



**TIME TO
BE BOLD.**

EDUCATION FOR ALL.

FEBRUARY 2019

CANADIAN FEDERATION OF STUDENTS

cfs fcée

CANADIAN FEDERATION OF STUDENTS

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CANADIAN FEDERATION OF STUDENTS

The Canadian Federation of Students is Canada's largest and oldest student organization, uniting over 500,000 college, undergraduate and graduate students from coast to coast. The Federation and its predecessor organizations have advocated for the interests of post-secondary students in Canada for more than 90 years. The Federation's ultimate goal is to achieve a universal system of high-quality, public, tuition-free post-secondary education in Canada for domestic and international students. This system would include adult education, apprenticeships for skilled trades and diploma or degree programs in colleges and universities.

BRITISH COLUMBIA

Kwantlen Student Association

College of the Rockies Students' Union

PRAIRIES

Alberta College of Art and Design
Students' Association

Graduate Students' Association of the
University of Calgary

First Nations University of Canada
Students' Association

University of Regina Students' Union

University of Saskatchewan Graduate
Students' Association

Brandon University Students' Union

University of Manitoba Students' Union

University of Manitoba Graduate
Students' Association

Association étudiante de l'Université de
Saint-Boniface

University of Winnipeg Students'
Association

ONTARIO

Algoma University Students' Union

l'Association des étudiantes et étudiants
de l'université de Hearst

Association général des étudiantes et
étudiants du Collège Boréal

Brock University Graduate Students'
Association

Carleton University Students'
Association

Carleton University Graduate Students'
Association

Student Association of George Brown
College

Glendon College Student Union

University of Guelph Central Student
Association

University of Guelph Graduate Students'
Association

Lakehead University Student Union

Laurentian Association of Mature and
Part-Time Students

Laurentian University Graduate Students'
Association

Laurentian University Students' General
Association

Association des étudiantes et
étudiants francophones de l'Université
Laurentienne

Laurentian Students' Union

Nipissing University Student Union

Ontario College of Art and Design
Student Union

Student Federation of the University
of Ottawa - Fédération étudiante de
l'Université d'Ottawa

Graduate Students' Association des
étudiant(e)s diplômé(e)s de l'Université
d'Ottawa

Queen's University Society of Graduate
and Professional Students

Ryerson Students' Union

Continuing Education Students'
Association of Ryerson University

Saint Paul University Students'
Association

University of Toronto Scarborough
Campus Students' Union

University of Toronto Graduate Students'
Union

University of Toronto Students' Unio.

University of Toronto Mississauga
Students' Union

Association of Part-Time Undergraduate
Students at the University of Toronto

Trent Central Student Association

Society of Graduate Students of the
University of Western Ontario

Wilfrid Laurier University Graduate
Students' Association

University of Windsor Students' Alliance

University of Windsor Graduate Students'
Society

University of Windsor Organization of
Part-time University Students

York Federation of Students

York University Graduate Students'
Association

MARITIMES

Cape Breton University Students' Union

Dalhousie Association of Graduate
Students

Holland College Student Union

King's Students' Union

Mount Saint Vincent University Students'
Union

University of New Brunswick Graduate
Students' Association

Student Union of NSCAD

University of Prince Edward Island
Student Union

University of Prince Edward Island
Graduate Student Association

Association générale des étudiants de
l'Université Sainte-Anne

NEWFOUNDLAND AND LABRADOR

Grenfell Campus Student Union

Marine Institute Students' Union

Memorial University of Newfoundland
Students' Union

Graduate Students' Union of the
Memorial University of Newfoundland

College of the North Atlantic Students'
Union

PREFACE

Thank you for meeting with representatives from the Canadian Federation of Students. As we anticipate the release of Budget 2019, we are meeting with MPs and Senators to discuss our proposals for a more accessible, high-quality system of post-secondary education in Canada. If you were unable to meet with us this year, we hope you take the time to review this document and contact us with any follow-up questions you may have.

We hope that the recommendations in this document inform electoral platforms moving into the 2019 federal election. Following a robust get-out-the-vote campaign prior to the last federal election, youth voter turnout saw an unprecedented increase of 18.3 percentage points, from 38.8 percent in 2011 to 57.1 percent in 2015.

In 2019, students will again be heading to the polls in unprecedented numbers, motivated by bold policy proposals that prioritize affordable, universal public services, Indigenous reconciliation, and climate action.

The time to be bold is now. Students are demanding education for ALL.

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EXECUTIVE SUMMARY: POST-SECONDARY EDUCATION IN CANADA

Canadians utilize our post-secondary education system to a high degree but the current system requires that students take on unprecedented and life-altering debt loads to obtain an education that is increasingly a necessity in our modern economy. Bold national leadership is required to transform the current piecemeal funded system into a high-quality, well-resourced system that will benefit not only students, but Canada as a whole.

