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Sector Research Project

ISSUES, IMPACTS & INSTITUTIONAL RESPONSES WITHIN THE CANADIAN HIGHER EDUCATION SECTOR

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ACKNOWLEDGEMENTS

Academica's office is located on the traditional territory of the Anishinaabek, Chonnonton, Haudenosaunee, and Lūnaapéewak peoples. This land is part of the McKee Treaty of 1790 and the Dish with One Spoon Covenant Wampum. The region continues to be home to many diverse Indigenous Peoples, including the Deshkan Ziibiing (Chippewas of the Thames First Nation), Oneida Nation of the Thames, and Nalahii Lunaapewaak (Munsee-Delaware Nation)—sovereign nations with longstanding relationships to this land. We are deeply grateful for the opportunity to work on these lands and are committed to actively seeking ways to deepen our understanding and strengthen our relationships with Indigenous communities.

Academica acknowledges and celebrates the diversity of postsecondary communities in Canada and recognizes the contributions of diverse individuals and communities. We are committed to inclusive research with sensitivity to the needs of equity-deserving groups, such as those of racially and culturally diverse backgrounds, the LGBTQ2S+ community, and persons with disabilities. Our research team strives to reduce barriers to research participation and to ensure accessibility for all participants. We know that genuine inclusivity within our research ensures its accuracy and relevance to postsecondary leadership as well as to each member of the postsecondary community.

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Introduction

The Canadian postsecondary sector witnessed significant disruptions in 2024. Leaders contended with Immigration, Refugee and Citizenship Canada's (IRCC) policy changes and international student cap; student housing issues; the precarity of postsecondary instruction; and much more. Each institution had a different risk exposure and felt the impacts in unique ways, depending on its specific context. Against this backdrop, Academica endeavoured to better understand the issues that were affecting the sector; the impacts on institutions; and the responses of universities, colleges, and polytechnics in Canada. Through surveys and interviews, we connected with colleagues across the country to explore how these issues were playing out at the institutional and departmental/portfolio levels. This work uncovered several broad themes and shared experiences, which are presented in this report.

METHOD

This project consisted of an online survey and one-on-one interviews with members of the postsecondary sector.

ONLINE SURVEY

INSTRUMENT DEVELOPMENT

To ensure that outreach was informed with the trends and issues impacting the sector, preliminary topical research drawing on a variety of news sources was conducted to discern issues affecting the sector. The sources included the year's *Academica Top Ten* news archive; news source such as the *Academica Forum*, *Times Higher Education, and University Affairs*; and advocacy organizations such as Colleges and Institutes Canada, Polytechnics Canada, and Universities Canada. Through this review, we identified the most common, recurring issues that affected the sector over the previous 12 months.

In the survey, institutional decision makers were asked to select the top five issues impacting the postsecondary education sector, the top issue affecting their institution, and the five means they are using to address those issues. With the ability to add open comments throughout, the survey enabled respondents to share their unique circumstances if they did not align to national/global themes. Decision makers were also provided with the option to opt-in to a follow-up interview (See: Interviews).

ADMINISTRATION

Academica connects with over 30,000 members of the postsecondary sector on a regular basis through its newsletters, research reports, and other publications. Using this database of contacts, we identified and reached out to those in decision-making roles at Canadian postsecondary institutions who had opted in to being contacted for research. The survey was conducted online from October 28 to November 8, 2024. Of the 6,102 contacts invited to the survey, 699 respondents completed the survey in full – a participation rate of 11.5%.

INTERVIEWS

Interviews with those decision makers who indicated they were willing to engage in a confidential discussion and provide additional details and insights were conducted from November 8 to 29, 2024. Of the 165 individuals who indicated a willingness to participate in a follow-up conversation, 75 individuals booked a follow-up time and date with Academica (45.4%).

In the interview, respondents could engage in a further conversation with Academica to confidentially discuss how their institution was responding to key issues and provide more detail and context to their survey response(s). The respondents were invited to provide examples of what was being undertaken in their institution and specifically within their unit/department with the intent of identifying and sharing 'best practices' from within and across the sector.

Our engagement with interview participants was undertaken with the caveat we would not divulge their name nor their institution in this report, but rather aggregate responses into patterns or themes observed nationally, regionally, and/or provincially. The confidentiality of the process provided a venue for participants to fully engage and be as open and candid as they wished.[1]

PARTICIPANT DEMOGRAPHICS

The individuals invited to participate in the survey haled from colleges, institutions, polytechnics, and universities from every province and territory in Canada. The geographic distribution of participants is noted below (Table 1).

