

What's the Difference?

Taking Stock of Provincial Tuition Fee Policies

Erika Shaker and David Macdonald





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Executive Summary

FINANCES CONTINUE TO be an understandable preoccupation for university students, and this fall is no exception. For the most part, tuition and other compulsory fees continue their upward trend.

That said, several provinces have taken steps — some perhaps more direct than others — to address the issue of affordability, or at least to manage public concern about it. This has resulted in a range of tuition fees between provinces as well as between students (depending on their province of origin), and an assortment of strategies, from an outright fee freeze to capping the amount by which fees can increase to no limits whatsoever.

But this is just the front end of the system. At the back end, provinces have also pursued a range of different strategies including debt forgiveness, targeted grants, elimination of interest on loans, and incentive programs. This year, Newfoundland and Labrador, whose tuition fees are already the lowest in Canada, made good on a promise to entirely replace provincial loans with needs-based grants, the first province to do so.

The upshot is that average tuition and other fees for Canadian undergraduates have tripled between 1993–94 and 2015–16, ranging from an increase of 35% in Newfoundland and Labrador to 248% in Ontario. Over roughly the same period (1992–2012), government funding for university operating revenue declined from 77% to 55%, while tuition fees as a share of university operating revenue increased from 20% to over 37%.¹

Given current trends and government policy announcements and commitments, this fall we anticipate that average tuition and other fees for Can-

adian undergraduates will be \$6,971, rising to \$7,590 by the end of a four-year degree. Within this average there is a significant range, from Newfoundland and Labrador (\$2,862 to \$2,876) to Ontario (\$8,691 to \$9,541). And of additional interest, Newfoundland and Labrador continues to keep undergraduate fees frozen at low levels on a universal basis while Ontario and some other provinces have chosen to pursue a two-tier path, charging significantly more for out-of-province students.

Our Cost of Learning Index looks at tuition and other fees for in-province students in relation to median family income as well as families living at the low-income cut-off. This is not an attempt to decide the measure of affordability, rather to provide a basis of comparison for each province against the national average to identify how the cost of learning for in-province students has changed over time (depending on tuition fee policy, compulsory fee trends, and family income growth).

Newfoundland and Labrador maintains its position over the next four years as the most affordable province on both the median and low-income Cost of Learning Index. For median-income families, Ontario and New Brunswick are least affordable (in spite of Ontario's in-province bursary). For low-income families, Saskatchewan is the least affordable, followed by Ontario and Nova Scotia (all three provinces have an in-province bursary).

Tuition Fee Trends

GOVERNMENT (PUBLIC) FUNDING as a share of university operating revenue has declined from 77% in 1992 to almost 60% in 2002 to 55% in 2012. Over the same period, tuition fees as a share of university operating revenue increased from almost 20% in 1992 to 33% in 2002 to over 37% in 2012.

There is no doubt that as a result of decreased government funding universities are relying more heavily on private funding sources, particularly tuition and other fees. Since 1993–94, tuition and other fees have tripled (a 100% increase when adjusted for inflation). Recently, the federal government raised the limit on federal student loan lending to \$24 billion, claiming the previous limit of \$19 billion would likely be reached by January 2016 instead of the predicted date of 2021.²

However, this national trend masks a range of different provincial policies and priorities with regard to tuition fees and university funding. For example, in 2012 only 13% of Newfoundland and Labrador's university operating revenue came from tuition fees, contrasted with over 48% in Ontario and 42% in B.C. Government funding accounted for just under 45% in Ontario, compared to almost 80% in Newfoundland and Labrador and nearly 70% in Quebec.

This reflects an increasingly inconsistent approach to university financing. And as tuition fees continue to rise (for the most part), provincial governments are pursuing policies that attempt to manage growing public concern over student debt and the cost of a university education. This fall, we

anticipate that average tuition and other fees for Canadian undergraduates will be \$6,971, rising to \$7,590 by the end of a four-year degree.

Last year we identified a growing trend toward de facto two-tier fee policies as fully half of the provinces have implemented bursaries or funding structures that see in-province students pay less than out-of-province students. Quebec has been operating under this two-tier policy for the longest time and, as a result, records some of the lowest weighted fees in the country (although out-of-province students pay nearly three times that of in-province students). More recently, Ontario, Nova Scotia, Prince Edward Island and, to a lesser extent, Saskatchewan have also pursued this policy direction.

