Southern Ontario, public sector colleges in the North have limited capacity to meet their needs as publicly assisted colleges. This means that many colleges, including Canadore, have started to chart their own path toward long-term sustainability – through new private and public sector partnerships and funding opportunities, the development of innovative programs to meet changing student demands and evolving labour market needs, and investment in infrastructure projects to expand and modernize its space, equipment and research capabilities.

With provincial leadership, Canadore can deliver on these initiatives faster and in turn, attract more people, businesses and investment to the North more quickly. The following recommendations include several policy changes that can address the unique circumstances of Ontario's small, northern and rural colleges and support them in growing their service offerings and building the future workforce of Northern Ontario. These recommendations also include opportunities for the province to directly support Canadore's role as a leader in applied research and innovation in high-demand sectors both in the marketplace and in society at large.

<sup>32</sup>Canadore College. Solution 2022. Canadore College Strategic Plan. Retrieved from <https://cdn.agilitycms.com/canadore-college/Attachments/about-us/edocs-downloads/Strategic%20Plan%202022%20-%20Digital%20Edition.pdf>, 3.



## ADJUSTING INTERNATIONAL STUDENT RATIOS

One particular example of the inequity facing Northern Ontario colleges relates to the number of international students that each college can bring in. International students pay a higher tuition than domestic students and have been a significant source of revenue for colleges in recent years. Due to the declining college-age population and downstream effect on enrolment, post-secondary institutions have focused on recruitment from global markets to make up the funding shortfalls from provincial coffers. International students are an important part of the Canadore community, both at the College and outside of it. In 2019-20, Canadore served 1,228 international students, all of whom relocated to Ontario and injected \$13.3 million into the provincial economy. Further, approximately 95% of international students stay in Ontario after completing their studies at Canadore, joining the local workforce and continuing to spend in the regional economy.<sup>33</sup>

However, Ontario colleges must maintain a ratio of two domestic students for every one international student at a satellite campus. For northern colleges, these satellite campuses are often located in the Greater Toronto Area (GTA) due to demands from international students to be located in the area which is closer to friends, family, and cultural attractions and familiarities. This creates an unfair

advantage for Ontario's largest colleges, which are already located in the GTA and therefore have no issue meeting the ratio requirements. Essentially, international students that want to locate in the GTA can do so at a larger GTA-based college without any restrictions, but if they want to enrol in a northern college's satellite campus in the GTA they will face arbitrary rules that limit their options.

This restrictive policy not only limits the options for international students who are attempting to gain a skill and contribute to Ontario's workforce, but it also unfairly directs funds to Ontario's larger colleges, which are the most financially stable, at the expense of smaller northern institutions. A college like Canadore then misses out on the financial benefits of international student enrolment which gives the College less financial ability to make investments in the North Bay region or provide enhanced programming for its domestic and North Bay campuses students. The impact is real and significant: Canadore is projecting a loss of \$20 million in gross international revenue as it aligns with the Ministry's international student ratios.<sup>34</sup>

<sup>33</sup>Canadore College. (2020). The Economic Value of Canadore College of Applied Arts and Technology – Executive Summary, 4.

<sup>34</sup>Canadore College. Business Plan 2021-2022, 6.



The international student ratio policy is a no-win situation for small, rural and northern colleges. Due to declining enrolment-based provincial funding, colleges are keen to become self-sufficient and, by extension, less reliant on government funding envelopes. Yet, at the same time, colleges are penalized with a claw-back fee for taking on “too many” international students. This is a catch-22: the province wants colleges to be more financially sustainable yet limits the policy instruments that enable them to do so.

Clearly, given the more fragile economic situation northern colleges are faced with, and their heightened local importance to their communities, they should not be unfairly restricted from properly competing with larger colleges. To fix this inequity, the Ontario government should eliminate this ratio requirement for northern colleges. This would put northern colleges on a fair playing field, allow for true competition for international students, and help northern colleges like Canadore increase their annual operating budgets allowing them to make investments in the community and further increase the breadth and scope of service offerings they provide to students both domestic and international.

