



UNIVERSITY STUDENTS' COUNCIL POSITION PAPER ON
**TUITION & INSTITUTIONAL
FINANCIAL SUSTAINABILITY**



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LAND ACKNOWLEDGEMENT

Western University is situated on the traditional territories of the Anishinaabeg, Haudenosaunee, Lunaapeewak and Attawandaron peoples, who have long standing relationships to the land and region of southwestern Ontario and the City of London. The local First Nation communities of this area include Chippewas of the Thames First Nation, Oneida Nation of the Thames, and Munsee Delaware Nation. In the region, there are eleven First Nation communities and a growing Indigenous urban population. Western University values the significant historical and contemporary contributions of local and regional First Nations and all of the Original peoples of Turtle Island (North America).

To learn more about these Indigenous communities and how you can best be an ally, please refer to the London & Middlesex Indigenous Culture Card. For more information about land acknowledgements, please refer to the article “Rethinking the Practice and Performance of Indigenous Land Acknowledgment” by Robinson et al. A land acknowledgement is an important step in recognizing colonial history but should by no means be the full extent to which we acknowledge and support indigenous communities.



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CONCERNS

In the year 2023, students are being challenged with a trifecta of high costs associated with post-secondary education: tuition, housing and food. Post COVID-19 inflation and a housing crisis have resulted in extraordinarily high costs of living, with students paying more for food and housing than ever before. Many students are struggling to make ends meet, and in some cases are sacrificing their health and wellbeing in order to juggle the expenses associated with their post-secondary education. The cost of groceries has increased almost 10% between 2021 and 2022,¹ and many students skip meals to try and save money.² On-campus food banks are overwhelmed and struggle to keep up with demand.³ Rental rates in London have increased 30%⁴ in a single year and continue to climb, resulting in a growing number of students facing homelessness.⁵ Tuition fees in Ontario, the third highest in Canada,⁶ are another major contributor to the financial challenges that students are facing.

Although postsecondary education is not considered a human right in Canada, it is recognized as a social good. Barriers to access, such as high tuition fees, must be addressed so that everyone has an equal opportunity to participate. Aside from achieving personal and intellectual growth, an educated workforce contributes to the advanced skills needed to address the labour gap in an ever evolving job market.

The Ministry of Colleges and Universities values “postsecondary institutions [as] important sources of job creation, skills training, research, innovation and commercialization, making them leading contributors to Ontario’s overall economic growth.”⁷ Postsecondary education also benefits society on the whole through a

1 *Tuition fees for degree programs, 2022/2023*, prepared by Statistics Canada (Ottawa, ON, 2022).

2 Joe Danis, Katie Herlick and Rachel Janzen, “Priced out: How students felt about housing costs in 2023,” *Academica Group*, Jan. 11, 2024.

3 Isha Bhargava, “High Demand Forces Western Food Bank to Close Walk-ins as Students Continue Feeling the Pinch,” *CBC News*, Sept. 21, 2023.

4 Jonathan Juha, “London Hit by Biggest Average Rent Increase in Canada-33% in One Year,” *London Free Press*, Oct. 25, 2022.

5 Joe Danis and Katie Herlick, “Housing Instability and Homelessness in the Student Population,” *Academica Group*, Nov. 30, 2022.

6 *Ensuring Financial Sustainability for Ontario’s Postsecondary Sector*, prepared by Blue-Ribbon Panel on Postsecondary Education Financial Sustainability, (Toronto, ON, 2023).

7 *Ontario Taking Action to Improve Integrity of Postsecondary Education and Promote Employment in Critical Sectors*, prepared by Ministry of Colleges and Universities (Toronto, ON, 2024).



reduction in crime, improved health, and community participation.⁸ The University Students' Council believes that everyone is entitled to post-secondary education regardless of their financial circumstances, and the only way that this can be achieved is through the maintenance of an affordable, and predictable rate of tuition. Both Western University and the Government of Ontario are instrumental in ensuring this happens.

Tuition fees account for about 20%⁹ of university revenues and are representative of the actual costs associated with delivering a given program. The Ministry of Colleges and Universities is responsible for regulating the fees that can be charged by universities through a Tuition Fee Framework policy.¹⁰ Different fee controls have been used in the past; unregulated,¹¹ or capped at a set percentage,¹² but historically these measures have had a negative impact on student affordability. In an attempt to maintain a post-secondary education that is accessible and affordable to everyone, the provincial government reduced tuition fees by 10% in 2019 and subsequently froze the rates for the following five years. A further three year extension to the tuition freeze was announced in February of this year, holding current rates stable until at least the 2026-2027 school year.