Newfoundland and Labrador has maintained a tuition fee freeze after an unprecedented 25% rollback (2001–03), and as a result now has the lowest fees in the country. This is a universal commitment, as out-of-province students are not up-charged – a principle that was debated this year as the province’s economy slowed. New Brunswick also implemented a one-year fee freeze for 2015–16. And the newly-elected NDP government in Alberta rolled back planned cuts to the university sector and market modifiers (tuition fee increases in specific programs), increasing funding and implementing a two-year freeze for tuition fees and additional compulsory fees.

A number of provinces have chosen to tie annual fee increases to a certain percentage for a set period. This places the policy focus on providing students with predictability, and an appeal to the “household budgeting” argument, rather than a commitment to affordability through directly reducing costs. Saskatchewan and Prince Edward Island are the only two provinces that have chosen to not cap annual tuition fee increases or tie them to inflation.

But in spite of these increases, tuition fees have not sufficiently replaced inadequate public funding. As a result, in addition to implementing cutbacks, institutions have turned to other, less public and less regulated sources of income from students. These include additional compulsory fees, mandatory fees or ancillary fees, technology fees and library resource fees. This means that, in addition to tuition fees, students are charged a number of other, often less obvious fees for a variety of services that may or may not be related to coursework.

The questionable justification for some of these fees has resulted in several provinces implementing policy guidelines to clarify what constitutes a legitimate additional compulsory fee and what should be included in tuition, and therefore be subject to any tuition-related policy. However, the

TABLE 1 Tuition and Compulsory Fees

Year	Canada	NL	PEI	NS	NB	QC	ON	MB	SK	AB	BC
1993–94	\$ 2,320	\$ 2,120	\$ 2,801	\$ 2,910	\$ 2,520	\$ 1,755	\$ 2,497	\$ 2,502	\$ 2,436	\$ 2,524	\$ 2,441
2014–15p	\$ 6,780	\$ 2,857	\$ 6,481	\$ 7,167	\$ 6,819	\$ 3,531	\$ 8,426	\$ 4,460	\$ 7,053	\$ 6,799	\$ 5,861
2015–16e	\$ 6,971	\$ 2,862	\$ 6,694	\$ 7,397	\$ 6,834	\$ 3,648	\$ 8,691	\$ 4,578	\$ 7,406	\$ 6,799	\$ 5,964
2018–19e	\$ 7,590	\$ 2,876	\$ 7,380	\$ 8,132	\$ 7,468	\$ 4,022	\$ 9,541	\$ 4,958	\$ 8,573	\$ 6,936	\$ 6,300

TABLE 2 Ranking of Tuition and Compulsory Fees

Year	NL	PEI	NS	NB	QC	ON	MB	SK	AB	BC
1993–94	2	9	10	7	1	5	6	3	8	4
2014–15p	1	5	9	7	2	10	3	8	6	4
2015–16e	1	5	8	7	2	10	3	9	6	4
2018–19e	1	6	8	7	2	10	3	9	5	4

onus is still often on the student to identify fees that may be in violation of the policy.

On average, we estimate additional compulsory fees for 2015–16 at \$840. These can be as low as \$231 in Newfoundland and Labrador or as high as \$1,069 in Alberta, which has announced a freeze in ancillary fees for this year and next.

Student Assistance

IN ADDITION TO pursuing different priorities with regard to tuition and other compulsory fees, provinces have taken a range of different approaches to address the issue of university affordability for students. With the lone exception of Newfoundland and Labrador, which has chosen to keep fees low for all domestic undergraduate students (rather than pursuing a two-tiered approach), universality does not appear to be a priority.³

As fees generally continue to increase across the country, even with some modest limits, provinces have pursued a range of strategies to address public concerns over affordability and student debt. They include grants, loans, debt-reduction, elimination of interest on loans, incentive programs, and after-the-fact assistance, which may or may not be targeted and much of which is not applied automatically. This has resulted in a highly complex, non-transparent system that, as previous research shows, makes navigation extremely difficult.⁴ It can also be unpredictable: programs can change, evolve or be cancelled with little if any notice (see, for example, New Brunswick's Timely Completion Benefit).

In this report, we provide a general overview of some of the key programs provincial governments have highlighted as part of their affordability strategies for university. However, while we do refer to them, they are not included in the tuition and other compulsory fee projections.

It is also worth noting that some provinces, organizations such as the Council of Ontario Universities, and education policy pundits have argued that “net tuition” as opposed to weighted averages should be the focus.⁵

We certainly agree — and have in fact provided thorough analysis to this effect — that provinces provide significant funding to offset some of the costs students incur as a result of higher fees. However, provinces are responsible for *all* their tuition fee policies — for out-of-province as well as in-province students who might qualify for an up-front tuition fee reduction — and, as a result, we use the full weighted tuition and other compulsory fee averages in our ranked provincial comparisons.

