

# ACCESS TO DEGREES IN THE KNOWLEDGE ECONOMY

Dave Marshall

Access to post-secondary education has always been a major concern in Canada, and if student fees are usually a main concern in this regard, Dave Marshall warns that strategies adopted by the provinces in recent years to try and respond to the increasing demand for degrees have fuelled an inflationary spiral that risks diminishing the value of certain credentials. Marshall reviews the causes and effects of this degree inflation and suggests that part of the answer lies with the process of degree accreditation, where in recent years several cracks appeared in the historical provincial degree-granting framework. "As long as individual provincial governments stayed mostly on the same page regarding degree-granting," he concludes, "Canada has never felt the need to establish a national degree or institutional accreditation process. Consumers (parents, students, employers, graduate schools, professional schools), both here in Canada and elsewhere, are now suggesting otherwise."

L'accès à l'enseignement post-secondaire a toujours été une question très sensible au Canada, notamment au chapitre des droits de scolarité. Cependant, prévient Dave Marshall, les stratégies adoptées ces dernières années par les provinces pour répondre à la demande croissante de diplômés ont provoqué une spirale inflationniste qui risque d'amoinrir la valeur de certains d'entre eux. L'auteur examine les causes et les effets de cette spirale, suggérant que la solution réside en partie dans un processus d'accréditation des diplômes, étant donné les failles apparues depuis quelques années dans le processus de diplomation des provinces. « Tant que les gouvernements provinciaux appliquaient plus ou moins le même mode d'attribution, le Canada n'a pas senti la nécessité d'établir un processus de diplomation national ou d'accréditation institutionnel. Mais au Canada comme à l'étranger, les différents intéressés (parents, étudiants, employeurs, établissements universitaires et professionnels) réclament désormais qu'on prenne les mesures qui s'imposent », conclut-il.



**T**he demand for access to degrees in Canada has been well documented over the past decade or so, as has the continued growth in that demand. The participation rate in degree programs of the typical grade nine cohort has almost tripled over the past 30 years in Canada to over 20 percent. As reported in the Association of Universities and Colleges of Canada (AUCC) *Trends in Higher Education* (2002), we will need upwards of 100,000 new degree places in the next decade to meet the demand for participation in degree-level study.

Our response in Canada to this dramatic increase in demand has been the same as it would be in any supply-demand environment: we have tried to increase the supply. We have done it by increasing capacity at traditional universities. (Ontario alone has added 30,000 new first-year university places since 2001.) We have added new universi-

ties (five in the last 15 years — none in the previous 20). We have used other parts of the system to add capacity (for example, deliver the first two years of university in community colleges in BC and Alberta). We have approved non-traditional delivery of traditional degrees (faith-based institutions, distance delivery institutions, private institutions). We have implemented other types of degrees (applied, technology). And, in at least one province (Alberta) we are going to allow full, traditional baccalaureate degrees to be offered by community colleges.

In general, there is now such a proliferation of different types of degrees and degree sources that it is difficult for the consumer (student or employer) to sort out the value or meaning of the credential. The US has always had a wide array of both institutions and degrees and, consequently, the value of a US degree has always been more related to the

institution rather than the label. In Canada, this has not historically been the case. A Canadian degree was valued as a credential, since only Canadian universities that were reviewed by a national association and given provincial legislative approval were able to offer degrees. This is no longer the case.

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While these “alternate strategies” for degree access have indeed provided access for Canadians to undergraduate degrees, they have fuelled the growth of credential inflation in Canada. Randall Collins in *The Future of The City of Intellect*, defines degree inflation as the combined circumstances where the degree becomes a requirement for more and more jobs and professions while, at the same time, becoming an insufficient entry requirement to others. While the existence of such degree inflation is clearly documented, the cause and effects are much less discussed.