While initiatives that target immediate student finances may seem very appealing, the long term results tend to be detrimental to overall affordability. Based on the results of Saskatchewan's four year tuition freeze in 2004, education did become affordable for a short period of time but a series of re-righting tuition increases followed, once again making tuition less affordable for those most vulnerable.¹³ At some point, the tuition freeze in Ontario will likely need to come to an end. However, one study estimates that if tuition is not carefully regulated, a 4 year postsecondary education could cost \$105000 by 2041.¹⁴ In order to ensure that education is affordable to everyone, The University Students' Council strongly encourages the Government of Ontario to ensure that tuition fees remain regulated at an affordable rate so that students are not bearing the burden of making up for lost institutional revenues.

8 Craig W. Riddell, "The Social Benefits of Education: New Evidence on an Old Question" (presentation, Taking Public Universities Seriously, University of Toronto, December 2004).

9 *Value-for-Money-Audit: Financial Management in Ontario Universities*, prepared by Office of the Auditor General of Ontario (Toronto, ON, 2022).

10 *Tuition Fee Framework Implementation Guidelines for Publicly Assisted Universities for 2021-22 and 2022-23*, prepared for Ministry of Colleges and Universities (Toronto, ON, 2021).

11 Ryan Romand and Randy Robinson, *Back from the brink Restoring public funding to Ontario's universities*, (Toronto: Canadian Centre for Policy Alternatives, 2023), 29..

12 *ibid.*

13 Paul Gingrich, *After the Freeze: Restoring University Affordability in Saskatchewan*. (Regina: Canadian Centre for Policy Alternatives, 2011).

14 "Canadians can expect to pay an average of \$75,387 for a 4-year university degree and residence next year," Cision, November 8, 2023. <https://www.newswire.ca/news-releases/canadians-can-expect-to-pay-an-average-of-75-387-for-a-4-year-university-degree-and-residence-next-year--890092153.html>



The current economic challenges are not exclusive to students. Postsecondary institutions are also suffering from financial hardships due to a combination of stagnant government financial support, the ongoing tuition freeze, and rising costs due to inflation. Universities are attempting to maintain world class teaching staff, procure modern teaching equipment, embrace emerging technologies and upkeep their ageing infrastructure on what amounts to a shrinking budget. Increasing demands for improved student supports such as mental health services and housing are stretching available budget dollars thin. The loss of revenue streams from the tuition cut and freeze, along with inadequate government funding, has had a negative impact on the long term sustainability of universities. Many institutions have come to rely on the inflated tuition fees charged to international students, or resorted to cost cutting measures by reducing their services or increasing class sizes. Some institutions, like Laurentian University, are finding themselves in precarious financial situations, and for others, the financial burden has become too great. Our own Brescia University College will be closing its doors at the end of the 2023-2024 year, displacing over 1500 students.

Government funding to universities represents roughly 23%¹⁵ of operating revenues. In 2008, federal and provincial funding amounts began to stagnate, with actual funding cuts occurring in the 1990's.¹⁶ The reduction in revenues from both government funding and the inability to increase tuition in midst of skyrocketing inflation have resulted in actual financial losses for universities. Between 2018 and 2021, sector revenues decreased by \$800 million, and if the current conditions continue that amount is expected to be about \$2.5 billion by 2025-2026.¹⁷

Alternative revenue streams such as partnerships, sponsorships, and endowments, while potentially lucrative, take more time to cultivate and may come with disbursement restrictions. In 1996, Ontario deregulated tuition fees for international students, heralding the start of serious recruitment efforts. As costs associated with providing education increased, and government funding streams remained stagnant, more post secondary institutions began to rely on international student fees as a quick fix to their financial troubles. Full time international student enrollment began increasing at a faster rate than domestic enrollment, and by 2020 international students accounted for 17% of enrollment numbers and 45% of tuition revenues.¹⁸ The unprecedented increase in the number of international students

¹⁵ *Value-for-Money-Audit: Financial Management in Ontario Universities*, prepared by Office of the Auditor General of Ontario (Toronto, ON, 2022).

¹⁶ Alex Usher, Janet Balfour, *The State of Postsecondary Education in Canada 2023* (Toronto: Higher Education Strategy Associates, 2023), 31.