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[1] As participants were provided a confidential and 'safe' environment whereby they could share information openly, and candidly, many of the conversations became cathartic as participants spoke of what was challenging them in addressing the issues. Many spoke highly of their institutions and how they were responding, as best they could, to very fluid circumstances. Some participants humorously called the follow-up interview "an academic therapy session" where they could speak frankly about their challenges without judgement and to an attentive ear. To all participants, for your candour, your honesty, and your openness, from all of us at Academica – thank you for the trust you placed in us by sharing so freely.

Table 1. Participant Region (Single select)

Province/Territory	Count	Percent
Alberta	104	14.9%
British Columbia	123	17.6%
Manitoba	24	3.4%
New Brunswick	19	2.7%
Newfoundland & Labrador	7	1.0%
Northwest Territories	-	-
Nova Scotia	29	4.1%
Nunavut	1	0.1%
Ontario	328	46.9%
Prince Edward Island	7	1.0%
Quebec	14	2.0%
Saskatchewan	38	5.4%
Yukon	1	0.1%
Not Recorded	4	0.6%
Total	699	

Approximately two-thirds of respondents came from universities, and one-third came from colleges and polytechnics. The "other" category includes respondents who opted to reply on behalf of national associations and other organizations. None of these "other" respondents participated in the follow-up conversations.

Table 2. Participant Institution Type (Single select)

Institutional Type	Count	Percentage
University	456	65.2%
College/Polytechnic	238	34.0%
Other	5	0.7%
Total	699	

Respondents also represented a diverse array of roles and of departments or operational units. Given that these units may have a different degree of exposure to the issues impacting their organization, this helped to ensure a fulsome understanding of or, due to their function, may see the issues differently from one department to the next. Operational unit affiliation and role/title are outlined in the figures below.

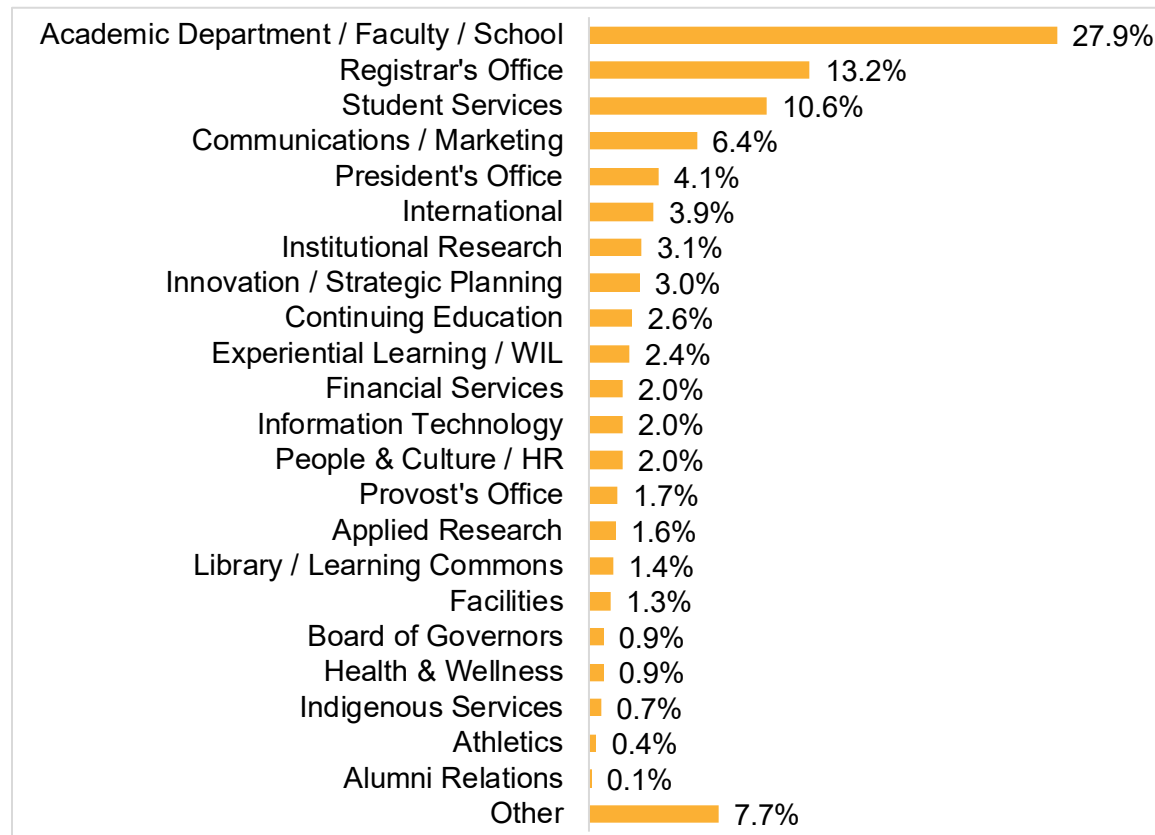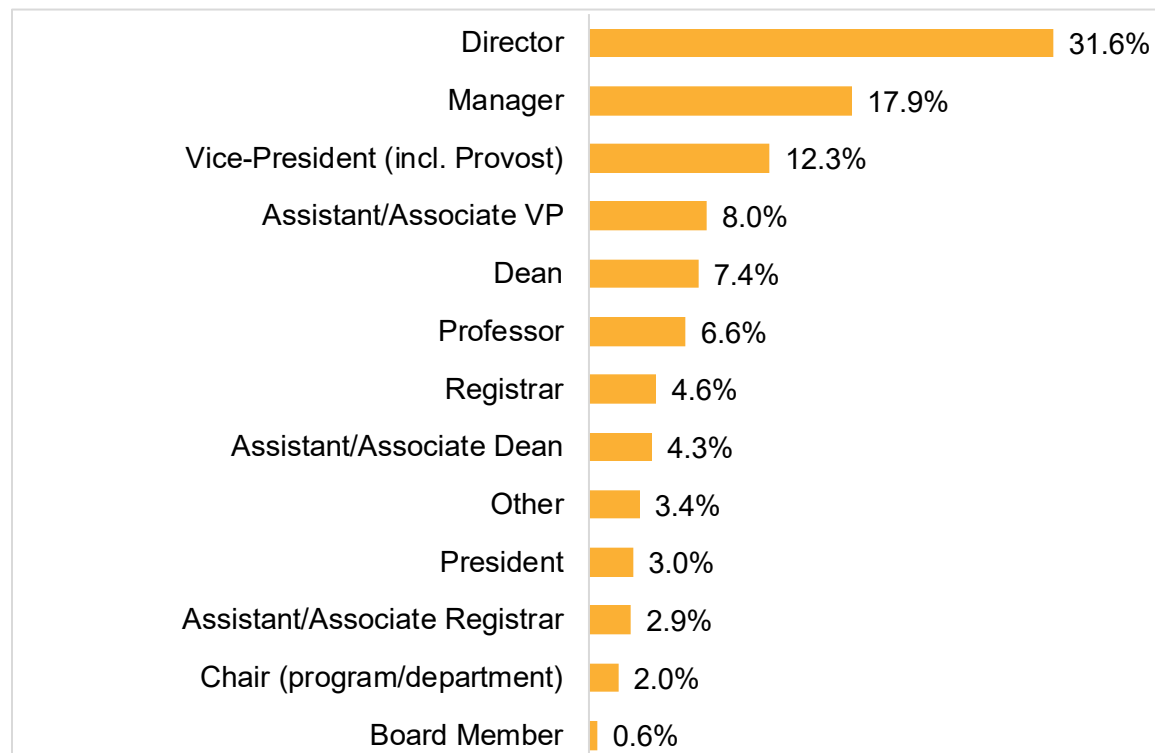**Figure 1. Departmental/Operational Unit Affiliation (Single select, n=699)**

