

The Council of Alberta University Students (CAUS) is opposed to any amendment to the *Tuition Fees Regulation* at this time. CAUS believes that the Government of Alberta must keep the promise it has continually made to Albertans: that tuition increases in our province will be limited to CPI and that access to post-secondary education will not be negatively impacted by ill-considered changes to the *Affordability Framework*.

Any of the proposed changes to the current *Tuition Fees Regulation* will be:

- A promise broken to learners and their families that has been reaffirmed by the government several times;
- Detrimental to Alberta's post-secondary participation rate, which is currently the lowest in Canada; and
- Based on a business case rooted in a desire to solve short-term problems, but that will ultimately damage the goal of diversifying Alberta's knowledge economy.

CAUS is calling on the Government of Alberta to maintain the current *Tuition Fees Regulation*.

It came as a surprise to CAUS, students, and the public when Minister Doug Horner announced in mid-November that he was open to looking at proposals from institutions that would require an amendment to the Tuition Fee Policy. Only two months earlier, Premier Ed Stelmach had written CAUS saying:

"My government continues to support initiatives contained in the Affordability Framework, including the Tuition Fee Policy. The Government of Alberta would not consider revising the Tuition Fee Policy without consulting with key stakeholders such as the student organizations that you represent."

CAUS is opposed to offering an exemption from the *Tuition Fees Regulation* to public institutions. Students and their families believe that access to post-secondary – including professional programs – must not be damaged by rash changes to the *Affordability Framework*.

AVERAGE UNDERGRADUATE TUITION IN CANADA

| Province | Tuition |
|---------------------------|----------------|
| Québec | \$2,272 |
| Newfoundland and Labrador | \$2,619 |
| Manitoba | \$3,377 |
| Prince Edward Island | \$4,710 |
| British Columbia | \$4,840 |
| Canadian Average | \$4,917 |
| Saskatchewan | \$5,238 |
| New Brunswick | \$5,479 |
| Alberta | \$5,520 |
| Nova Scotia | \$5,696 |
| Ontario | \$5,951 |

Any changes to the current *Tuition Fees Regulation* will harm the entire post-secondary sector by renegeing on a clear agreement between all stakeholders. Thousands of learners and their families who have been planning to finance their education according to the *Tuition Fees Regulation*, which was proposed and then reaffirmed at several points by this government, will now have no opportunity to prepare for the changes.

Any proposal that would stratify our education system, and limit career and educational choices for our brightest minds according to their financial means, instead of their ability and work ethic, ultimately threatens Alberta's economy.

Tuition in Alberta is the third highest in Canada at more than \$600 above the national average. Far from being below the market, Alberta's tuition is a real barrier for many Albertans hoping to get a post-secondary education, and increasing it would be a regressive step that would damage our economy, as well as further degrade the upfront affordability key to ensuring our diverse demographic of learners have flexible opportunities.

Why the Tuition Fee Policy Works for Alberta

The decade between 1993 and 2003 saw many changes to the Tuition Fee Policy in Alberta, but from the perspective of students it all ended with one outcome: skyrocketing tuition. Within that decade tuition

went up by 297% in Alberta, after factoring in inflation. That increase, which was the single highest in Canada, saw tuition fees in Alberta go from the lowest to some of the highest, third only to Nova Scotia and Ontario.

These increases led the Government of Alberta to freeze tuition rates for two years while the government, students, and institutions worked on a new Tuition Fee Policy. The result was a compromise that all parties considered predictable and stable. CAUS still believed that tuition was a major barrier to participation for many Albertans. However, all stakeholders felt that tying increases to CPI was a fair and predictable method of determining annual increases.

As one can imagine, this was not an easy conclusion for students to reach when Alberta's CPI was approaching 6%. Nonetheless, students compromised because all parties wanted to ensure that quality of education was not sacrificed during a tuition freeze – as had happened in other provinces.

In sum, after a lengthy two year process of negotiation, the Tuition Fee Policy was reached with students owning a very fair share of the rising cost burden.

Looking at University Tuition Across Programs and Jurisdictions

The proposals being discussed around Alberta to dramatically increase tuition in specific programs of study are purportedly structured around bringing those programs in line with similar programs at peer institutions – charging closer to the maximum that the market can bear for that program. Such a myopic look at the problem ignores three principles: the reasons why tuition may be lower in Alberta, tuition in other programs that are above average, and tuition as a whole in Alberta. Failing to look more broadly at tuition in the context of Alberta's environment betrays the established principles of the *Affordability Framework* and the important accomplishments in increasing the affordability of the system since 2006.