There are two kinds of “creeping credentialism” that illustrate the debate regarding degree inflation. The first is the increase in credential expectations due to changes in the workplace. In the “knowledge economy,” the increased knowledge expectations of many jobs and professions have resulted in a legitimate increase in the credentials required for various jobs. This has occurred in all areas, from the trades and technologies through to the professions such as nursing and accounting. Many of the credentialing changes have been driven by the expectations of the professions as they have examined the increased knowledge levels expected of their members. This has been espe-

cially true where the jobs (new or old) have required a greater level of general or liberal education in order to be performed effectively. The development of the MBA as an entry level credential to an increasing number of business related jobs is an example, as is the increasing science knowledge base required of the modern nurse.

Current estimates are that 50 percent of all new jobs created over the next decade will require six or more years of post-secondary education.

As the degree has increasingly become the entry point to many jobs and professions, the response has been to increase the capacity of the traditional degree-granting system. That is, increase the supply of graduates holding the skills, knowledge and attributes traditionally associated with the degree credential in order to meet the legitimate workplace demands for these attributes. Most agree that this is a useful and necessary kind of creeping credentialism. In fact, it is a healthy sign of a growing and advancing society and should be more appropriately termed expanding credentialism.

A variation of this type of creeping credentialism has been the efforts of most provinces to provide access to the university level credential in non-traditional means (distance, private, university transfer). While the value and experience of the credential remains intact, increasing the supply of degree credentials through alternate delivery means has helped fuel degree inflation, although in a largely positive fashion for both students and employers.

The second source or type of degree inflation is not as positive and is the type that gives the true meaning

to “creeping” and “inflationary.” This is where credentials simply change their labels without changing the substance. For example, degree inflation occurs when a college diploma is turned into a baccalaureate degree (applied or technology) with marginal change in substance. That is why the Postsecondary Education Quality Assessment Board (PEQAB) in Ontario has specified the requirement for both a 25 percent “liberal studies” component to applied degrees and demonstrated higher levels of learning appropriate to the “degree” designation. In addition, the degrees would require admission levels comparable to university-level credentials. These and other restrictions on the new types of degrees, like applied degrees, serve the purposes of both identifying for the student the unique character of the credential and maintaining standards that keep degree inflation in check. These types of degrees also provide a high level of mobility directly into the workplace so some “value-added” component mitigates the inflationary effect.

Other degree initiatives are not so benign. The private University of Phoenix’s very successful efforts to mass produce the university degree undoubtedly fuels degree inflation. They sell to students the credential as content without any attempt to replicate the experience of the university degree credential. With an enrolment of 75,000 students across the US, they will undoubtedly increase access, increase the supply of degree holders, and assuredly fuel credential inflation. But, at least the degree is offered in an “accredited university” environment.

On the other hand, the initiative across the US (and parts of Canada) to offer the foundational baccalaureate degree on (community) college campuses is, perhaps, the newest and the most serious contributor to creeping credentialism or degree inflation. As permitted in Alberta’s new Post-

Secondary Learning Act (2003), the degree offered in the college environment would have the same label as the university credential, but would not represent the same environment or degree experience for the student. In fact, the whole purpose in providing these degrees in this environment is to offer a different degree: more accessible, lower cost, higher teaching levels for faculty (less research) and so on. In general, instead of a new workplace reflective credential, it would be an existing credential in a different environment with a different meaning and value.

The primary reason, of course, for such an increasing proliferation of alternate strategies to provide degrees is cost. No province in Canada has been able to completely absorb the cost of providing unfettered access to the traditionally delivered university degree credential and, consequently, has sought out cheaper alternatives.

Offering the first two years of university (university transfer) in colleges in Alberta and BC was simply a way of offering them cheaper than in a university setting. Access funds for these university transfer students in Alberta colleges cost the government about \$1,500 less per student than the same students would cost in a university delivered environment. Similarly, private (for-profit and not-for-profit) could have the potential to dramatically shift the burden of cost from the taxpayer to the individual.