Unit	Percentage
Academic Department / Faculty / School	27.9%
Registrar's Office	13.2%
Student Services	10.6%
Communications / Marketing	6.4%
President's Office	4.1%
International	3.9%
Institutional Research	3.1%
Innovation / Strategic Planning	3.0%
Continuing Education	2.6%
Experiential Learning / WIL	2.4%
Financial Services	2.0%
Information Technology	2.0%
People & Culture / HR	2.0%
Provost's Office	1.7%
Applied Research	1.6%
Library / Learning Commons	1.4%
Facilities	1.3%
Board of Governors	0.9%
Health & Wellness	0.9%
Indigenous Services	0.7%
Athletics	0.4%
Alumni Relations	0.1%
Other	7.7%

Figure 2. Role (Single select, n=699)

Role	Percentage
Director	31.6%
Manager	17.9%
Vice-President (incl. Provost)	12.3%
Assistant/Associate VP	8.0%
Dean	7.4%
Professor	6.6%
Registrar	4.6%
Assistant/Associate Dean	4.3%
Other	3.4%
President	3.0%
Assistant/Associate Registrar	2.9%
Chair (program/department)	2.0%
Board Member	0.6%

Research Findings

SURVEY RESULTS

THE ISSUES AFFECTING CANADIAN PSE

The greatest perceived impact to the higher education sector is financial pressure (85.6%) as exerted by reduced public funding, changing revenue sources, or general expenditure increases. International student enrolment (81.0%) was a close second, followed by housing (43.5%), technological advancements (39.3%), and changing learner expectations/needs (38.1% each).

