

# CAUS

Council of Alberta University Students



2016/2017 Budget Submission

# RECOMMENDATIONS

For Budget 2016/2017, CAUS recommends the following:

## TUITION

- Rolling back tuition to 1992 levels and increasing by CPI for each subsequent year, and tying all future increases to CPI.
- Placing tuition back into the Post-Secondary Learning Act.
- Regulating international student tuition.
- Removing all market modifiers still in existence, and removing section 5.1 from the Tuition Fees Regulation, '*Market modification for tuition fees for specific programs*'.
- Eliminating the 'basket of goods' mandatory non-instructional fees if they aren't transparent for students.
- Ensuring stable and predictable funding is being given to the institutions.
- Ensuring institutions receive backfilled funding after the end of the tuition freeze.

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## STUDENT FINANCIAL AID

- Reallocation of all tax credits into up-front grants for low- and middle-income students.
- Increased investment into Student Financial Aid through scholarships, bursaries, and grants.
- Increases to the repayment threshold in light of the increases to minimum wage.

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## MENTAL HEALTH

- Providing ongoing support for student mental health in the form of per-student funding, based on FLE numbers, to all publicly funded Alberta universities. This funding should be allocated at the per-FLE levels that the University of Lethbridge saw in 2013.

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## STUDENT EMPLOYMENT PROGRAM

- Reviewing and expanding the application process criteria, in collaboration with employers and academic institutions, to better match the skills students require for various employment opportunities with the skills acquired through post-secondary
- Using a hybrid model application process (based on Saskatchewan's differentiated pool model and Ontario's job bank model) that would allow students to search and apply for specific jobs, and for employers to approach candidates they feel meet their employment needs.
- The enhancement of a provincial student employment program with year-long operations.
- The revision of the STEP subsidy for employers to be reflected through the increases in minimum wage.
- The change of the program name from the "Summer Temporary Employment Program" to the "Student Temporary Employment Program" to better reflect the changing needs of students.
- Ensuring that student placement within the Summer Temporary Employment Program is coordinated to maximize the degree relevant experience that a student is receiving.

## TUITION

With the NDP Government's commitment to freezing tuition until the end of the 2017/18 school year, students are glad that their tuition and fees won't be increasing, however they are still apprehensive about what will happen once the freeze is lifted. Students worry that we could see large tuition increases as was the case in Saskatchewan and British Columbia after they lifted their respective tuition freezes. Looking at the history in our own province, a period of tuition freeze is what institutions used to justify the need for the introduction of the original market modifiers brought in in 2010. Despite the certainty given for the next year, students are not yet able to financially plan for the entirety of their degree.

Students in this economic climate are feeling the heavy burden of tuition now more than ever. When students must decide whether or not to attend post-secondary based on tuition levels, it demonstrates that the post-secondary system has become too expensive and inaccessible. A student's concern is no longer what degree will suit them best, but is now how much debt they will accrue and whether they will be able to find a job when they graduate. This means that students need to work throughout the school year, which can have detrimental effects on their academic performance and ability immerse themselves in the campus culture. Currently, incoming students cannot budget what their entire degree will cost, and the prospect of increases in cost will deter students from attending post-secondary. There needs to be a change to the system to address these issues and make post-secondary more accessible.

Throughout the upcoming year with a freeze on tuition, CAUS believes post-secondary stakeholders and the

government should thoroughly discuss how the system is funded and overseen, including the post-secondary funding framework, the tuition and fees regulation, and the rules for mandatory non-instructional fees. Important policy changes to increase the stability and predictability of post-secondary funding for institutions, and tuition costs for students and the families that support them, should be made at the end of the tuition freeze period. The scope of these changes means that discussions and consultation with key stakeholders should begin immediately to determine the social policy goals of the tuition framework and how best to achieve them. Since the removal of the tuition cap from legislation in 2006, CAUS has been advocating for tuition to be placed back into the Post-Secondary Learning Act, and is now advocating for a reduction of tuition to levels that were enjoyed by the previous generation, indexed by CPI. CAUS thoroughly believes in a post-secondary system that exemplifies the underlying principles of accessibility, quality, and affordability, and we are looking to the Government to now fulfill their promises to students.