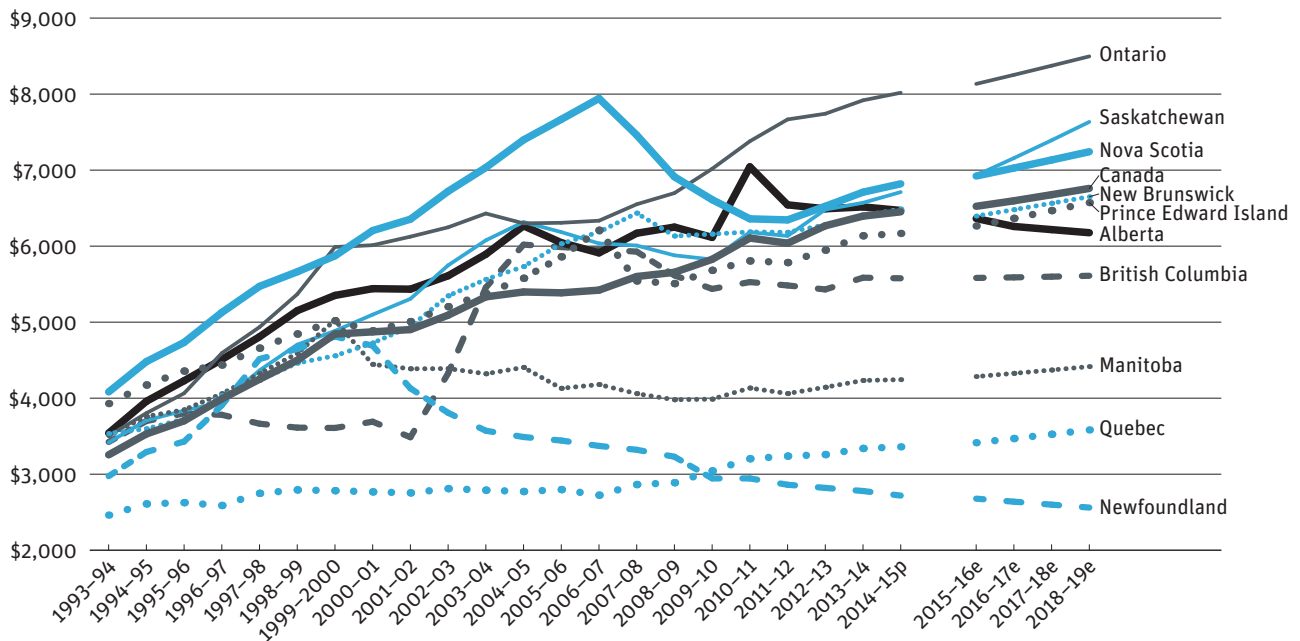
We do, however, include in our Cost of Learning Index any up-front programs that directly result in lower in-province fees for the vast majority of students who would be covered in our analysis. This directly impacts Saskatchewan, Ontario, Quebec, Prince Edward Island and Nova Scotia.

Provincial Overviews

FIGURE 1 PROVIDES a visual representation of how tuition and other fees have fluctuated (mostly upwards) from 1993–94 to the present, and then projects forward to 2018–19. Even though these numbers have been inflation-adjusted, the majority of provinces still post significant increases. Conversely, Newfoundland and Labrador’s universal commitment to low undergraduate tuition and other fees is even more apparent when adjusted for inflation.

The remainder of the report refers to current dollars (inflation-adjusted figures are available in Appendix 1) to provide estimates of what students can expect to pay for university over the course of their degree on an annual basis.

FIGURE 1 Tuition and Compulsory Fees (Inflation Adjusted)



Newfoundland and Labrador

While most other provinces have allowed tuition fees to increase, some without limits, fees in Newfoundland and Labrador have been frozen since 2003–04 and are now the second lowest in the country. Only in-province Quebec students pay less. In addition, Newfoundland and Labrador has by far the lowest ancillary fees in the country.

That said, plummeting oil prices and the recent provincial budget signaled a new era of austerity. The province announced a \$20 million cut to Memorial University’s operating grant.⁶ Currently, the undergraduate tuition fee freeze has been maintained, even for out-of-province students, though a two-tier fee policy was also debated.⁷ Any fee increase for graduate and international students will not take place until 2016–17.

