

## **Stakeholder Summary**

### **Private Career Colleges an Under Examined Part of Ontario's Postsecondary System**

Despite serving 53,000 full time equivalent students, or about 1 in 15 of the province's postsecondary students, private career colleges are an understudied higher education option in Ontario. A new report by the Higher Education Quality Council of Ontario (HEQCO) provides an overview of the institutions, the students they serve and their role in Ontario's postsecondary system.

The report shows that while they do not receive direct government funding, they contribute to the delivery of government priorities and benefit indirectly from government-funded programs. As an example, three out of every five clients of Ontario's Second Career program, which provides tuition and living support for laid-off workers, are enrolled in a private career college. The government also provides OSAP funding and access to the 30% off tuition rebate program to students at about 170 private career colleges that meet prescribed performance requirements.

### **Project Description**

Combining publicly available data and an environmental scan of existing research, *Ontario Private Career Colleges: An Exploratory Analysis* places private career colleges in context with the rest of Ontario's higher education system. Private career colleges are Ontario's largest private classroom-based postsecondary option. They are regulated by the government and held to a host of consumer protection provisions including written contracts with students on student rights, adherence to prescribed tuition refund policies, student complaints procedures and a third-party program quality review process. Currently 420 registered private career colleges operate at just over 600 locations. The majority of private career colleges are privately owned, for-profit businesses with overall revenues for 2011-2012 of \$650 million.

### **Findings**

As both colleges and private career colleges are primarily career oriented, educate predominantly at the diploma and certificate levels and serve many of the same areas of the Ontario labour market, there is some overlap between the two sectors. Private career colleges are focused on providing graduates with specific job-focused skills and are not required to provide the overall communication, numeracy, information management, critical thinking and problem solving, interpersonal skills and personal skills mandated for public colleges. Many private career colleges specialize in one niche area, for example the Audio Recording Academy in Ottawa and Toronto, which provides training in applied audio recording and the music business. The most heavily enrolled areas of study, accounting for nearly half of all enrolments, are business and health services.

While the Ontario government has championed opportunities for credit transfer, credential recognition and collaboration between universities and colleges, there has been no system-wide focus on

movement of students between private career colleges and public colleges. The few partnerships that exist are at the institutional level.

Students at private career colleges tend to have different demographics than their counterparts in other areas of the postsecondary system. They are commonly older-- nearly half aged 25 or older-- and are more likely to be responsible for children under the age of 18. They are more likely to have immigrated to Canada and be non-native speakers of English. A significant number of enrolled students did not begin postsecondary education directly from high school, due to career uncertainty, financial barriers, family issues or a lack of interest.

Private career college programs tend to be shorter. Although tuition is higher on an annualized basis, the differential is reduced when the shorter average program lengths are factored in. Graduates from private career colleges in Ontario appear to have slightly lower employment rates than colleges or universities six months after graduation, although on a national level, private career colleges compare similarly to other institution types. Slightly more than 60% of private career college graduates said they were satisfied six months after completing their program. Ontario student loan repayment default rates for private career colleges are higher (21%) than the default rates for public institutions (13% for colleges, 5% for universities).

Ontario is just beginning to compile performance metrics for private career colleges comparable to those for public colleges, including graduation rates, graduate employment rates and graduate and employer satisfaction. These metrics, coupled with better information about the kinds of students who choose these institutions as their postsecondary option, will provide more insight into the roles and outcomes of private career colleges within the landscape of higher education in the province.

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