Figure 3. Top Issues Impacting the Canadian PSE Sector (Multi-select up to 5, n=699)

Issue	Percentage
Financial pressures	85.6%
International recruitment and enrolment	81.0%
Housing and cost of living crisis	43.5%
Technological advancements	39.3%
Changing learner expectations and needs	38.1%
Declining public perceptions of higher ed	37.8%
Mental health and wellbeing	36.3%
Labour relations	23.2%
Increasingly competitive market	21.7%
Addressing equity, diversity, inclusion, and Indigenous reconciliation	20.2%
Demographic changes in Canada	17.2%
Shifting labour market demands	16.7%
Global conflicts	15.9%
Climate change	2.6%
Other	5.4%

These top issues were perceived to impact the sector differently, depending on whether the respondent represented a university or a college/polytechnic. University representatives placed financial pressure 2:1 over international student enrolment and recruitment as a top issue. College/polytechnic representatives, on the other hand, held the international student issue as far more impactful than financial matters, yet

recognized within the context of their part of the sector that the two have become intrinsically linked. The loss of international student enrolments is creating financial pressure to a greater extent than within the university side of the sector, given colleges' heightened exposure to international student numbers as a percentage of total enrolment.

Respondents were then asked to indicate what issue was having the greatest impact on their own institution. Again, financial pressures (43.3%) came to the fore, with international student enrolment following closely in second place (37.6%). After those two responses, the incidence rate for other issues falls precipitously by more than an order of magnitude: Housing (2.7%), mental health (2.7%), and changing learner expectations (2.4%) follow to round out the top five greatest issues.

Figure 4. Top Issue Impacting the Respondent's Institution (Single select, n=699)

Issue	Percentage
Financial pressures	43.3%
International recruitment and enrolment	37.6%
Housing and cost of living crisis	2.7%
Mental health and wellbeing	2.7%
Changing learner expectations and needs	2.4%
Labour relations	1.7%
Addressing equity, diversity, inclusion, and Indigenous reconciliation	1.7%
Declining public perceptions of higher ed	1.6%
Increasingly competitive market	1.4%
Demographic changes in Canada	1.0%
Technological advancements	0.7%
Global conflicts	0.4%
Shifting labour market demands	0.1%
Climate change	0.0%
Other	2.0%

In comparing these two graphs (Figure 3, Figure 4), we see that the most commonly selected sector-wide issues are also selected by the vast majority of leaders as the top issue on their campus. However, this does not mean that all other matters affecting postsecondary education—including the cost-of-living crisis, technological advancements like AI, and changing learner needs—have been forgotten. Rather, as demonstrated in the interview findings (See: Interview Findings), many of these issues remain on the minds of institutional leaders across the country.

INSTITUTIONAL RESPONSES TO THE LEAD ISSUES

The ranking of the key issues identified in the survey were consistent with the broader issues impacting the sector as identified in Academica's *2024 Top Ten Year in Review*[2] and *2024 Indigenous Education Year in Review*[3] publications. An institution, and especially its leadership, is often defined by how it responds to issues or crises. Thus, it was paramount to understand how institutions were responding to the issues before them and what strategies they were deploying to mitigate the associated risks.

There are four categories of responses to issues: Fight, Flight, Right, or Sight:

- The **Fight** response is to address the issue head on at the source. As the issue dominating the sector is financial, largely as a result of decisions made by government (funding, visa caps, tuition/wage freezes) fighting government decisions has not proven to be a successful path, especially for Board Chairs and Presidents.

- The **Flight** response is a retreat from the issue. Typically, this means curtailing activity in an area that no longer curries favour in the public/government eye. For example, if public-private partnerships (PPPs) are no longer an acceptable response to funding shortfalls, then the institution simply stops engaging in PPPs. Easier said than done, because such a response necessitates an additional response on how to address the financial impact of ceasing a certain operation/activity that was revenue generating.

- The **Right** response is right-sizing operations to re-align with the new financial reality. Most responses under the Right category are attempts to find operational efficiencies within the organization. With the intent to sustain operations at the present level with as few impacts to employees and students alike, organizations try to find better, less expensive, more efficient means of delivering their offerings (courses, student services, operational activities, administration) while maintaining employment and enrolment levels. When an issue is systemic or impacts the entire institution, such as financial pressures, the Right response is typically deployed. We often see the Right response to financial matters when budget holders are asked to find a particular percentage to be removed from their budget. With prudent and rigorous fiscal management, most budget managers are capable of finding an "across the board" percentage by reducing or eliminating certain activities (reduced travel, fewer conference attendances, shorter meetings not necessitating coffee/meals, delayed hiring for salary fall-in, *etc.*).

