

Oral Presentation to the Standing Committee on Finance and Economic Affairs

**Jesse Greener, Ontario Chairperson of the Canadian Federation of Students
December 7, 2006**

My name is Jesse Greener and I am the Ontario Chairperson of the Canadian Federation of Students. The Federation represents more than 300,000 college and university students in Ontario and more than 500,000 across Canada.

The last time we presented to government, we had a slick PowerPoint presentation.

The last time we presented to government, we extensively reviewed the research demonstrating the adverse effects of high tuition fees and the limitations of student financial aid. [Appendix 1: Research Digest]

The last time we presented to government, you completely ignored our recommendations and increased tuition fees even more sharply than Ernie Eves.

This government's promising start is now a disaster for students and their families.

All of the evidence shows that your decision to cancel the tuition fee freeze will eliminate educational opportunities, will increase financial hardship on students and their families, and is totally out of step with the voters of the province. In fact, when it comes to this government's current policy on tuition fees, it is indistinguishable from that of Mike Harris.

I want to read you a choice quote from the Ontario Legislature from 1997, when Mike Harris was preparing to remove all limits on tuition fee increases for graduate and professional programmes:

There comes a point in time when post-secondary education becomes something that's out of reach ...

Some people believe that increasing ... student assistance is the solution. But I can tell you that I've had the opportunity to review some studies that have come from other jurisdictions, and they show that notwithstanding the amount of student assistance ... in the face of exceedingly high tuition fees, there are many, many students — and this is documented — who would say to themselves, "I am not comfortable graduating with that size of a debt load."

That wasn't a quote from Vicky Smallman, the Ontario Chairperson of the Canadian Federation of Students at the time. Those words belong to then Opposition Leader Dalton McGuinty.

Today, the McGuinty government is supporting Mike Harris' massive tuition fee increases by refusing to undo them, and even heaping substantial increases on top.

ACCESS AND AFFORDABILITY

Consider this: In 1990, tuition fees for undergraduate students were averaged at \$1,680. With the cancellation of the tuition fee freeze, tuition fees are about to surpass \$5,200. [Appendix 2: University Tuition fees] This tripling of tuition fees for university students represents increases that are four times faster than the rate of inflation. [Appendix 3: Tuition Fees vs. Inflationary Increases] The result has been a steady downloading of college and university operating costs onto the backs of students and their families. For example, tuition fees now make up almost half of the operating costs at universities, up from 20% in 1990. [Appendix 4: Tuition Fees as Percentage of Operating Budgets]

The predictable result of such tuition fee policy is that student debt has skyrocketed. In the last 15 years student debt has tripled and, with this latest round of tuition fee increases, it is poised to hit \$28,000 after a four-year degree.

The fact is that post-secondary education is no longer the path to upper income earnings, it is the path to AVERAGE income earnings. A college diploma or university undergraduate degree is fast becoming a requirement for simply living above the poverty line. In fact over 70% of new jobs require it.

Meanwhile the government's current tuition fee policy will further impede students' ability to go on to post-secondary education. Steep tuition fee increases in the last decade resulted in stagnation in Ontario's enrolment growth. In other provinces, such as Quebec and Newfoundland and Labrador, where a different approach was taken, sustained tuition fee freezes and tuition fee roll backs have resulted in significant enrolment growth.

Studies of debt aversion and sticker shock—with which Mr. McGuinty is clearly familiar—demonstrate that high tuition fees supported by a financial aid system, such as ours in Ontario which relies heavily on loans, is a barrier to strong enrolment growth, in particular for students from low and middle income backgrounds. [see Appendix 1: Research Digest]

This government's "Reaching Higher" plan for more student debt is a threat to Canadian values of social and economic equality of opportunity.

PUBLIC OPINION

But students aren't alone in our concern about this government's cancellation of the tuition fee freeze. In a public opinion poll released earlier this fall, nearly 90% of Ontario voters believe that this move will compromise accessibility to post-secondary education. What's more, nearly three-quarters of voters see the cancellation of the tuition fee freeze as a broken promise. [Appendix 5: Public Opinion Polling Data]

Since just the beginning of the fall semester, students have collected nearly 45,000 petition signatures calling on Ontario members of provincial parliament to immediately roll-back tuition fees to 2004 levels and restore the tuition fee freeze. These petitions, which are being collected in Thunder Bay, Windsor, Ottawa, the Greater Toronto Area and all points in between, signify the wide-spread appeal from students and community members to reconsider your "Reaching Higher" plan for tuition fee increases. [Appendix 8: Canadian Federation of Students' Petition]

IMPACT OF THE “REACHING HIGHER” PLAN

High tuition fees also undermine the financial aid system itself. In fact, even when the investment in financial aid is finally realised, tuition fee increases will result in a claw back of \$1.30 for every new dollar invested. And for every dollar that fees increase, more pressure is put on the financial aid system. Currently, the Ontario Student Assistance Program (OSAP) requires over \$20 million per year just to service the interest subsidy on Ontario student loans.