Since 2009–10, ancillary fees have been more or less frozen in the province at the lowest levels in the country. However, this year there has been a proposed ancillary fee increase for some undergrads as well as an increase in residence fees.

In August, Newfoundland and Labrador made good on a commitment to eliminate provincial student loans in 2015 and replace them with needs-based grants, making it the only province to do so.

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$2,862	2018–19: \$2,876	Percentage Increase: 0%
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Provincial Ranking (1=Least Expensive)

2015–16: 1	2018–19: 1
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Prince Edward Island

Prince Edward Island’s de-facto two-tier⁸ tuition fee policy, implemented in 2008, has been maintained. Tuition fee increases remain uncapped and will rise by another 3% this year. Additional compulsory fees were frozen last year at 2013–14 levels, but this year they have increased.⁹ The UPEI student union has called for a more consultative process on setting additional compulsory fees, pointing out that in addition to “regular” fee increases a number of new fees have come on line at the university (technology and library resource fees, for example), adding to the annual costs student must pay.¹⁰

In 2012, PEI eliminated interest on the provincial portion of student loans. The province has a debt-reduction grant (students whose combined federal and provincial loans are greater than \$6,000 a year are eligible to receive a grant of \$2,000 each year), but students are required to apply for it within one year of graduation.

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$6,694	2018–19: \$7,380	Percentage Increase: 10%
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Provincial Ranking (1=Least Expensive)

2015–16: 5	2018–19: 6
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In-Province Estimated Tuition and Other Compulsory Fees

2015–16: \$5,388	2018–19: \$6,074
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Nova Scotia

From the early '90s until 2009–10, tuition fees in Nova Scotia were the most expensive in Canada, but a rollback in the province that year coupled with 5% annual increases in Ontario saw the latter take over this position. The following year (2010–11), Nova Scotia implemented de facto two-tiered fees: a larger subsidy for in-province students (\$1,283) and a much smaller one (\$261) for out-of-province students.

The 2015 provincial budget announced a number of changes to the current policy. First, the province increased operating funds for universities by only 1%. Instead of sufficient public funding, universities were given the opportunity to implement a one-time “market adjustment” with a 3% annual cap on subsequent increases for the next four years. The subsidy for out-of-province students has been eliminated and there is no cap for their tuition fee increases. According to the government, this new policy is intended to narrow the tuition fee gap between universities in the province that became entrenched when the 3% cap was implemented.

For 2015–16, it appears universities have elected to raise fees by 3% and postpone using the one-time “market adjustment.” While the readjustment plan must be proposed this year, universities have some flexibility in how they implement it and when the market adjustment will take place, meaning that tuition fees could jump by as much as \$1,000 within two years. Cape Breton University is increasing fees by 3% this year, followed by 5.9% increases in each of the next three years.¹¹

Ancillary fees (also labelled “Campus/Facilities Renewal Fees”) remain unregulated and new fees continue to be introduced as universities seek to compensate for inadequate public funding. Dalhousie University announced renewal fees will increase by 3% in fall 2015.

While maintaining the current “maximum assistance” amount for student financial assistance, the budget also announced a number of other cuts to student assistance, including \$3.2 million from the Nova Scotia University Student Bursary, over \$2.55 million from student financial assistance for Nova Scotians, \$1.95 million from their commitment to Nova Scotia Graduate Scholarships in 2015–16, and \$3.3 million from the Graduate to Opportunities Program for 2015–16.¹² In 2014, interest on provincial student loans was eliminated. The province introduced a “new” loan forgiveness program for qualifying students on loans issued on or after August 2015, reducing the amount owed upon graduation. It replaces the existing debt cap program (which replaced the debt reduction program).¹³

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$7,397	2018–19: \$8,132	Percentage Increase: 10%
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Provincial Ranking (1=Least Expensive)

2015–16: 8	2018–19: 8
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In-Province Estimated Tuition and Other Compulsory Fees

2015–16: \$6,859	2018–19: \$7,544
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New Brunswick

After being frozen from 2007–11, tuition fees in New Brunswick were tied to a series of scheduled increases, culminating in a 3% cap on increases implemented in 2014–15. The province committed to this cap for three years; fees have been frozen for 2015–16, although no commitment has been made to maintain the freeze beyond this school year.¹⁴ Additional compulsory fees remain unregulated, but they are among the lowest of all the provinces.