- Finally, some issues require a **Sight** response where the issue is specific and the response requires a strategic action equally as specific (a new opportunity, for example, matched by a response to seize the opportunity without any negative externalities or spill-over effects to the rest of the organization). The Sight (or Line of Sight) response is often addressed through a specific institutional unit or is handled by a team of contract(ed) employees hired to deliver to the specific

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[2] 2024 Top Ten Year in Review. Academica Forum. https://forum.academica.ca/forum/the-2024-higher-ed-year-in-review
[3] 2024 Indigenous Education Year in Review. Academica Forum. https://forum.academica.ca/forum/the-2024-indg-ed-year-in-review

issue's requirements, and once the requirements are met, the unit returns to their typical duties, or the contractors are released. In the corporate world, these are often called Tiger Teams or SWAT (Strategic Work AssignmenT) Teams.

Each respondent was asked to select up to five methods that their institution had employed to address the major issues affecting them. Most institutional responses fell into the Right and Sight categories in alignment with the issues they identified.

Figure 5. Institutional Responses to Issues (Multi-select, n=699)

Response	Percentage
Finding operational efficiencies	59.7%
Adapting international recruitment strategies	53.6%
Adapting domestic recruitment strategies	44.2%
Focusing on student retention	41.9%
Reducing operations (e.g. reduced services, layoffs, program cancellations)	41.3%
Diversifying revenue streams	39.6%
Developing flexible learning options (e.g. hybrid, hyflex, distance)	26.2%
Investigating and implementing new digital strategies & software	18.5%
Strengthening work-integrated learning (WIL)	18.3%
Devoting resources to equity, diversity, and inclusion efforts	16.5%
Devoting resources to Indigenous reconciliation efforts	16.2%
Investing in mental health services	16.0%
Constructing new/updating existing infrastructure	15.3%
Partnering with industry (e.g. Public-private partnerships, R&D partnerships)	14.7%
Developing sustainability/climate action plans	4.7%
Other	4.0%

Many institutions, in an attempt to retain staff and maintain service levels across the institution, are attempting to find **operational efficiencies** (59.7%). Depending on the magnitude of the issue before them, some institutions are finding efficiencies in the typical 'across the board' small budget reductions, while other institutions (typically those more exposed on the international student front like some of the colleges of Ontario and British Columbia) cannot address the scope of revenue loss with operational efficiencies without impacting staff and service levels.

Recruitment strategies were seen as a means of addressing the loss of international student numbers by adapting their international recruitment strategies (53.6%) and bolstering domestic recruitment (44.2%).

Given the revenue differential between domestic and international students, and the limited pool in provincial grant monies, while institutions are focusing heavily on enhancing domestic recruitment strategies, there was an understanding the domestic student market will not, on its own, be able to offset the international student revenue losses. Thus, many institutions are looking to retain as many students as possible (41.9%). As the cost of retention is far lower than the cost of recruitment, many institutions are focusing heavily on student academic performance and the supports students require to ensure retention from term to term and year to year.

Despite the best institutional efforts to find efficiencies, increase domestic recruitment, and enhance retention efforts, those initiatives have not been able to fully offset the financial impact being felt across the sector. As such, 41% of respondents said that their institutions have begun to look at reducing operations. Some have cancelled program offerings or eliminated intakes, some have closed satellite or specialized campuses, some have reduced services such as closing athletic programs, while others have begun to issue layoff notices due to these reductions in operations.

These top five responses all fall within the Right category (right-sizing based on the new reality), while the 6th ranked response is a Fight category response: Diversifying revenue streams (39.6%). Some institutions are taking the approach to their budget challenges with a 'grow revenues' approach. Many organizations are looking to increase non-traditional postsecondary persona group participation rates (distance and continuing education, corporate training) to grow revenues and develop an alumni affinity pipeline of prospective future students. Others are looking to maximize residence occupancy rates, meal plan utilization, and ancillary services such as event bookings.

Responses ranked 7 through 15 cluster around the Sight category of responses – specific actions taken to address specific issues. These responses are all critically important to the fabric of higher education, and merit further exploration.

INTERVIEW FINDINGS

Through one-on-one interviews, respondents from across Canadian postsecondary education shared further insights into how their institution specifically is affected by and responding to the different issues. Here are some observations from the participant interviews. Several issues permeated nearly all of the conversations held during the interviews. These issues—deemed "national" for their almost-universal applicability—permeated the comments of most interviewees, regardless of their institutional location or type, their departmental affiliation, or their role or rank. Other issues were more common to a particular region of Canada ("Regional") or were unique to a particular province or territory ("Provincial/Territorial").

NATIONAL

International Student Program Policy Changes & Financial Pressures: The majority of these responses and commentaries are contextualized within the framework of both the international student program policy changes and the financial pressure placed on institutions by the drop in enrolment. As indicated earlier in this report, there was some nuance to how prominent each of these issues were in respondent comments.