In the short term, for the student that would not normally have access to a university degree, the availability of any kind of degree credential will be positive. If the degree is an applied/workplace degree, then the immediate access to the job market in a specific trade or professional area will be valued. There is little doubt that in the short term students will find the degree experience a positive one. By all accounts, student satisfaction with the

University of Phoenix credential is high. Students taking university transfer in colleges are generally satisfied with the instructional setting they experience. And after almost a decade of operation, the applied degrees in some Alberta colleges are gaining increased respect as workplace credentials.

Yet, the costs to the student of continuing degree inflation are pronounced. Each additional year of post-secondary education carries both direct and opportunity costs to the student. To this point, in Canada, there appears to be no limit to the amount the individuals will pay to access higher credentials that will indeed pay off in the job market. This suggests that there is indeed a real value to the degree credential and as long as that real value is there, the demand will continue to increase. However, as a result of degree inflation, the value of the first baccalaureate degree has shifted from its value as direct entry to the workplace to what Randall Collins calls a "way station" toward achieving the higher level credentials needed for a job. While the traditional first degree still retains all of the social, intellectual and cultural benefits that the experience has always held, its current value rests largely with its ability to give the holder

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access to more credentials and then more job access. Consequently, if a credential loses its value as that "way station," then the inflation of the cost will outstrip the return of the credential to the individual and demand from the smart consumer will decline. If the degree is a foundational degree or if the student has aspirations of further study, then the satisfaction will be short lived as they learn that their cre-

credential is viewed as a second-choice credential, as either the degree is rejected by other post-secondary institutions or as degree inflation ultimately ratchets up the job or professional requirements beyond their credential.

The first response of the university post-secondary system to the proliferation of new types of degrees will be to communicate that these alternate degrees (applied, technology, college-delivered) are not the same as university-delivered degrees. This means that, at least for purposes of further study, these degrees will be considered "second tier" for access to professional schools and graduate schools. This has already started to happen across Canada as provincial organizations and individual universities have adopted admission policies that make it clear that these degree holders should not assume that they would be eligible for admission to their institutions for further study. For example, to satisfy the basis of admission requirement to any degree program at Queen's University, academic credentials obtained from a Canadian institution must be from an institution that is a member of the Association of Universities and Colleges of Canada (AUCC).

Chances are that over time, the government and the institution that

offered the new degree will start complaining about the reticence to accept these degrees (they are provincially approved credentials). In response to these pressures (governments pay the bills after all), the universities will be grudgingly forced to consider these degree holders as at least eligible for admission to professional schools and graduate schools. Faced with a greatly expanded pool of eligible "degree"

holders, graduate and professional schools will be under the same access problems as the undergraduate credential and will respond in kind with increased number of graduate programs. And the workplace, graduate schools, professional schools and professions will ultimately change the credential for access from an undergraduate degree to an undergraduate degree “plus.”

For example, many states in the US and some Canadian provinces are considering moving to a master’s as the entry to teaching. And now that the CGA certificate requires an undergraduate degree, how long will it be before the CA designation requires an MBA? And now that executive MBAs proliferate, how long will the “market value” of the credential be sustained?

Part of the answer to degree inflation may lay with the degree accreditation procedure. Up until recently, all post-secondary institutions were government approved and were part of a relatively homogenous two-sector system: a college (community) system and a university system. While there was certainly wide differentiation within these two sectors, if an institution was provided with a provincial charter or legislation to be one type of institution or the other, then the institution was seen to be an “accredited” Canadian college or university. This issue has been complicated by the fact that there is no federal system of education at any level in Canada, so each of the ten provinces and three territories established their own methods to manage and control the credentials offered by post-secondary institutions. However, the issue is greatly simplified in Canada by the fact that while many existing universities had private/religious origins, until recently there was virtually no history of private-for-profit universities to com-

PLICATE the degree accreditation issue.