CAUS  
recommends

- Rolling back tuition to 1992 levels and increasing by CPI for each subsequent year, and tying all future increases to CPI.
- Placing tuition back into the Post-Secondary Learning Act.
- Regulating international student tuition.
- Removing all market modifiers still in existence, and removing section 5.1 from the Tuition Fees Regulation, *'Market modification for tuition fees for specific programs'*.
- Eliminating the 'basket of goods' mandatory non-instructional fees if they aren't transparent for students.
- Ensuring stable and predictable funding is being given to the institutions.
- Ensuring institutions receive backfilled funding after the end of the tuition freeze.

## STUDENT FINANCIAL AID

The costs of post-secondary education have risen drastically over the recent decades, causing concurrent rising debt levels for students in post-secondary education. The affordability costs and likelihood of debt is a significant socioeconomic barrier to, and is deterring many Albertans from attending, post-secondary.

Student financial aid is one area where the Government of Alberta tries to reduce the impact of this barrier, by providing repayable and non-repayable financial aid to those unable to afford the steep costs associated with attending post-secondary. This includes tuition costs, as well as many other items tied to attending post-secondary such as textbooks, housing, and food expenses.

The Government of Alberta began making significant cuts to non-repayable financial aid in the form of debt relief, grants, and bursaries starting in 2010. As the system became more focused on loans, there was a dramatic increase in the amount of student debt in Alberta. Undergraduate borrowers in Alberta leave their studies with about \$23,000 in student debt.<sup>1</sup>

The majority of students with large loans are from groups who are underrepresented in the post-secondary system, such as those coming from rural Alberta, students with disabilities, and those with a lower socioeconomic status. CAUS believes that we can and must do a better job of balancing the aid we provide by increasing the amount of grants and bursaries available. CAUS has long advocated for creating and increasing the amount of targeted, up-front, needs-based grants as the ideal way to do this. Up-front aid, rather than back-end debt remission or tax credits, tends to increase participation rates and completion rates. Consider a 17 year old Albertan just finishing high school and the impact of being told a \$3,000 grant is available for those considering attending university - a university education can go from being a dream to being a possibility.

The Government of Alberta currently spends roughly \$200.6 million in financial aid through tax credits<sup>2</sup>, however in many cases this aid does not go to those that need it most. Tax credits are ineffective at reducing barriers to access for prospective students for a variety of reasons. As tax credits are returned to the individual filing for taxes, many students do not receive the full benefit of these

credits. This is unlike non-repayable grants, which can be targeted towards those who need them most. CAUS calls for the complete reallocation of tax credits into up-front grants for low and middle-income students, administered on a sliding scale model based on demonstrated need. Policies like this have been implemented with success in

other Canadian provinces. We also call for increased investment into student financial aid programs through scholarships, bursaries and grants so that more students can worry less about affording their education, and instead focus on professional development and skills training to become effective members of the Albertan economy.

Based on information within the Canadian University Survey Consortium's 2015 Graduating Student Survey, 50% of undergraduates surveyed accumulated some sort of debt during their undergraduate studies; 40% of that was government student loans<sup>3</sup>. For

students who graduate with debt, the repayment thresholds for their loans are always front of mind while they seek meaningful employment. **Repayment thresholds are currently income-tested, as repayment begins after a gross income of over \$25,000, when interest begins to accrue on loans<sup>4</sup>.** However, with the increases to the minimum wage, students may enter precarious work options to achieve a living wage while simultaneously repaying their loans and financing their living costs, and continuing to search for gainful employment. The repayment thresholds have not been income-tested to the increases in the minimum wage, and may make students limit their own income advancement to avoid additional financial pressures such as loan repayment.