Today, Canada ranks among the top countries in the world for its proportion of citizens with post-secondary education training. Between 2005 and 2017 participation in Canada's post-secondary education system increased from 46 to 57 percent, the highest rate among OECD countries.¹ In 2013-14, federal expenditures on post-secondary education totaled approximately \$12.8 billion. The Parliamentary Budget Office estimates that, based on commitments in Budget 2016, these investments in post-secondary education will rise to over \$15.7 billion by 2020-21. Federal expenditures on post-secondary education are not insignificant. Canada currently allocates 2.5 percent of its GDP to post-secondary education, which is higher than the OECD average of 1.6 percent.²

It is these facts that are used to celebrate Canada's post-secondary education system, but it is important to analyze how this funding is allocated. In 2015, 60

¹ <https://www150.statcan.gc.ca/n1/pub/81-604-x/2018001/hl-fs-eng.htm>

² <https://www150.statcan.gc.ca/n1/pub/81-604-x/2018001/hl-fs-eng.htm>

percent of post-secondary students came from the upper 40 percent of income earners, and for lower-income students, pursuing post-secondary education today comes at a tremendous cost. As Charts 1-3 illustrate, tuition revenue has tripled in the past fifteen years, while total public student debt reached over \$36 billion by 2016,³ of which over \$18 billion is owed to the federal government.⁴ This has quickly risen from \$19 billion in 1999 and from \$29 billion in 2012, and does not capture privately-held student debt.

Post-secondary education is a right of Indigenous people, a promise Canada has committed to through treaties, the United Nations Declaration on the Rights of Indigenous People (UNDRIP), and the Truth and Reconciliation Commission. The first federal program for First Nations and Inuit post-secondary education

³ <https://www150.statcan.gc.ca/n1/daily-quotidien/171207/t002b-eng.htm>

⁴ http://www.osfi-bsif.gc.ca/Eng/Docs/CSLP_2017.pdf

support was created with the intention of facilitating Indigenous students' access to post-secondary education and also to alleviate the financial barriers faced by Indigenous students such as the costs of tuition fees, textbooks, school supplies, travel and living expenses.

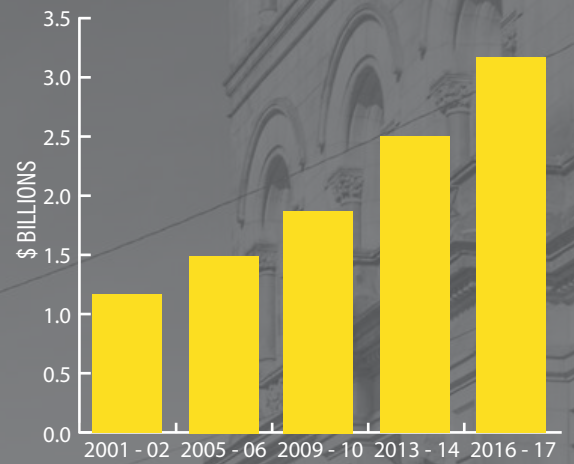
To create a system of accessible, high quality post-secondary education, the federal government must move away from piecemeal reforms and a funding model that downloads costs onto individuals. Students are calling on all federal parties to commit to reinvesting in public post-secondary education to end crushing debt associated with pursuing an education.

This document outlines the following key recommendations for the federal government to implement and maintain a universal system of post-secondary education that ensures a prosperous and equitable future for generations to come:

- 1. Eliminate tuition fees for all students and restore core federal funding for post-secondary education.**
- 2. Honour Canada's treaty commitments on post-secondary education for Indigenous peoples.**
- 3. Increase funding for graduate students and support fair dealing in the Copyright Act.**

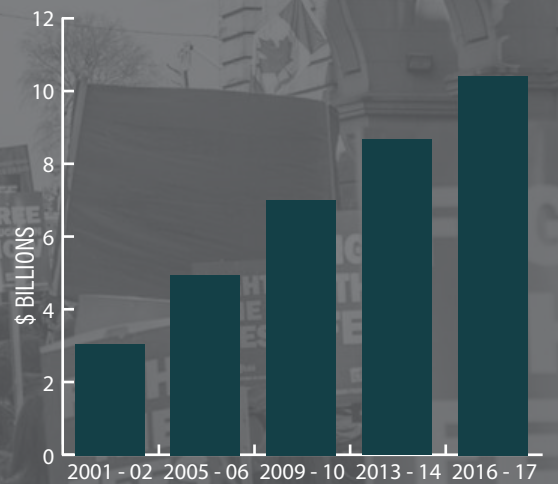


Chart 1: College Tuition Revenues



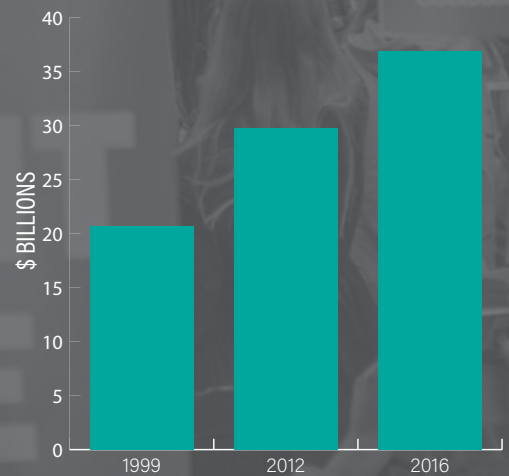
Statistics Canada, Table 37-10-0028-01 Revenues of community colleges and vocational schools (x1,000)

