

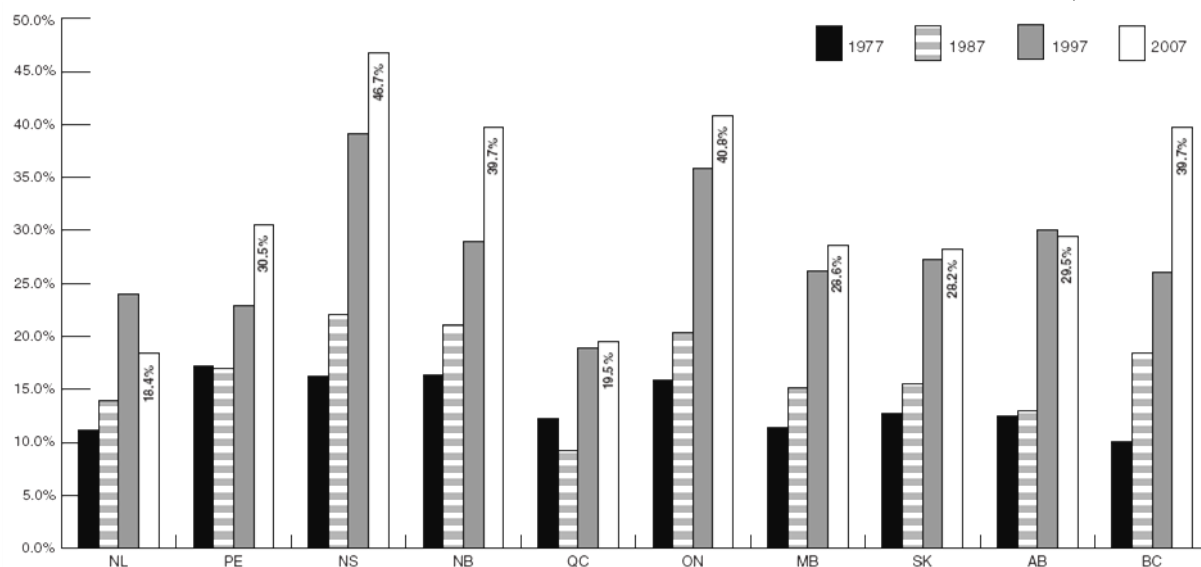
## TUITION

### The Problem

Throughout the country, post-secondary education (PSE) has traditionally been funded through three main sources: the provincial governments, the federal government, and students. Due to increased institutional operating costs in recent years, the fairness of this balance has been compromised. As provincial operating grants have failed to keep up with the university rate of inflation, students have been required to contribute more through tuition fees than ever before. While students recognize that they should contribute to the costs of higher education as there are both personal and societal benefits, in practice these contributions have grown too quickly and by too much.

The following graph illustrates the percentage of university operating costs across Canada recovered by tuition.<sup>1</sup> Where Ontario once had comparable student contributions to other provinces, in 2007 Ontario student fees covered the second highest percentage of university operating budgets. Additionally, Ontario students are charged the highest tuition fees in actual dollars when compared to the rest of Canada, paying an average of \$5,951 in 2009-2010.<sup>2</sup> From this, it becomes clear that the current cost-sharing model in Ontario is offloading the increasing cost of education onto students.

**PERCENTAGE OF TOTAL UNIVERSITY OPERATING COSTS RECOVERED FROM TUITION FEES ACROSS CANADA, 1977-2007<sup>1</sup>**



After a very brief tuition freeze during the 2004-05 and 2005-06 academic years, Ontario developed a new tuition framework through the “Reaching Higher” plan which took effect in 2006-07. In this new framework, universities were given permission to increase tuition by a maximum overall average of five per cent annually, by agreeing to participate in the Province’s Student Access Guarantee, which claims to provide qualified students with sufficient financial resources to pursue higher education. This average is a calculation based on a tuition increase by a maximum of 4.5 per cent for first-year arts and science and four per cent in senior years, combined with an increase by a maximum of eight per cent in first year and four per cent in subsequent years

1. Canadian Association of University Teachers. 2009. *CAUT Almanac of Post-Secondary Education 2009-2010*. Ottawa.  
2. Statistics Canada. 2009. *Undergraduate tuition fees for full time Canadian students, by discipline, by province*. Ottawa.

for graduate and some undergraduate professional programs. In 2010, the government opted to extend this tuition framework for two more years.

## The Result

Since the current framework was implemented, OUSA has chosen to highlight the inherent access and affordability issues created by a policy of tuition rising at a rate much faster than inflation. Specifically, OUSA has focused on those students from traditionally underrepresented groups: low-income students, Aboriginal students, first generation students, rural and northern students, students with dependants, and students with disabilities. Given the current framework of increases well above the Consumer Price Index (CPI), education becomes slightly less affordable for these students annually. Additionally, as is demonstrated by the increasing percentage of operating expenses recovered by student fees, institutions are increasingly depending on higher student fees. Given the current environment of institutional operating deficits, this dependence is likely to continue.

As a specific point of concern, the current tuition model leaves international students particularly vulnerable to dramatic and persistent cost increases. The province does not regulate tuition costs for international students attending post-secondary institutions in Ontario. Unsurprisingly, this has led to significant tuition hikes over the past many years. International students pay far more than their domestic peers, often a rate two to four times as high. Due to the freedom granted to institutions to raise international fees without restriction, these students are particularly vulnerable to unpredictable cost increases. This is particularly worrying given the financial difficulties many institutions are facing.

As an additional point of concern, there are currently no regulations on the methods universities utilize to charge tuition. Some institutions charge tuition on a flat-fee or “full time” rate. This means that if a student takes a certain percentage of a full course load, they pay full tuition fees regardless of the number of courses or credits they are actually receiving. This model disadvantages students who opt to take fewer courses due to personal circumstances financial hardship, and denies them flexibility in paying for their education.

## The Solution

1. OUSA believes it is imperative that Ontario **regulates all tuition, including international fees, at a rate no greater than CPI**. This would immediately prevent tuition from becoming increasingly unaffordable for students year-to-year.
2. OUSA advocates that **Ontario must move towards restoring a fair 2:1 cost-sharing model**, where tuition makes up no more than one third of university operating budgets.
3. OUSA asks for **all tuition models in Ontario must be harmonized to a per-credit or value-received basis**, to ensure that students are only charged for education they receive, and that they have the flexibility to pay for school in a way that works for them.