

March 8, 2016

Dear Colleagues and Students:

The recently released *2016 Ontario Budget* contained three key announcements that will improve access to postsecondary education for students from lower income families, add support for Western researchers in the field of advanced manufacturing, and increase opportunity for economic development in London.

The big news for students is the introduction of the new *Ontario Student Grant*. Starting in 2017-18, the OSG will replace a patchwork of existing student financial aid programs designed to off-set the cost of postsecondary study with a single grant program designed to cover the “average” cost of tuition for students from families with incomes of \$50,000 and lower.

Creating the OSG entails a fundamental restructuring of the student financial aid system through the redistribution of funding from existing programs, including the *30% Off Ontario Tuition Grant*, *Ontario Student Opportunity Grant*, *Ontario Access Grants* and other grants offered through the *Ontario Student Assistance Program*. The new OSG will also be funded in part through the elimination of provincial tuition and education tax credits that currently help to reduce the cost of postsecondary study for students from higher-income families.

While the OSG’s promise of “free tuition” for lower-income students does not translate into any new incremental funding for Ontario’s postsecondary sector, it is a positive step toward removing some of the financial barriers that some students face in accessing higher education.

Western’s strength in advanced manufacturing was also recognized in the *2016 Ontario Budget* with the announcement of \$35 million to establish a research and development partnership between Western, McMaster and Waterloo. The *Advanced Manufacturing Consortium* will receive funding over the next five years to leverage the three universities’ existing expertise and infrastructure and to support new collaborations on industrial innovation projects.

Colleagues at our three universities are already working together on a smaller scale in fields related to material science, computation and automotive design. For example, Waterloo and McMaster are partners in the *Initiative for Automotive Manufacturing Innovation*, while Western and McMaster are partners on projects at Western’s *Fraunhofer Centre for Composites Research*. And all three universities have collaborated on a project focused on development of light-weight automotive components using magnesium.

Given the critical importance of helping Ontario’s manufacturing sector respond to global competition and rapidly changing technology, the government’s investment in the university consortium is a tremendous vote of confidence in the talent of our researchers and students, and it increases Western’s capacity to contribute to local economic development.

Being aligned with institutions and industries located in Kitchener-Waterloo, Hamilton and the GTA also provides other important benefits for Western and the London economy. Beyond its funding support for the university consortium, the Province has also expanded the definition of its *Ontario Innovation SuperCorridor* to include London.

...1/2

Extending from London through K-W and the GTA and on to Ottawa, the *Innovation SuperCorridor* represents a geographic area more densely populated with start-up companies, research institutions and highly educated talent than any other region in the country. In fact, some observers believe this region has the potential to compete with the likes of Silicon Valley as an engine for job creation and economic diversification. As such, the Province has identified the corridor—and London’s inclusion within it—as a focal point for future investment focused on connectivity. This is where recent proposals related to high-speed rail and municipal rapid transit fit into the picture.

Finally, the budget made clear that operating grants from the *Ministry of Training, Colleges and Universities* will only increase by an average of 1.1 percent per year through 2018, highlighting the fiscal challenges that lie ahead for all postsecondary institutions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Amit Chakma'. The signature is stylized with a vertical line on the left and a horizontal line with a small loop at the end.

Amit Chakma
President & Vice-Chancellor