¹⁷ Alex Usher, "Ontario Universities' Looming Abyss." One Thought to Start Your Day, Oct. 24, 2022. <https://higherstrategy.com/ontario-universities-looming-abyss/>.

¹⁸ *Value-for-Money-Audit: Financial Management in Ontario Universities*, prepared by Office of the Auditor General of Ontario (Toronto, ON, 2022).



arriving in Canada, and particularly Ontario, raised concerns over a number of issues including quality of education and overall student support, resulting in the Federal Government issuing a Trusted Institutions mandate and ultimately a temporary cap on the processing of student applications. Post-secondary institutions are currently awaiting further details from both federal and provincial governments to determine what the impacts of these regulations may be.

The University Students' Council understands that there are extreme financial pressures on post-secondary institutions right now, and that universities cannot thrive in a financial vacuum. They require regular and predictable sources of revenue in order to provide the world class education that students expect. Institutions cannot compete on a world stage with the foundations crumbling beneath them. Ultimately, it will be students who suffer from the inadequate funding of postsecondary institutions. Our students deserve better. Our government needs to do better. The University Students' Council strongly encourages the Government of Ontario to increase funding to universities to better support them, making sure that they are sustainable and affordable for future generations of students.

TUITION: AFFORDABILITY, PREDICTABILITY, AND TRANSPARENCY

Tuition represents a huge financial investment for students and their families, particularly at a time when inflation and the housing crisis have driven up the costs of food and shelter dramatically. In 2023-2024 at Western University, tuition fees (including ancillary fees) for an Ontario resident in a first year undergraduate program began at \$7891.88.¹⁹ Fees for professional programs and first and second entry cohorts are significantly higher. While a number of students may benefit from various forms of financial assistance, the upfront costs of education and supplies can be intimidating. If tuition costs fluctuate between years, the ability to budget for expenses diminishes. It is critically important that students and their families are able to count on a stable, predictable tuition rate for the entire duration of their studies. This becomes all the more important when considering that postsecondary education is necessary for many of the highly skilled jobs required to support our economy. No-one should have to forgo the opportunity due to financial concerns. For this reason, the Government of Ontario must strive to maintain tuition fees that will allow everyone equal opportunity to pursue higher education. In order to maintain tuition affordability, The University Students' Council recommends that the Province of Ontario maintain the current tuition fee freeze.

The current tuition freeze for domestic students has been beneficial in helping to mitigate skyrocketing costs due to inflation, but international students have

¹⁹ Western University Tuition and Ancillary Fee Schedule for 2023-2024.



not benefited from the same cap on their tuition rates. Compared to a domestic student, a first year undergraduate international student at Western University will pay tuition fees beginning at \$44830.88.²⁰ Statistics Canada reports the national average tuition fee for international students increased by 8% from 2021 to 2022, and that international students will end up paying 429% more for their educational journey than a domestic student.²¹ A forthcoming cap on study permits has left many international students fearing that their tuition rates will increase exponentially to counteract the decrease in volume.²²

Viewing unregulated international tuition fees as a means of generating revenue to fill a budget shortfall, some institutions invested heavily in recruiting large numbers of international students, regardless of the current housing crisis and skyrocketing cost of living.²³ Without the provision of adequate wrap-around services, students found themselves in substandard living conditions, relying on food banks and ill prepared for the realities of living in Canada. Concerns over the treatment of international students by some post-secondary institutions prompted the Minister of Immigration, Refugees and Citizenship to announce measures to be implemented starting January 2024 to protect vulnerable international students as well as temporarily cap the number of study permits processed. The provincial government must ensure that international student permit applications are only allocated to institutions which demonstrate adherence to the Trusted Institutions framework as mandated by the Federal Government.²⁴ To help protect international students from predatory institutions and ensure that they receive the educational opportunities that they deserve, priority must be given to institutions which have adequate on-campus housing resources and substantial support-services in place to assist students.

Unlike institutions where extreme year over year tuition increases are being used to offset inadequate government funding, Western University has been a leader in responsible, self-regulated tuition increases for international students. Since 2021, Western University has committed to a moderate and predictable tuition increase of 4% per year.²⁵ In order to maintain tuition affordability for all, The University Students' Council recommends that Western University continue to be a leader in

20 Western University Tuition and Ancillary Fee Schedule for 2023-2024.

21 *Tuition fees for degree programs, 2022/2023*, prepared by Statistics Canada, (Ottawa, ON, 2022).