The university sector responses indicated most were not as exposed to the international student enrolment matter as their college/polytechnic counterparts. As such, university responses were less focused, in general, on the international student matter than they were on the financial state of their institution. Financially, universities are feeling as equally pressured as colleges and polytechnics due to reduced funding across the entire sector and are taking measures to address their budget shortfalls. While there are some universities highly exposed to international student enrolment fluctuations, and there are some colleges who did not engage in the international student diaspora, they, too, are feeling budgetary pressures.

Smaller institutions have limited financial resources (due both to their size and their limited international student tuition revenue opportunities) and are facing budget constraints without the backstop of significant surpluses or reserves from which to draw in the short-term. Given their size, these institutions are facing smaller monetary constraints on a dollar basis, but on a percentage of overall budget, they are as pressed as some larger institutions to find cost reductions. The impact to the local community, even with modest reductions in staff or budget, will be felt locally far more directly and with greater magnitude than in larger centres.

The larger institutions—especially larger colleges and polytechnics in British Columbia and Ontario—are much more exposed to the international student enrolment issue than their counterparts. Some institutions are facing nine-figure budget reductions. While some institutions are looking at their surpluses and reserves to stave off some of the reductions they know are to come, given the magnitude of the revenue correction in the coming year, most institutions cannot sustain such a draw-down on their reserves and remain viable in the mid-term (2-4 years). The impacts, as has already been observed, are program cancellations, campus closures, and layoffs in the triple digits at some institutions. The widely held perception by senior leaders in the sector, especially on the college and polytechnic side, is the international student enrolment issue will have a far greater impact to the sector than COVID, and the impact will last for at least the next decade and transform the sector forever.

Cost-cutting: Most postsecondary institutions are engaged in cost-cutting, with a focus on finding efficiencies, reducing non-full-time employees, and in some cases reductions to the full-time staff complement. While many institutions had not announced full-time staff reductions at the time of the interview, many respondents indicated they were having conversations with their unions and senior leaders regarding staff reductions.

Reviewing Satellite Campuses: The institutions with satellite, regional, or international campuses are looking closely at their viability under reduced revenues. Some satellite/regional campus closures have already been announced, and there are likely more to come in the following year after space utilization and program viability reviews. Some institutions are committed to supporting regional access, and as such are looking deeper into the 'home/main/founding' campus for greater savings to support the regional access mandate/commitment. International campus initiatives are being reviewed on a longer-term basis given their existing contractual obligations with foreign governments.

Offsetting Losses with Continuing/Distance Education: Many institutions are attempting to increase their revenue potential to offset the loss of international student tuition revenue. Most are leaning heavily on the Continuing/Distance Education units of their institutions for this uplift. While some institutions have invested heavily in this space, many are just now developing new or transitioning existing programs for distance education. Even with some interviewees sharing that their institution has seen over 400%

growth in this revenue stream over the last few years, there is recognition that it will not be able to entirely offset the international student tuition revenue loss. To cast as wide a net as possible with the goal of further increasing revenues, many institutions are looking to market their programs nationally (and some, internationally). In the short-term, Canada will see a number of new entrants into this space, creating both heightened competition and possibly market saturation. Leveraging unique programming, designing automated technical supports for students and faculty, and/or integrating advanced digital pedagogy by some institutions will likely define the successful institutions from the rest. Several respondents further noted that they view the use of AI to develop both the supports and the content of continuing education as a path to success.

Centralizing and Automating Functions: Many respondents indicated their institutions are looking at this enrolment and revenue crisis as a means of addressing long-standing systemic operational efficiency issues. Many routine functions that were manually handled are being reviewed for automation so employees can focus more on student contact and support than processing routine paperwork. Student services, registrars' offices, campus housing and financial aid were regularly mentioned. There are also some institutions where each faculty/school has historically operated an independent suite of services—their own marketing, alumni, finance, government relations, and even recruitment departments—which presents an opportunity to reduce costs and improve efficiencies by centralizing such functions. The development of such independent systems stems from perceived structural need ("our school is unique and therefore we must have our own system") and established cultural norms within the institution around autonomy (the extent to which faculties/schools operate "as" the institutions vs "in" the institution). The conversations around centralizing functions as a response to fiscal constraint are being met with a degree of pushback according to most respondents, as the affected areas perceive the restructuring as job losses and out of alignment with institutional culture.