Chart 2: University Tuition Revenues



Statistics Canada, Table 37-10-0026-01 Revenues of universities and degree-granting colleges (x1,000)

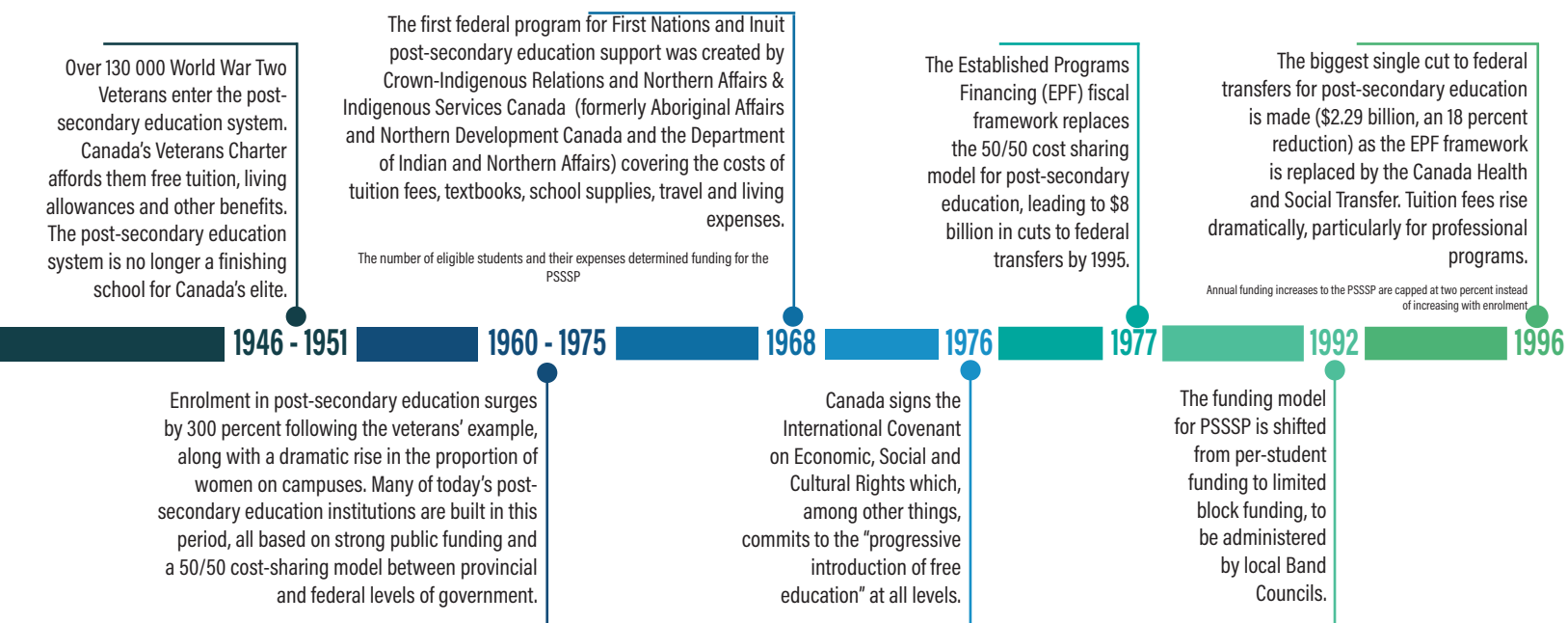
Chart 3: Public Student Loan Debt
(Federal and Provincial)



