

ACIFA'S CONTRIBUTION TO THE TUITION AND MANDATORY NON- INSTRUCTIONAL REVIEW DISCUSSION DOCUMENT

7 December 2016

Abstract:

ACIFA strongly supports the principles of accessible, affordable and high quality post-secondary education for all eligible Albertans. Each principle is equally important. Achieving accessibility should not come at the expense of high quality education. That does not serve society or the individual. Society benefits from an educated citizenry, so do the individuals who obtain an education. Therefore, ACIFA recommends the funding of post-secondary education be a balanced approach, consisting of both public and private monies. In seeking affordability, ACIFA's main concern is the administrative bloat that has developed and which diverts attention and resources away from the education and training of students.

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Overview

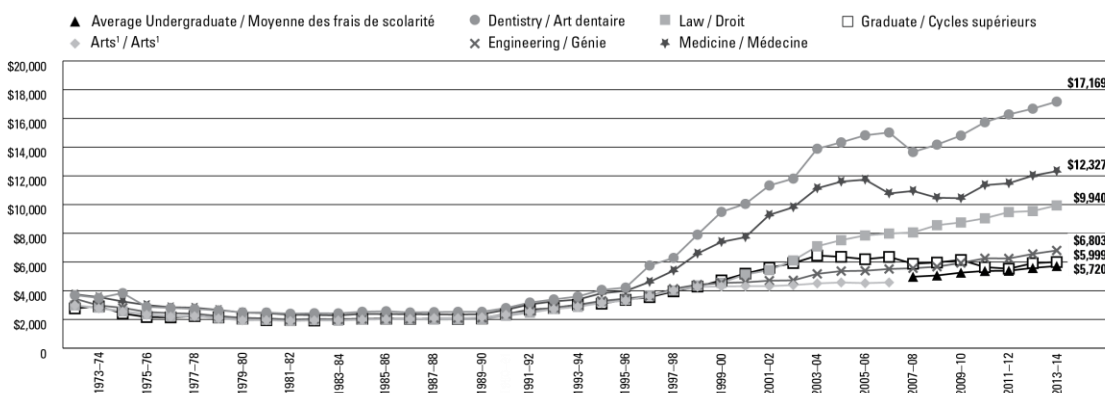
The Alberta Colleges and Institutes Faculties Association (ACIFA) represents the Faculty Associations (FA's) of 13 colleges, 2 technical institutes [polytechnics] and 1 Baccalaureate university in Alberta. The diversity of ACIFA members' funding situation and the complexities of the funding formula make it impossible for ACIFA to provide detailed feedback on the questions posed in the discussion guide. However, ACIFA would like to outline a number of high-level principles which we hope will help to inform the province's policies around tuition.

Introduction

ACIFA appreciates the Alberta government's initiatives to review current tuition fees because, according to Statistics Canada, tuition cost in Canada had been rising steadily since the early 1990s (see the graphs below). Between 1991 and 2014 tuition cost rose by 267% in Alberta (see map on the next page). This dramatic increase is second in Canada only to the 299% increase in tuition cost in Ontario over this period.

Therefore, ACIFA appreciates not only the need to slow down cost to individual students, but also the Alberta government's interest in bringing greater transparency, predictability and regulation of tuition cost in Alberta.

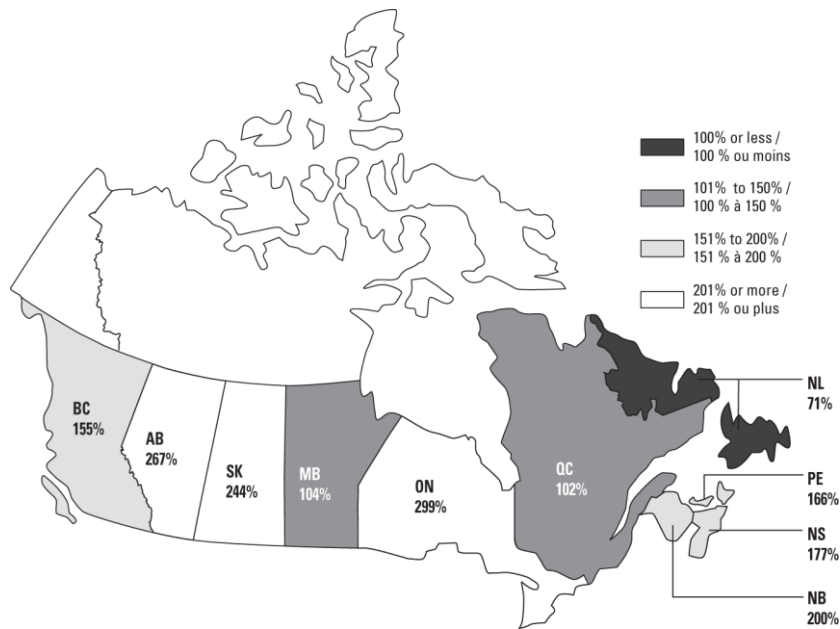
Tuition fees in Canada between 1973-74 and 2013-14



As average undergraduate tuition fees rose more than 135 per cent over the last decade, Canada is moving towards an elitist system of post-secondary education.

