



**HELP US FIGHT FOR**

# **EQUITABLE INTERNATIONAL TUITION!**

**EVIDENCE-BASED  
SOLUTIONS FOR  
INTERNATIONAL TUITION**



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## Executive Summary

Accessing a post-secondary education continues to be one of the best guarantors of economic success and quality of life. International students who graduate from an Ontario College can expect more significant economic opportunities in their years after graduation, equipped with skills to succeed both in Canada and in their home country. However, the ability to access this education is constrained by rising costs, primarily in tuition fees.

While students across Ontario have experienced expensive housing, low wages, rising prices and more, international students are forced, through no fault of their own, to navigate this environment in the extremes. International students have almost no experience navigating the Canadian housing market, are more likely to take on low-wage employment, and experience higher levels of labour exploitation than their domestic peers. At the centre of this discrepancy in student experience is the drastic difference in tuition fees paid by international and domestic students.

To make international tuition more equitable for these students, the College Student Associations for International Tuition Equity Coalition recommends implementing the following evidence-based solutions:

1. [Tuition Guarantees \(Cohort Tuition\)](#)
2. [International Tuition Freeze](#)
3. [Capping Tuition Increases for International Students](#)
4. [Disclose International Student Tuition Revenue](#)
5. [Eliminate or Mandate and Regulate the Communication of International Student Recovery Levies](#)
6. [Increasing Postsecondary Core Funding and Indexing to Inflation](#)
7. [Eliminating Differential Tuition up to the Subsidized Value of Domestic Tuition, Through a Multi-year, Phased-in Approach](#)

If the tout of post-secondary education across Ontario colleges is one of accessibility and affordability for *all* students, “all students” is inaccurate when the statement really means “domestic students only”. Ontario colleges and the Ministry of Colleges and Universities have the choice to engage both domestic and international students however, that means actively advocating for the students they represent and provide opportunities of higher learning and economic development. This can be done through the active pursuit of these seven recommended solutions.



## Introduction

As student leaders, we are committed to ensuring the student experience is equitable, accessible, and affordable for all students. However, as the official representatives of a student body that is now predominantly composed of international students, the inescapable reality of these student's postsecondary experience is one of inequity, marked by a lack of affordability.

Accessing a post-secondary education continues to be one of the best guarantors of economic success<sup>1</sup> and quality of life<sup>2</sup>. International students who graduate from an Ontario College can expect more significant economic opportunities in their years after graduation<sup>3</sup>, equipped with skills to succeed both in Canada and in their home country. However, the ability to access this education is constrained by rising costs, primarily in tuition fees.

While students across Ontario have experienced the issues endemic to our current political system, including expensive housing, low wages, rising prices and more, international students are forced, through no fault of their own, to navigate this environment in the extremes. International students have almost no experience navigating the Canadian housing market<sup>4</sup>, are more likely to take on low-wage employment<sup>5</sup>, and experience higher levels of labour exploitation<sup>6</sup> than their domestic peers. At the centre of this discrepancy in student experience is the drastic difference in tuition fees paid by international and domestic students.

The average price of college tuition has *skyrocketed* in Ontario in the previous 30 years for all students, domestic & international. **As of 2015, the rise of College tuition fees in Ontario has outpaced**

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<sup>1</sup> Statistics Canada Government of Canada, 'The Cumulative Earnings of Postsecondary Graduates Over 20 Years: Results by Field of Study', 28 October 2014, <https://www150.statcan.gc.ca/n1/pub/11-626-x/11-626-x2014040-eng.htm>.

<sup>2</sup> Guy Lacroix et al., 'The Effect of College Education on Health and Mortality: Evidence from Canada', *Health Economics* n/a, no. n/a, accessed 18 May 2021, <https://doi.org/10.1002/hec.3975>.

<sup>3</sup> Statistics Canada Government of Canada, 'The Postsecondary Experience and Early Labour Market Outcomes of International Study Permit Holders', 20 September 2019, <https://www150.statcan.gc.ca/n1/pub/11f0019m/11f0019m2019019-eng.htm>.

<sup>4</sup> Anonymous, Housing Focus Group: Conestoga Students Attending All Campuses, Zoom Meeting, 13 October 2021.

<sup>5</sup> Hina Imam, 'The Second Year Trap: How Foreign Students Fall into Financial Hell', The Tyee (The Tyee, 27 November 2019), <https://thetyee.ca/News/2019/11/27/Foreign-Students-Financial-Hell/>.

<sup>6</sup> "Employers Make You Work like a Slave" — This International Student Who Fought for Wages Urges Others to Raise Their Voice', *The Toronto Star*, 3 April 2022, sec. Canada, <https://www.thestar.com/news/canada/2022/04/03/employers-make-you-work-like-a-slave-this-international-student-who-fought-for-wages-urges-others-to-raise-their-voice.html>.



**inflation by 318%<sup>7</sup>; in other words, students are expected to pay three times as much, in constant dollars, for tuition as they would have 30 years prior.** While the government of Ontario has taken the necessary steps to freeze tuition increases for domestic Ontario students, considering the hardships faced by students stemming from COVID-19, this is not true for international students. For example, Conestoga international students received a 7-12% increase in their tuition in 2021 and a 3% increase in 2022, at a time when our international student cohort is struggling. Not only have international students faced constant barriers to arrive and work in Canada, but they are also now forced to pay exorbitant, excessive, and unnecessary increases in their tuition. While tuition has rapidly increased for all students over the past 30 years, international students have borne the brunt of this assault on affordable education.

Across Ontario, international students can expect to pay far higher tuition than their domestic peers, who themselves pay high tuition fees relative to the rest of the country.<sup>8</sup> **According to Ontario's Auditor General, international students enrolled in Ontario colleges could expect to pay \$14,306 on average, compared to \$3,228 per domestic student.**<sup>9</sup> An example from Conestoga College is illustrative of the larger issue. The full-time tuition rate for a domestic student enrolled in Conestoga's business program is \$2696.00; for an international student enrolled in the same program is \$13,750.00.<sup>10</sup>

The status quo in Ontario colleges is to rely on the discrepancy in international and domestic tuition fees to generate revenue for these institutions. Accordingly, Ontario college enrollment has grown rapidly over the previous decade, primarily through the increased enrollment of international students. According to StatsCan, **"Over the last five years, the number of international college students more than doubled, rising from 60,318 enrolments in 2015/2016 to 153,360 in 2019/2020."**<sup>11</sup> In a 2021 report of the Ontario Auditor General, it was found that: **"International students, who make up about 30 per cent of the student body at Ontario's 24 colleges, provide 68 per cent of all tuition**

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<sup>7</sup> Canadian Federation of Students - Ontario, 'The Impact of Government Underfunding on Students', July 2015, <https://cfsontario.ca/wp-content/uploads/2017/07/Factsheet-Underfunding.pdf>.