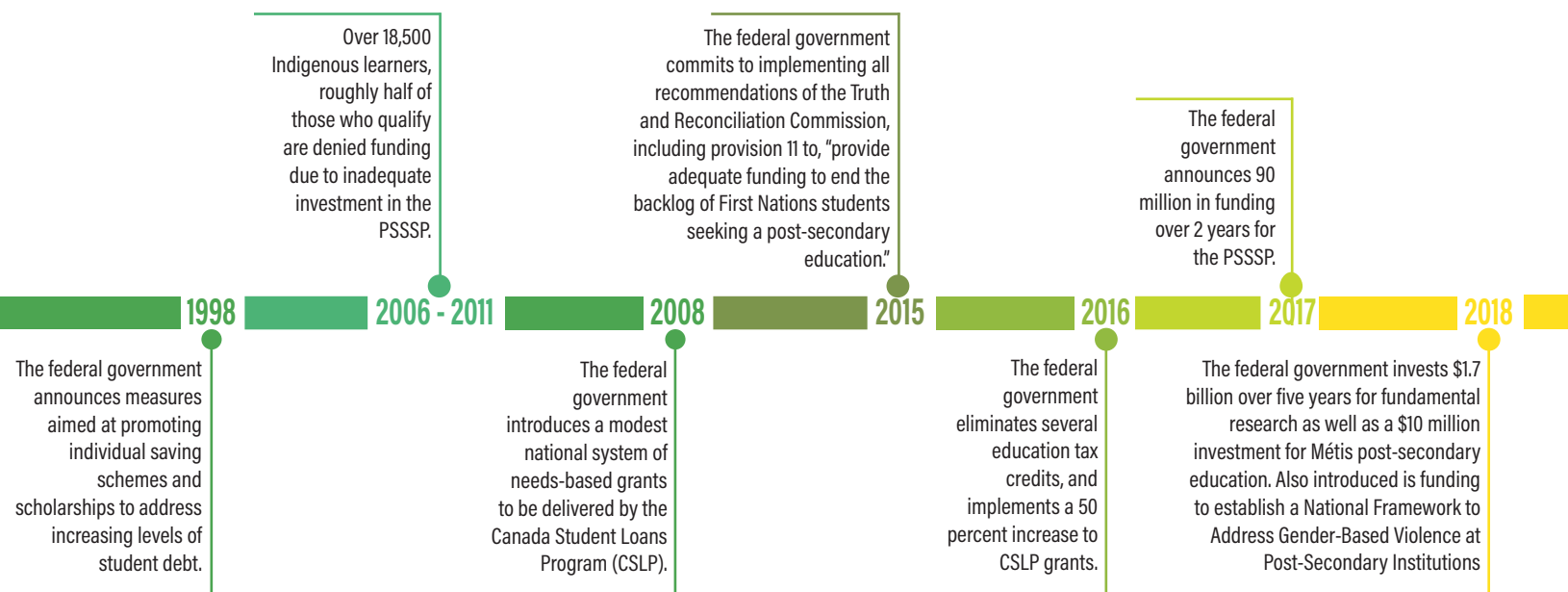
Statistics Canada, Table 11-10-0016-01 Survey of Financial Security (SFS), assets and debts held by economic family type, by age group, Canada, provinces and selected census metropolitan areas (CMAs) (x1,000,000)

TIMELINE:

THE SHIFT FROM A PUBLIC TO “PUBLICLY-POST-SECONDARY EDUCATION SYSTEM



ASSISTED"





RECOMMENDATION 1: **FEDERAL FUNDING, TUITION FEES, AND STUDENT DEBT**

FEDERAL CUTBACKS LEAD TO RISING TUITION FEES AND STUDENT DEBT

***\$ 36,000,000,000
NATIONAL PUBLIC
STUDENT DEBT***

The deep federal cuts made to post-secondary education in the 1980s and 1990s were never restored. In most provinces, austerity was downloaded onto students in the form of massive tuition fee increases. While all students in Canada have faced dramatic fee increases, tuition fees for international students have become particularly burdensome with all provinces moving to a system of differential tuition fees. This policy has ballooned in practice with international students paying, on average, three times that of domestic students for the same education. International students are seen as cash injections for a starved system, instead of people with valuable experiences who enrich our campuses and communities. Average undergraduate international tuition fees rose to \$27,159 per year in 2018.

For most students, who are unable to afford these high up-front costs, pursuing an education requires incurring life-impacting levels of debt. Total public student debt in Canada reached \$36 billion in 2016. This number does not include

student debt from private sources. The amount owed to the federal Canada Student Loan Program (CSLP) alone is over \$18 billion and is increasing by nearly \$1 million per day. If this system persists, by 2020-21, it is estimated that over 510,000 students will be forced to resort to the CSLP and the amount of federal student loans issued in a single year will exceed \$3 billion.⁵

The financial burden of high tuition fees is exacerbated for graduate students by substantial debt accumulated from earlier degrees. At the time of graduation in 2010, masters students owed an average of \$23,900, while doctoral students owed an average of \$41,100. On top of public debt, more graduate students are relying heavily on private sources for loans. According to the most recent National Graduate Survey, the average amount of private debt for a doctoral graduate has more than doubled in ten years, from \$19,300 to \$40,100.