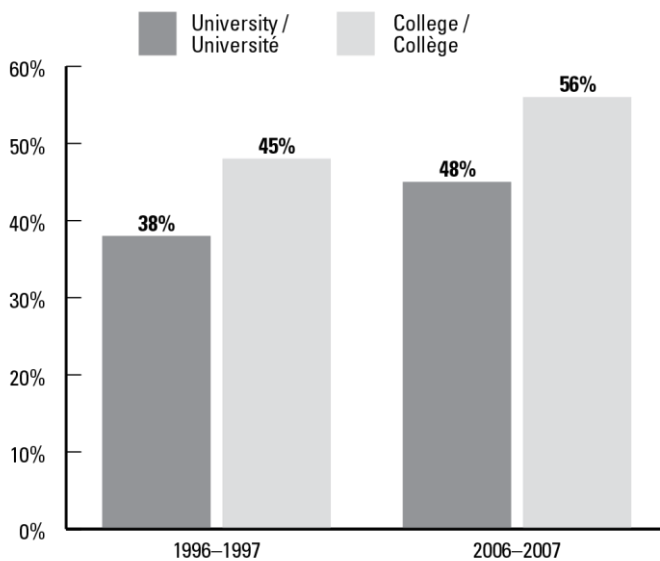
It should be noted that post-secondary institutions do not increase tuition for other reasons than to protect the quality of education in terms of limiting class sizes and preventing program cuts. Therefore, curtailing tuition cost increases requires a concurrent commitment of appropriate public monies to post-secondary institutions.

Average Undergraduate Tuition Fee Increases, 1991–1992 to 2013–2014



The graph above shows that while tuition increased across the country, it increased more dramatically in Alberta than anywhere else, with the exception of Ontario.

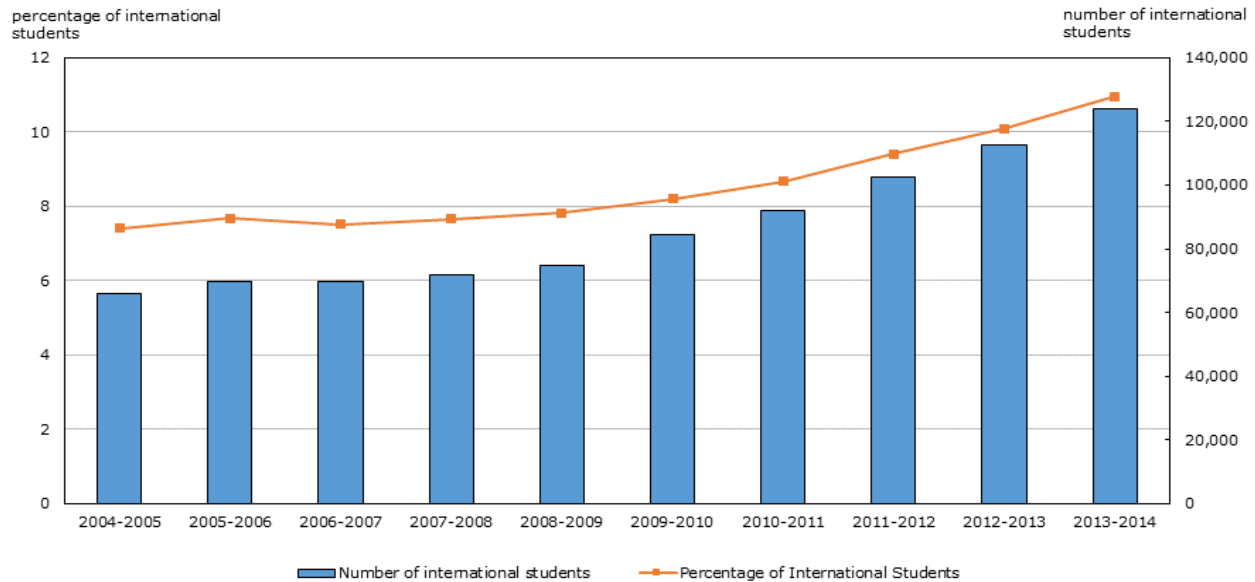
Increased Student participation in labour market participation



As tuition fees in Canada have been rising steady, so has student debt as well as students' participation in the labour force (see the graph). According to the Canadian Federation of Students, student debt has more than tripled since the early 1990s.