COMPETITIVENESS AND ENROLMENT

On the whole, tuition is higher in Alberta than in other Canadian provinces by more than \$600 a year, however, at specific institutions tuition may be lower than others for a specific program. A good example is graduate studies at the University of Alberta, which – at \$3,590 a year – are below the national average of

\$6,008 for graduate education. Depending on how you decide which schools are within a specific institution's peer group and how you determine what constitutes a program of study, a claim can be made that some programs' tuition falls below the arrived at "market".

That process neglects the fact that these tuition rates were not set arbitrarily and were certainly not made without consultation and discussion. In the years leading up to 2006, and in every tuition discussion since, the need for Alberta's institutions to remain competitive and to ensure the available seats in our universities are attractive to the best and brightest was clearly communicated, particularly for our professional and graduate programs. Consider that, with the looming drop off in Albertans aged 18-24 coupled with the worst university participation rate in Canada, Alberta needs to be looking ahead to encourage enrolment rather than raising barriers.

CAUS believes that increasing tuition within specific programs will reduce demand, and lead to under enrollment in professional disciplines. Alberta must be preparing for a diversifying and knowledge based economy, not pricing its people out of the system.

HOW ALBERTA PROGRAMS COMPARE

Increasing tuition within specific programs, especially increases of 30% to 70%, backed only by the claim that other institutions charge more, begs the natural questions of where we are below average, where we are above, and – on the whole – whether we are too high or too low.

Looking at a broad spectrum of programs and comparing Alberta institutions to the rest of the country, rather than a limited selection of schools, shows that in almost every discipline the University of Alberta and the University of Calgary are above the national average, and in some cases by several thousand dollars. Using the rationale that tuition should reflect the market average would lead to a reduction rather than an increase in most students' tuition.

WHERE ALBERTA SITS NATIONALLY

Students at Alberta's universities pay the third highest tuition in the country, \$600 more than the national average and close to \$3,000 more than students in Newfoundland and Labrador.

TUITION COMPARISON BY PROGRAM OF STUDY

| Program | U of A | U of C | U of L | Cdn. Avg. |
|-------------|----------|----------|---------|-----------|
| Arts | \$5,101 | \$5,161 | \$4,770 | \$4,399 |
| Business | \$5,101 | \$5,161 | \$4,770 | \$5,073 |
| Dentistry | \$18,722 | N/A | N/A | \$13,988 |
| Education | \$5,101 | \$5,161 | \$4,770 | \$3,783 |
| Engineering | \$5,441 | \$6,193 | N/A | \$5,583 |
| Graduate | \$3,590 | \$5,360 | \$5,600 | \$6,008 |
| Law | \$9,797 | \$11,799 | N/A | \$8,502 |
| Medicine | \$11,431 | \$14,384 | N/A | \$10,216 |
| Nursing | \$6,802 | \$5,161 | \$4,770 | \$4,558 |
| Pharmacy | \$5,101 | N/A | N/A | \$8,792 |
| Sciences | \$5,101 | \$5,161 | \$4,770 | \$4,847 |

Albertans take pride in their post-secondary system and our recent investments in our institutions. However, tuition in Alberta is already too high for many Alberta families. With 70% of all jobs now requiring post-secondary experience, allowing tuition to rise during this economic recession would jeopardize the ability of Albertans to prepare for their future.

Tuition is often the single largest expense in getting an education, and it is certainly the one cost center that the provincial government has direct influence over. Alberta has fallen behind when compared to some of the steps taken by other jurisdictions to reduce the costs of training and education.

As a part of their recent budget, New Brunswick announced that they would continue to keep tuition frozen in their province, joining Newfoundland and Manitoba who have ruled out tuition increases. While 19 university presidents across Canada are talking about the necessity of increasing post-secondary access, Alberta students are begging to stop massive financial roadblocks from cropping up across our own post-secondary landscape.

Keeping Good Policy and Principles

The principles and outcomes of the present Tuition Fee Policy and the underlying *Affordability Framework* are good basemarks, and ones that deserve to stand in the face of economic and fiscal pressures. The policy outcome was to ensure “tuition fee increases are predictable and stable for learners, while continuing to deliver high quality post-secondary education”, a

statement driven by the principles of predictability, affordability and accessibility.