There have been other changes to various provincial debt relief programs. Effective January 2016, the tuition rebate, which had covered up to \$20,000 of tuition costs for students who remained in the province to work after graduation, is being cancelled. In addition, New Brunswick graduates who finished their program on time can apply for the Timely Completion Benefit to have loans over a certain amount forgiven; that amount was recently increased from \$26,000 to \$32,000 with no notice.¹⁵

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$6,834	2018–19: \$7,468	Percentage Increase: 9%
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Provincial Ranking (1=Least Expensive)

2015–16: 7	2018–19: 7
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Quebec

Following the student-led Maple Spring protests of 2012, after which a proposed fee increase for in-province students was rolled back to 2011 levels, the incoming Parti Québécois government tied tuition fee increases to inflation, starting in 2013–14. This policy was continued under the Liberal Party of Quebec. However, tuition fees for out-of-province students continue to increase at a much higher rate (approximately 6.5% in 2014–15).¹⁶

A more recent policy change will now see undergraduate students from France paying the same fees as out-of province Canadian students starting this fall. Where previously they had been charged fees at the same level as in-province students, the rate for students from France will jump from \$2,200 to \$6,650.¹⁷

In 2008, the Quebec government proposed a partial cap on additional compulsory fees to eliminate fee variation between institutions.¹⁸ In spite of this policy, additional compulsory fees in Quebec are among the highest in the country.

Quebec caps the amount of loans students can accumulate each month and provides the remainder as a bursary. The provincial Deferred Payment Plan exempts graduates who have difficulty repaying loans for a renewable six-month period, and will pay the interest on the loan during that time.

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$3,648	2018–19: \$4,022	Percentage Increase: 10%
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Provincial Ranking (1=Least Expensive)

2015–16: 2	2018–19: 2
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In-Province Estimated Tuition and Other Compulsory Fees

2015–16: \$3,130	2018–19: \$3,347
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Ontario

Ontario’s average undergraduate fees remain the highest in the country; they have held this position since 2008–9, when the province took over the “lead” from Nova Scotia. In 2013, the province extended the average 3% cap (down from the previous 5%) on tuition fee increases for undergraduate programs to 2017–18, but a number of programs have been exceeding that limit.

The 30% Off Tuition Grant, calculated at \$1,830 for 2015–16 and pegged to planned annual tuition fee increases moving forward, reduces fees for Ontario undergraduate students studying at Ontario institutions, though it is not available to students who have been out of high school for more than five years, or who are attending school part-time.

Additional compulsory fees continue to increase in Ontario without financial restriction, although current ministry guidelines prohibit students being charged “tuition-related” ancillary fees. However, the onus is on students to report university fees that are deemed in violation of this policy.

Effective September 2015, Ontario will cap student loans at \$7,400 (up from \$7,300) and index the cap to inflation. Any loans above this level will be forgiven.¹⁹

Estimated Weighted Tuition and Other Compulsory Fees		
2015–16: \$8,691	2018–19: \$9,541	Percentage Increase: 10%
Provincial Ranking (1=Least Expensive)		
2015–16: 10	2018–19: 10	
In-Province Estimated Tuition and Other Compulsory Fees		
2015–16: \$6,861	2018–19: \$7,541	

Manitoba

Tuition fees in Manitoba have been third lowest in Canada for over a decade. In 2011, the Protecting Affordability for University Students Act tied annual tuition fee increases for full-time, domestic undergrads to inflation. However, institutions can apply for exceptions to increase tuition fees above inflation for some programs.

The act required the government to create a funding projection for three years (expiring in 2014), but there was nothing forcing the government to fulfill its funding commitments. This point was made abundantly clear when, in 2013, the province halved the university funding increase from 5% to 2.5%, a level that was maintained in the 2015 provincial budget. In response, the University of Manitoba announced a 4% budget cut for most faculties and departments in 2015–16.

Ancillary fees set by the institution must be justified as “reasonable” and are supposed to increase at roughly the rate of inflation. However, new compulsory fees over and above the existing ones have been implemented. The Protecting Affordability for University Students Act provides a framework for the Council on Post-Secondary Education (COPSE) to determine the validity of new fees, allowing COPSE to determine if course-related fees should actually be considered tuition fees and therefore subject to the inflation cap. However, concerns have been raised about the lack of clarity about what constitutes a “course-related” fee.²⁰

The government announced it would eliminate the interest on provincial student loans in 2014 and implemented the decision in the 2015 provincial budget. There are some modest bursaries for low- and middle-income students and students with dependents, as well as a bursary program which

provides money directly to the student's debt. However, similar to B.C., the amount of money changes annually depending on how much remains in the fund each year and the number of students who are eligible.