Growing Career and Student Services: From student success advisors to drop-in hours hosted by senior administrators, to early academic alert systems, to peer mentoring, to mental health check-ins, and increases in the number of councillors, many institutions are investing significantly in student supports and services. With the focus on retaining existing students and supporting them to the successful completion of their program, major investments have been made in personnel and systems infrastructure in this area. At some institutions, there has been an increased focus on work-integrated-learning (WIL). The focus on WIL is also being seen as a differentiator based on the calibre of employers being brought to the WIL environment. Student services and industry liaison/development offices are working in greater concert than they have in the past, which for some institutions is enhancing donor and alumni relations.

Issues with Communication: Respondents indicated that communications about the issues were asymmetric. Much was being asked of lower ranks in institutions, specifically for data and process information, but often without a clear and complete reason or purpose for the informational request. As a result, some respondents indicated internal groups (mostly faculty and staff union members) felt they were being left out of the conversations and thus not able to contribute to any solution(s). Interestingly, a hierarchical communication issue was shared by numerous respondents – that they felt they could not express their concerns about issues with their supervisors or senior leaders. Deans felt they couldn't speak to their VP as openly as they wished; VPs felt they could not fully express their nuanced understanding of responses to their President; Presidents felt their Boards were not as engaged in the issue at the outset as they wanted/needed them to be; and Board members reported they could not get meetings with government to address the issues, and if they did make contact felt when they aired concerns to

government those concerns were not heard. Many respondents admitted the situation was fluid with constantly changing directives and announcements coming from government, and with such a constantly shifting landscape it is difficult to make plans and decisions as they may be overturned or required re-thinking within days of implementation, and as such the perception within the institutions is that leadership is floundering and without direction.

Broken Trust: This theme emerged in multiple ways from respondents and was mentioned in various ways with differing levels of impact to the sector and to individual institutions:

- On the international scale, respondents felt that Brand Canada was significantly damaged by the IRCC announcements of 2024. Many respondents believed it will take a decade or longer to rebuild the international relationships and trust lost last year. Some agents now perceive Canada as too difficult to work with and have withdrawn services to focus on other countries.

- Within institutions, the rapid change and issues with contradictory or broken communications have created the perception that senior leaders are floundering and without direction, which in turn is marring their internal reputations. The shifting sands of government directives is creating additional pressure on communications teams, forcing them to put more time into crisis communications than in the past. These crisis communications are being perceived as reactionary within institutions, and thus further entrenching the perceptions that leadership is acting in a reactive, and not proactive, manner in addressing any issue. These communications offices are also being faced with much more negative public press and with reports not grounded in fact. Communications offices are spending more time correcting misinformation than in the past, and with their focus on correcting misinformation (often coming from within the institution itself), they are less focused on internal communications, contributing even further to the perception of a lack of communication about the issue(s) and the institution's response. Some institutions are attempting to address the issue of an internal loss of trust with People and Culture initiatives, but, given the erosion of trust, such initiatives are being met with skepticism or very low participation rates.

Hiring Freezes: Most institutions have responded to the financial reality by implementing hiring freezes and pauses or requiring significant justification for any new position. While there are still strategic investments being made, as in student services as noted above, administrative positions are facing greater financial scrutiny. Many respondents noted there is now a greater desire to hire from within the organization as wage freezes have limited organizations' ability to recruit externally given salary differences between the public and private sectors.

Impact to Domestic Students: For those institutions that were highly leveraged in the international student market, the revenues recognized from those students were used to backfill the financial shortfall for programs where domestic tuition and grant could not cover program expenses. Now with international student tuition revenues limited, many programs that support a domestic or local need may no longer be viable and are under review for suspension or cancellation. This unintended consequence of government decisions around both international student enrolment and persistent underfunding is placing at risk the core mandate of some institutions (specifically colleges). There is the perception held by many respondents that local economies will be affected if there are 'domestic' program closures, further limiting the access to skilled labour in certain jurisdictions to address housing, healthcare, digital infrastructure, public safety, and food security.

REGIONAL

Changing Perceptions of Equity, Diversity, Inclusion and Indigenization: This topic remains important within institutions, yet regionally across Canada there are differing perspectives of the importance of such initiatives, and whether they should be supported with public funding. Some institutions are re-branding the offices that are focused on related efforts, others are curtailing further investment, and still others are investing heavily. The regional variability to the institutional response to these initiatives is heavily influenced by the regional/provincial ideology of the sitting government, and as such responses follow government leanings.

Wage Freezes: In certain provinces, wage freezes have hurt the recruitment of faculty and staff. Referenced specifically by respondents in Alberta, British Columbia, and Ontario, the wage freezes have resulted in not only a challenge with recruiting new staff, but also an issue for staff retention as wages in other sectors have risen (especially in the public sector).