22 Jessica Wong, "Cap on international study permits sparks fear of rising tuition, program cuts, layoffs on campus," CBC Canada, Jan. 27, 2024, <https://www.cbc.ca/news/canada/campus-impact-intl-students-cap-1.7094629#:~:text=Cap%20on%20international%20students%20could%20bring%20program%20cuts&text=Students%20and%20some%20colleges%20are,the%20reaction%20and%20potential%20impact>.

23 Valerie Ouellet and Mike Crawley, "Canada's international student spike was blamed on private colleges. Here's what really happened," CBC, Feb., 27, 2024, <https://www.cbc.ca/news/canada/toronto/international-student-study-permits-data-1.7125827>.

24 *Trusted Institutions Framework*, prepared by Immigration, Refugees and Citizenship Canada (Ottawa, ON, 2023).

25 *Tuition Fee Guarantee for International Undergraduate Students*, prepared by Office of the Registrar (London, ON, 2021).



postsecondary education by maintaining the in-cohort cap on international student tuition fees.

In order to maintain this leadership position, Western should, however, reconsider its decision to assess a non-refundable deposit for international students beginning in 2024-2025.²⁶ There is no explanation as to what the fee is for, or what it covers. As such, The University Students' Council is opposed to the \$1000 admission deposit for new international students. This lack of transparency does a disservice to students and does little to foster an open and welcoming campus community.

Given the significance of the investment required to pursue a post secondary education, predictability is important for domestic students too. Students and their families need to be able to plan and save for such a large expense, and they shouldn't have to face unanticipated tuition increases during their years of study. The government of British Columbia has announced new standards to protect students from unexpected tuition increases by mandating tuition transparency, requiring that public post secondary institutions provide incoming students with tuition levels for the course of their degree.²⁷ Western University should follow this lead and commit to providing all students with an expected tuition fee schedule at the time of their acceptance offer, allowing them to better budget for costs over the duration of their studies.

Recognizing that some flexibility may be required even if Western University were to publish tuition levels for an entire degree cycle, The University Students' Council recommends that any rate changes, fee structures, and the addition of fees must also be communicated clearly and made transparent to all students. The recent upward adjustment to tuition for undergraduate Management and Organizational Studies (MOS) and Computer Science programs caught a number of students off guard. Those students would have been better served had there been more regular and transparent communication throughout the process.

In this case, the process was as follows: on March 2, 2023 the Minister of Colleges and Universities released an amendment to their tuition fee mandate with a provision for universities to adjust certain lower-than-sector-average tuition rates through a Tuition Anomalies allowance. This enabled institutions to identify up to three programs which had tuition fees at least 15% below average and, with ministry approval, increase the tuition fees for these programs. In June 2023, Western University's Board of Governors approved the maximum 7.5% yearly tuition increases to undergraduate MOS and Computer Science programs for the next six and eight years respectively, to bring them to parity with other providers. The Board of Governors elected to implement a shadow tuition rate for 2023-2024 and apply

²⁶ *Fee Schedules*, prepared by Office of the Registrar, (London, ON, 2023).

²⁷ *B.C. strengthens quality standards for international education*, prepared by Ministry of Postsecondary Education and Future Skills, (Surrey, BC, 2024).



the actual tuition increase of 7.5% for 2024-2025 on top of that. The decision to “delay...[the] application of the actual tuition fee charges (to 2024-25) [would] also allow us to properly communicate our approach to students.”²⁸ Communication was made in the form of a “Dear Student” email which was sent out to affected students explaining the increase in broad strokes. Engaging students prior to the decision, as well as a more detailed explanation to students once the decision was made, would have offered students a better understanding of the impact on their studies and personal finances.

On a positive note, Western University has introduced a new fee structure for undergraduate students in non-professional programs which may better accommodate those who need to take a reduced course load. Students will continue to pay full program fees starting at 4.0 courses; however, full time students may now elect to take between 3.5 and 3.75 courses while paying a per course fee and pro-rated ancillary fees (while remaining eligible for the health and dental plan, and bus pass). Students taking fewer than 3.5 courses will be considered part time and will pay per course tuition and ancillary fees, and will not be able to access the health and dental plan, or the bus pass. The University Students’ Council acknowledges and approves of this measure which increases flexibility for students who need to work or have other obligations that may prevent them from taking a full course load.

