Student Mobility and Pathways: The provincial government would like student mobility and pathways enhanced at the postsecondary level. COU is continuing its consultations with MTCU and Colleges Ontario on ways to facilitate student mobility and pathways across the province and has made progress on developing a set of core principles to guide student mobility. The Ministry has established a Steering Committee with representatives from COU, Colleges Ontario, CUCC and student associations to develop options for a credit transfer system for Ontario.

Undergraduate Accessibility Fund: Provincial Budget 2010 included an announcement of \$101 million to fully fund the projected financial shortfall related to undergraduate enrolment growth. In addition to fully funding growth for 09-10 MTCU has informed the COU that they will roll in funding for growth into base funding and that the new base year for the undergraduate accessibility grant is reset to 2009-10.

e-Learning: Increased use of e-learning was mentioned in the provincial budget. However the provincial government does not appear to have a clear plan and needs COU to assist in developing the plan. There has been mention of an "Ontario On-Line Institute" but it is believed that this will not be a new degree granting entity but will be a collaborative venture between the existing universities in Ontario.

Retention Rates: The COU colleagues are in the process of producing a Discussion Paper (they were formerly called Working Papers) on the use of student retention rates as a measure of university quality. This is causing considerable controversy among the colleagues who clearly hold widely differing view of this matter. A preliminary version of the paper will be made available to members of senate for their comments. It should be mentioned that Queen's University continues to have retention rates that considerably exceed those of other Canadian universities.

Federal Bill Limiting Maximum Earnings of Top Executives in Charitable Institutions: Federal bill C470 limits the earnings of the top five executives of charitable institutions. There was concern about the effect this will have on universities.

Teacher Education Funding: Motivated by the current oversupply of teachers, MTCU is in the process of developing a plan to reduce funding for teacher education spaces by approximately \$7.5 million. MTCU is considering options and developing a plan for the reduction. As part of the development of this plan, MTCU will be collecting information on institutional enrolment and types of programs offered at each institution with a faculty of education in Ontario. The data collection exercise is expected to begin shortly. Funding adjustments will take place over two years with an initial \$5 million reduction in 2011-12 and the remaining \$2.5 million in 2012-13.

Inter-University Transit Services (IUTS): To date, COU has realized significant savings as a result of awarding the distribution aspect of IUTS to Purolator Courier Ltd. However, further savings amounting to \$100,000 per year are possible from the following measures:

- 1. Limiting use of IUTS to only first-class mail that requires next day delivery (i.e., IUTS should not be used for non-first-class mail items such as personal effects, furniture, gifts, personal mail, newspapers, etc., or where next day delivery is not essential).
- 2. Consolidation of the pickup and drop off points to one location where possible.

Federal Economic Development Agency for Southern Ontario (FedDev Ontario): The Federal Budget 2009 announced the creation of FedDev Ontario and has committed over \$1

billion dollars over five years to fund this new agency. Its primary role is to support Southern Ontario communities and businesses in diversifying and strengthening their local economies by helping them become more competitive, innovative and productive. This agency has already indicated that it sees Ontario's post secondary sector as an important stakeholder. On April 19, 2010 FedDev Ontario announced the creation of a new Applied Research and Commercialization Initiative (ARC). It is a \$15 million dollar pilot project aimed at bridging the research and commercialization gap in Southern Ontario. This will allow universities and colleges to apply for resources to strengthen their partnerships with small and medium-sized enterprises to undertake