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## **2022 Ontario Budget Submission by the Canadian Federation of Students – Ontario**

### **Investing in Ontario’s Future Post-Secondary Education System**

The COVID-19 pandemic continues to impact aspects of life across Ontario. Post-secondary education is no exception. In these unprecedented times, students have met many challenges. Yet so often, it is Ontario’s students who are forgotten when the government addresses this crisis. Students have done their part but are still waiting for the Ontario government to answer their substantiated calls for investments in Post-secondary education to ensure continued success across the province. The Federation believes the 2022 budget is a chance to meet the needs of students in Ontario and provide a crucial course correction in post-secondary education funding.

The pandemic continues to expose the long-standing major issues in Ontario’s post-secondary education system. Students and graduates are struggling with some of Canada’s highest tuition fees, large loan repayments, employment challenges, financial uncertainty, insolvency, houselessness, food insecurity, increasing mental health needs, a skyrocketing cost of living, and more. Since 2008, per-student funding in Ontario has been behind the rest of Canada and has continued this steady decline, leaving the province in last place nationally (roughly 40% less than the national average of \$12,300 in the rest of Canada). Our world-class colleges and universities are faltering as Ontario now ranks last in Canada when it comes to the student-to-faculty ratio. Tuition fees in Ontario are ninth in the affordability of tuition, with domestic undergraduate students paying, on average, \$8,000 dollars per year. This is at a time when nearly 70% of jobs in Ontario require some level of post-secondary education; the province should be investing in students, rather than indebting them.

Decades of chronic underfunding led colleges and universities to rely on tuition fee increases and exploiting international students to compensate for lack of public funding. In a recent report, Ontario's own Auditor General Bonnie Lysyk flagged how risky this funding formula is to rely on international student fees for financial stability.

Budget 2022 offers a chance for the government of Ontario to invest in our public institutions before we fall further behind. The Federation remains concerned with the trends witnessed in previous years' budget. Budget 2021 highlighted the erosion of the post-secondary education sector through underfunding and the increased privatization of public education. Since 2019, there has been over \$1 billion cut to OSAP support. Following the austerity measures in the 2020 budget, the 2021 budget showed that this government offered inadequate funding for post-secondary institutions. Budget 2021 was the third budget in a row where the provincial government has decreased funding for post-secondary education institutions - in budget 2018-2019 (actual) \$11.1 billion, 2019-20 (actual) \$10.5 billion, 2020-2021 (interim) \$10.2 billion, 2021-2022 (plan) \$10.6 billion. Budget 2021 resulted in almost \$1 billion less in funding for post-secondary education than three years prior - a drastic cut by any measure. This is despite students asking for tangible funding to help alleviate pressure during the ongoing pandemic. The provincial government continues to 'plan' increased funding in the future, but each year it announces decreases to base funding for post-secondary education. Students know that sooner or later we need to provide stable and adequate funding for post-secondary education.

Equally concerning, the Financial Accountability Office (FAO) of Ontario has shown in their reports that the provincial government repeatedly spends well below their budget estimates on post-secondary education every quarter. The latest Expenditure Monitor Report from the Financial Accountability Office of Ontario for Q2 2021-22 confirms this. In Q2, Post-Secondary Education sector spending was \$251 million (7.5%) below plan, including: \$89 million below plan in Support for Postsecondary Education (Capital) which provides capital funding to colleges and universities, and \$160 million below plan in Colleges, Universities and Student Support, which provides operating grants for colleges and universities, and financial aid for students.

Colleges and universities are vital institutions within our communities and are key contributors to Ontario's economic, social, and cultural health. Students are the cornerstone to rebuild our economy post-pandemic. They are the foundation of our future and our collective recovery. Building sustainable and flourishing campus communities allows for thought-provoking and groundbreaking research that drives innovation, provides good jobs that support local economies, and creates solutions to society's most pressing problems. We call on the provincial government to recognize the essential role students play in our society, now and in the future. There is no reconstructing our provincial economy without students. It is an economic necessity: put simply, high quality, well-funded, and accessible post-secondary education is an essential precondition for Ontario to flourish post-pandemic and long into the future.