The restriction could also be replaced with a requirement that international students complete their final year of programming at one of Canadore’s North Bay campuses. This would allow international students to complete their earlier programming in an area with more familiar languages, culture, and relationships but still allow these

students to do work placements and hands-on training in the North. In addition to the financial benefit that an increase in international students would bring to northern colleges like Canadore, this location requirement would also increase the likelihood that these students remain in the North. This new requirement would have the potential to increase the population of the North, fill labour shortages, and increase local economic activity – all of which are goals of the original policy of requiring equal enrolment at the main campus. However, given that a requirement to complete some studies in the North is non-permanent it would provide much more flexibility and allow satellite campuses to focus on broader entry level programming that can increase overall student intake.

## Recommendation #1

The Ontario government should remove the arbitrary international student ratios for northern colleges that require two international students enrolled at a main campus for every one international student enrolled at a satellite campus. To ensure the North benefits from more than just the tuition of these students, the ratio policy could be replaced with a requirement that these students must complete the final portion of their studies at a college’s northern campus.





## INCREASING LONG-TERM CARE CAPACITY IN NORTH BAY

The Village at Canadore College is a world-class health and wellness facility, offering a ground-breaking approach to educating the next generation of Canada's health and wellness professionals. A one-of-a-kind facility, The Village brings student-led services to the public as a form of experiential learning, with the College's health and social sciences, sport and recreation, early childhood education, and Indigenous and Eastern medicine programs housed in the facility. The 38,000 square foot space offers a comprehensive suite of student-run clinics, including general health, Eastern medicine, dental hygiene, cognitive stimulation, and safe mobility as well as specialized Indigenous classrooms and ceremonial spaces.

As part of Phase 2 of The Village, Canadore is partnering with Autumnwood Community Care to develop a new world-class Long-Term Care (LTC) home with 160 new beds. Residents and the local community will have access to diverse and client-centric health care options, including a fully functioning pharmacy and health care provider on site.

Currently, there are 1,225 LTC beds in the Nipissing district, with 774 individuals wait-listed and 246 new beds allocated for future development, according to the Ministry of Health and Long Term Care (MOHLTC). This already approved capacity, if coupled with Canadore's 160 new beds, would address 52% of the current waitlist demand.<sup>35</sup>

The COVID-19 pandemic has drawn unfortunate attention to the need for improved long-term care options for our seniors, and The Village is ready and willing to support the province in building new capacity in long-term care that puts residents first.


In addition to building much needed capacity in long-term care homes in the Nipissing region, reducing hallway medicine and supporting better health outcomes for seniors, Phase 2 of The Village will also bring 200 new jobs to North Bay and the surrounding area as well as more than 150 student placements that will help address the chronic shortage of healthcare human resources in the region.

<sup>35</sup> Data provided by Canadore College.

### Recommendation #2

The province should expedite the allocation of 160 new LTC beds to The Village to increase long-term care capacity, address waitlist demand and support new healthcare-related jobs in the Nipissing region.



A young woman with long brown hair, wearing a white button-down shirt, is smiling and holding a glass of orange juice for an elderly woman. The elderly woman, with short blonde hair and wearing a pink cable-knit sweater, is seated in a wheelchair. They are in a bright, indoor setting, possibly a care home or a community center, with large windows in the background.

## CANADORE AS A CENTRE FOR LEARNING, RESEARCH AND INNOVATION IN LONG-TERM CARE (CLRI)

The objective of the Ontario Centres for Learning, Research and Innovation in Long-Term Care (CLRI) is to improve the quality of seniors' care and build capacity in long-term care through research, innovation, education, evidence-based service delivery, and knowledge mobilization. There is an allocation for a CLRI in Northern Ontario but it remains unfilled. Using The Village as its platform, Canadore College is ready to lead the revitalization of long-term care in Northern Ontario, which is more important today than ever before as we emerge from the pandemic and consider the lessons learned and next steps in providing high quality and continuity of care for older residents. Designating Canadore as a CLRI will bring approximately 20 research jobs and 5 support jobs, and an additional 100 student enrolments in Canadore's health programs. Further, official designation would give Canadore access to private sector and federal government research funding to support leading edge developments in research and innovation in aging and long-term care.

