



Fast

FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES – MANITOBA

SEPTEMBER 11, 2012

The Cost of Learning – How does Manitoba Rank?

In the report titled *Eduflation and the High Cost of Learning*, CCPA researchers David Macdonald and Erika Shaker developed a Cost of Learning Index to examine the affordability of higher education across Canada. They do this by examining trends and comparing provincial priorities to show how economic and education finance policies interact, making university more or less affordable across Canada.

Their scan of provincial government policies shows that most provincial governments have chosen to respond to affordability concerns by providing ‘after the fact’ assistance through debt relief schemes, loan forgiveness, tax credits, or zero interest. However, while these interventions provide some relief to students, many continue to struggle to pay upfront costs.

Some provinces have addressed affordability concerns through tuition freezes and rollbacks, making the cost of education more affordable. A summary of where the provinces sit is outlined in the full report. The following provides a few highlights with a focus on the state in Manitoba.

Quebec

In spite of some modest increases over the past two decades, Quebec’s university tuition fees have been consistently the lowest in Canada, even when other compulsory fees are included. Before the recent election, the provincial Liberal government passed legislation to increase tuition fees by 82% over the next seven years. If implemented, it would end Quebec’s reign as the province

with the lowest fees. The newly elected PQ government has pledged to reverse the decision to increase fees however a timeline has not been confirmed.

Quebec’s policy of low tuition has ensured that families living at the poverty line were better able to pursue university than low-income families in other provinces. But by 2009–10, Newfoundland and Labrador had taken over the position as the most affordable province for low-income families pursuing university.

Newfoundland and Labrador

Throughout the 1990s, Newfoundland and Labrador’s tuition fees were at approximately the Canadian average. In 1999–2000 the province implemented a freeze and over the next three years rolled fees back to 1996–97 levels where they were frozen. As a result of this policy move, coupled with solid income growth, the cost of learning plummeted. Newfoundland and Labrador now replaces Quebec as the province where university education is the most affordable. By 2015–16, it will be twice as affordable for median-income families to go to university in Newfoundland as it was compared to the average Canadian cost in 1990.

For families with two children living on the poverty line, Newfoundland and Labrador had the second lowest rank on the Cost of Learning Index in 1990–91. Newfoundland and Labrador moved to the middle of the pack in 1999–2000 as a result of a tuition freeze and subsequent

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rollbacks, coupled with income growth. If current trends continue, it is expected to become even more affordable — even as the Cost of Learning for families at the poverty line in most other provinces is projected to rise.

The Manitoba Story

Although Manitoba's tuition and compulsory fees from 1990 to 2000 were at about the national average, in the early 2000s the province froze tuition fees, then implemented a 5% rollback and resumed the freeze at the third lowest levels in Canada after Quebec and Newfoundland.

Manitoba's Cost of Learning for median-income families rose to a high point in 1999–2000, at which point tuition fees were rolled back. Subsequently, the Cost of Learning declined more or less consistently in the province. This improvement had at least as much to do with the economy than a commitment to lower fees—median incomes increased at a rate greater than that of tuition fees, which were rising by 2% annually. By 2001–02, Manitoba's Cost of Learning was slightly better than the national average, and by 2003–04 it had become the third most affordable province in which to pursue university. If current income growth trends in the province are maintained at 3% annually, by 2015–16 Manitoba will be second only to Newfoundland and Labrador on the *Cost of Learning Index* if increases in Quebec come into effect.

For low-income families, the Cost of Learning in Manitoba increased from 1990 to its highest point in 1999–2000. From that point on, with rollbacks and subsequent freezes, levels remain more or less consistent, with the province currently the third most affordable place for low-income families to pursue university after Quebec and Newfoundland and Labrador. As tuition fee increases in Manitoba match the cost of living, by 2015–16 it will become the second most affordable province for low-income families as Quebec's Cost of Learning continues to rise.

But the story in Manitoba is not all good news. Manitoba recently enacted Bill 2 – the 'Protecting Affordability for University Students Act'. The Canadian Federation of Students has expressed concern with the Bill. While the Bill has been presented as legislation that will protect the affordability of university by tying tuition increases to the cost of living, there is concern that universities will use other means to raise revenues on the backs of students. For example, Bill 2 allows universities to use ancillary fees to fund core teaching and research activities. Another concern about Bill 2 is the exclusion of college, international and professional program students, leaving only 47 percent of students protected. The Canadian Federation of Students has proposed several recommendations to strengthen Bill 2 to ensure post secondary education remains affordable for all students.

And then there's Ontario

Ontario's fees have consistently been among the highest in the country. The response has focused on tuition rebates for qualifying students, leaving Ontario as the best example of why affordability needs to be tackled through reduced up-front costs in addition to after the fact relief. *The Cost of Learning Index* shows that compared to other provinces the rebate has had minimal effect, particularly for low income families, because tuition fees are so high to begin with.

Which way forward?

Education is regularly hailed as the answer to a multitude of social and economic concerns. It would seem logical that the best way to ensure Canadians have the education they need to fully participate in society is to ensure that the cost of learning is accessible and affordable for all.

Sauna MacKinnon is the director of CCPA Manitoba. The full report by Erika Shaker and David Macdonald is available at www.policyalternatives.ca.

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