The Canadian Federation of Students-Ontario is the province's largest and strongest advocate for students. We are the credible voice of Ontario students, representing more than 35 Federation member local students' unions in Ontario, uniting over 350,000 full-time and part-time students at colleges and universities. The Federation provides students with an effective and united voice while creating space and opportunity for students across the province to join together to advocate for the highest quality post-secondary education.

The Federation seeks to preserve and improve the quality, sustainability, and accessibility of postsecondary education in Ontario through stable, consistent, and adequate funding. While there is a long list of recommendations to make (including many from last year's submission), the following recommendations for the 2022 Budget consultations are a modest starting point to investing in students and post-secondary in Ontario. While not exhaustive, students hope the following recommendations will be considered.

### **Post-Secondary Education Recommendations**

Strong and stable public funding is essential for maintaining outstanding colleges and universities in Ontario. These institutions are publicly funded because they provide a vital public good to the province. As a result of the absence of reliable and adequate funding, universities and colleges have turned towards risky, short-term cost-saving measures and unstable alternative funding sources. This erodes the quality of education for students, long-term planning, programming, and investments that are vital to the educational, research, and social mandate of universities and colleges. The case of Laurentian University provides a clear example of the dangers of the current funding environment.

At the same time, access to post secondary education is a critical part of responding to the COVID-19 crisis and ensuring a successful social and economic recovery. Unfortunately, decades of government funding shortfalls have created barriers to accessing education. Ontario students pay some of the highest tuition fees in the country and graduate with an average \$28,000 in debt. In Canada, 1 out of 2 students say that COVID-19 has made it more difficult to afford post-secondary education, and nearly 80% of students are worried about their future because of the pandemic. Tuition fees are the largest barrier to accessing post-secondary education in Ontario and the COVID-19 pandemic has intensified this major issue. Since 1980, whilst accounting for inflation, the average domestic undergraduate tuition has increased by 215% and the average domestic graduate tuition has increased by 247%. The average graduate student today is paying \$5,200 more per year in tuition compared to the average graduate student in 1980-81.

The Federation supports education as a right and not a privilege, and calls for education for all. These practices are especially hurting marginalized and immigrant students by jeopardizing their chance to a healthy and secure future. The Ontario government can change these alarming trends by providing public funding within the sector, and thereby reducing the stress on students to carry the burden of funding public institutions through their exorbitantly high tuition fees.

**1. Creation of a robust Tuition Fee Framework which aims to phase-out tuition for all. An introduction of a gradual 25 per cent reduction over the next 4 years until tuition fees are eliminated. This is the only way for a just recovery for students post-COVID-19.**

If education for all is not a priority for the Ontario government, at a minimum it needs to provide increased operating funding to universities and colleges and work to close the growing funding gap with other provinces. In the Canadian context, Ontario's per-student funding levels now sit behind the rest of the country. In 2019-2020 – the last year for which data is available– the average per student funding in Ontario was \$7,425 compared to \$12,930 for the rest of the country. Stagnating funding is forcing institutions to stretch existing resources and is putting Ontario's post-secondary institutions at a clear disadvantage when it comes to investing in the teaching and research excellence that is vital to the success of Ontario's students. As a result, Ontario has the highest student-to-faculty ratio in Canada and since 2000 that ratio has worsened substantially – increasing by more than 42 per cent. As of 2019-2020, there were 31 students for every full-time faculty member at an Ontario university, compared to an average of 22 students for each university faculty member across the rest of Canada.

**2. Increase per-student public investment in Ontario's colleges and universities to improve Ontario's rank by one spot among other provinces by 2026-2027.**

The Federation has raised the alarm that without consulting students and other important sector stakeholders, the provincial government announced plans to shift the current funding model towards a market-based approach that would tie 60 per cent of post-secondary funding (over \$3 billion across all universities and colleges) to a set of questionable performance metrics. This ideological interference in post-secondary Education will have a deeply destabilizing effect on institutional finances. The flawed metrics set by the Ontario government for assessing "performance" are focused on select economic factors and labour market demands that have been shown to lead to an unstable and unpredictable funding system. Additionally, evidence shows that performance-based funding models pose a serious threat to diversity and increase inequities for students in Ontario. The Federation believes that funding allocation mechanisms should not be structured in ways that harm the student learning experience.