⁵ http://www.osfi-bsif.gc.ca/Eng/Docs/CSLP_2017.pdf

AVERAGE DOMESTIC UNGERGRADUATE TUITION FEES IN CANADA, 2018-19

CANADA
\$6,838



- BRITISH COLUMBIA - \$5,782
- ALBERTA - \$5,744
- SASKATCHEWAN - \$7,522
- MANITOBA - \$4,501
- ONTARIO - \$ 8,838
- QUEBEC - \$2,961
- NEW BRUNSWICK - \$7,108
- NEWFOUNDLAND - \$2,885 & LABRADOR
- PRINCE EDWARD ISLAND - \$6,614
- NOVA SCOTIA - \$8,153

INSTITUTION	DOMESTIC TUITION	INTERNATIONAL TUITON	PRICE DIFFERENCE
Dalhousie University - Dentistry	\$25,486	\$51,008	100%
Seneca College - Aviation Technology	\$19,965	\$76,104	281%
McMaster University - Medicine	\$27,922.18	\$95,000	240%
University of Manitoba - Asper MBA	\$33,966.45	\$46,469.45	36%
Univeristy of British Columbia - B.Ed.	\$12,024.60	\$50,916.52	323%
Kwantlen Polytechnic - PR Diploma Program	\$2,126.70	\$9,879.45	364%

“Engineering is my passion but tuition fees makes it look like a dream.”

- Student, University of Manitoba

PIECEMEAL REFORMS DO NOT ADDRESS HIGH UP-FRONT COSTS

Since the 1990s, the federal government has shifted expenditures away from universal access towards piecemeal programs which have resulted in the burden being placed on students in the form of increased tuition fees, the result: a system that is less accessible. The 1998 federal budget established the Canada Education Savings Grant, the Canada Study Grant and the Canada Learning Bond, as well as tax credits designed for tuition, textbooks and student loans. These programs encouraged Canadians to save for post-secondary education by providing federal subsidies, and are touted as assisting low and middle-income Canadians with accessing post-secondary education.

However, research has shown that these programs are not being utilized by families who need them most. In 2015, families from the highest income quintile received \$780.5 million (37.7 percent) of the money spent on the (now eliminated) tuition, textbook, education and student loan interest tax credits. Federal government expenditure on RESP contributions, amounting to over \$1.1 billion in 2013-2014, also

predominantly benefitted middle- and high-income families. In 2013, 49 percent went to families with household incomes exceeding \$90,000, while 32 percent went to families earning more than \$125,000.

Individual saving schemes do not benefit the low and middle-class, in fact, these students are forced to finance their education through debt. These students end up paying more for their education overall than those students who have the resources to pay the full costs up-front. The Canada Student Loans Program (CSLP) also charges the highest interest rates for student debt in Canada: prime plus 5 percent for a fixed interest rate, or prime plus 2.5 percent for a floating interest rate. In 2017-2018, the CSLP was projected to generate \$862.6 million in interest on student loans.⁶

The federal government has taken some steps in the right direction. In 2008, the ineffective Millennium Scholarship Fund was replaced with a system of modest needs-based student grants to be administered by the CSLP. Funding for these grants



In 2013, 49 percent of RESPs went to families with household incomes exceeding \$90,000 while 32 percent went to families earning more than \$125,000.

were increased by 50 percent in the 2016 federal budget, a change that was funded by the elimination of several post-secondary education tax credits. While these investments are important, such reform will never catch up to demand unless accompanied by sufficient, sustainable public funding to the provincial and territorial governments.

Although Canada has a publicly-assisted system of post-secondary education it is one that continues to burden students with high fees and increased debt.

⁶ <https://www.canada.ca/en/employment-social-development/services/education/student-loan/interest-rates.html>



RECOMMENDATION:

The federal government must make public education accessible to all students and create a universal system of post-secondary education :

- Restore federal transfers to provinces and territories for post-secondary education to 1992 levels to address a \$2.29 billion cut in 1996, and enrolment/inflation growth since.
- Establish an ongoing transfer to the provinces and territories to eliminate tuition fees.
- Eliminate interest rates on direct loans through the CSLP and provide Stage 2 assistance for all CSLP borrowers five years after graduation (which involves reducing the principal of a loan holder's debt). Part-time students (like full-time students) will not be required to pay back CSLP debt until six months after graduation. Graduate students will also be able to qualify for grants available through the CSLP.
- Invest in skilled trades, apprenticeship training, adult basic education and language learning programs.
- Introduce a federal *Post-Secondary Education Act*, which will be modeled on the *Canada Health Act*.

Cost: \$10.7 billion (\$5.2 billion in new funding)

RECOMMENDATION 2: **INDIGENOUS ACCESS TO EDUCATION**

In 2016, the Assembly of First Nations estimated a backlog of 10,000 Indigenous students waiting for PSSSP funding.

Post-secondary education is a right of Indigenous people. This right was guaranteed in several foundational nation-to-nation treaties, first asserted in the Royal Proclamation of 1763, and was reaffirmed as a constitutional right in the *Constitution Act of 1982*. Article 14 of the United Nations Declaration on the Rights of Indigenous Peoples, endorsed by Canada in 2012, identifies education as an inherent right of Indigenous people. Most recently, the Truth and Reconciliation Commission calls for action on Indigenous students' access to postsecondary education, including for the government to "provide adequate funding to end the backlog of First Nations students seeking a post-secondary education."