<sup>8</sup> Statistics Canada Government of Canada, 'The Daily — Tuition Fees for Degree Programs, 2021/2022', 8 September 2021, <https://www150.statcan.gc.ca/n1/daily-quotidien/210908/dq210908a-eng.htm>.

<sup>9</sup> Office of the Auditor General of Ontario, 'Value for Money Audit: Public Colleges Oversight' (Office of The Auditor General of Ontario, December 2021), 13, [https://www.auditor.on.ca/en/content/annualreports/arreports/en21/AR\\_PublicColleges\\_en21.pdf](https://www.auditor.on.ca/en/content/annualreports/arreports/en21/AR_PublicColleges_en21.pdf).

<sup>10</sup> 'Business | Full-Time | Ontario College Diploma', accessed 29 June 2022, <https://www.conestogac.on.ca/fulltime/business>.

<sup>11</sup> Statistics Canada Government of Canada, 'The Daily — Prior to COVID-19, International Students Accounted for the Growth in Postsecondary Enrolments and Graduates', 24 November 2021, <https://www150.statcan.gc.ca/n1/daily-quotidien/211124/dq211124d-eng.htm>.



revenue. Their fees alone were worth \$1.7-billion last year, more than the colleges received in provincial grants.”<sup>12</sup>

The sustainability of Ontario colleges reliance on international student tuition is considered unsteady by the auditor general of Ontario<sup>13</sup>, and experts in the postsecondary landscape.<sup>14</sup> Absent credible solutions to this uncertain growth model, international students coming to Canada will grow increasingly skeptical of the utility of an Ontario college education.<sup>15</sup> Rising costs year over year for international students compound the already precarious situation many international learners find themselves in. There are, however, ways the province of Ontario can begin to alleviate the burden on international students, and create a more equitable, and sustainable, postsecondary model.

## Solutions for Tuition Inequities

Often, the rationale as to why calls to action, which solve educational inequities, are denied or disregarded is due to the logic “that this is the way things are” or “there just isn’t money in the budget”. This in of itself is problematic and is known as “bureaucratic rigidity”. In an attempt to forego the inevitable stonewalling many government or educational institutions put up as barriers to change, below are provided solutions to traditional, and outright outdated, ways of thinking.

### Solution 1: Tuition Guarantees

International students are faced with numerous costs during their educational experience in Ontario; in light of current macroeconomic trends, there is also a heightened volatility in the expected costs international students face while studying in Ontario. Combine this factor with tuition increases far above their domestic peers, international students are uniquely disadvantaged.

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<sup>12</sup> Joe Friesen, ‘Bulk of College Tuition in Ontario Comes from International Students, Auditor-General Says’, *The Globe and Mail*, 1 December 2021, <https://www.theglobeandmail.com/canada/article-bulk-of-college-tuition-in-ontario-comes-from-international-students/>.

<sup>13</sup> Office of the Auditor General of Ontario, ‘Value for Money Audit: Public Colleges Oversight’.

<sup>14</sup> Alex Usher, ‘Community College Revenues, 2019-20’, *HESA* (blog), 1 February 2022, <https://higherstrategy.com/community-college-revenues-2019-20/>.

<sup>15</sup> ‘5X Fest | The Exploitation of International Students Is an Open Secret. It’s Time to Stop Looking Away.’, accessed 27 June 2022, <https://www.5xfest.com/5xpress/the-exploitation-of-international-students-is-an-open-secret-its-time-to-stop-looking-away>.



While a Canadian education has continued to cost more and more, year-over-year, for international students, the cost of living itself has exploded. The cost of housing, the largest expense for a student outside the cost of tuition, has exploded with the market rate for a bachelor apartment in Ontario rising 46% since 2012, higher than the inflationary standard of 21%.<sup>16</sup> The cost of groceries has risen 31.76%, while the cost of transportation<sup>17</sup> has risen 30%.<sup>18</sup> At the same time, wages have remained stagnant in Ontario, with the minimum wage only increasing to \$15 from \$10.25, still far below the Ontario living and renting of \$18.16<sup>19</sup> and \$27.34<sup>20</sup>, respectively. Overall, wages have risen only 25% in the past decade, matching inflation but notably lower than the inflationary increases of major expenses like rent or food. International students have not only taken on greater costs in education in the past decade, but they have also done so while earning less and paying more for all of life's necessities. Fortunately, Institutions across North America have noticed the increased cost burden on international students, and have begun to step up with a solution. Brock University in St. Catharines, Ontario, is just one example of such a solution.

### *Brock University Cohort Tuition Pricing*

Recognizing the instability in costs of their international students educational experience, Brock University Students Union (BUSU) brought forth a proposal to University administrators to establish a “cohort pricing model”.<sup>21</sup> The proposed tuition framework for international students would be built upon a guaranteed tuition price for the entirety of an incoming cohorts period of study, meaning, **“whatever students pay in**

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<sup>16</sup> ‘Housing Market Information Portal’, CMHC, accessed 24 February 2022, <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/Table?TableId=2.1.31.2&GeographyId=35&GeographyTypeId=2&DisplayAs=Table&GeographyName=Ontario>.

<sup>17</sup> Transportation being inclusive of all forms of transit, not only personal vehicle ownership.

<sup>18</sup> Statistics Canada Government of Canada, ‘Consumer Price Index, Monthly, Not Seasonally Adjusted’, 19 June 2007, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401>.

<sup>19</sup> Sean Davidson, CTVNewsToronto.ca Managing Digital Producer, and Follow | Contact, ‘Living Wages Required for Basic Lifestyle in 23 Ontario Regions Revealed’, Toronto, 1 November 2021, <https://toronto.ctvnews.ca/living-wages-required-for-basic-lifestyle-in-23-ontario-regions-revealed-1.5647258>.

Living wage is a calculation of “how much you need to make in order to cover the costs of living in your community, including food, clothes, shelter, transportation, child care, medical care, recreation and a modest vacation.” It explicitly does not include the cost of housing.

<sup>20</sup> ‘Rental Wages in Canada’, Canadian Centre for Policy Alternatives, accessed 4 July 2022, <https://policyalternatives.ca/rentalwages>.

The rental wage is a calculation of the hourly wage needed to rent an average two-bedroom apartment (the most common type) without spending more than 30% of one’s earnings – 30% of income on housing being the CMHC line of housing affordability. For an international student who earns the minimum wage and can only work 20

<sup>21</sup> Brock University Board of Trustees, ‘2022/2023 Tuition Rates’, Report to the Financial Planning and Investment Committee (Brock University, 9 December 2021).