International students paying more

Chart 1
Number and percentage of international students in all university programs, Canada, 2004-2005 to 2013-2014



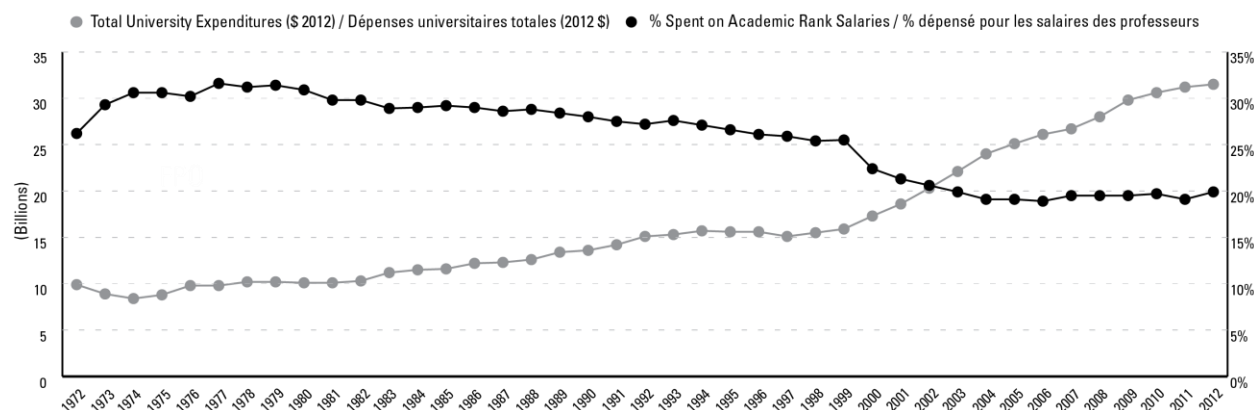
Source: Statistics Canada, Post-secondary Student Information System (PSIS), 2004-2005 to 2013-2014.

The chart above shows that international students are a growing proportion of the students on Canadian university and college campuses. In 2013-2014 eleven percent of students on Canadian campus were international students compared to only seven percent in 2004-2005. It may be argued that international students strengthen the diversity of Canadian schools and add to the quality of the educational experience for Canadian students. However, it may also be that international students make up the funding shortfall as tuition fees charged to international students double to triple the amount charged to Canadian students.

Tie funding to the core business of each institution

As can be seen in the graph below, administrative densification – the sharp increase in the number of administrative positions relative to teaching positions – is an undeniable trend across the post-secondary system. Greater numbers of administrative positions such as associate deans, directors, department heads, all of whom do not teach at all, drain resources away from classrooms, shops and labs. During times of economic scarcity, refocusing on core mandates is necessary. ACIFA therefore recommends that the Alberta government should take a hard look at the internal allocation of resources in institutions. Tying funding directly to core mandates protects real frontline services and ensures continued access to quality education.

Changes in Spending on Academic Rank Salaries vs. Total University Expenditures



Recommendations

ACIFA would like to put forward the following considerations which we hope will inform the province's tuition policy.

- Widespread easy access for all Albertans to high quality post-secondary education is hugely beneficial to the Albertan society. The most quantifiable benefit to Alberta is the broadening of the tax base. A well-qualified labour force has an increased income earning capacity which can be taxed at a higher rate. However, societal benefits go beyond that. A well-educated citizenry is better equipped to make informed decisions. Therefore ACIFA urges the Alberta government to view resources allocated to PSE as an investment and not merely an expense.
- All barriers to appropriate participation in post-secondary education, including financial barriers, must be removed. Instead of onerous tuition fees, government programs must aim to provide opportunities for all academically qualified individuals.
- Benefits to both society and individuals in Alberta are dependent on the quality of post-secondary education. If the quality is compromised, much less of the potential benefits can materialize. Consequently, government grants to ACIFA members' institutions must be sufficient to cover their operational costs
- Tuition must be kept as low as possible with the goal of moving toward a zero tuition policy. Everyone in Canadian society benefits from a well-functioning post-secondary education system. Therefore everyone should pay for these benefits through a progressive tax system of which the necessary part is allocated to such education.

- Post-secondary education institutes require stable and predictable funding to function effectively. “Random acts of funding” do not allow for proper planning, as reasonable predictability is necessary for this.
- A voucher system to fund universities and colleges must be avoided in favour of direct grants to basic operating budgets.
- Other provinces in Canada (Manitoba and BC for instance) announced tuition freezes in the past. ACIFA recommends that the Alberta government learns from the experience of provincial neighbours about the impact of tuition freezes on quality of education as well as the fiscal impact of the tuition freeze on institutions.

Conclusion

ACIFA strongly supports the principles of affordable, high quality post-secondary education for all Albertans. These principles should be achieved simultaneously. Achieving affordability at the expense of high quality is not serving Alberta. Therefore ACIFA recommends that post-secondary institutions should be compensated for the funding shortfall caused by a tuition freeze by means of increased operating grants from the government. Achieving one principle at the expense of the other undermines all.