Capital Projects: Some respondents indicated hard capital (construction) projects have been placed on hold as the project was funded on soft revenue dollars (international tuition revenues). Other institutions indicated that the projects already underway will continue as they were committed to in the budget, but given their budget shortfalls, they will use reserves and surpluses of the past to complete the existing project(s). It is acknowledged by the respondents that this approach will be costly in the long-term as the institution's flexibility to respond to strategic opportunities will become more restricted.

Increasing Indigenous Faculty: There is a strong commitment in numerous provinces to continue to increase the number of Indigenous faculty teaching Indigenous courses and taking on leadership roles in institutions. Some jurisdictions in the East and West are much further advanced in this regard, while institutions in jurisdictions like Ontario continue to struggle to hire Indigenous faculty and staff. It was noted by respondents this is an opportunity to work more closely with Indigenous communities to develop pathways and professional development/educational opportunities to address this representation issue.

"X Marks the Spot": Directly related to the issue of mistrust in institutions and their leadership as noted above, there is a bias within more conservative regions of the country to believe administrations have literally buried within or on campus a hidden pot of money. Passed down from one administration to the next, the 'secret book' that records the value and location of where the hidden cache of cash is stored is a surprisingly widely held perception on many campuses. It is reported that it is this hidden money administrations have been cited to "find" at year end to fund new initiatives or 'quick turn-around projects' when the institutions were/have reported a forecast budget deficit. While somewhat amusing that such a perception exists, that this matter was aired repeatedly speaks to the need for institutions to develop greater financial awareness amongst budget managers of how and where dollars are used and allocated, enhance the transparency of financial communications across the institution, and in the process (re)build trust in leadership.

PROVINCIAL/TERRITORIAL

Space Utilization: With the significant drop in international student revenue in Ontario, campus closures are already occurring, and older building closures are being considered. The use of space utilization studies is on the rise as institutions are trying to maximize classroom and lab use, and close spaces that are being used marginally. Deferred maintenance is being postponed even further given fiscal constraints

and with further deferral, some buildings are being reviewed whether to continue to defer maintenance or renovation or to simply shutter the building given reduced enrolment numbers.

Brand "Province": As noted above, respondents noted Brand Canada has been tarnished. While there are still significant international student recruitment efforts underway, many institutions have been asked by their agents to reference their province, and not Canada, when speaking of their institution. This information has made its way into some recruitment materials in some jurisdictions where the references to "Canada" have been replaced with the name of the province.

Differentiation: In Ontario, the provincial government expects institutions to demonstrate differentiation. A number of respondents commented that many of the 24 colleges and polytechnics offer an identical suite of programming, and as such believe that differentiation has been replaced with duplication. The perceived duplication, or "redundancy" as stated by some, may force institutions under the new fiscal reality of reduced international tuition revenue without offsetting increased provincial funding to re-assess their program offerings. Many Ontario institutions are presently reviewing program ROI and viability figures, in concert with space utilization, to differentiate their position in the higher education market, while some are using this review as an opportunity to identify strategic programmatic investments to create centres of excellence around a cluster of programs.

Students at Risk: Institutions in a number of jurisdictions are focusing on students at risk or reintegrating students who were in poor academic standing. Between the belief retaining students is less expensive than recruiting students and a (renewed) focus on student success, a few institutions are investing in additional student success advisors, while others are building Early Academic Alert systems for implementation as early as the spring 2025 term.

Graduate Programs: Universities are seeing an increase in demand for course-based master's programs. With the reported perception that there are more potential students at the graduate level who are working and cannot leave their employment to pursue graduate studies, programs are being designed for distance and remote delivery for non-thesis-based master's programs. These course-based master's programs are believed to be less expensive in their delivery and do not draw as heavily on campus physical infrastructure or faculty resources.

Using AI: A number of institutions responded they are integrating AI into routine administrative functions to provide staff with more time to support students than to address routine paperwork. One Ontario institution is advancing Intelligent Tutoring driven by interactive AI to support student success and is integrating immersive reality into programming to attract the next generation of students.

CONCLUDING NOTES

The last year has seen remarkable changes to the higher education sector, and the sector is responding to those changes. With financial constraints top of mind at most institutions, institutions are finding creative ways to address budget shortfalls. Some changes at some institutions will be significant and will come with campus closures, program cancellations, and impacts to employment. Other institutions are seeking operational efficiencies, process improvements, and strategic investments to respond to budget challenges and position their institution for long-term sustainability.

It was noted that the international student revenue decline and its associated impact to budgets will have a greater influence on the sector than anything in its past. The changes occurring within the sector will be transformative and consequential. Institutions are finding both traditional cost cutting and new creative ways to ensure the sustainability of their university or college. As the sector has proven in the past, it is stronger when it acts together. Sharing ideas, best practices, and its collective wisdom will help the sector weather these storms and be more resilient so it can continue to serve the interests of their students, their institutions, and their communities.