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CAUS recommends that in light of the increases to the minimum wage, the repayment threshold for student loans be increased to at least \$30,000, which would be the gross amount earned at minimum wage in Alberta for an individual working 40 hours per week, so that students can attain meaningful employment without being concerned with financial pressures from their student debt.

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- Reallocation of all tax credits into up-front grants for low- and middle-income students.
- Increased investment into Student Financial Aid through scholarships, bursaries, and grants.
- Increases to the repayment threshold in light of the increases to minimum wage.

Next: **Mental Health**

## MENTAL HEALTH

In 2015, the Alberta Mental Health Review Committee came forward with 25 recommendations to improve our services for addiction and mental health. These recommendations followed months of consultation, extensive research, and all 25 recommendations were accepted by the Government of Alberta. These recommendations included a recommendation to “create health and supportive post-secondary campus environments through health, promotion, addiction and mental health campus services, and community partnerships”<sup>5</sup>. The 2017 provincial budget is a prime opportunity to make good on that recommendation and allocate \$13.8 million in funding towards mental health programs at our post-secondary institutions.

In January 2013, a funding allocation of \$3 million per year for a period of three years was made available to the University of Alberta, the University of Calgary, and the University of Lethbridge. MacEwan University and Mount Royal University were granted similar funding in 2014, but at a lesser amount of \$250,000 per year for three years.

Leading up to June 30, 2016, when the funding initiative was set to expire for U of A, U of C, and U of L, there was uncertainty toward whether or not there was commitment to continued funding. Institutions and students feared that without a renewed commitment to mental health funding, many of the improvements that Alberta’s most at-risk university students have benefited from would fall away, leaving support systems little better than they were before the initiative began. That would also cause critical ground to be lost in the fight to improve mental health care and support for young Albertans.

CAUS proposes funding for on-campus mental health supports be distributed to our universities through a per-student funding allocation based on FLE enrolment numbers. Ideally, enough funding would be made available to bring all of Alberta’s universities up to the level of support the University of Lethbridge received through the three-year mental health funding initiative. Taking the \$1 million dollars per year received by the U of L and dividing it by the 6,772 FLE count for graduate and undergraduate students attending U of L in 2014/15 works out to roughly \$148 per FLE in funding for mental health supports. In order to sustain funding to the University of Lethbridge at this rate while bringing funding for MacEwan University, Mount Royal University, the University of Alberta, and the University of Calgary up to the same level the total program cost would be roughly \$13.8 million per year.

Most individuals who experience mental illness will begin to develop symptoms between the ages of 18 and 34. While not all of these individuals will be attending post-secondary institutions, campuses across Alberta play a key role in ensuring young people have access to timely, affordable, professional assistance in addressing issues of mental well-being. The ability of students to care for their mental health and well-being is important not only to their academic success, but also to their resilience and success following graduation. There is no better place for us to reach our young citizens, and assist them in identifying and seeking assistance for the mental health challenges they may face, than the many campuses across Alberta.

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The return on investment from mental health funding, particularly among the dominant demographic within Alberta’s post-secondary community, is high. Dealing with mental health problems in the 18-25 year old age bracket greatly reduces future issues and that leads to direct savings in not only mental health funding but also costs incurred by our human services, health care, and justice departments. The Canadian Institute for Health Information and Canadian Policy Network’s report on mental health promotion and mental illness prevention notes the return on investment within the 18-25 year old age bracket as second only to adolescents and projects a return of investment of up to \$4 for every dollar invested – that compares to a return of \$2.78 for congestive heart failure prevention and \$0.71 for diabetes<sup>6</sup>.

The accumulated economic evidence supports the conclusion of the Alberta Mental Health Review Committee's recommendation to increase supports for mental health and addiction and to focus on post-secondary campuses as a key area of investment.