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$4,578	2018–19: \$4,958	Percentage Increase: 8%
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Provincial Ranking (1=Least Expensive)

2015–16: 3	2018–19: 3
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Saskatchewan

From 2011 to 2012–13, tuition fees in Saskatchewan soared from middle of the pack to the second highest in the country. In addition, the province saw the largest increase in compulsory fees (18%) over the same period. Average tuition fees in the province increased almost 23%, the largest growth of any other province, from 2010–11 until 2015.²¹ Provincial tuition fee policy remains unchanged, which means there are no limits on increases. The 2015 provincial budget saw 1% growth in university operating funding (i.e., much less than inflation).

In 2012, the province introduced the Saskatchewan Advantage Scholarship, providing each student from Saskatchewan studying in a Saskatchewan-designated seat within an institution in the province with up to \$500 each year to a maximum of \$2,000. The scholarship is deducted from tuition owing and is paid directly to the university upon the institution invoicing the ministry for the amount to which it is entitled based on the number of qualifying students. This scholarship has been maintained for 2015–16. However, the province's much-touted Graduate Retention Program has been changed from a refund to a non-refundable tax credit rolled out over 10 years (rather than the current seven).

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$7,406	2018–19: \$8,573	Percentage Increase: 16%
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Provincial Ranking (1=Least Expensive)

2015–16: 9	2018–19: 9
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In-Province Estimated Tuition and Other Compulsory Fees

2015–16: \$6,906	2018–19: \$8,073
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Alberta

After a one-year tuition fee freeze (in 2013–14) for undergraduate students, followed by a continuation of the plan implemented in 2006 to tie all increases to the Consumer Price Index (CPI), the incoming NDP government announced a freeze for tuition fees and additional ancillary fees (which are uncapped and stand as the country’s highest) for 2015–16 and 2016–17. This was matched with an increase in public funding for post secondary institutions to cover inflation and other rising costs. Additional funding was provided to roll back “market modifiers” that would have allowed 25 Campus Alberta programs to increase fees based on market demand, independent of any cap.

In 2012, Alberta cancelled its Student Loan Relief and replaced it with Completion Grants (\$1,000–\$2,000) for students who complete their program. These grants were discontinued effective July 31, 2015, and the money redirected to increased loan limits and the Low-Income Grant.²² There are a handful of other modest grants, including the Retention Grant Program, which provides \$1,000 to graduates working in “essential professions” in Alberta for three years. The province does not offer means-based financing or loan-reduction programs.

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$6,799	2018–19: \$6,936	Percentage Increase: 2%
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Provincial Ranking (1=Least Expensive)

2015–16: 6	2018–19: 5
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British Columbia

In 2001–02, the province lifted a previously implemented tuition fee freeze; fees in B.C. rapidly rose from second lowest to well above the national average within a year. Annual tuition fee increases were limited to 2% as of 2005, though this cap does not apply to additional compulsory fees that continue to increase as well. Student groups have raised concerns that institutions can get around the cap by starting new programs and setting fees at a higher rate for the first year (after which the cap must be observed). B.C.’s 2015 budget reduced operating grants for 2015–16. In addition, the provincial government introduced legislation that could result in students who had defaulted on loan repayments being ineligible for driver’s licence renewal.²³

Needs-based grants were eliminated in B.C. in 2004 and replaced with loans. B.C. charges a higher rate of interest on student loans than any other province, and offers the lowest proportion of non-repayable student aid in Canada. The Repayment Assistance Program (RAP) replaced B.C. interest relief. Loan reductions are available on an annual basis and are applied in the following year of study: the amount by which the loans are reduced varies from year to year depending on the total program budget, number of eligible students, and the size of the individual student loan, substantially affecting predictability for students.

Estimated Weighted Tuition and Other Compulsory Fees

2015–16: \$5,964	2018–19: \$6,300	Percentage Increase: 6%
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Provincial Ranking (1=Least Expensive)

2015–16: 4	2018–19: 4
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Cost of Learning

WHILE TUITION AND other mandatory fees are not the only expenses students bear when they choose to pursue higher education, tuition fees are the highest-cost item when calculating the total overall price of a university education. They are also the only cost that is explicitly regulated by the province.

As provincial economies grow at different rates, we have developed a Cost of Learning Index to help determine the extent to which tuition and other fees are responsive to, or a reflection of, the cost of living in each province for average-income families and families living at the poverty line.