**their first year is the same amount they'll pay in years two, three and four of their programs. Tuition fees will also remain steady for a fifth year, allowing students one additional year to complete a four-year program.”<sup>22</sup>**

Working with Brock University administration and board of trustees, the proposed cohort tuition program will be going into effect for the incoming cohort of international students in September of 2022. The incoming student cohort can expect to pay a tuition rate 8% higher than the previous years cohort; for example, the tuition rate may rise from \$31,622.35 for the previous cohort to \$34,152.03 for an incoming international student. However, a student paying \$34,152.03 in their first year can expect to then pay this dollar amount for the remainder of their studies, without having to worry for unplanned and unbudgeted increases. As Table 1 illustrates, an international student enrolled under the new cohort tuition model would expect to save approximately \$6,500 over the course of their studies, or about \$1,600 annually. A cohort tuition program provides students with the assurance and foreknowledge required to budget in a volatile economic climate, and saves students thousands over the course of their enrollment.

Table 1 – Tuition Framework Comparison between Cohort Tuition and Annual Increases.

<b>Tuition Rate Possibilities:</b>		
<b>Student 1:</b> pays 5% more for tuition as the previous years' cohort, but then sees their tuition rise 5% year over year;		
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<b>Student 2:</b> pays an 8% increase in the tuition of the previous years cohort, but their tuition rate remains the same.		
<b>Year of Study</b>	<b>Student 1</b>	<b>Student 2</b>
Year 1	\$33,203.47	\$34,152.03
Year 2	\$34,863.64	\$34,152.03
Year 3	\$36,606.82	\$34,152.03
Year 4	38,437.161	\$34,152.03
<b>Total Tuition Paid</b>	<b>\$143,111.09</b>	<b>\$136,608.12</b>
<b>Average Annual Tuition</b>	<b>\$35,777.77</b>	<b>\$34,152.03</b>

<sup>22</sup> 'Brock Making Tuition More Affordable for International Students', The Brock News, a news source for Brock University, accessed 31 January 2022, <https://brocku.ca/brock-news/2022/01/brock-making-tuition-more-affordable-for-international-students/>.



### *Tuition Guarantees: A Growing Canadian Trend*

While Brock University is the most recent and publicized version of the tuition guarantee, it is not the only Canadian institution looking to attract international enrolment through tuition guarantees and similar programs. The University of Windsor, the University of Regina and McGill University have or will be instituting similar programs for their international students.

Guaranteed tuition programs are of particular utility for institutions as they concisely address the issue of predictability in expenses for students. For the University of Windsor, their tuition guarantee program sees international students receive, “**stability in base *tuition* for their program duration....Each cohort is *guaranteed* an unchanged *tuition* rate for the typical length of time required for the degree.**”<sup>23</sup> with the goal of the program being to, “financial stability.”<sup>24</sup>

McGill university is taking a slightly different tact; while their tuition guarantee offers no savings for incoming international students, they “guarantee” a steady tuition rate for the course of a student’s studies, but based on, “taking the total anticipated cost of your degree and dividing it evenly by years of study, eliminating the uncertainty of year-over-year increases to help you budget.”<sup>25</sup>

The University of Regina has sought to entice students to come live in their campus residence through a package of locked in tuition and fees, discounted housing rates, and more through their “Really Big Deal” program, The program sees students, international and domestic alike, apply to live in University of Regina housing accommodations for the entirety of their four year degree program, with compounding savings attached. Students can choose a housing accommodation that works for them from three options, with discounts scaled to each accommodation type. There are three housing options available to students with this offer:

- 4/5-bedroom option discounted by 10%
- Dorm option discounted by 20%
- Dorm with a bunk bed option that discounts the Dorm option by 50%.

For an international student enrolled at the University of Regina, who may find difficulty in finding housing

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<sup>23</sup> ‘Ask.UWindsor - What Is the UWindsor Tuition Guarantee?’, accessed 18 July 2022, [https://ask.uwindsor.ca/app/answers/detail/a\\_id/743/kw/tuition%20guarantee](https://ask.uwindsor.ca/app/answers/detail/a_id/743/kw/tuition%20guarantee).

<sup>24</sup> ‘Ask.UWindsor - What Is the UWindsor Tuition Guarantee?’

<sup>25</sup> McGill University, ‘New Guaranteed Tuition Model for 2022’s New International Students’ (McGill University, 2022), [https://www.mcgill.ca/student-accounts/files/student-accounts/bachelor\\_tuition\\_guarantee\\_rates.pdf](https://www.mcgill.ca/student-accounts/files/student-accounts/bachelor_tuition_guarantee_rates.pdf).



and community in the private sector, this program offers enormous potential savings (as seen in Table 2).

Table 2 – Tuition Guarantee: Really Big Deal Program at University of Regina Example

<b>Savings over Four Years for:</b>	<b>Tuition &amp; Fees</b>	<b>Residence Fees</b>	<b>Total Combined Savings Over Four years</b>
<b>International Arts Student</b>	<i>\$4,110</i>	<i>\$3,632 to \$16,522</i>	<i>\$7,742 to \$20,632</i>
<b>International Business Student</b>	<i>\$4,828</i>	<i>\$3,632 to \$16,522</i>	<i>\$8,461 to \$21,350</i>

### *Provincial Model: Alberta*

At the provincial level, the government of Alberta in 2018 passed Bill 19, the “Act to Improve the Affordability and Accessibility of Post-Secondary Education” and amendment to the Post-Secondary Learning Act. Bill 19 brought forth considerable changes to the structure and financing of postsecondary education. Most notably, for our purposes, was the introduction of a province wide guaranteed tuition model for international students, through, “guaranteeing international students an up-front evaluation of the entire cost of their program upon offer of admission, allowing them protections from year-to-year increases.” International students are now required to receive an up-front evaluation of the costs of their education, with that estimated cost being balanced across their years of study, and guaranteed by the province.<sup>26</sup>

However, this program is not without its faults, and Alberta international students are beginning to bear the brunt of its excesses. Many Alberta institutions, seeking cost recovery measures, have taken to frontloading international student’s tuition guarantee, and therefore not delivering any material savings for international students<sup>27</sup>. This increasing burden on international students has actually been encouraged by the province, with the press secretary to Advanced Education Minister stated, “The ministry expects public institutions to set international student tuition at a cost-recovery level or above, as international students and their families have not contributed substantially to funding post-secondary education through years of taxation.<sup>28</sup>”

<sup>26</sup> ‘Bill 19 - Why All the Hype?’, CAUS, accessed 18 July 2022, <https://www.caus.net/news/2018/11/13/bill-19-why-all-the-hype>.

<sup>27</sup> ‘Alberta Government Urged to Regulate Tuition Increases for International Students | CBC News’, accessed 25 July 2022, <https://www.cbc.ca/news/canada/edmonton/alberta-international-student-tuition-fees-1.6518373>.

<sup>28</sup> ‘Alberta Government Urged to Regulate Tuition Increases for International Students | CBC News’.



Therefore, while a tuition guarantee program can provide a measure of stability in costs for international students, if such a program is not pegged to a measure of affordability, international students are functionally no better off.