Indigenous youth are the fastest growing demographic in Canada, yet funding for their post-secondary education has remained stagnant. For over 20 years, subsequent federal governments have chosen to continue a restrictive two percent cap on the Post-Secondary Student Support Program (PSSSP)—a federal initiative that distributes non-repayable financial support to Indigenous students attending post-secondary education. The rising cost of living and annual increases to tuition fees

far outpacing available funding.

In 2013-14, total expenditure on Indigenous post-secondary education was \$342 million. According to the Parliamentary Budget Office, there had actually been a slight decline in this funding, when inflation-adjusted, since 2004-05. While the Budget 2017 included \$90 million of funding over two years for the PSSSP, this additional funding falls short of the current government's 2015 election promise of injecting the program with \$50 million annually. If no changes are made to the funding structure, this program will continue to fall short of Canada's treaty obligations and continue to prevent Indigenous learners from accessing post-secondary education.

The failure of successive governments to uphold the responsibility for Indigenous peoples' access to education has left an ever widening gap in quality of life between Indigenous and non-Indigenous people. Educational attainment levels among Indigenous peoples remain significantly lower than that of the non-Indigenous population. According to the 2011 National Household Survey (NHS), less than 50 percent of Indigenous

women over the age of 25 have a post-secondary degree, compared to 73 percent of non-Indigenous women. Only 46 percent of Indigenous men have a post-secondary degree, compared to 65 percent of non-Indigenous men.⁷

Poverty and under-funding on reserves continue to compound the struggle for educational attainment at the elementary and secondary levels. Given the intergenerational trauma caused by the residential school system in Canada many Indigenous students maintain a distrust of the education system. Supports to ensure a successful transition to post-secondary education are lacking, including access to electronic equipment and related training, and two-spirit recognition and programming. For some, mental health supports are needed to address social shock upon arrival to post-secondary institutions, especially in situations where students are removed from community support systems.

The preservation of Indigenous culture, history and languages are fundamental to reconciliation. Today, only 8.4 percent of Indigenous youth know and speak their traditional language, and at public post-secondary institutions across

the country, access to Indigenous languages and culture are often not in the syllabus.⁸ It is the responsibility of public colleges and universities to teach Indigenous and non-Indigenous learners about the history, culture and languages of the First Peoples of Turtle Island.

7 https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/abpopprof/details/download-tel-echarger/comp/page_dl-tc.cfm?Lang=E

8 https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/abpopprof/details/download-tel-echarger/comp/page_dl-tc.cfm?Lang=E



RECOMMENDATION:

Ensure that all Indigenous learners are able to pursue post-secondary education without cost, which is their treaty right, and ensure that this education includes their history, cultures and languages

- Lift the current two percent funding cap in perpetuity on the Post-Secondary Student Support Program and addressing the existing backlog of Indigenous learners.
- Ensure the Circle of First Nations, Métis and Inuit Students is included in the development and implementation process for a *National First Nations, Métis and Inuit Languages Act*

Cost: \$141 million per year





RECOMMENDATION 3:

GRADUATE STUDENT FUNDING & FAIR DEALING PROTECTION

In order for Canada to remain economically competitive at a global level, it must secure its status as a centre for research and innovation. Investment in graduate studies provides the foundation for long-term innovation and trains the highly skilled workers and researchers needed to respond to the economic and social challenges that Canada faces now and will face in the future. Graduate students face a variety of challenges in both entering and pursuing their studies. Though the elimination of tuition fees will improve access, it is imperative that the government adequately funds the research pursuits of graduate students and challenge an increasingly commercialized and restrictive research environment.

Supporting graduate students and research also requires ensuring that copyright law is fair and effective to the extent that it serves the public interest by fostering the free exchange of knowledge and ideas. In late 2017, the federal parliament began reviewing the Copyright Act.

“Fair dealing” refers to the use of copyright-protected works without permission or payment to rights holders if the material is used for research and education and if it

meets certain fairness standards. At present, since the passage of the *Copyright Modernization Act* in 2012, fair dealing is operating as it should: as a limited right to allow students, teachers, and researchers to access and build upon existing literary and artistic works. It is therefore imperative that any changes to the Act serve to foster innovative thought and the free exchange of knowledge by upholding the current fair dealing regime. A return to more restrictive copyright policies that favour commercial content owners and predatory prices over the interests of the broader public would run counter to the goal of supporting high quality research and innovation.

Students and their families have paid and continue to pay significant sums for learning materials. According to Statistics Canada, average household spending on textbooks in 2015 was \$656 for university texts and \$437 for college texts.⁷ Indeed, a report on the book publishing industry in 2014 finds educational titles to be one of the top two commercial categories in domestic book sales.⁸

Students do struggle to afford textbooks. A 2015 British Columbia study found that 54% of students reported not purchasing at least one

required textbook because of cost; 27% took fewer courses to lessen textbook costs; and 26% chose not to register for a course because of an expensive textbook.⁹ However, these results are hardly due to a desire to keep profits from content creators and authors but rather due to predatory pricing on the part of publishers. It is therefore driving changes in scholarly communication.