The index takes tuition and ancillary fees in a given province, including any large-scale (mostly) universal up-front bursary programs, and adjusts for the earnings of a median family with children in that province, and then again for a low-income family with children in that province. So while the indices include the 30% Off Tuition Grant for Ontario students, the four-year slate of grants available to PEI students attending UPEI, the Saskatchewan Advantage Scholarship and the de facto two-tiered fee structures in Nova Scotia and Quebec, it does not include other forms of assistance, such as tax credits or loan forgiveness.

To clarify: if tuition and ancillary fees are increasing by 5% a year and median incomes of families with children are also going up 5% a year, the index would neither rise nor fall. For the index specific to low-income families, we use the low-income cut-off (LICO), which is set at \$30,871 (\$2011) and only adjusts for annual inflation. The LICO is for a four-person family living in a city with a population between 100,000 and 499,000.

For the purposes of both indices, the Canadian average in 1993 is fixed at 100, with the starting point for each province related to that 100 point. Provincial “scores” for the two types of families cannot be compared between each index; a lower provincial score on the LICO index does not mean it is cheaper for LICO families to attend university in that province than it is for median-income families. It is only more affordable relative to the Canadian 1993 average on that specific index.

By establishing a baseline measurement for these two types of families in relation to tuition and other compulsory fees projecting forward to 2018–19, we can identify the degree to which affordability is expected to change based on provincial education funding policy and economic trends.

To be clear, the index is not an attempt to pinpoint the “right” level of affordability. It provides an opportunity to better understand how incomes and tuition and other compulsory fees interact for median-income and low-income families and how this (and other trends) must be taken into consideration in any discussion about university affordability.

Falling oil prices will likely constrain family income growth in provinces like Newfoundland and Alberta whose economies rely heavily on oil extraction. We have incorporated slower growth for family incomes in those provinces.

One thing is particularly clear: government policies have a profound effect on the cost of learning in each province.

The accompanying tables focus on the ranking between provinces on each index. For provincial “scores” in relation to the national average, please refer to Appendix 2.

For middle-income families, Quebec had the lowest cost of learning relative to income in 1993–94 and Nova Scotia had the highest. That is projected to change for 2015–16: Newfoundland and Labrador will have the lowest and New Brunswick the highest cost of learning. By 2018–19, Newfoundland and Labrador is projected to maintain its position, while Ontario (once the third most affordable province in 1993–94) will become least affordable.

Nationally, this means that the cost of learning for middle-income families in Canada has become about 25% less affordable since 1993–94, a percentage that is projected to remain fairly constant over the next four years. Note that for consistency we have adjusted the Canada-wide index to reflect the in-province tuition fee average, not the weighted average, which would be significantly higher.

For low-income families, the picture is a little different. In 1993–94, Quebec was the most affordable province and Nova Scotia the least affordable.

TABLE 3 Cost of Learning Rank for Median-Income Families

Year	NL	PEI	NS	NB	QC	ON	MB	SK	AB	BC
1993–94	5	9	10	8	1	3	6	7	4	2
2014–15	1	5	8	10	2	9	3	7	4	6
2015–16e	1	5	8	10	2	9	3	7	4	6
2018–19e	1	5	7	9	2	10	3	8	4	6

TABLE 4 Cost of Learning Rank for Low-Income Families

Year	NL	PEI	NS	NB	QC	ON	MB	SK	AB	BC
1993–94	2	9	10	7	1	5	6	3	8	4
2014–15	1	4	7	10	2	8	3	6	9	5
2015–16e	1	4	8	7	2	9	3	10	6	5
2018–19e	1	4	9	7	2	8	3	10	6	5

This fall (2015–16), we estimate that Newfoundland and Labrador will be most affordable, followed by Quebec, and Saskatchewan will be the least affordable. Those positions should stay the same throughout 2018–19. On a national level, for low-income families, university fees have become over 70% less affordable than they were in 1993–94, and this trend is projected to slowly increase over the next four years.

Conclusion

AS PUBLIC INVESTMENT in higher education declines, provincial governments have tried to mitigate the optics of rising tuition fees. The policy result is an increasingly varied patchwork of individualized and privatized systems of university financing, which depend on widely different levels of provincial commitment to public funding. In instances where provinces have implemented a de facto two-tiered fee structure, access is also increasingly dependent on student wealth and province of residence.²⁴

Two-tiered fees are not the only methods provinces are pursuing. Many have capped tuition fee increases or tied them to inflation, substituting affordability for predictability. But even here exceptions to the cap are often allowed, resulting in higher-than-expected average increases. Newfoundland and Labrador has, for now, maintained its longstanding fee freeze, though budget-related debates suggest we should keep an eye on provincial policy going forward.