### Recommendation #3

The Ontario government should designate The Village at Canadore College as the fourth Centre for Learning, Research and Innovation in Long-Term Care (CLRI), ensuring that Northern Ontario is not only represented at the table as the long-term care sector evolves but that it can lead the charge through research, innovation and education.





## BUILDING WHOLE COMMUNITIES ON CAMPUS

The College is proposing to build the Canadore Gateway Centre – 53,000 square feet of new innovative research, community, training and technology application space that will bring together people, programs and services. The project stems from the College’s comprehensive community evolution plan for its campuses, developed over the last three years, to provide future direction on the preferred location and layout of service and program areas.

Recognizing that space needs, social integration and community connectedness are constantly evolving, the result is a contemporary design for the Gateway Centre that is flexible and dynamic – one that eliminates program boundaries and focuses on building whole communities.

In addition to being the first facility of its kind, the Gateway Centre will push the envelope in the following key areas:

- Green technology – be the Innovation Centre for “greening” the North;
- Dedicated research capacity for Indigenous health;
- Innovation in science and technology through applied research and job-focused training and upskilling; and
- Dedicated space for a seniors mobility and social isolation centre.

This new Centre will provide industry and students with the opportunity to collaboratively conduct research through access to technologies and resources for the

development or refinement of new and existing products and processes. This collaboration enhances productivity and competitiveness in key sectors across the region and province including, but not limited to, environmental management and sustainability, biotechnology, green energy, food security, cyber security and artificial intelligence.

This project will create 50 new jobs in North Bay and throughout Ontario, while supporting a direct upskilling of currently employed individuals in the provincial workforce. Canadore College is investing \$4.6 million in the Gateway Centre and is expecting to break ground on the project by early 2022, with completion expected in 2023.

### Recommendation #4

Canadore is seeking a significant provincial investment in the amount of \$33 million to support construction of the Gateway Centre and the purchase of leading-edge equipment. Provincial funding support would ensure that the Gateway Centre – as a driver of prosperity for people, agencies and enterprises in the region – can live up to its name and be the portal to the future for Northeastern Ontario.



# REDUCING RED TAPE AND ADMINISTRATIVE BURDENS

Part of the Ontario government's post-COVID economic recovery plan to reduce red tape and get people and businesses back to work includes a review of the reporting requirements tied to funding allocations for post-secondary institutions.<sup>36</sup> Canadore College applauds this initiative but also wants to underscore that special attention must be paid to the disproportionate impact of this administrative burden on smaller colleges.

Smaller colleges in northern and rural areas face unique challenges with routine reporting requirements given their smaller staff complements compared to larger GTA colleges. At Canadore, employees compile, complete, and file nearly 40 different reports and documents with the Ministry as part of their provincial funding agreements.<sup>37</sup> This is not simply an annual exercise – many of these agreements have multiple reports due throughout the year in addition to year end. As a result, significant staff time is spent on paperwork; on an annual basis, Canadore estimates that approximately 2.5 full-time positions are devoted solely to completing applications, reporting and short-term program administration.<sup>38</sup> Further, much of the work is duplicative, with the same information and data repeated across reports.

Optimizing and streamlining reporting requirements can significantly reduce the administrative burden on college administrators. In its review process, the government should determine which reporting requirements are needed to allow colleges to fulfill their mandates and only require post-secondary institutions to report on these. Reporting requirements could also be scaled to the amount of funding – in many cases, administrative costs related to small grants and transfers consumes the majority of the dollar value of the funding received. Most important, consideration should

be given to consolidation of some of the existing reporting processes in an annual fund report, for example, that would amalgamate the information required and eliminate duplication of both content and administrative effort. These changes would bring substantial back-office savings in time and cost for smaller colleges. They would also free up college leadership from the paper pushing cycle to focus on student success and the future of the institution across a broader horizon.