Where the Copyright Act needs to change is in regards to the recognition of the Constitutional rights of First Nations, Inuit and Métis peoples. Recognizing that copyright law has historically and currently been in conflict with Indigenous understandings of knowledge use and sharing, and recognizing the need for the Government of Canada and all settlers to commit to reconciliation with First Nations, Inuit and Métis people, students demand that Indigenous knowledge and heritage be maintained, disseminated, and compensated for according to Indigenous communities’ self-determined rules.

⁹ Survey of Household Spending in 2015 (Ottawa: Statistics Canada, June 2017).

¹⁰ Book Publishing Industry 2014 (Ottawa: Statistics Canada, 2016).

¹¹ “Investigating the perceptions, use, and impact of open textbooks: A survey of post-secondary students in British Columbia” (Rajib Jhangiana, 2015)



RECOMMENDATION:

Support graduate students and uphold the principles of fair dealing.

- Increasing the Canada Student Grants Program and expanding the eligibility to include graduate students.
- Maintaining the current fair dealing framework in the Copyright Act and introduce provisions whereby Indigenous knowledge and heritage is maintained, disseminated, and compensated for according to Indigenous communities' self-determined rules.

Cost: \$25 million



COSTING: PROPOSALS FOR RENEWAL IN CANADA'S POST-SECONDARY EDUCATION SYSTEM

The Federation offers the following recommendations to expand access to high-quality, publicly-funded post-secondary education without up-front costs.

RECOMMENDATION 1 : ELIMINATE TUITION FEES FOR ALL STUDENTS AND RESTORE CORE FEDERAL FUNDING FOR POST-SECONDARY EDUCATION.

1 Establish an ongoing transfer to the provinces and territories to eliminate tuition fees. Tuition for this transfer will be calculated at 1992 levels, prior to significant funding cuts by the government in 1996.

The federal government assumes a 50 percent share of the cost while provincial and territorial authorities must commit to their share of this cost and observing the *Proposed Post-Secondary Education Act*.

Cost: \$2.6 billion per year.

2 Restore federal transfers to provinces and territories for post-secondary education to 1992 levels to address the \$2.29 billion in 1996, and increase this funding based on enrolment/inflation growth since.

Applying inflation and enrolment growth factors to the \$2.9 billion total funding in 1992 suggests an equivalent level of funding for 2018 of \$6.95 billion. With current federal funding at \$4.3 billion, an annual federal funding gap of \$2.6 billion remains.

Cost: \$6.9 billion per year (includes \$4.3 billion in current funding, plus additional funding of \$2.6 billion).

3 Introduce a federal *Post-Secondary Education Act*, which will be modelled on the *Canada Health Act* and ensure that provinces and territories are in compliance with following core principles:

a. Universality: Society expects a full range of options for post-secondary learning, none of which should be deemed more important or deserving of funding than any other.

b. Accessibility: All components of the post-secondary education system must be available to learners without up-front cost.

c. Comprehensiveness: The post-secondary education system must be properly funded to ensure it has the necessary resources to offer high quality learning in all geographic regions and accountable wage standards for all campus workers.

d. Public Administration: to receive renewal funding, post-secondary institutions must be operated by a public authority on a not-for-profit, democratic basis.

e. Freedom of Expression: all post-secondary learners, researchers and campus workers are entitled to their freedom of expression, subject to reasonable limits established by human rights codes and statutes.

4 Support those students who have had to incur debt to pursue their degree by immediately eliminating interest rates on direct loans through the CSLP, providing Stage 2 assistance for all CSLP borrowers five years after graduating (including reducing the principal of a loan holder's debt) and not requiring part-time students to pay back CSLP debt until six months after graduation.

Cost: \$1.15 billion.



RECOMMENDATION 2: HONOUR CANADA'S TREATY COMMITMENTS ON POST-SECONDARY EDUCATION FOR INDIGENOUS PEOPLES.

- 1** As recommended by the Assembly of First Nations and the Canadian Federation of Students' Circle of First Nations, Inuit and Métis Students, invest an additional \$424.8 million over three years to address the backlog in applicants to the PSSSP, whose funding has been capped for two decades at two percent per year.
Cost: \$141 million per year.
- 2** Ensure the Circle of First Nations, Métis and Inuit students is included in the development and implementation process for a *National First Nations, Métis and Inuit Languages Act*.

RECOMMENDATION 3: INCREASE FUNDING FOR GRADUATE STUDENTS

- 1** Expand the Canada Student Grants Program to allow graduate students to qualify for grants.
Cost: \$25 million.
- 2** Maintain the current fair dealing framework in the Copyright Act and introduce provisions whereby Indigenous knowledge and heritage is maintained, disseminated, and compensated for according to Indigenous communities' self-determined rules.