The result was a simple system of accreditation by legislation. If an institution was approved by the respective provincial government, it was deemed to be accredited. Since only universities were traditionally provided the legislation to offer degrees, the quality of the Canadian degree was seen as consistent (and generally high quality) from coast to coast.

Obviously, there were inter-provincial differences regarding the recognition of non-public institutions or credentials, the right of different institutions to grant different creden-

Provincial-level changes in response to unprecedented demand for degree-level credentials are threatening to disrupt this inter-provincial harmony. To date, the common element in all of these responses has been the intention that all new degree experiences will ultimately lead to a provincially approved university credential. Consequently, while there is some fraying at the edges, the informal national compact that the Canadian degree has a value and reputation to be protected has endured. However, some cracks in this compact have been developing.

tials, and the relationship between the various types of post-secondary institutions. But historically these differences have been mostly on the margin. That is, the differences have not historically been significant enough to disrupt the tacitly accepted framework of Canadian degree-granting post-secondary education.

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Perhaps, the first crack was the granting of a university charter to a number of unique institutions such as Nipissing University in North Bay (1992), Athabasca University in Alberta (1970), Royal Roads University in British Columbia (1995), and Ryerson University in Toronto (1993). All have histories of high-quality programming, but were also chartered as very different and distinct degree-granting institutions. Athabasca University was one of Canada’s first distance education university; Nipissing was Canada’s first (subsequently revised) undergraduate only university; Ryerson was Canada’s first career or vocationally focused university; and Royal Roads was the first publicly chartered university with a mandate to be self funded. Since receiving their “charters,” all have established good reputations as degree-granting universities and have been

accepted into the university fold. While they certainly represent differentiated missions, they function within the framework of the traditional university environment. However, their establishment did suggest a first sign of change in the degree-granting business in Canada. Ontario’s newest university, the University of Ontario Institute of Technology (2003), continues the tradition of developing new and unique degree-granting possibilities by establishing a new “university.”

The second crack in the degree-granting compact occurred in the province of British Columbia as the

government responded to both the shortage of universities in general and the shortage of degree places by establishing a collection of five degree-granting, diploma-granting hybrids that they called “university colleges.” Every attempt was (and is still being) made to ensure that the student environment and the degrees offered are as university-like as possible. For example, the degrees were initially offered by an established university in British Columbia, although the complete degree was delivered on the college campus. Nonetheless, the existence of degree-granting institutions that were not in the traditional university model (they are government funded and legislated under the Colleges Act), caused some discomfort in the area of degree recognition. And the government of BC is currently dismantling parts of the university college model.

The third crack relates to private degree-granting institutions. Canada has accepted for some time the validity of the private, not-for-profit, (primarily faith-based) degree-granting institutions. Most provinces have at least one such institution chartered to offer a limited range of undergraduate degrees. However, (with the exception of the AUCC member institutions) the credibility of the faith-based baccalaureates outside of the faith-based post-secondary environment has always been questioned, and even more so over the past decade as more and more such institutions have been established and have received permission from the provincial government to operate as a university or university college.

Accreditation is certainly an issue for such institutions, but the relatively small impact on the Canadian degree-granting scene and their ability to articulate solid one-to-one transfer relationships with established public universities has resulted in a certain level of acceptance by the national post-secondary education system.

Private-for-profit degree-granting institutions, however, are another matter. Canada has literally no history of private-for-profit universities in general, much less private-for-profit universities/degree-granting. At the current time, only the



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Demand for access to higher education has grown sharply in Canada over the last years, and this is unlikely to change shortly. The Association of Universities and Colleges in Canada expects that by 2011, Canadian universities will need to respond to a projected 20 to 30 percent increase in demand for university enrolment.

DeVry Institute of Technology in Calgary is actively operating as a for-profit degree-granting institute. So while it would appear that the per student or competitive impact is relatively small, the existence of these degrees in Canada has put a large crack in the compact of the Canadian degree credibility and called

into question the default system of accreditation at the provincial level.