As part of the province's renewed focus on making it easier for Ontario's businesses and institutions to operate, the government should also consider streamlining the process for colleges requesting approvals under Section 28 of the Financial Administration Act to obtain financing from the Ontario Financing Association (OFA). This process is unnecessarily lengthy and bureaucratic, particularly in view of the fact that colleges – as public bodies – are consolidated on the province's financial statements. In some cases, projects are already underway by the time approval for the financing comes through from the Ministry. Addressing these regulatory inefficiencies will help the colleges help the Province of Ontario get the economy back on track.

<sup>36</sup>Helping People and Businesses Recover and Grow, 2020. Retrieved from [https://s3.amazonaws.com/files.news.ontario.ca/medg/en/learnmore/making\\_ontario\\_better\\_for\\_people\\_and\\_smarter\\_for\\_business/10%2006%2020%20Red%20Tape%20Fall%20Package%20BG\\_v10\\_EN.pdf](https://s3.amazonaws.com/files.news.ontario.ca/medg/en/learnmore/making_ontario_better_for_people_and_smarter_for_business/10%2006%2020%20Red%20Tape%20Fall%20Package%20BG_v10_EN.pdf)

<sup>37</sup>Data provided by Canadore College.

<sup>38</sup>Ibid.

## Recommendation #5

In its ongoing effort to reduce red tape and enable post-secondary institutions to focus on strategic investment and growth to meet the employment demands now and in the future, the Ontario government should eliminate outdated requirements, scale reporting processes and requirements to the amount of funding, and consolidate many of the existing reporting procedures and outputs into a single annual fund report. The province should also simplify or eliminate the process for colleges, as publicly assisted – not publicly funded – institutions, to obtain loans from the Ontario Financing Association.





## SUPPORTING WORKFORCE DEVELOPMENT AND POVERTY REDUCTION

Canadore's Nipissing Poverty Reduction through Education Program (NPREP) and Indigenous Poverty Reduction through Education Program (IPREP) are two critical programs that support access to education for low-income individuals and Indigenous people receiving social support services through Ontario Works (OW). Funded through Ontario's Local Poverty Reduction Fund and administered through a partnership between the College and the regional social services provider, the programs provide students with wrap-around support services designed to set them up for success, including assistance with applying to Canadore and completing funding applications, personalized learning programs, and six months of post-graduation support. In the first year NPREP was operational, the OW caseload dropped by 100 students who went to Canadore, amounting to \$1 million off the OW roll.<sup>39</sup>

<sup>39</sup>Canadore College. Strategic Mandate Agreement 2020-2025. Retrieved from <https://www.ontario.ca/page/2020-2025-strategic-mandate-agreement-canadore-college-applied-arts-and-technology>

<sup>40</sup>Canadore College. (2020). We must be doing something right. Canadore's IPREP off to a good start! Retrieved from <https://www.canadorecollege.ca/about/the-canadore-story/-we-must-be-doing-something-right-canadore-s-iprep-off-to-a-good-start>

IPREP has had similar success with Indigenous populations since the program's launch in 2018. Students have arrived at Canadore from First Nations across Ontario, including Pikangikum First Nation, Wiikwemkoong Unceded Territory, Dokis First Nation, and Nipissing First Nation. In 2020, IPREP had 30 registered students in Canadore programs and former graduates returned to the College to continue their education.<sup>40</sup>

### Recommendation #6

The government of Ontario should increase funding in the amount of \$2 million through the Local Poverty Reduction Fund for NPREP and IPREP. This additional funding will help Canadore and its partners continue to provide this vital pathway support and work to break the cycle of poverty. Helping people get the training needed to join the workforce is a strategic investment with a long-term return: more Ontarians actively employed in the North, putting their paychecks right back into the local economy.





## DRIVING INNOVATION AND TECHNOLOGICAL ADVANCEMENT

The Innovation Centre for Advanced Manufacturing and Prototyping (ICAMP) is a not-for-profit innovation centre designed to promote the growth and success of Canadian industry by providing direct, cost-effective access to the latest in advanced manufacturing and expertise in a wide array of fields, including mining and mineral exploration, forestry, aerospace, transportation, sporting goods, recreational vehicles and household goods.