### *The American Experience: Successes and Lessons Learned*

While tuition guarantees are still novel in Canadian postsecondary institutions, American universities and colleges have had tuition guarantee programs for decades now, with over 500 American postsecondary institutions having a tuition guarantee program in place<sup>29</sup>, and some states, like Ohio, Illinois, Oklahoma and Texas having instituted state-wide tuition guarantee policies in publicly owned institutions<sup>30</sup>. While the American post-secondary education system is idiosyncratic, and bears only scant resemblance to Canadian institutions, the effect of guaranteed tuition plans, when combined with wholesale efforts towards affordability, can have positive impacts on student tuition levels<sup>31</sup>.

The lessons of the American policy experience for affordability for students are twofold:

- 1.) Any implementation of a guaranteed tuition policy must be combined with a guarantee on ancillary fee rates. According to Jennifer Delaney and Tyler Kearney, states where tuition guarantee policies were implemented without including a guarantee for ancillary fee costs as well incentivized institutions to make up any lost revenue through increases of these subsidiary fees. Therefore, a program akin to the University of Regina's (Really BIG Deal) would be best suited to address these concerns.
- 2.) Guaranteed Tuition Policies must be implemented with a regulatory framework that either
  - a. Limits the percentage increase of tuition by which institutions can "front load" a tuition guarantee for an incoming cohort, or
  - b. Include a rebate program for students who pay a frontloaded increase amount that is higher than a price marker, including CPI, Wages, or the equivalent increase for domestic students in the province.

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<sup>29</sup> Lindsay A Leasor, 'Early Impacts of the Ohio Tuition Guarantee Program', n.d., 23.

<sup>30</sup> Leasor.

<sup>31</sup> Jennifer A. Delaney and Tyler D. Kearney, 'Alternative Student-Based Revenue Streams for Higher Education Institutions: A Difference-in-Difference Analysis Using Guaranteed Tuition Policies', *Journal of Higher Education* 87, no. 5 (9 October 2016): 731–69, <https://doi.org/10.1353/jhe.2016.0028>.



According to Delaney and Kearney, while many students still benefited from the stability and foresight offered by a guaranteed tuition, many cohorts saw larger tuition increases than would have otherwise existed absent a guarantee program. This was due to several institutions under guaranteed tuition policy regimes over front-loading tuition increases far higher than expected tuition increases, in order to make up for revenue losses elsewhere<sup>32</sup>.

While guaranteed tuition frameworks are not salves for all the affordability issues an international student may face, they can introduce a measure of consistency and fairness to an international student's educational experience. As more Canadian institutions join in this burgeoning policy framework, it is important they take the correct lessons from institutions in the United States who have seen the benefits, and the downside, of these tuition guarantees. **The Ontario government and colleges, following Alberta, and learning the lessons of similar programs in the United States, could be a policy leader in the space of international tuition by creating a program that delivers both stability, and affordability, to incoming international students by implementing cohort tuition pricing, in combination with reasonable tuition caps, and increases to postsecondary core funding.**

## **Solution 2: Tuition Freeze for International Students**

Over the past 3 years, domestic students attending Ontario postsecondary institutions have seen an approximately 10% decrease in their tuition costs, with the added benefit of having tuition rates frozen for the previous two years. This is a welcomed and necessary step to address broader crises of affordability in education and daily life for students, particularly in light of the havoc done to students lives throughout the COVID-19 pandemic<sup>33</sup>. However, as needed as these changes have been, international students have not seen the same grace from provincial or institutional policy makers.

Since the beginning of the 2018/2019 school year, wherein domestic students were granted tuition reductions, followed by tuition freezes, international students have only seen their average tuition payments rise across the province. **From 2018/2019 to 2020/2021, international students saw an increase in tuition payments of 7.85% on average, representing approximately \$1100 in value.** This is in increase in education costs at a time when international students were fundamentally unable to find

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<sup>32</sup> Delaney and Kearney.

<sup>33</sup> 'Impacts of the COVID-19 Pandemic on Postsecondary Students', accessed 19 July 2022, <https://www.statcan.gc.ca/en/survey/household/5320>.



employment due to COVID-19, while the costs of their survival necessities, like food and housing, were rising in tandem<sup>34</sup>.

In spite of tuition increases across the board in Ontario colleges, many institutions did not need to increase international student tuition to prevent deficits. In fact, **every single Ontario college reported surpluses before the COVID-19 pandemic, with international tuition providing the bulk of these institutional revenues**<sup>35 36</sup>.

At the same time, the government of Ontario has the capacity to continue to support tuition freezes not just for domestic students, but international students as well. The provincial Financial Accountability Office (FAO) recently reported the province spent \$7.2 billion dollars less than expected over the 2021-2022 financial year<sup>37</sup>, including \$301,000,000 less on postsecondary education in Q4. The 7.85% tuition increase seen by international students across Ontario accounted for an additional \$109,239,417 in revenue for Ontario colleges<sup>38</sup>. The province, by increasing core funding to Ontario colleges by two percentage points of total institutional revenue - still below 2017/2018 funding levels – or by simply funding institutions by the expected amount listed in the 2021/2022 budget, would have been able to subsidize the cost of a potential tuition increase, and permit a freeze on international tuition<sup>39</sup>.

*Table 3: Ontario Community Colleges Yearly Budget Surplus/Deficit*<sup>40</sup>

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<sup>34</sup> Government of Canada, 'Consumer Price Index, Monthly, Not Seasonally Adjusted'.

<sup>35</sup> Office of the Auditor General of Ontario, 'Value for Money Audit: Public Colleges Oversight'.

<sup>36</sup> Martin Devitt and Kevin Mackay, '2021 Update on Education in Ontario Colleges' (Ontario Public Service Employees Union, September 2021), 14, <https://www.collegefaculty.org/wp-content/uploads/2021/09/2021-09-Report-on-Ed-FINAL-eng-formatted-a.pdf>.

<sup>37</sup> C. B. C. News, 'Fiscal Watchdog Finds Ontario Spent \$7.2B Less than Planned, Projects Smaller Deficit | CBC News', CBC, 19 July 2022, <https://www.cbc.ca/news/canada/toronto/fao-report-project-deficit-lower-spending-1.6525084>.

<sup>38</sup> Office of the Auditor General of Ontario, 'Value for Money Audit: Public Colleges Oversight'. Calculations our own

<sup>39</sup> Calculations our own: 5.097 Billion in total revenue divided by .109 billion in expected revenue from tuition increases= 2.14%

<sup>40</sup> Devitt and Mackay, '2021 Update on Education in Ontario Colleges'.