Alberta's recent decision to increase funding to allow for a two-year fee freeze represents a fairly significant reversal from the previous administration's budget announcements. It will be interesting to see if the policy is extended past 2016–17, especially given the current economic instability. That said, Newfoundland and Labrador began its commitment to low tuition fees in the context of a slow economy, demonstrating that public investment in universities and market instability are not necessarily mutually exclusive.

What is evident, however, is the ongoing erosion of the principle of universality across the higher education sector, and how that is manifesting it-

self in wildly different tuition fees charged between provinces and even within provinces. It is a worrying trend that seems poised to continue.

Appendix 1

TABLE 5 Inflation Adjusted Tuition and Compulsory Fees for Full Time Undergraduates (\$2011)

	CAN	NL	PEI	NS	NB	QC	ON	MB	SK	AB	BC
1993–94	\$3,255	\$2,974	\$3,929	\$4,082	\$3,535	\$2,462	\$3,503	\$3,510	\$3,417	\$3,541	\$3,424
2014–15p	\$6,452	\$2,719	\$6,167	\$6,820	\$6,489	\$3,360	\$8,018	\$4,244	\$6,711	\$6,470	\$5,577
2015–16e	\$6,524	\$2,678	\$6,265	\$6,923	\$6,396	\$3,414	\$8,134	\$4,284	\$6,931	\$6,363	\$5,582
2018–19e	\$6,759	\$2,561	\$6,572	\$7,242	\$6,650	\$3,582	\$8,496	\$4,416	\$7,635	\$6,176	\$5,610

Appendix 2

TABLE 6 Cost of Learning Median Family

	CAN (In Province)	NL	PEI	NS	NB	QC	ON	MB	SK	AB	BC
1993–94	100	111	134	141	126	82	100	112	115	105	99
2014–15	124	59	119	145	153	73	146	100	128	115	121
2015–16e	124	58	118	143	149	73	148	100	131	112	120
2016–17e	124	56	118	141	149	73	150	100	135	109	119
2017–18e	125	55	117	140	149	73	153	101	139	107	118
2018–19e	125	53	116	138	149	73	155	101	143	105	117

TABLE 7 Cost of Learning LICO

	CAN (In Province)	NL	PEI	NS	NB	QC	ON	MB	SK	AB	BC
1993–94	100	91	121	125	109	76	108	108	105	109	105
2014–15	169	84	151	194	199	89	194	130	192	199	171
2015–16e	171	82	155	197	197	90	197	132	199	196	172
2016–17e	173	81	159	200	199	91	200	133	206	192	172
2017–18e	175	80	162	203	202	91	203	134	213	191	172
2018–19e	176	79	166	206	204	92	206	136	221	190	172

Notes

1 Canadian Association of University Teachers. “CAUT Almanac of Post-Secondary Education 2014–15.” Retrieved from <http://www.caut.ca/resources/almanac>

2 Canadian Federation of Students. “Federal government makes secretive changes to Canada’s student debt ceiling.” CNW. July 9, 2015. Retrieved from <http://www.prnewswire.com/news-releases/federal-government-makes-secretive-changes-to-canadas-student-debt-ceiling-512852471.html>

3 Also of note: Newfoundland and Labrador’s fees for international students are also significantly cheaper than what is charged by other provinces (Quebec provides a partial exception, as is addressed elsewhere in this report).

4 Jordan MacLaren. “It’s Complicated: An Interprovincial Comparison of Student Financial Aid.” CCPA, 2014

5 In 2014, Ontario MPP Reza Moridi argued that with grants and loans, Ontario’s “net tuition” was actually among the lowest in the country. Note that loans do not actually reduce tuition fees. See Louise Brown. “Ontario university students’ high tuition costs offset by loans and grants, says MPP.” Toronto Star. September 10, 2014. Retrieved from http://www.thestar.com/news/gta/2014/09/10/ontario_university_students_high_tuition_costs_offset_by_loans_and_grants_says_mpp.html

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8 In 2008, to try and stem the decline in enrollments in in-province students, the province established several bursaries which are automatically available to in-province first-time students attending UPEI (the bursaries were enhanced in 2012). The George Coles Bursary allocates \$2,200 in the first year, and the Graduate Scholarship \$2,000 in fourth year. The Island Student and Island Skills awards provide \$400 and \$600 in second and third year, respectively. These grants do

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