

Access For All: Tuition Fees, Equity, and Quality

Introduction

Between 1993 and 2007, average undergraduate tuition fees across Canada more than doubled—a rate of change four times faster than the rate of inflation. During the same period, student debt leapt by more than 300%, bringing the average student debt to \$28,000 for a four-year program. These dramatic increases in fees and student debt have been driven by government cuts to funding for post-secondary education.

Students have been working together to pressure both levels of government to stop the cuts, freeze the fees, and restore adequate public funding for post-secondary education. As a result of successful lobbying by the Canadian Federation of Students, in 2000, the newly elected Doer government reduced tuition fees by 10% and promised to keep fees frozen at 1999 levels. In the last eight years, while students in Manitoba have been protected from further tuition fee increases, enrollment has increased by over 30%. Now, in the ninth year of the tuition fee freeze, the provincial government has announced that it will no longer protect students from fee increases. Contrary to public opinion and the promise made by Gary Doer in the 2007 election, the provincial plans to deregulate tuition fees start in fall 2009.

Backdoor Increases

In 2005, in defiance of the spirit of the tuition fee freeze, university boards of governors in Manitoba voted to increase mandatory user fees charged to students by as much as 19%. This type of mandatory fee has been used by institutions in Quebec to circumvent tuition fee protection. For example, at Concordia University, ancillary fees now exceed \$1,000.

Under the Ontario tuition fee freeze, the government strictly defined ancillary fees as fees that are paid for non-academic services. Although the freeze in Ontario has since been cancelled, the ancillary fee definition remained. However, university presidents continued charging hundreds of dollars in unjust ancillary fees. As a result, two Ontario college students have launched a class-action lawsuit against 24 colleges and the Ontario government, citing the government's definition of ancillary fees as part of the tuition fee freeze. Within days of the lawsuit's being launched, the Ontario government ordered colleges to stop illegally collecting ancillary fees.

In Manitoba, Minister of Advanced Education Diane McGifford publicly stated her opposition to the increases, but claimed that they could not be stopped. The Minister's inaction on the issue only encouraged university presidents to raise fees further, and an important opportunity to reinforce tuition fee

protection was lost.

The Canadian Federation of Students launched a campaign to oppose these back-door tuition fee increases. As pressure from students mounted, the provincial government allocated over \$10 million in funding to the universities to reduce the ancillary fee increases. In spite of the additional funding from the province, university presidents still raised ancillary fees by \$150—what amounted to a 5% tuition fee increase.

In each of the subsequent two years, ancillary fees at all universities have continued to rise. Under the guise of “lab fees”, “technology fees” and “registration fees”, students now pay as much as 15% more than they did only three years ago. These fee increases outpace even Ontario's skyrocketing tuition fees, which are capped at 4% per year for most undergraduate programs.

At the same time, differential fees for international students in Manitoba have increased by up to 155%—or over \$4,000 per year. While university presidents justify these fee increases based on the “higher cost of educating international students”, these fees are blatantly discriminatory, and deter qualified international students from studying in, and possibly immigrating to, Manitoba.

The Real Cause of Quality Decline: Government Underfunding

During the 1990s, billions of dollars were cut from federal funding to the provinces for post-secondary education. In Manitoba, these cuts resulted in an estimated \$27.9 million shortfall in 2007-2008 alone.

Over \$1140

Average amount saved in fall 2008 by students in Manitoba thanks to the tuition fee freeze.

Over 33%

Enrollment increase since 2000 at Manitoba universities—more than Saskatchewan where until recently, fees have increased by more than 60%.

This funding gap was filled by rising tuition fees until 2000, when tuition fee protection was introduced. From 1990-1991 to 1999-2000, tuition fees in Manitoba rose by over 120%. Despite increasing tuition fee revenues, there was no evidence of an increase in the quality of post-secondary education in Manitoba, lending further credence to the argument that rising tuition fees are a symptom of inadequate public funding, not a cure.