EFFECTS OF UNDERFUNDING POSTSECONDARY INSTITUTIONS

The federal government provides financial support for colleges and universities to the provinces in the form of the Canada Social Transfer. These funds are then distributed by the province as they see fit between postsecondary education, social services and early childhood programming.²⁹ The budgeted amount for Ontario in 2023-2024 is \$6,392 million.³⁰ The Government of Ontario disperses its post-secondary funding obligations in the form of tuition subsidies, meaning that domestic students have a portion of their tuition fees covered upfront. In Ontario, the subsidy amount per student is determined by a funding model comprising of three interrelated components: corridor funding,³¹ funding envelopes,³² and

28 University Secretariat, “Agendas and Minutes,” Executive Summary - Government Approved Tuition Anomaly Adjustments, June 29, 2023, https://uwo.ca/univsec//pdf/board/minutes/2023/a23June29bg_PGN_website.pdf.

29 *Canada Social Transfer*, prepared by Department of Finance Canada (Ottawa, ON, 2011).

30 *Major federal transfers*, prepared by Department of Finance Canada (Ottawa, ON, 2023).

31 Corridor funding determines the number of government-subsidized students that an institution can admit. Weighted grant units (WGU) are measurements used to determine the costs associated with delivery of each program. Funding would ultimately be a combination of the number of students and their course of study. Ideally, this model could be regularly adjusted to reflect changes in demographics. In 2017 the provincial government froze the funding numbers and began to transition to a performance based funding model instead.

32 There are three funding envelopes: enrollment, differentiation and special purpose. Each is weighted differently, providing funds based on enrolment numbers, performance factors and institution specific strengths.



tuition-student aid.³³ The dollar amounts and enrollment numbers allocated to the components within the funding model have essentially remained static over the past 20 years.³⁴ By leaving benchmark indicators locked in place for an extended period of time, funding formulas haven't been able to keep up with changing demographics, putting students and universities at a disadvantage.

In 2008, at the height of provincial support for post-secondary education, a domestic student in Ontario would have received a tuition subsidy of \$16960.³⁵ Ontario's funding has dropped to the point that we now have the lowest subsidy amount of any other province in the country; in 2021-2022 the amount was \$11471.³⁶ By comparison, the overall Canadian average subsidy for that same period was \$20772.³⁷ In fact, "Ontario's per-FTE student expenditure drags down the national average so far that every other jurisdiction in the country is technically 'above average' when it comes to per-student expenditures."³⁸

In February 2021, Laurentian University became the first publicly funded university to file for creditor protection.³⁹ As a result, Ontario's auditor general reviewed the finances of 4 other postsecondary institutions.⁴⁰ Of note in her report was the negative impact that tuition reduction and the following multi-year freeze had on Ontario post-secondary institutions, and the subsequent reliance on international student fees to supplement the loss of revenues. The dependance on international students, especially in quantities from a single-source country, was identified as a major risk factor that could leave institutions in a precarious situation if there was a reduction in those student numbers.⁴¹

Following the Auditor General's report, the Ministry of Colleges and Universities commissioned a Blue Ribbon Panel of experts to report on the financial sustainability of Ontario's postsecondary institutions. The document was released to the public in November 2023, and at time of writing this paper, the government is working on preparing a response.

33 The province sets the tuition rates that can be charged, and mandates that a portion of those collected fees are set aside to provide student financial aid (ie. scholarships, bursaries etc.)

34 *Ensuring Financial Sustainability for Ontario's Postsecondary Sector*, prepared by Blue-Ribbon Panel on Postsecondary Education Financial Sustainability, (Toronto, ON, 2023), 17.

35 Alex Usher and Janet Balfour, *The State of Postsecondary Education in Canada, 2023*, (Toronto: Higher Education Strategy Associates, 2023), 40.

36 *Ensuring Financial Sustainability for Ontario's Postsecondary Sector*, prepared by Blue-Ribbon Panel on Postsecondary Education Financial Sustainability (Toronto, ON 2023).

37 *ibid.*

38 Alex Usher, Janet Balfour, *The State of Postsecondary Education in Canada 2023* (Toronto: Higher Education Strategy Associates, 2023), 39.

39 *Special Report on Laurentian University*, prepared by the Office of the Auditor General of Ontario, (Toronto, ON, 2022).

40 *Value-for-Money-Audit: Financial Management in Ontario Universities*, prepared by Office of the Auditor General of Ontario (Toronto, ON, 2022).

