

Subject: Student Affordability	Policy No: Ext-1	Last Reviewed:
Approved by:	Managed By:	Next Review:

SUMMARY

Policy Statement

Since 2005, the average cost of domestic undergraduate tuition has increased by 28%.ⁱ Although policies such as the cap on fee increases -to a maximum of 2%- have been in place since 2005,ⁱⁱ students still face financial barriers to a post-secondary education. The 2% cap was implemented after a period where tuition was deregulated leading to increased costs to students, moving BC from one of the provinces with the most affordable tuition to one of the most expensive.

There is also a relationship between increased tuition and decreasing government funding. Between 2000 and 2016, the proportion of provincial funding decreased by 24% in BC.ⁱⁱⁱ To compensate for this discrepancy, institutions across BC have been reliant on international, domestic, and ancillary fees to make up the difference. Government should seek to transition institutions away from dependence on fees and increase operating grants to ensure that funding shortfalls are not downloaded to students. Additional policies continue to be necessary to ensure ancillary fees are not used to circumvent tuition increases (either by the addition of new fees or increase of existing fees).

In addition to tuition, students face added cost pressures from rent, transportation, and groceries. These pressures are also exacerbated by the increasing cost of living in Metro Vancouver. To fund both their education and cost of living, students rely on student loans. In 2015, 54% of graduating students with a bachelors had a mean debt of \$28,000 on graduation.^{iv} While the loans are helpful in the short run, they represent another cost that affects the affordability of education as students will often accrue interest on their loans.

Policy

- i. The Association Supports:
 - a. A review of the provincial governments funding model for public post-secondary institutions, with the objective of increasing institutional operating grants and maintaining annual increases above rate of inflation in order to restore and increase the share of government funding.
 - b. That the institution adopt a consultation policy and process that works with the Student Association and its membership on areas of financial accessibility such as student fee increases, and services.
 - c. Every effort by the Province and post-secondary institutions to limit annual tuition increases, especially amidst challenging economic circumstances.
 - d. BC government to enact a policy framework, similar to the existing Tuition Limit Policy, which would regulate the maximum rate of annual increase in tuition for international students and would, ideally, provide predictability over the length of a student’s program of study.
 - e. That the cost of student debt should not simply be “manageable,” but must be truly affordable, and that the interest rate on the BC component of student loans must continue to be 0% to achieve this.
- ii. The Association Opposes:
 - a. Post-secondary institutions further increasing costs on students by charging new or burdensome mandatory fees.
 - b. Any actions that would directly or indirectly weaken the intent of the existing Tuition Limit Policy.

- c. Any mandatory ancillary fees which no longer serve a rational purpose for being separate from tuition, as tuition fees are intended to represent the vast majority of a student's contribution towards the cost of their education.

ⁱ <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710004501&cubeTimeFrame.startYear=2006+%2F+2007&cubeTimeFrame.endYear=2019+%2F+2020&referencePeriods=20060101%2C20190101>

ⁱⁱ <https://www2.gov.bc.ca/gov/content/education-training/post-secondary-education/institution-resources-administration/tuition-limit-policy#:~:text=Government%20has%20taken%20action%20to,Professional%20programs>.

ⁱⁱⁱ Statistics Canada (2019). Table 477-0058 - Financial information of universities and degree-granting colleges, revenues by type of funds, annual (dollars), (accessed: June 20, 2019)

^{iv} <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710003601>