

Subject: Student Affordability	Policy Number: EXT-1	Last reviewed: 2021 Jan. 11
Approved by: Council	Managed by: Advocacy & Policy Committee	Next review: 2023 Apr. 30

Policy Rationale:

Since 2005, the average cost of domestic undergraduate tuition has increased by 28%.¹ Although the *Tuition Limit Policy*, which caps domestic tuition increases at 2% annually, has been in place since 2005, students still face financial barriers to a post-secondary education.² 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 post-secondary institutional funding from the BC government decreased by 24%.³ To compensate for this decline, institutions across British Columbia 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.

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 bachelor’s degree had a mean debt of \$28,000 on graduation.⁴ While the loans are helpful in the short run, they often represent an additional cost that can negatively affect the affordability of education, due to the interest rates previously charged by the federal and provincial governments.

External Policy Position:

1. The Student Association supports:
 - A. The ongoing review of the provincial government’s 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;

¹ “Canadian and international tuition fees by level of study (current dollars)”

² <https://www2.gov.bc.ca/gov/content/education-training/post-secondary-education/institution-resources-administration/tuition-limit-policy>

³ 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).

⁴ <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710003601>

- 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; and
- 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.