



Ontario Undergraduate Student Alliance

The Ontario Undergraduate Student Alliance is a non-partisan advocacy organization that represents the interests of approximately 150,000 undergraduate and professional, full-time and part-time university students at eight student associations across Ontario.

POLICY BRIEF: TUITION

Since the 1970s, Ontario's tuition framework has fluctuated significantly. Within a span of almost 40 years, government contributions to university operating budgets have declined, while student tuition and fees now make up over 50 percent of operating budget contributions. Without sustainable government funding, and as tuition continues to increase for all students, the affordability, accessibility, quality, and accountability of a university education is put at risk. As the tuition framework is set for renewal in 2019, students hope that the provincial government can address their concerns and take actions to restore Ontario's publicly funded post-secondary system.

THE PROBLEM

Increasing financial burden

Students worry about the increasing cost of post-secondary education. Students are not only facing higher tuition fees but are also met with growing ancillary costs. For those studying in professional programs as well as international students, tuition costs continue to rise at an even higher rates, and predictability has become another major concern. For professional students, additional costs include mandatory requirements, like co-ops, which are not always reflected in tuition cost. This high fee model poses barriers to access and may deter students as tuition continues to outpace CPI and median household income. In addition, those in the lowest-income quartile are the least likely to know and use financial aid programs and tend to be the most debt-averse cohort. Ontario universities are also becoming increasingly reliant on student contributions to their operating budgets as provincial funding to PSE continues to stall.

Patchwork regulation

Periods of deregulation and reregulation have created differentiated and stranded tuition, exacerbating cost discrepancies between programs, and in some cases, entire earning potentials of institutions. These gaps have created challenges to educational quality, predictability, and institutional competitiveness. The current tuition framework continues to aggravate the impacts of stranded tuition and prevents institutions from raising sufficient funds to improve/match program quality to other universities. The two-tier tuition increases outlined in the framework—caps of 3 and 5 percent per year for undergraduate and professional programs—also exacerbate this issue as cost differences between programs and institutions will increase dramatically and disproportionately.

Lack of transparency & accountability

While students understand the varying nature of programs

and degrees, there is concern about the different cost of teaching delivery. Students worry that the true cost of teaching delivery is not accurately reflected. In addition to this, inaccurate portrayal of ancillary fees makes it difficult for students to compare the total cost of their education. Having adequate information and a clear understanding of full PSE costs can be challenging as a result. While student unions have representation on university governing bodies, many institutions do not have student representation on their budget committees. Additionally, some universities do not store information about their budgets in an accessible and easily understandable manner, which negatively impacts transparency and accountability.

Financial penalties & restrictive payment processes

Ontario's tuition framework currently sets out guidelines that prevent institutions from charging deferral fees to students who pay tuition in per-term installments. This includes waving fees for students requiring financial aid. Students worry that if this particular stipulation is not safeguarded in the next installation or extension of the tuition framework, such fees may be reintroduced. Applying deferral fees in this context would be particularly burdening for students already in financial need.

Like deferral fees, late fees on tuition payments increase financial burdens for students already in financially vulnerable positions, and do not resolve the underlying issues that cause late payments in the first place. Many institutions administer fees for late tuition payments automatically, regardless of circumstance, and do not provide information or the option to appeal. Academic penalties instead of financial ones also worry students as they can significantly disrupt a student's education.

There is concern that flat-fee funding models also force students to pay for education that they are not receiving. While majority of institutions now use per-credit models,

students worry that these models calculate cost based on program instead of on a per course basis, which creates an unfair payment model and may deter students from enrolling in certain courses.

RECOMMENDATIONS

Restore public funding & regulate tuition

Maintaining the quality, affordability, and accessibility of PSE is foundational to ensuring that our province can continue to benefit from the knowledge and skills of post-secondary graduates. Restoring public funding will not only help improve the quality of PSE but can help ensure that all willing and qualified students have the opportunity to thrive in PSE and can contribute to our province. This is why regulating tuition fees and restoring public funding is essential.

OUSA recommends that the provincial government freeze tuition across all programs in Ontario, while simultaneously increasing provincial transfers to university operating budgets. After restoring a fairer cost sharing model, where student contributions would make up no more than 1/3 of the total operating budget, the provincial government should regulate the rate of tuition by CPI while maintaining funding. To address professional student concerns, OUAC should ensure that financial aid information is clearly incorporated into the advertised cost of all professional student programs, at all levels. Providing adequate provincial funding and regulating tuition will help reduce financial burdens for students and families, while also providing more stability and improving predictability in PSE.

Improve quality & address framework gaps

All universities, regardless of location, should have adequate funding to ensure students are receiving a high-quality education. This is why it is essential that the provincial government respond to issues like stranded and differentiated tuition. OUSA recommends that the provincial government provide annual envelope funding for specific programs and allow universities to apply for such funding to offset the impact of stranded tuition, particularly for those institutions where reduced quality is assessed. The provincial government should also use targeted funding to reduce tuition costs for programs with higher-than-average costs created by rapid increases during periods of deregulation. The quality of the affected programs should be assessed by HEQCO to gather information on the impact of stranded and differentiated tuition. The provincial government should also immediately establish protections for students already in-program to cap tuition increase to the rate of CPI.

Improve transparency

To strengthen Ontario's post-secondary system, students recommend that the provincial government take several steps to provide standards and tools for universities that would improve transparency, accountability, and representation. The Ministry of Training, Colleges and

Universities should work with the Council of Ontario Universities to create and implement consistent budgeting tools for universities. The provincial government should also work with COU and universities to develop best-practices to guide institutions on what information should be included in budget reports, while mandating that universities provide an all-in expected program price, with all fees broken and explained, in their marketing and promotional activity. Students recommend that the provincial government leverage the existing eINFO system and provide a central information source on university costs. The provincial government should also ensure that mandatory experiential learning opportunities are not used to offset costs as a result of any tuition framework changes.

Increase representation

Students are the major beneficiaries of PSE and contribute to the operating budgets of universities. This is why MTCU should mandate that university budgets be publicly available in an accessible and understandable manner. Additionally, MTCU should mandate the appointment of students, either by reserving seats for student union representatives or electing student representatives by a democracy process, on university budget committees with automatic voting representation.

Maintain fair payment processes

Students want to ensure that Ontario's tuition framework and institutional policies help students succeed, and not penalize them financially. This is why students recommend that the provincial government maintain the prohibition of deferment fees for tuition payments made in per-term installments within the tuition framework.

Helping students pay tuition fees on time also requires a better understanding of some of the issues that cause late payments in the first place. This is why OUSA recommends that MTCU, in collaboration HEQCO and COU, conduct research on the prevalence of late tuition payments and reasons for delayed payment to help find solutions and effective alternatives to detrimental penalties. The provincial government should also mandate that once these non-financial alternatives are developed, they should be implemented by universities.

In the interim, the provincial government should ensure that students receiving financial aid are not forced to pay tuition before they receive such aid, ensure that they are provided with notice prior to assessing late fees, and guarantee that students can request a delay in assessment and can easily appeal. In the interim, there should be a standardized maximum late fee assessment of 1.3 percent simple interest per month. OUSA also recommends that the provincial government mandate post-secondary institutions to use a per-credit billing structure assessed at a per-course basis. As institutions transition to this structure, the provincial government should provide financial grants to account for any potential losses.