The 13,000 square foot Centre – home to a massive laboratory and in-house shop infrastructure including machining, welding, carpentry, composites fabrication and material testing facilities – is focused on product innovation, allowing companies to access the technologies and resources for the development and refinement of new and existing products and processes. ICAMP is there to support businesses from beginning to end of their product and process development. To date, ICAMP has completed more than 700 projects for over 300 companies. The Centre has also led to the creation of 180 new jobs and allowed industry to keep dozens of skilled positions in the North.

### Recommendation #7

Canadore College is requesting additional multi-year funding support in the amount of \$5 million from the Government of Ontario to enhance the physical capabilities of ICAMP and ensure applied research support is available for new startups and businesses looking to scale up. Provincial investment in projects like ICAMP will incubate and accelerate growth, create new jobs and support local and regional business partners in driving innovation and productivity. Innovation is not just for “smart cities” in urban centres; the success of ICAMP points to the possibility of building a future-oriented nation of innovation in Northern Ontario.



## CREATING NEW, HIGH-DEMAND PROGRAMS

In 2019, Ontario announced the Better for People, Smarter for Business Act, which included a plan to simplify how colleges and private and out-of-province institutions receive consent to offer new degrees and funding eligibility for these programs.<sup>41</sup> To ensure the quality of the program and the institution's ability to deliver it, the existing system required a prolonged two-step approval process: review by the Postsecondary Education Quality Assessment Board (PEQAB), followed by Ministry approval.

PEQAB's standards and procedures are detailed and highly prescriptive, and applications tend to be hundreds of pages long to meet the Board's requirements.<sup>42</sup> The purpose and value of PEQAB's requirements is unclear. As Michael Skolnik has pointed out, few of them, if any, are based on data and there is no evidence correlating them to student outcomes.<sup>43</sup> Further, this lengthy, costly, and cumbersome approval process typically takes several years from start to finish.<sup>44</sup> By that point, either there is a significant delay to when new graduates can fill highly sought-after skilled positions or the opportunity itself is long gone. Ultimately, under the current system, whether a college can or should expand its program offerings is dictated by the government, not the market. This constraint stops post-secondary institutions from having the flexibility needed to pivot quickly to meet changing workforce development needs and student demands for greater choice.

The Ontario government has already committed to reducing program approval timelines from several years to three to six months.<sup>45</sup> However, the government could go a step further in supporting greater autonomy and flexibility for colleges by developing a multi-year pilot project in which ministerial consent for new programs is

no longer required. By letting institutions leverage their knowledge and expertise to determine whether a new program is financially viable and if sufficient demand exists, responsibility and accountability – along with the associated risk – is put back on the colleges. Canadore would be willing to be one of, or the only, participant in the pilot that would contain little risk for government as the full policy would only be implemented sector wide if the pilot results are successful.

<sup>41</sup>Better for People, Smarter for Business Act, 2019. Retrieved from [https://s3.amazonaws.com/files.news.ontario.ca/medg/en/learnmore/making\\_ontario\\_work\\_better\\_for\\_people\\_smarter\\_for\\_business/191029%20Fall%20Red%20Tape%20Package%20BackgroundX.pdf](https://s3.amazonaws.com/files.news.ontario.ca/medg/en/learnmore/making_ontario_work_better_for_people_smarter_for_business/191029%20Fall%20Red%20Tape%20Package%20BackgroundX.pdf)

<sup>42</sup>Michael L. Skolnik. (2012). Rethinking the System of Credentials Awarded by Ontario's Colleges of Applied Arts & Technology. Retrieved from [https://tspace.library.utoronto.ca/bitstream/1807/34922/1/Skolnik\\_Rethinking%20college%20credentials.pdf](https://tspace.library.utoronto.ca/bitstream/1807/34922/1/Skolnik_Rethinking%20college%20credentials.pdf), 25-6.