The fourth crack occurred in 1995 when Mount Royal College in Alberta became the first “college” in Canada to offer applied baccalaureate degrees. Other Alberta colleges, and colleges in Ontario and British Columbia have

followed suit. Colleges in British Columbia and Alberta had been offering university transfer for many years (Mount Royal as early as 1931), but it was with the introduction of the “applied degree” credential that the university monopoly on the baccalaureate credential in Canada was broken. Still, these credentials have not caused a significant challenge to the traditional degree-granting environment, since they were approved and continue to be recognized as unique applied workplace credentials and not intended to be in competition or a substitute for a traditional baccalaureate degree. There is no common understanding across the country of the program for these degrees (e.g., Alberta applied degrees and Ontario applied degrees are quite different). However, the graduates of at least some of these degrees are gaining increased respect in both the workplace and the professions and finding a credible and recognized place in the post-secondary spectrum.

In essence, by 2000, the degree-granting scene in Canada was starting to show the signs of differentiation usually associated with the post-secondary system in the United States. Consumers, the workplace, and graduate schools were now having to distinguish between private degrees, distance degrees, faith-based degrees, applied degrees and the old fashion run-of-the mill university undergraduate degrees. By this time, all of these groups, in addition to being confused, were questioning the long accepted notion of the efficacy of provincial-level processes to approve “accredited” institutions or degrees.

It now appears that the next (and perhaps final?) crack in the degree-granting compact is in progress in at least one province in Canada (and certainly being watched by others). With an escalating demand for university-level degrees and continuing concerns

for the funding of post-secondary education, some provinces are now considering the “college” (traditional community colleges in Canada) as an agent to deliver the complete foundational baccalaureate degree; the BA and the BSc that represent most of the demand and most of the enrollment in existing universities. College-level degrees would solve several of the degree-access problems from a government’s perspective.

- Governments traditionally have far more control over colleges than with universities.
- Governments can avoid “bicameral” governance and the perceived problems of faculty control over academic decisions.
- Governments can ensure faculty teaching loads that are, in some instances, twice the university setting.

It is clear that the continued expansion of alternate degree sources and the concomitant degree inflation is simply a palliative to the real problems of equality and access to post-secondary education in Canada. By giving students access to credentials with the implied promise of some sort of higher education mobility but, at the same time, setting up the circumstance that those credentials will always be seen as second choice is a cruel hoax being played on sectors of our society that can little afford the hoax.

- Governments can separate research from teaching and have degree-granting institutions where the faculty role does not include research.
- And most importantly, because all of the above, government can deliver an undergraduate degree (in a college) for perhaps 60 percent of the cost to both the taxpayer and the student of the “same” degree in a university.

Alberta has recently passed the *Post-secondary Learning Act 2003* (Bill 43) as the first provincial legislation that allows public colleges the opportunity to extend their current ability to offer the first two years of university transfer, to offering the complete foundational degrees which to this point

have traditionally been the domain of the provincially chartered university.

The bill also provides for the establishing of the Campus Alberta Quality Council. The government believes that this quality assessment process can suffice as the “accrediting” agency and the quality control on degree-granting in Alberta.

It is possible that this step by the Alberta government to allow traditional (community) colleges to offer formerly university-level foundational bachelor of arts and bachelor of science degrees may be the final crack in the tacit international acceptance of a Canadian degree. Despite the fiddling with degree-granting at the margin (e.g., private, virtual, applied etc.), degree-granting has remained largely the domain of the licensed or chartered university in Canada. But now,

the implicit acceptance that provincial government control over the degree-granting environment has been a sufficient “accreditation” process will be under question. In essence, as long as individual provincial governments stayed mostly on the same page regarding degree-granting (as they do with many other standards of practice in many professional areas), Canada has never felt the need to establish a national degree or institutional accreditation process. Consumers (parents, students, employers, graduate schools, professional schools) both here in Canada and elsewhere are now suggesting otherwise.