According to data of Alberta's post-secondary students, reported in the National College Health Assessment Survey, in the last twelve months 13.1% of students seriously considered suicide, 57.5% of students surveyed felt hopeless, 65.0% felt lonely, and 2.1% attempted suicide<sup>7</sup>. To put that into real numbers, on a campus of 30,000 students, 3,930 seriously considered suicide, 17,250 students felt hopeless, 19,500 felt lonely, and 630 attempted suicide. Campus mental health is an incredibly serious topic and while our institutions are doing the best they can, they have limited resources to deal with an incredibly high volume of individuals seeking assistance. Students benefit most by the ability of our institutions to put government funding towards existing mental health services; allowing them to offer more counselling sessions, hire more psychologists, and decrease the wait times for students to be seen by mental health professionals.

The three-year pilot project, and the extension to Mount Royal University and MacEwan University, has demonstrated superb value on the investment made by government, and should be expanded. Services have expanded and wait times have been reduced - by abandoning the pilot project we will lose those gains.

Our student associations continue to be strong partners in working on decreasing the stigma associated with mental health, providing feedback and support for university run mental health programs, as well as providing programs and services ourselves. Peer support counselling, student food banks, events focused on decreasing stress while increasing awareness of mental health are all important parts of student association operations - but more needs to be done on all of our campuses to improve mental health for the entire community. Student associations are prepared to do their part, and with government support, we know institutions will improve their capacity as well.



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- Providing ongoing support for student mental health in the form of per-student funding, based on FLE numbers, to all publicly funded Alberta universities. This funding should be allocated at the per-FLE levels that the University of Lethbridge saw in 2013.

Next: **Student Employment Program**

## STUDENT EMPLOYMENT PROGRAM

The Alberta New Democratic Party platform for the recent 2015 election saw \$10 million per year for STEP starting in 2015/16. CAUS believes that using the recommendations students have put forward, a revised version of STEP could be brought in at the previous funding level the program received (\$7.4 million) and still be of great benefit for students. Of course, at the NDP proposed level of \$10 million a year, STEP could not only be revised but also expanded to help even more students make the important transition from acquiring theoretical knowledge and skills in the classroom to putting their understanding and abilities to practical use in Alberta's economy.

On June 12, 2015, CAUS submitted a set of recommendations to the Minister of Innovation and Advanced Education that we hope the government will take into consideration when following through on NDP platform promise to “restore the successful Summer Temporary Employment Program (STEP) job creation program for Alberta youth”<sup>8</sup>. The full paper submitted by CAUS, *Experiential Learning in Alberta's Modern Economy: A Student Employment Program for Alberta*, is attached to this submission and can also be found on the CAUS website ([www.caus.net](http://www.caus.net)). The core recommendations from this paper still form some of our budget recommendations.

In Budget 2016, the Summer Temporary Employment Program was renewed at the proposed \$10 million dollar mark, which was an important move towards ensuring experiential learning for students. The Government of Alberta also announced in 2016 that the minimum wage would be moving up to \$15/hour by 2018. As a result, the employment landscape will be changing substantially in the next few years to reflect the economic circumstances that come with wage deviations. In spite of the progress being made to drive quality work for students, we need to still ensure that students are able to compete in the job market, and that employers will be willing to invest in student employment. The Council of Alberta University Students has also recognized that non-traditional students may take classes in the summer rather than the regular academic year. This inherently creates a situation where students are unable to access temporary employment for experiential learning.

Student employment has increased from approximately one in four students to almost one out of every two students over the course of the last four decades<sup>9</sup>. This jump in employment rates is out of necessity, as income from employment is ranked second to personal savings as the primary source of income for those studying at post-secondary institutions<sup>10</sup>. Through STEP, students were able to supplement the cost of education by acquiring actual work during the summer time. This is largely due to the incentive for employers to apply for STEP funding to subsidize the costs of student employees. As we move forward, the needs of employers and students will change and STEP should be reflective of that. In light of this, the Council of Alberta University Students have highlighted these key points for Budget 2017.