<sup>43</sup>Ibid., 26.

<sup>44</sup>Ibid., 24.

<sup>45</sup>Government of Ontario. (2019). Better for People, Smarter for Business. Retrieved from [https://files.ontario.ca/books/bpbb2019-eng-final-web\\_final-s.pdf](https://files.ontario.ca/books/bpbb2019-eng-final-web_final-s.pdf), 19.

### Recommendation #8

The Ontario government should design a pilot project to give colleges full autonomy over the creation and establishment of new programs. A pilot would allow the government and colleges to test a risk- and market-based model of program development in which the colleges themselves bear the risk if a new offering is not in line with market demand. The new programs developed through the pilot should be assessed annually against key performance indicators including enrolment, graduation rate, student satisfaction, and employer satisfaction, to understand and evaluate the impact of the pilot.



# ENSURING STABLE, PREDICTABLE FUNDING

As noted earlier in this paper, the college sector is changing but the funding model has not kept pace with these changes, even after a significant redesign over the past several years. Provincial funding is expected to make up less than 40% of Canadore's revenue and various policy levers – the student tuition cap, the international student claw-back and the enrolment corridor distribution model, to name but a few – add additional strain to Canadore's budget.<sup>46</sup> COVID-19 has only exacerbated these fiscal pressures. While the College did not need to suspend any programs or services in 2021-2022, the future remains unpredictable. Further, as Canadore prepares for the post-COVID world, and the future more generally, there will be new demands from business and industry to provide training for high demand and emerging fields.

Long-term financial sustainability is the key to Canadore's ability to continue to provide high quality learning that meets the needs of students, employers and communities. Stable and predictable government funding is one important pathway to financial sustainability. Canadore's team currently draws from at least 15 different funds across Ontario to deliver core services, including Indigenous education. Because the funding is secured through applications and is largely project-based or short term, there is little guarantee with respect to funding year after year. As a result, smaller colleges with limited resources are unable to forward plan and instead are chasing down funding opportunities every year and competing with larger colleges with broader mandates and dedicated proposal writing teams. This uncertain and transient funding model also makes it hard for colleges in the North to attract and keep

talent since most prospective employees desire job security over temporary contracts tied to short-term funding. A new funding model should move away from a "one size fits all" approach and recognize regional diversity and economies of scale in order to level the playing field.

In so doing, the government should develop a consolidated fund that provides multi-year funding to replace the Special Purpose Grants. Not only would a consolidated fund support greater financial certainty and stability in the college sector but it would also act as a public declaration that these core programs and services are essential for positive learning outcomes and student success.

A multi-year horizon would enable colleges to move away from a reactionary planning cycle – waiting and hoping that the needed funding comes through year after year – and towards a multi-year laddering and strategic long-term approach. This new funding model could be modelled on the Ontario Municipal Partnership Fund (OMPF) which provides predictable, unconditional funding from the province to assist municipalities. OMPF chiefly supports northern and rural communities in Ontario, recognizing their unique economic context and targeting financial support to areas with the most challenging fiscal circumstances.

<sup>46</sup>Canadore College. Canadore College. Business Plan 2021-2022. Retrieved from <https://cdn.agilitycms.com/canadore-college/Attachments/about-us/edocs-downloads/Canadore%20College%20Business%20Plan%202021-%202022.pdf>, 5.

## Recommendation #9

The government should consolidate and provide predictable multi-year funding for Special Purpose Grants.



# CONCLUSION

If Northern Ontario is going to capitalize on the economic shifts generated by workforce development and potential repopulation post COVID-19, it will need help from its institutions and its governments.

Through the policy changes noted above, the provincial government can empower Canadore College as a gateway to that growth. Through these reforms, Canadore can become better positioned to attract people to the region from both around the world and elsewhere in Ontario. These attraction efforts would be combined with a greater ability to upskill and train local residents, leading to the skilled workforce needed to attract world class employers. By supporting Canadore College, the Province of Ontario can help reverse negative population trends, create jobs, and ultimately build a more sustainable Northern Ontario for generations to come.