Much ado has been made about the Student Access Guarantee. Unfortunately, there is absolutely nothing concrete in place that will ensure access for those students who cannot afford today’s tuition fees and graduating debt.

Former Minister Cunningham used to recite banal promises about “every willing and qualified student” on the one hand, while introducing some of Canada’s most destructive education policies on the other. So you’ll have to excuse our cynicism towards used furniture sales promises.

Similarly, the rhetoric about improvements to quality, financed by higher tuition fees amount to pure fiction. The Higher Education Quality Council of Ontario amounts to little more than a project on paper only.

Student to faculty ratios, one of the only quantitative measurements of quality demonstrate that the classroom experience is depreciating rapidly. At 24 students for every faculty member, we are well behind where we were just 10 years ago when the student to faculty ratio was 18:1. [Appendix 1] And we all remember the debilitating strike that the college system experienced as a result of ballooning classroom sizes and resulting inability of faculty members to meet their teaching obligations.

In addition to all of this, higher fees are forcing more students than ever into the work force, causing them to loose focus on their studies, miss scholarship opportunities and compromise their ability to continue on to post-graduate work.

It is no wonder that in a recent poll, 70% of Ontarians saw quality either stagnating or declining. Only 10% of Ontarians thought quality had increased.

MAINTAINING THE FUNDING GAP

The McGuinty government’s move to reinvest \$6.2 billion in post-secondary education was long overdue and received praise, as a first step, when it was announced. But, let’s be clear. Without further commitment, this amounts to treading water relative to other provinces who continue to invest. Even with this investment, Ontario’s post-secondary students are being short-changed by one of the shamefully lowest per-capita funding rates in all of North America.

Contrary to the PR message of “Reaching Higher” we are, at best, reaching for mediocrity and will be lucky if past funding commitments will even bring us to the national average by 2009-10.

BUDGETARY SOLUTIONS FOR ONTARIO

In the first year of the freeze this government invested \$50 million. The cancellation of the tuition fee freeze has resulted in students and their families forking out \$130 million more in fees this year alone. With the real value of wages decreasing and family savings drying up, these are burdens that families

Oral presentation on behalf of the Canadian Federation of Students to the Standing Committee on Finance and Economic Affairs

cannot and should not have to shoulder.

Compare these numbers to the \$6.2 billion investment in post-secondary education and the nearly \$7 billion from the Canada-Ontario Agreement (roughly \$1 billion of which should be dedicated to post-secondary education in the first three years alone) and the \$ 1 billion from the 2005 bill-C48 federal budget amendment, and students get the distinct impression that the projected \$300 million surplus is being generated on the backs of students. [Appendix 6: Canada-Ontario Agreement, Signed 2006]

I am here today, on behalf of over 300,000 college and university students in Ontario to ask you to take corrective action in the 2007 Ontario budget by re-investing in post-secondary education to ensure affordability and quality.

With this funding, we are calling for

- tuition fees to be rolled back to 2004 levels and a restoration of the tuition fee freeze;
- access to OSAP to be improved, especially for part-time students who are currently completely shut out of financial aid; and
- the number of upfront needs based grants to be doubled.

CONCLUSION

I have stood before many of you in the past and made the case for restoring the tuition fee freeze in Ontario and turning Ontario's post-secondary education into a model for affordability and quality in Canada, rather than a cautionary tale. My recommendations today reflect the views and concerns of the students of Ontario and they are broadly and deeply supported by the vast majority of voters in the province. Whether you choose to listen to the electorate and act in the interest of economic prosperity and social equality is obviously up to you, but this is an election year and the vote will be conducted while classes are in session.

The students of this province have committed to one-another to organise like never before to raise public concern and support for affordability in post-secondary education.

We are committed to making this an election issue.

And we are committed to bringing students and young people to the polls in record numbers.

I would like to be able to report back to the hundreds of thousands of students who I represent, to our parents, and to our coalition partners, that this government has recognised the flaws of the "Reaching Higher Plan" by rolling back the fee increases and restoring the tuition fee freeze that they want, expect, and deserve.

The written pre-budget submission of the Canadian Federation of Students to follow.