Revisiting the *Tuition Fees Regulation* in the manner suggested by the University of Alberta would abandon these principles in favour of raising money to solve short-term financial problems, under the guise that individual programs were out of sync in 2006.

Further, the differential application of increases to specific programs will require learners to weigh skills sets and educational desires against program costs and the financial returns of career paths. CAUS believes that Alberta's education system should never be one in which career and educational choices are prescribed by the ability to pay.

CAUS believes that the principles that were laid down in 2006 should continue to govern tuition fee increases, specifically:

- Maintaining an ultimate limit on annual tuition increases;
- Protecting learners and their families from unexpected increases as they plan for their contribution to their education;
- Creating actual predictability in cost and funding frameworks; and
- Necessitating that compulsory fees reflect a cost recovery model.

When approached by the Government of Alberta about revisions to the *Tuition Fees Regulation* CAUS also provided a few areas of the policy where, despite our opposition to opening up the regulation, improvements could be made to provide greater clarity and guidance for the system. CAUS suggests that, should the regulation be opened up despite our advisement against such action, the following changes be considered:

- Place the tuition fee increase limits into the *Post Secondary Learning Act* as it was before 2006;
- Place limits and policy regarding non-instructional mandatory fees within regulation; and
- Require new non-instructional mandatory fees and increases beyond CPI to existing fees to pass in a campus-wide student referendum. This is directly in line with any mandatory fee that a student association or group may levy. The same level of consultation is reasonable for all compulsory fees.

Consultation and Process

Wherever the Government of Alberta chooses to go in looking at instructional fees in the province, it is vital that students be at the table with meaningful opportunities to provide input before revisions are made. From 2004 to 2006 when the Government crafted the current Tuition Fees Policy within the context of the *Affordability Framework* and *A Learning Alberta* students were present and were offered multiple opportunities to provide their input – both directly and through their elected student representatives. A sub-committee of the *A Learning Alberta* steering committee including student representatives, institutional representatives, department officials, and MLAs was formed. Over six months their hard work resulted in the recommendations that forms the core of the *Tuition Fees Regulation* today. There is no reason to deviate from these principles now – especially not short-term financial difficulties at particular institutions.

As Premier Ed Stelmach reaffirmed to CAUS in his letter on September 21, 2009, students would need to be consulted prior to any changes being made to this crucial policy. To date, the work of Alberta Advanced Education has fallen far short of meaningful consultation as measured by the government's own past efforts and student expectations. The timeline offered is far too short given that both Premier Ed Stelmach and Minister Doug Horner had reaffirmed the Government's commitment to the present Tuition Fee Policy only weeks before consultation commenced.

Planning for the impact of increased costs on the student financial aid system

The impact of tuition increases will be felt by students and their families in the the student financial aid system as well. The 2009 provincial budget contained no meaningful improvements for student aid, and is now presently over-budget because there has been such increased demand. Poor summer employment prospects have resulted in thousands more students applying for student aid and for increased amounts. If the Government of Alberta were to allow an increase in tuition beyond inflation, this effect would be exacerbated and it would be necessary to change the annual and lifetime loan limits for students, particularly those in professional programs.

PRESENT LIFETIME STUDENT LOAN LIMITS

| Program | Limit |
|--|----------|
| Undergraduate | \$50,000 |
| Dental hygiene | \$55,000 |
| Masters, Pharmacy, Optometry, Vet Medicine | \$60,000 |
| PhD, Law | \$70,000 |
| Medicine, Dentistry | \$95,000 |

Keeping Alberta's Commitment

Tying tuition increases to CPI is not just good policy, it is a part of the mandate the government won in 2008. The promise made in by the Progressive Conservatives in their 2008 election platform was to:

"Extend the commitment to limit annual tuition increases to the rate of inflation, saving a current four-year undergraduate student more than \$3,800."

To the students facing prospective tuition increases of 40% to 70% that promise will ring hollow if proposed modifications are allowed. CAUS would see any revision of the *Tuition Fees Regulation* that permitted instructional fees to rise above CPI as a breach of that promise and we urge the government to keep their word.

CAUS is not alone in their concern over rising tuition. Other student and faculty groups and a large number of post-secondary institutions remain committed to the present *Tuition Fees Regulation*. The Calgary Herald, in their unsigned editorial on November 19, 2009 said:

"Apart from the fact that Albertans should wonder why the government thinks it has every right to renege at will on a 10-year promise it made – and what validity this lends by extrapolation to other promises made by the same government – it is unjust to shift the burden onto the backs of students."

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