<b>Ontario Community Colleges Yearly Budget Surplus/Deficit</b>						
College	Yearly Budget Surplus/(Deficit)					5 Year Total
	2015/16	2016/17	2017/18	2018/19	2019/20	
Algonquin	\$11,715,792	\$5,579,000	\$13,514,863	\$14,960,326	\$14,740,035	\$60,510,016
Boréal	\$103,285	\$20,082	\$305,515	\$5,554,793	\$964,114	\$6,947,789
Cambrian	\$1,843,320	\$1,976,709	\$8,309,911	\$7,368,559	\$9,183,303	\$28,681,802
Canadore	\$331,349	(\$626,784)	\$2,283,499	\$7,899,800	\$816,863	\$10,704,727
Centennial*	\$9,946,301	\$16,435,207	\$4,740,461	\$59,565,700	\$28,549,502	\$119,237,171
Conestoga	\$3,981,833	\$6,165,795	\$19,342,990	\$39,236,329	\$32,165,638	\$100,892,585
Confederation	\$981,260	\$914,795	\$1,422,836	\$17,782,747	\$4,821,764	\$25,923,402
Durham	\$5,791,500	\$6,946,094	\$7,303,871	\$17,429,337	\$2,014,453	\$39,485,255
Fanshawe	\$3,667,363	\$7,917,309	\$22,874,260	\$30,373,423	\$26,780,735	\$91,613,090
Fleming	\$2,742,453	\$4,763,735	\$7,813,033	\$13,478,379	\$2,180,950	\$30,978,550
George Brown	\$8,311,530	\$14,940,591	\$24,004,000	\$31,254,000	\$14,935,000	\$93,445,121
Georgian	\$152,685	\$3,012,914	\$1,694,449	\$16,754,849	\$5,161,548	\$26,776,445
Humber	\$29,668,874	\$23,291,492	\$32,518,037	\$32,134,321	\$25,564,876	\$143,177,600
La Cité	\$2,237,280	\$1,357,746	\$3,519,672	\$11,372,995	\$3,779,489	\$22,267,182
Lambton	\$5,206,283	\$10,973,052	\$21,915,900	\$15,247,057	\$25,170,613	\$78,512,905
Loyalist	\$1,412,096	\$2,417,510	\$3,111,337	\$9,154,470	\$6,862,394	\$22,957,807
Mohawk	\$6,348,549	\$23,308,655	\$12,470,590	\$21,643,090	\$6,298,147	\$70,069,031
Niagara	\$2,174,078	\$3,465,452	\$13,954,096	\$32,371,955	\$17,782,389	\$69,747,970
Northern	\$337,394	\$2,693,140	\$10,711,619	\$14,843,608	\$18,588,025	\$47,173,786
St. Clair	\$1,048,214	\$7,877,057	\$13,305,511	\$40,237,770	\$31,083,010	\$93,551,562
St. Lawrence	\$3,426,731	\$6,391,342	\$11,607,078	\$13,237,764	\$7,804,866	\$42,467,781
Sault	\$324,845	\$595,446	\$2,216,844	\$10,740,656	\$7,340,726	\$21,218,517
Seneca	\$19,065,596	\$16,945,657	\$18,115,621	\$22,891,354	\$21,263,419	\$98,281,647
Sheridan	\$15,744,293	\$21,323,213	\$33,185,274	\$48,010,208	\$28,720,402	\$146,983,390
<b>TOTAL Ontario College System 5 Year Surplus</b>						<b>\$1,491,605,131</b>

\* Centennial College 2017/18 budget surplus is estimated, actuals unavailable

Given that international students have not only provided the bulk of Ontario colleges funding, but in fact have provided them revenue above and beyond the needs of Ontario colleges to reproduce their outputs, the increases in international tuition are unjustified.

**The Ontario government or colleges can begin to right this wrong by extending the same grace that domestic students have received throughout the pandemic to their international peers. Introducing an international tuition freeze for international students, while the Ministry can subsidize the costs to institutions through a marginal increase in core funding is a way to**



**lessen the rising burden on international students to fund the operation, and expansion<sup>41</sup>, of Ontario colleges.**

*Institutional Choice: Laurentian University and University of Ottawa*

As with today's societal rates of inflation post-pandemic, relief of any kind provides comfort and satisfaction and this is what Laurentian University and the University of Ottawa, both located in Ontario, are doing.

A decision made at their Board of Governors on June 24, 2022, Laurentian stated “that at this time, we don't want to increase international fees to...help engage international students”<sup>42</sup>. While many critique this move as self-serving in that Laurentian's international enrolment pails in comparison to some of its other institutional counter-parts and has only been decreasing, the decision at its most basic level demonstrates that it is institutional choice whether to increase, decrease, or freeze tuition for all students. While the percentage of increase is dictated by the provincial government[s], the choice still remains at the institutional level whether to implement the differential capped increases. Another example of a university in Ontario not increasing fees for international or domestic students is the University of Ottawa.

Since 2018-2019, UOttawa has actively made strides not to increase tuition costs for its students, acknowledging that quality education is both accessible and affordable for *a//*students<sup>43</sup>. University of Ottawa spokesperson Patrick Charette made comments that, albeit grateful for the tuition freeze for domestic students, Universities and Colleges across Ontario are “feeling the cumulative financial pressure”<sup>44</sup> while the provincial government continues to underfund and use people as currency and a means for revenue. Minister of Colleges and Universities, Jill Dunlop, has been quoted saying matters relating to international students and tuition, the expectation is that tuition rates be kept at reasonable

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<sup>41</sup> ‘Conestoga College Forges Ahead with Ambitious Expansion Plans’, therecord.com, 16 July 2021, <https://www.therecord.com/news/waterloo-region/2021/07/16/conestoga-college-forges-ahead-with-ambitious-expansion-plans.html>.

<sup>42</sup> “In Bid to Attract More International Students, Laurentian to Freeze Tuition Fees | CBC News.” CBCnews. CBC/Radio Canada, July 4, 2022. <https://www.cbc.ca/news/canada/sudbury/laurentian-international-tuition-1.6507612>.

<sup>43</sup> “Ottawa Post-Secondary Students Appreciate Tuition Freeze, but Fear ...” | <https://ottawacitizen.com/news/local-news/ottawa-post-secondary-students-appreciate-tuition-freeze-but-fear-international-learners-will-have-to-account-for-it>.

<sup>44</sup> “Ottawa Post-Secondary Students Appreciate Tuition Freeze, but Fear ...”



levels<sup>45</sup>.

Given the climate of some [this] governments view of international students and the xenophobia imposed on them, without increasing provincial funding to the post-secondary sector, University and College's ability to continue providing tuition freezes [for both domestic and international] may not be a sustainable option for much longer. However, given the argument of financial sustainability and the continued underfunding of the post-secondary sector, these two educational institutions chose to provide quality education that was also equitable, accessible, inclusive, and affordable – demonstrating the dismantling of bureaucratic rigidity.