41 *ibid.*, 2.



To prevent a repeat of the financial troubles experienced by Laurentian University, the Minister of Colleges and Universities determined that a financial accountability framework should be established to ensure that universities operate in a fiscally responsible manner. Working jointly with the Council of Ontario Universities to establish guidelines for reporting on institutional financial health, credit rating scores, management strategies and financial competencies for board members, the goal was to have the plan implemented by April 2023. The Minister of Colleges and Universities determined that any future funding for universities would depend on adherence to this policy. As noted in the Blue Ribbon Panel report, this accountability framework has not yet been fully implemented. At a time when determining long term funding strategies for universities is paramount, the completion of this document should be a priority to ensure there are no unnecessary delays or impediments in the way of future funding initiatives.

THE BLUE RIBBON PANEL: ENSURING FINANCIAL SUSTAINABILITY FOR ONTARIO'S POSTSECONDARY SECTOR

The University Students' Council recognizes that universities cannot continue to offer the first class education that we expect of them while operating within constrained budgets. We support the following recommendations that were presented by the Blue Ribbon Panel to the Minister of Colleges and Universities:

“The Government of Ontario must provide a one time funding increase of 10% and a minimum 2% increase (or matched to consumer price index) per annum to Weighted Grant Units.”

Government funding to universities has been stagnant for a number of years and with increasing inflation, the transfer amounts have effectively been shrinking.⁴² By providing a one time funding boost and subsequent yearly increases, universities will be able to realise revenues that were lost due to stagnating base funding, the tuition cut and subsequent freeze. A predictable increase will allow institutions to budget more effectively and continue operating without having to find cost savings through reductions in services.

“The Government of Ontario should modify the performance based evaluation system by reducing the amount of funding tied to factors that are outside the control of post-secondary institutions, and increase the timeline to implement these structural changes.”

42 Alex Usher, “Ontario Universities’ Looming Abyss,” *One Thought to Start Your Day*, Oct. 24, 2022, <https://higherstrategy.com/ontario-universities-looming-abyss/>.



At the end of the phase-in process, the most recent Strategic Mandate Agreements implemented by the provincial government would tie 60% of funding to performance, based on markers such as post graduation employment rates and income/earnings. These are widely outside of the sphere of an institution's control, and if used to direct funding, may penalise future students simply because of the unpredictability of job markets and the current economy. Not all graduates will be able to find jobs immediately, and not all jobs are high paying. By tying funding directly to high-monetary benchmarks (namely STEM occupations), the government ignores the inherent value of non-STEM occupations and essentially invalidates students who wish to pursue post secondary education for any reason aside from employability and financial gain. While it is important to hold post secondary institutions accountable for providing relevant education and ensuring that graduates have the marketable skills and knowledge needed for success, the Blue Ribbon Panel would like to see the amount for performance based funding reduced to 25%. The initial 5 year implementation timeline (2020-2025) has been pushed back due to the 2020 pandemic, but the panel also suggests a timeline longer than 5 years to completely implement the funding strategy changes.

“The Government of Ontario should maintain Corridor funding and increase its flexibility by allowing universities to adjust their Corridor midpoint range during Strategic Mandate Agreement renewal cycles.”

Corridor funding is based on a projected enrollment number with an allowable variation above or below the midpoint number. Universities are required to maintain enrollment within that specific range in order to receive per-student funding. Institutions that admit students above their threshold range will not receive government subsidies for those students, and in cases where student numbers drop below the threshold, funding will be clawed back. In 2017, the provincial government declared a freeze on the existing structure and began the process to move towards performance based funding instead. The Blue Ribbon Panel identified fourteen universities which accepted a combined total of 20000 students above their mandated enrollment maximum; students who would otherwise have had to give up or defer their educational goals based solely on the current funding restrictions.⁴³ The panel recommends a return to the corridor funding model with regular re-evaluation of the corridor numbers to allow for changing demographics. This will allow universities to regularly realign their funding targets to meet any changes in demand. An unyielding funding model, particularly in the midst of a structural change, is a disservice to post secondary education and to the provincial goal of achieving a highly educated population. Talent should not be subject to a numbers game.

⁴³ *Ensuring Financial Sustainability for Ontario's Postsecondary Sector*, prepared by Blue-Ribbon Panel on Postsecondary Education Financial Sustainability, (Toronto, ON, 2023), 19.