SUMMARY COSTING TABLE (ANNUAL COMMITMENT)

RECOMMENDATION 1: Eliminate tuition fees for all students and restore core federal funding for post-secondary education	\$10.7 billion (\$6.35 billion in new funding)
RECOMMENDATION 2: Honour Canada's treaty commitments on post-secondary education for indigenous peoples	\$141 million
RECOMMENDATION 3: Increase funding for graduate students	\$25 million
TOTAL FUNDING	\$10.87 billion
TOTAL NEW FUNDING	\$6.52 billion

FUNDING

These proposals will be funded by the following revenue-generating measures :

PROPOSAL	AMOUNT
Eliminating the federal tuition tax credit	\$1.660 billion ¹²
Cancelling the federal tax credit on registered education savings plans, the Canada Education Savings Grant and Canada Learning Bonds	\$1.1 billion ¹³
Eliminating the Student Loan Interest Tax Credit	\$40 million ¹⁴
Ending federal subsidies for the fossil fuel industry	\$1.6 billion ¹⁵
Implementing a 1 percent withholding tax on Canadian assets held in tax havens, and capping interest payments to offshore subsidiaries.	\$2 billion ¹⁶
Limit capital gains deduction	\$10 billion ¹⁷
Eliminating the federal stock option tax deduction	\$740 million ¹⁸
Ending the abuse of the small business corporations federal tax rate	\$500 million ¹⁹
Implementing a \$50,000 lifetime limit for funds held in Tax Free Savings Accounts	\$137 million ²⁰
Reducing annual RRSP contribution limits to \$20,000 per year.	\$2 billion ²¹
Cancelling the corporate meals and entertainment expense deduction.	\$775 million
TOTAL PROPOSED OFFSETS	\$20.542 billion

We also propose that a parliamentary task force be struck to investigate the following revenue-generating opportunities:

- Introducing a “decent work” standard that PSE institutions must meet to qualify for funding; the standard will include a \$15 minimum wage and a maximum wage tied to the income of the provincial or territorial premier where the post-secondary institution is based;
- Investigate the existence or extent of “unrestricted” or reserve funds and sizeable investments held by PSE institutions, and assess whether these are in compliance with our proposed PSE Act;
- Investigate the feasibility of an employer training levy based on the Quebec model, in which employers with payrolls in excess of \$1,000,000 are required to invest a minimum of 1% of operating revenue in training for workers or remit the same amount to a third party managed by an entity empowered by the state.

¹²Government of Canada (Finance Canada). “Report on Federal Tax Expenditures” (2018) p.

¹³Office of the Parliamentary Budget Officer, “Federal Spending on Post-Secondary Education” (May 5, 2016),

¹⁴Government of Canada (Finance Canada). “Report on Federal Tax Expenditures” (2018) p.33

¹⁵www.odi.org/sites/odi.org.uk/files/resource-documents/12211.

¹⁶Canadians for Tax Fairness, “Three Smart Ways to Raise More Revenue” (Brief to the House of Commons Finance Committee: August 2017).

¹⁷Ibid.

¹⁸Government of Canada (Finance Canada). “Report on Federal Tax Expenditures” (2018) p

¹⁹Canadians for Tax Fairness, “Three Smart Ways to Raise More Revenue” (Brief to the House of Commons Finance Committee: August 2017).

²⁰Ibid; adjusted for 2019 TFSA limit.

²¹ Ibid.

PUBLIC SUPPORT FOR PUBLIC EDUCATION

Students are not alone in supporting a shift from piecemeal reforms to significant investments in affordable and accessible post-secondary education in Canada. A majority of Canadians agree that:

EDUCATION SHOULD BE FREE

When asked, 71 percent support “having a special new personal income tax on the wealthiest one percent of Canadians that would be used to eliminate university and college tuition fees for students.”

85 percent of those polled believe that students take on too much debt today to get post-secondary education.

And 72 percent are comfortable with the statement “like Germany, Chile, Norway and other countries, Canada [should be] eliminating tuition fees for adult education, skilled trades apprenticeships and all programs in colleges and universities.”

EDUCATION IS THE PATH TO A GOOD JOB

We know that the vast majority of new jobs require some form of post-secondary education, and Canadians agree. 79 percent agree that post-secondary education is required to have a good standard of living.

OUR SCHOOLS MUST RESPECT WORKERS

72 percent are not comfortable and somewhat not comfortable with universities using lower paid part-time employees to replace full time employees to help manage the cost of post-secondary education.

Nanos Research conducted an RDD dual frame (land- and cell- lines) hybrid telephone and online random survey of 1,000 Canadians, 18 years of age or older, between January 13th and 15th, 2017. The margin of error for a random survey of 1,000 Canadians is ± 3.1 percentage points, 19 times out of 20.

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