### **Solution 3: Capping Tuition Increases for International Students**

While institutions are not mandated to increase tuition for international students, they have continued to do so even when posting operational surpluses<sup>46</sup>. Much of this continued reliance on international students for revenues and surpluses is downstream of government regulatory and funding decisions. In particular, the concomitant pairing of continued defunding of postsecondary education at the provincial level, and the increased reliance on international students has created a framework where institutions, though in no need to increase tuition rates in the immediate, have become dependent on international tuition revenues increasing.

In part, this dependence has been driven by tuitions regulatory framework at the provincial level. **While domestic student tuition in Ontario is restricted to 3% increases<sup>47</sup>, international students can see increases of up to 20% annually.<sup>48</sup>** This has created several distorted incentives for Ontario colleges to drive international enrolment, and capitalize on the regulatory framework, while creating the

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<sup>45</sup> "Ottawa Post-Secondary Students Appreciate Tuition Freeze, but Fear ..."

<sup>46</sup> Devitt and Mackay, '2021 Update on Education in Ontario Colleges'.

<sup>47</sup> The 3% number is for the general student population. Individual, high demand programs can see higher increases, insofar as they do not increase the general student increase above 3%.

<sup>48</sup> Ministry of Training, Colleges and Universities, 'Tuition and Ancillary Fees Minister's Binding Policy Directive: Colleges of Applied Arts and Technology Policy Framework' (2019), <https://files.ontario.ca/mcu-tuition-and-ancillary-fees-ministers-binding-policy-directive-sept2019-en-2022-02-22.pdf>.



conditions for the province to continue to lessen its funding for institutions<sup>49</sup>. As the auditor general noted in their 2021 report,

*““In 2020/21, public colleges received a total of \$1.7 billion in tuition fees from international students, enrolled at both their home and public-private college partnership campuses, which represented 68% of colleges’ total tuition fee revenue. Meanwhile, international student enrolment represented 30% of the total student enrolment.”<sup>50</sup>*

**The auditor general, and several others have subsequently questioned the sustainability of this model moving forward<sup>51</sup>.**

**In order to begin to lessen their reliance on international student fees moving forward, and alleviate the financial burden on international students, the province of Ontario should seek to set restraints on institutions ability to increase international tuition, limiting international tuition increases to 3% annually, similarly to domestic tuition increases.**

Table 4: Actual vs. Proposed increases to international tuition in Ontario Colleges, 2018/19 to 2020/21

<b>Tuition Increases: International Students</b>	<b>2018/19 Average Tuition in Ontario Public Colleges</b>	<b>2019/20 Average Tuition in Ontario Public Colleges</b>	<b>2020/21 Average Tuition in Ontario Public Colleges</b>
<b>3% annual limit</b>	\$ 13,265	\$ 13,663	\$ 14,072
<b>Actual increases</b>	\$ 13,265	\$ 13,807	\$ 14,306

Placing a 3% limit on tuition increases for both domestic and international students would be a commitment to equity, inclusiveness, and create a less exploitative learning environment for international students. Alternatively, tying student’s tuition increases to wage growth indicators, like the median hourly wage rate of Ontario workers, would more accurately appraise student’s ability to attain the material needs to afford their schooling, as opposed to inflationary trends in the economy more broadly, as wages have lagged behind inflation<sup>52</sup>.

<sup>49</sup> Charles M. Beach and Frank Milne, ‘Ontario Post-Secondary Education Funding Policies: Perverse Incentives and Unintended Consequences’, Working Paper (Queen’s Economics Department Working Paper, 2019), <https://www.econstor.eu/handle/10419/230577>.

<sup>50</sup> Office of the Auditor General of Ontario, ‘Value for Money Audit: Public Colleges Oversight’, 2.

<sup>51</sup> Usher, ‘Community College Revenues, 2019-20’; Friesen, ‘Bulk of College Tuition in Ontario Comes from International Students, Auditor-General Says’.

<sup>52</sup> ‘Are Wages Keeping up with Inflation?’, accessed 19 July 2022, <https://www.hrreporter.com/focus-areas/compensation-and-benefits/are-wages-keeping-up-with-inflation/365752>.



## Solution 4: Disclose International Student Tuition Revenue

Currently, colleges do not publicly delineate the revenues sourced from domestic students' tuition and related fees, versus revenues sourced from international students in their publicly available financial statements and reports. As such, stakeholders with a vested interest in the long-term financial stability of these institutions are presented an incomplete picture of Ontario college financials. This is a problematic non-disclosure that hides what could be a catastrophic overinvestment by any one institution, particularly in light of the Auditor General's Value for Money audit of Ontario Colleges, which highlighted:

*“a high reliance on international student enrolment by public colleges poses risks outside of the Ministry's and the public college sector's control, such as the potential loss of a large number of students if individuals from one country were to suddenly not be able to obtain study visas or otherwise be restricted from entering Canada.”<sup>53</sup>*

**Ontario colleges should, in the interest of transparency to financial and social stakeholders in the long-term viability of these institutions, disclose the percentage of their tuition revenue being sourced from international students or be mandated to by the Ministry.** Ontario colleges are essential component parts of the communities they find themselves embedded in. They bring in new residents to municipalities, new labourers to employers, and are an intellectual and cultural lifeblood. These community stakeholders, from municipalities, employers, and neighbours, have a stake in the long-term stability of these educational institutions, and whether the long-term planning of Ontario colleges is embedded in an unsustainable international enrollment model.

## Solution 5: Eliminate or Mandate and Regulate the Communication of International Student Recovery Levies

The factors determining the costs of international students' ancillary fees are often highly dependent on the classification of fees vs. tuition determinations made at the administrative level of an institution. A revelatory example is the case of international student recovery fees and how they are levied across Ontario. Institutions that intake international students are required to pay an annual \$750 according to the

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<sup>53</sup> Office of the Auditor General of Ontario, 'Value for Money Audit: Public Colleges Oversight', 1.



regulatory framework of institutional funding in Ontario.<sup>54</sup> This international student recovery fee is the privatization of previously provincially subsidized costs of PSI, clawed back in the 2012 provincial budget when the then Liberal government “identified a reduction in indirect support, through operating grants that the government provides to non-PhD international students, as well as the elimination of subsidies for non-PhD international students provided to institutions to pay for municipal taxation instead of property taxes.”<sup>55</sup>

(\$ Millions)	2012-13	2013-14	2014-15	3-year total
Eliminating Study-Abroad Scholarships and Reducing Support to Institutions for Non-PhD International Students	(4.0)	(27.4)	(44.1)	(75.4)

Figure 1 - Budget Line Eliminating Subsidies for Non-PhD International Students

In the absence of government funding, the international student recovery fee and municipal tax fees were instituted by some Ontario PSIs to recover the reduction of government funding for incoming students<sup>56</sup>. However, how these fees have been levied on international students is not uniform. Of 23 Ontario colleges reviewed, only five colleges (College Boreal, Confederation College, Conestoga College, Georgian College, Mohawk College) include these fees in their ancillary fee schedule. Other institutions, like St. Lawrence college, explicitly state that the cost is included in their tuition rates for international students. Most institutions say nothing of an international student recovery or municipality fees. Subsequent correspondence with the Ministry of Colleges & Universities and other stakeholders failed to shed light on the history of this fee or provide insight on the uniformity – or lack thereof- of its implementation and communication<sup>57</sup>.