CONCLUSION

Ontario benefits from world class post-secondary educational facilities. Highly educated students emerge from their studies as Global leaders with a variety of skills, abilities and knowledge bases. Universities have powered new and exciting areas of research, social betterment and personal transformations. Unfortunately, the shining towers of higher education are beginning to tarnish under the erosion of financial support which is slowly crippling them.

Supporting students in Ontario means ensuring that post-secondary education is affordable and accessible for everyone. It requires a commitment to adequately fund universities and colleges, allowing them to remain solvent without placing the financial burden on students in the form of inflated tuition fees. Costs must be shared rather than off-loaded onto students, particularly international students. Any increases in tuition must be controlled, predictable and well communicated to students allowing them, and their families, adequate time to budget for costs. Financial support must also increase so that no one is left out of the pursuit of higher education due to the expense.

The lack of adequate provincial financial support belays the importance of post-secondary education. Despite the fact that the Conservative Government's social policy commits to a well-funded postsecondary education system⁴⁴ with a funding framework based on the number of students enrolled, and includes annual increases based on inflation and demographic growth,⁴⁵ funding from the current provincial government has not been forthcoming. We need the provincial government to do a better job of supporting the future of Ontario. The Ministry of Colleges and Universities recognizes that "every \$1 invested in postsecondary education generates a positive economic return on investment estimated at \$1.36"⁴⁶- a powerful incentive to continue supporting those institutions that provide the knowledge and the skill base needed for the province to thrive.

44 Conservative Policy Declaration, prepared by National Policy Committee (Ottawa, ON, 2018), 28.

45 Ibid.

46 Ontario Taking Action to Improve Integrity of Postsecondary Education and Promote Employment in Critical Sectors, prepared by Ministry of Colleges and Universities (Toronto, ON 2024).



If financial support continues to decline, Ontario institutions will not be able to employ the cutting edge technology and advanced learning tools that ensure students graduate with job-ready skill sets. Nor will they have access to the first class instructors that are needed to ensure students graduate with the knowledge that will allow them to compete on the world stage. The risk of institutional closures affects students, and erodes confidence in the education system both locally and internationally.



RECOMMENDATIONS

RECOMMENDATIONS

The University Students' Council recommends that the following actions be taken to ensure that every student is able to access an affordable, quality education:

1. The University Students' Council believes that everyone is entitled to post-secondary education regardless of their financial circumstances, and the only way that this can be achieved is through the maintenance of an affordable, predictable rate of tuition. Both Western University and the Government of Ontario are instrumental in ensuring this happens.
2. The Government of Ontario must ensure that tuition fees remain regulated at an affordable rate so that students are not bearing the burden of making up for lost institutional revenues.
3. The Government of Ontario must increase funding to universities to better support them, making sure that they are sustainable and affordable for future generations of students.
4. The Government of Ontario must maintain the current tuition fee freeze as a means of maintaining affordability in order to allow everyone equal opportunity to pursue higher education.
5. The Government of Ontario must ensure that international student permit applications are only allocated to institutions which demonstrate adherence to the Trusted Institutions framework as mandated by the Federal Government. To help protect international students from predatory institutions and ensure that they receive the educational opportunities that they deserve, priority must be given to institutions which have adequate on-campus housing resources and substantial support-services in place to assist students.
6. The Government of Ontario should make the completion and implementation of the financial accountability framework for universities a priority so as to not unnecessarily delay or impede future funding initiatives.
7. Western University must continue to be a leader by maintaining the in-cohort cap on international student tuition.
8. Western University must commit to providing all students with an expected tuition fee schedule at the time of their acceptance offer, allowing them to better budget for costs over the duration of their studies.



9. Western University must be transparent in disclosing abnormal tuition increases, and must clearly and explicitly communicate how these fees will affect students.
10. The University Students' Council is opposed to the \$1000 admission deposit for new international students.

The University Students' Council supports the following recommendations that were presented by the Blue Ribbon Panel to the Minister of Colleges and Universities:

- The Government of Ontario must provide a one time funding increase of 10% and a minimum 2% increase (or matched to consumer price index) per annum to Weighted Grant Units.
- The Government of Ontario should modify the performance based evaluation system by reducing the amount of funding tied to factors that are outside the control of post-secondary institutions, and increase the timeline to implement these structural changes.
- The Government of Ontario should maintain Corridor funding and increase its flexibility by allowing universities to adjust their Corridor midpoint range during Strategic Mandate Agreement renewal cycles.





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