

Lifeshort Learning

The current structure of post-secondary funding discourages part-time students.

By Michael Grant

Despite widespread agreement of the critical importance of 'lifelong learning,' the vested interests in Canada's higher education system are determinedly resisting reforms that would make this goal achievable.

At present, every province is still using some version of a centrally planned model. The major component of funding in every case is the enrolment-based grant, an elaborate and outdated system of quotas.

In Ontario for example, enrolment grants are based on a 'corridor funding system' that allocates a fixed share of enrolment grants to each university. The corridor refers to the fact that an institution receives a fixed share of grants as long as a five-year moving average of its enrolments remains within a 3% band.

If actual enrolments are lower than this, a university will lose grant income, and if it exceeds this band, the institution will not receive grants for additional enrolment.

In this system, successful institutions are discouraged from expanding, instead applying stricter entrance requirements so that unworthy students are channeled off to institutions with excess capacity. Imagine BMW passing poor drivers along to Ford!

Ostensibly, this system of grants is designed to 'follow the student,' but of course the only way that the student can get access to a grant is by being accepted to an institution. At the same time, the provincial government tightly controls the supply of grant-supported institutions, rendering the students mere pieces in an elaborate chess game — or, more precisely, checkers.

The system is geared toward filling the quota with full-time students. For this reason, the post-secondary institutions are less inclined to recognize the learning of those who have received their learning elsewhere or to cater to the continuing education market.

The consequence is that Canada is far away from achieving the 'lifelong learning' culture that education advocates talk about. Notwithstanding the breathless rhetoric, the enrolment of adults in formal courses of part-time learning has actually been in decline during the 1990s.

The adult learner is the loser in this process, as the post-secondary institutions cater to their full-time learners in terms of pricing, course structure, and hours of operation.

An added disincentive is the Canada Student Loan (CSL) program. Although these loans are available to part-time students, the percentage of part-time students with CSL's is less than a tenth of that of full-time students. This is likely attributable to the program's means test, as part-time students may have other earnings and assets to draw upon.

Apart from discouraging lifelong learning, the current funding system does not encourage the use of technology to lower the per capita cost of learning. According to the OECD, Canada maintains one of the highest-cost post-secondary systems in the world.

Defenders of the current system often set up a false dichotomy between the human lecturer and learning technology. As elsewhere in the economy, there is not a choice between humans and technology per se, but rather the opportunity of using technology to improve the productivity of humans and to lower costs.

A well-designed online course compares very favourably to the talk-and-chalk-in-front-of-hundreds-of-undergraduates-and-then-sluff-them-off-to-the-hapless-T.A. model so favoured by universities.

Two simple reforms would see change occur naturally through the market. The first is to convert support for higher learning from an institution grant to a citizen learning endowment.

In this scenario, each citizen would be granted a lifetime post-secondary endowment that could be used for a variety of post-secondary education and training options. The citizen would have complete control over how and when the endowment was spent at approved providers of post-secondary education and training.

A necessary second innovation would be to open up the supply side of higher learning and allow new suppliers to compete for citizen learning endowments. Foreign and domestic providers should be invited to contest provincial higher education markets.

This idea is roughly in line with what has been recommended for Australia. The Review Committee on Higher Education Financing and Policy has suggested that Australia develop a three-pronged strategy to assure lifelong learning.

- A student-centred funding model;
- The parceling off of funding for research from teaching; and
- Measures to improve the higher education industry and encourage it to sell into the world market.

The Canadian universities have always fought against a student-centred funding model in the past. Their approach is reminiscent to Walter Bagehot's strategy for the perpetuation of the British monarchy: "We must not let in daylight upon the magic."

But why does an industry characterized by a growing demand for its product, a self-acknowledged excellent brand, and falling input costs fear change?

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