The inconsistency and varying levels of transparency across fee structures create a distorted fee environment. An international student looking to enroll at Confederation college may be dismayed by the additional fees for international students; meanwhile, and uncommunicated to them from institutions, they can likely expect to pay this fee at every college in the province by one or another means. In order for international students to have a better understanding of the fees and costs they are paying, the Ministry of

<sup>54</sup> The PIE News, “International Education News | The PIE News | International Funding Cut for HE Sector in Ontario,” accessed May 19, 2022, <https://thepienews.com/news/international-funding-cut-for-he-sector-in-ontario/>.

<sup>55</sup> Custor.

<sup>56</sup> OCAD University, ‘OCAD University: 2017/18 Operating Budget and Accompanying Schedules and Notes’, Budget (OCAD University), accessed 4 July 2022, [https://www.ocadu.ca/sites/default/files/legacy\\_assets/content/accountability/Operating%20Budget%202017-2018.pdf](https://www.ocadu.ca/sites/default/files/legacy_assets/content/accountability/Operating%20Budget%202017-2018.pdf).

<sup>57</sup> Cisco Watson, ‘Inquiry: Conestoga Students Incorporated - International Recovery Fees & Ancillary Fees’, 25 May 2022.



Colleges and Universities should regulate the communication of international recovery fees charged by Ontario institutions to their international students.

**An easy solution to this regulatory vacuum for international recovery fee costs would be eliminate the fee. Alternatively, if it is to be maintained, the Ministry of Colleges and Universities should incorporate the international recovery fee into the existing Tuition and Operating Fee framework established and regularly updated by the Ministry.** This framework outlines the criteria and guidelines by which domestic students can be charged essential fees, and the essential fees that students must be made aware of. By incorporating communication of international student recovery fees into this framework, the Ministry can create a mechanism by which they can ensure Colleges are transparent in their levy of international recovery fee's.

## **Solution 6: Increasing Postsecondary Core Funding and Indexing to Inflation**

Core funding for postsecondary institutions is a foundational component to the development and maintenance of a public postsecondary system. The funding of Ontario's postsecondary institutions has undergone a notable shift in the last forty (40) years from being majority public-funded, to an overwhelming reliance on tuition. This change is a marked shift from where institutions have historically received their funding highlighting a notable shift in government stakeholders' conception of education.

Historically, Ontario colleges were funded primarily through public funding, with the Ontario government being the primary financier, in addition to federal educational transfers assisting this public expenditure.<sup>58</sup> Beginning in the 1970s, federal education transfers to the province began to decline as a percentage of the gross domestic product or spending power of the federal government. Measured as a proportion of the country's GDP, federal transfers to the province totaled 0.49% of GDP in 1983-84, declining to 0.41% by 1992-93, and remaining stagnant at roughly .2% to the present.<sup>59</sup>

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<sup>58</sup> Canadian Association of University Teachers, "Federal Cash Transfers for Post-Secondary Education (% of GDP)," November 2020, <https://www.caut.ca/resources/almanac/2-canada-provinces>; Canadian Association of University Teachers, "Provincial Government Funding Per FTE Student (\$2017)" (Canadian Association of University Teachers), accessed December 8, 2021, <https://www.caut.ca/resources/almanac/2-canada-provinces>.

<sup>59</sup> "2. Canada and the Provinces | CAUT," accessed January 19, 2022, <https://www.caut.ca/resources/almanac/2-canada-provinces>.



At the same time that federal funding to the provinces has declined and then stagnated, tuition prices have soared.<sup>60</sup> The federal government isn't the only government which has declined to adequately fund postsecondary education in Canada, as provincial governments have radically reduced their funding. Ontario is a case in point.

**Ontario per student funding as a percentage of GDP has barely increased (.2%) since 2002. Operating grants from the province to colleges have stayed approximately the same since 2007, meaning that in real dollars,<sup>61</sup> colleges in Ontario have withstood a substantial decrease in funding in the past 15 years. Government funding for Ontario colleges has been far below inflation for nearly 30 years at least; in the last 20 years, provincial funding per student increased by only 1.8% from 2002 in real dollars, representing an increase in funding far below inflation.<sup>62</sup> To elaborate further, full-time equivalent funding for Ontario colleges was \$6,515 in 1992, versus \$9,600 in 2019;<sup>63</sup> in real dollars this represents a nearly 20% reduction in funding per student.**

However, this operating grant decrease from the province can and has been offset several times by the overwhelming increase in college revenue from tuition. For example, as of the 2021 financial year, Conestoga College received only 23.86% of its operating revenue through provincial and other government grants.<sup>64</sup> On the other hand, tuition and fees supplied 67.57% of Conestoga's operating revenue, representing approximately \$313,000,000 million dollars.<sup>65</sup> The total revenue for Conestoga College in 2021 was \$463,461,828, including an over \$50-million-dollar surplus.<sup>66</sup>

The Ontario government, since the 1990s has believed it is the responsibility of the student/individual to own the costs of their education, as

*“The provision of postsecondary education meets society’s need for a trained workforce; it also increases students’ potential earning power and provides them with additional*

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<sup>60</sup> Canadian Federation of Students - Ontario, “The Impact of Government Underfunding on Students,” July 2015, <https://cfsontario.ca/wp-content/uploads/2017/07/Factsheet-Underfunding.pdf>.

<sup>61</sup> Dollars in keeping with inflation.

<sup>62</sup> Canadian Association of University Teachers, “Provincial Government Funding Per FTE Student (\$2017).”

<sup>63</sup> Devitt and Mackay, ‘2021 Update on Education in Ontario Colleges’.

<sup>64</sup> Conestoga College Institute of Technology and Advanced Learning, ‘Consolidated Financial Statements: March 31, 2022’, INDEX OF CONSOLIDATED FINANCIAL STATEMENTS Year Ended March 31, 2022 (Conestoga College Institute of Technology and Advanced Learning, 31 March 2022), <https://www-assets.conestogac.on.ca/documents/www/about/college-reports/2021-22-financial-statements.pdf>.

<sup>65</sup> Conestoga College Institute of Technology and Advanced Learning.

<sup>66</sup> Conestoga College Institute of Technology and Advanced Learning.