- Reviewing and expanding the application process criteria, in collaboration with employers and academic institutions, to better match the skills students require for various employment opportunities with the skills acquired through post-secondary.
- Using a hybrid model application process (based on Saskatchewan’s differentiated pool model and Ontario’s job bank model) that would allow students to search and apply for specific jobs, and for employers to approach candidates they feel meet their employment needs.
- The enhancement of a provincial student employment program with year-long operations.
- The revision of the STEP subsidy for employers to be reflected through the increases in minimum wage.
- The change of the program name from the “Summer Temporary Employment Program” to the “Student Temporary Employment Program” to better reflect the changing needs of students.
- Ensuring that student placement within the Summer Temporary Employment Program is coordinated to maximize the degree relevant experience that a student is receiving.

- <sup>1</sup>. Berger, Joseph. "Student Debt in Canada." *The Price of Knowledge: Access and Student Finance in Canada*. 2009. [https://library.carleton.ca/sites/default/files/find/data/surveys/pdf\\_files/Price-of-Knowledge\\_4th-edition\\_2009-11\\_chapter-7\\_en.pdf](https://library.carleton.ca/sites/default/files/find/data/surveys/pdf_files/Price-of-Knowledge_4th-edition_2009-11_chapter-7_en.pdf) (accessed November 25, 2016).
- <sup>2</sup>. Government of Alberta. Budget 2016: *The Alberta Jobs Plan*. Ministry of Finance, Edmonton: President of Treasury Board and Minister of Finance, 2016.
- <sup>3</sup>. Prairie Research Associates. *Canadian University Survey Consortium: 2015 Graduating University Student Survey Master Report*. Canadian University Survey Consortium/ Consortium canadien de recherche sur les étudiants universitaires, Winnipeg: Prairie Research Associates, 2015.
- <sup>4</sup>. Employment and Social Development Canada. *Repayment Assistance Plan*. 2016. [http://www.esdc.gc.ca/en/student\\_loans/repayment\\_assistance\\_plan.page](http://www.esdc.gc.ca/en/student_loans/repayment_assistance_plan.page) (accessed November 25, 2016).
- <sup>5</sup>. Alberta Mental Health Review Committee. *Valuing Mental Health: Report of the Alberta Mental Health Review Committee 2015*. Edmonton: Government of Alberta, 2015.
- <sup>6</sup>. Roberts, Glen and Grimes, Kelly. *Return on Investment Mental Health Promotion and Mental Illness Prevention*. London, Ontario: Canadian Policy Network at the University of Western Ontario, 2011.
- <sup>7</sup>. American College Health Association. *American College Health Association-National College Health Assessment II: Alberta Canada Reference Group Executive Summary Spring 2016*. Hanover, MD: American College Health Association, 2016.
- <sup>8</sup>. Alberta New Democratic Party. *Alberta's NDP: Leadership for What Matters Election Platform 2015*. 2015. [https://www.poltext.org/sites/poltext.org/files/plateformes/alberta\\_ndp\\_platform\\_2015.pdf](https://www.poltext.org/sites/poltext.org/files/plateformes/alberta_ndp_platform_2015.pdf) (accessed December 7, 2016).
- <sup>9</sup>. Marshall, Katherine. "Employment patterns of postsecondary students." *Statistics Canada*. 2010. <http://www.statcan.gc.ca/pub/75-001-x/2010109/article/11341-eng.htm> (accessed November 28, 2016).
- <sup>10</sup>. Ibid.

The Council of Alberta University Students (CAUS) represents over 100,000 university students across Alberta. We represent undergraduate students from MacEwan University, Mount Royal University, the University of Alberta, the University of Calgary, and the University of Lethbridge to the public, government, and other post-secondary education stakeholders. Based in Edmonton, CAUS is a non-partisan and active advocacy group looking to ensure an accessible, affordable, and high-quality post-secondary education system in Alberta.

## **MISSION**

To ensure a high quality, affordable, and accessible post-secondary education for Alberta undergraduate students through strong research based advocacy.

## **VISION**

University students are active collaborators in developing a high quality postsecondary sector that is accessible and supportive to all students regardless of background or financial means.

# MEMBER ORGANIZATIONS



## Students' Association of MacEwan University

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