**C**redential or degree inflation is not a bad thing. There are gen-

uine, changing workplace and further learning expectations that require an increase in the supply of and access to undergraduate degrees. In addition, there is a growing need for new types of degrees such as applied degrees and technology degrees that represent the growing knowledge base of some technical, professional or vocational workplace environments. Neither of these circumstances is an inappropriate contributor to degree inflation.

The growing concern is with the provision of various credentials (diploma or degree) that represent some sort of dilution of the meaning of the credential. For example, simply changing the name of a diploma to a degree without changing the substance represents the extreme of this dilution of the meaning of the degree credential. Other examples include the mass producing of degrees through institutions like the University of Phoenix, the proliferation of "executive" MBAs and, most recently, the movement to offer foundational (BA, B.Sc.) degrees in community college environments.

The result of such dramatic increase in supply without a concomitant maintenance of the foundation or experience of the degree is inflation not dissimilar to the kind of fiscal inflation that occurs when governments print money without a change in the financial base of the country. The long-term result of degree inflation includes the following:

1. Consumers, parents, students, employers and graduate schools and professional schools throughout the country will have to start looking beyond the particular "degree" to the institution delivering the degree to determine the relative value of the credential.
2. While there is some implicit tiering with university credentials at the current time, the tiering will be increasingly explicit as different types of institutions enter the degree business.
3. Professional associations such as the Association of Colleges and Universities in Canada (AUCC)

will become much less cavalier about the importance of the standard of practice that they establish and the implications of membership in their association. This will include increased efforts to establish the measures of "quality" in a degree experience.

4. There will be political and national pressures to establish a national degree-granting accreditation body that is arms-length from both professional associations and provincial politics.
5. The issue of degree accreditation and degree credibility will heat up considerably in Canada over the next decade as competition for spaces in graduate schools and professional schools increases. These schools will begin to use the institutional source of the degree as an initial triage for admittance.
6. The challenge to bridge provincial autonomy and education with national interest and the professional "standard of practice" will be a serious issue. Without an attempt to reconcile provincial-national interest, there is a real danger that in less than two decades Canada will have gone from an internationally recognized national standard of practice in degree-granting to 10 (or more) different degree meanings and standards. The implications for international educational trade are significant.
7. Finally, it is clear that the continued expansion of alternate (non-university) degree sources and the concomitant degree inflation is simply a palliative to the real problems of equality and access to postsecondary education in Canada. By giving students access to credentials with the implied promise of some sort of higher education mobility but, at the same time, setting up the circumstance that those credentials will always be seen as second-choice is a cruel hoax being played on sectors of our society that can little afford the hoax. The result of

increasing degree inflation that is fuelled by a cheap solution to degree access will be a clear tiering of degree credentials. This, in turn, will result in a kind of degree divide whereby the "real" degrees (or at least the ones most valued in the workplace and for further study) will be available to those that either know the difference, or as more and more private opportunities arise, can afford the difference. For those that aren't knowledgeable about the differences between the types of degrees, the hoax is that it may be years after they graduate before they learn the difference. And, the perceived social equalizing of access to degrees is not only mythical, but reversed. Given the strong correlation between socioeconomic levels and levels of education, this could, in some ways, represent the circumstances where there would be degrees for "the uninformed and the poor" and those for "the informed and the rich."

Given the growing demand for degrees, and given the value of citizens with degrees to economic development, too much restriction on the volume of undergraduate degrees is a poor economic development strategy. In general, the control of degree inflation caused by demand and supply of high quality undergraduate degrees is not a good policy for most governments.

However, governments can and should control excessive degree inflation by ensuring that whatever inflation occurs is appropriate inflation related to the supply of quality credentials rather than simply due to the type of degree delivered.

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