*opportunities for personal fulfilment. The question of whether society or the individual benefits most is considered by some to have a bearing on fee policy. If individuals are seen to reap most of the benefits, it is argued, they should pay a greater share of the cost than they do at present.*<sup>67 68</sup>

As a result, colleges have moved to more profit-centric funding model. This negatively impacts students, who will be driven to pay more out of their own pockets to make up for this startling lack in government expenditures on the upfront cost of their education, and the downstream effects of a for-profit model being imposed on a public good. The reliance on for-profit education models has driven institutions to rely on international student tuition to make up for the absence of government funding.<sup>69</sup>

International student tuition continues to make up an ever-greater portion of Ontario college revenue. As government funding for postsecondary education continues to decrease and the tuition funding model remains primary, postsecondary institutions, politicians, and governments will continue to see international students as their primary source of revenue in the absence of increases to core funding. **Therefore, the government should increase core funding to Ontario colleges to compensate for the 20% loss in funding per student in real dollars since 1992 and index core funding to inflation.**

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<sup>67</sup> Ministry of Education and Training, “Future Goals for Ontario Colleges and Universities: Discussion Paper” (Ministry of Education and Training, July 1996), <https://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.26.3723&rep=rep1&type=pdf>.

<sup>68</sup> It is noted that there have been momentary changes in the government’s stated intentions toward postsecondary education in the province. The policy changes of the McGuinty and Wynne governments, respectively, attempted to redefine postsecondary education as an investment in Ontario’s economy, with the Wynne government framing the Ontario Student Grant program as “Breaking down barriers to postsecondary education is part of the government’s economic plan to build Ontario up and deliver on its number-one priority to grow the economy and create jobs.” The shift from education as a public good, to private investment, to public economic investment is notable, and while the ideological difference between private investment and public economics is minimal, the effects are certainly more equitable in the latter.

<sup>69</sup> Beach and Milne, “Ontario Post-Secondary Education Funding Policies.”

## Solution 7: Eliminating Differential Tuition up to the Subsidized Value of Domestic Tuition, Through a Multi-year, Phased-in Approach

As Ontario colleges have transitioned to a reliance on international students as a primary revenue source for their long-term sustainability, most colleges have also continued to accumulate surpluses on the backs of these students. Through these surpluses, it can be inferred that the current tuition rates being charged to international students are over and above the equivalent domestic student tuition value when combined with government subsidies. As Ontario Colleges do not disclose international tuition revenue separately from domestic tuition revenue, it is difficult to examine the exact amount they are charging for tuition and its breakdown to compare to domestic subsidized tuition. Therefore, it is not possible to state this is applying at each college in Ontario.

To demonstrate that the College sector as a whole is overcharging international students to fund expansions and capital improvements, a comparison can be made between the average domestic tuition plus government subsidy and the average international student's tuition. According to Ontario's Auditor General, international students enrolled in Ontario colleges in 2020/2021 could expect to pay \$14,306 on average, compared to \$3,228 per domestic student.<sup>70</sup> In 2019, Ontario Colleges received \$9,600 per full-time equivalent domestic student consisting of student paid tuition fees and government subsidies.<sup>71 72</sup> **Together, the average domestic student's tuition and government subsidy equates to \$9,600, representing an approximate \$4,700 difference between the comparable cost of tuition for domestic and international students after accounting for government support.**

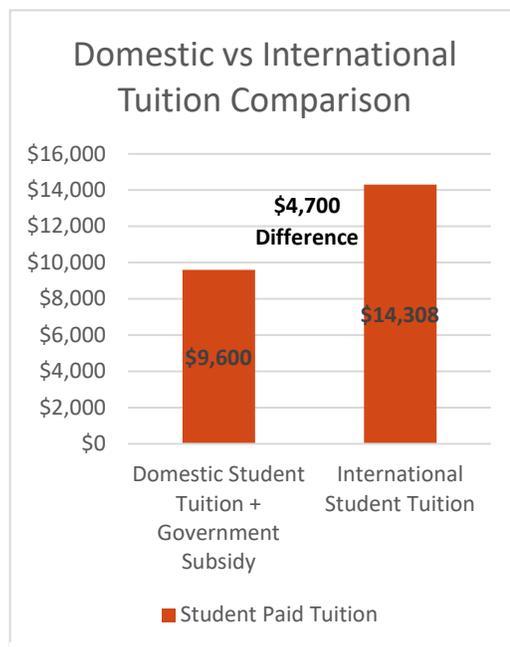


Figure 2 - Comparison of the value of tuition between domestic and international students when accounting for

<sup>70</sup> Office of the Auditor General of Ontario, "Value for Money Audit: Public Colleges Oversight," 13.

<sup>71</sup> Colleges Ontario, 'College Resources: 2020 Environmental Scan', 2020, <https://files.eric.ed.gov/fulltext/ED610776.pdf>.

<sup>72</sup> Devitt and Mackay, '2021 Update on Education in Ontario Colleges'.



As of 2019/2020, the Ontario college system hosted 102,150 international students.<sup>73</sup> **If a tuition reduction to the equivalent domestic pre-subsidized tuition rate was mandated, the Ontario college sector's revenue would have been reduced by approximately \$480 million (\$480,105,000) in 2019/2020<sup>74</sup>. This would be more the total surplus \$330.61 million surplus recorded by the sector in 2019/2020.<sup>75</sup>**

**To support an affordable and equitable tuition structure for international students, Ontario colleges should, or the Ministry should mandate that Ontario colleges should, eliminate differential tuition up to the subsidized value of domestic tuition, through a multi-year, phased-in approach.** It is recommended this be a 5-year phase in requirement starting September 2023 that would see approximately \$940 per year reductions in international tuition costs across the sector, if all other costs and funding remain the same.

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<sup>73</sup> Statistics Canada Government of Canada, 'Postsecondary Enrolments, by Status of Student in Canada, Country of Citizenship and Classification of Instructional Programs, STEM and BHASE Groupings', 24 November 2021, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710018401>.

<sup>74</sup> Using the estimated value of \$4,700 difference between domestic and international tuition equivalent costs, we can multiply this per student figure by the 2019/2020 international student population in Ontario colleges (102,150) to determine the estimated financial impact on the Ontario College sector's revenue.

<sup>75</sup> Office of the Auditor General of Ontario, 'Value for Money Audit: Public Colleges Oversight'.



## Conclusion

It has been observed that many policies created for post-secondary institutions are framed in terms of system design, often reflecting on strategy and management, technical even, instead of framing them from a human perspective. Often, the policies implemented across public sectors are indicative of the political climate, which play a critical role in how policies frame problems and how those “problems” intersect with the political platforms. For example, “tuition freezes” have been framed in terms of accessibility and affordability, highlighting the importance of minimizing cost for students. However, tuition freezes actively exclude a large portion of students, namely international, and actually serve important political functions under that notion, which go beyond educational and social goals of accessibility and affordability.

If the tout of post-secondary education across Ontario colleges is one of accessibility and affordability for *all* students, “all students” is inaccurate when the statement really means “domestic students only”. Ontario colleges and the Ministry of Colleges and Universities have the choice to engage both domestic and international students however, that means actively advocating for the students they represent and provide opportunities of higher learning and economic development.



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