By contrast, the connection between the tuition fee freeze and increased funding for universities and colleges is irrefutable. Since fees were frozen in 2000, funding from the provincial government has increased every year. In the 2006 budget, the provincial government committed to increase funding by a minimum of 5% per year for three years. In the 2007 and 2008 budgets, funding was increased by 7%, more than three times faster than inflation. Revenues for Manitoba universities have grown by 57% since the tuition freeze was introduced. In total, operating and capital grants to post-secondary institutions since the freeze have increased by 63.5%, as compared to 16% for the entire decade of the 1990s.

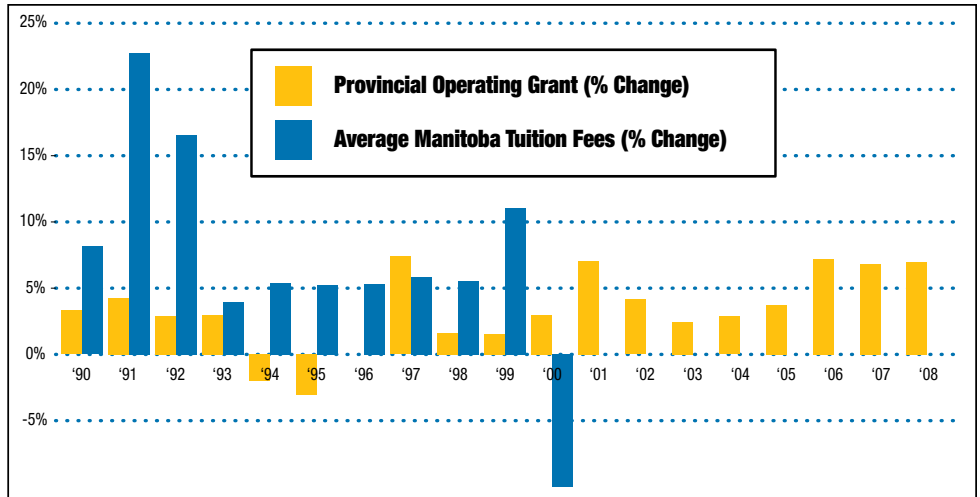
\$800 million

Annual provincial transfer promised as part of the 2007 federal budget, beginning in 2008.

Mounting Evidence

Yet critics continue to make the unfounded claim that it is the freeze that has prevented universities and colleges from raising the funds needed to offer high quality post-secondary education. This argument arbitrarily assumes that fees are the only means of funding increases and, therefore, must naturally go up.

Not only does such an argument ignore the role of public funding in ensuring quality, it ignores the experience of other provinces and countries like the United Kingdom, where it has been shown that tuition fee deregulation only leads to further government funding cutbacks. The UK example is particularly instructive for those fixated on higher fees as the path to higher quality. Since the introduction of massive fee hikes in the UK, several university departments have now been closed, and faculty warn that under the new scheme



quality is quickly deteriorating.

If the government continues to allow the freeze to be destabilized by unsupported arguments about declining quality of education, Manitobans will lose a very effective and popular public policy. As ancillary fees have risen over the past two years, Manitoba Student aid has noted a rise in average student debt in Manitoba, to more than \$19,000. Higher fees mean that Manitoba students are going deeper into debt, or being forced out of the system altogether. Research has shown that for every \$1,000 in fee hikes, low-income students are 19% less likely to finish their program. However, with tuition fee hikes for international students, a sharp increase for students in many professional programs, and the implementation of the higher increases in compulsory fees in Canada, the freeze is already undermined on many fronts. Further, a recent enrolment analysis by the University of Manitoba showed that enrolment has risen under the freeze. Notably, low-income enrolment at that university has increased by 33% between 2000 and 2007.

Solutions are Still Within Reach

Since 1998, students, staff, and faculty members have argued that tuition fee protection must be spelled out in legislation in order to work. Although ancillary fees have been charged to students by university boards, it is not too late for the provincial government to stop these unfair fee increases by unaccountable university presidents, and legislate the freeze for this year.

Additional help from the federal government makes the viability of the freeze even greater. The 2007 federal budget announced an increased provincial transfer of \$800 million annually for post-secondary education beginning this year. Manitoba's share is approximately \$26 million, more than enough to maintain the freeze and deliver core increases to operating budgets for years to come.