**3. Reversal of the current Tuition Fee Framework and the dangerous Performance-Based funding model which will drastically affect public funding for smaller institutions, further the corporatization of Post-Secondary Education and negatively affect the diversity, research and fields of study offered.**

Ontario remains the most common choice for international students provincially, at 43%. From 2000 to 2016, the proportional increase of international students in Ontario was 265%, higher than the combined growth rate in England, Australia and the US (239%). As the province with the lowest per student public funding for post-secondary education and the highest attendance rate of international students, Ontario needs to address its predatory practice of using international students to sustain the post-secondary education system. This increased dependence of the Canadian post-secondary system on the backs of international students has resulted in a system without resiliency that is susceptible to enrollment swings. For universities, international tuition fees represented nearly 20% of total operating revenues in aggregate in 2018-19.

Ontario's undergraduate international tuition fees have increased by 121 per cent since 2010, resulting in the province having the highest level of tuition fees in the country—\$42,185 at the undergraduate level and \$26,236 at the graduate level in 2021-2022. Compared to the rest of the country, international undergraduate tuition fee levels in Ontario are an astonishing 61% higher than the average for the rest of Canada. The average undergraduate tuition fees are more than four and a half times the sticker price for Canadian undergraduates. This predatory practice is deeply unjust and leaves international students further marginalized compared to domestic students. International students receive the same level of classroom education but face severe stigmatization and xenophobia on campuses. To be true to its claims of diversity and multiculturalism, the province and Budget 2022 must work towards equity for all.

**4. Completely eliminate differential tuition paid by international students to match that of domestic students immediately. These students are members of our communities and key parts of Ontario's future, they should not be treated as second class citizens. In the midst of a global pandemic, it is far past time to reinstate the Ontario Health Insurance Program for students with valid study permits. This must be done immediately and the government must abolish predatory for-profit programs like the University Health Insurance Plan (UHIP) and the College Health Insurance Plan (CHIP).**

Limited eligibility in accessing OSAP loans has created unnecessary barriers within Ontario's Post-Secondary Education. In 2017-18 the Ministry of Colleges and Universities (MCU) provided more non-repayable grants than repayable loans. In 2017-18 these were 98% in grants, in comparison to 60% the year prior. After major OSAP changes in the 2019-2020 academic year, students have taken on more student debt, both in the form of OSAP loans as well as private student debt. Since eligibility for the Ontario Student Grant (OSG) was reduced as part of the \$670 million dollar cut in 2019, fewer students have access to non-repayable grants. The family income eligibility threshold for the OSG was reduced from \$35,000 to \$25,000, resulting in less direct funding which heavily impacted access for low-income earners.. The OSAP cuts and changes to eligibility criteria for financial assistance mean it is becoming harder for many students to access postsecondary education, especially for low and middle income students. These changes are regressive because those most adversely affected are those already forced to borrow for their education.

- 5. Cancellation of all student debt, effectively abolishing the predatory practice of collecting interest from already struggling students. Students are struggling with this pandemic like never before, we need to support them to help rebuild our economy and not further encumber them.**
  
- 6. The Provincial government must launch a holistic study on the beneficial impacts of OSAP grants to ensure students can fully participate in, and contribute to, the Canadian economy without financial barriers, immense debt loads, poverty and precarity and deteriorating mental health. Further, ensure part-time students (many of which were forced to this status because of COVID-19) are currently eligible for OSAP. Transition OSAP from a loan to a grants based program.**

Due to the various barriers to PSE for marginalized students, the level of educational attainment reflects who is prioritized in our current systems and who is left behind. A 2016 study indicates that only 69% of Black women had obtained a post-secondary certificate, degree or diploma as opposed to 75% of non-Black women. Whereas, only 51% of Black men had obtained a post-secondary certificate, degree or diploma as opposed to 62% of non-Black men. This repeated discrepancy within many racialized groups only speaks to a portion of the experiences and barriers faced by racialized students. Along with their financial capacity to attend post-secondary education, there are substantial on-campus barriers that racialized students face daily. Experiences of racism from classmates, professors, and staff contribute to the educational outcomes of these students, and too little is being done to address this.

In Northern, rural and Indigenous communities where access to broadband internet and other necessities is limited, the impact on students' mental health is even more significant. Nationally, only 37% of Indigenous people aged 25-64 have a college diploma or university degree, compared to overall attainment of 54% among non-Indigenous people aged 25-64. The provincial government needs to recognize that colonialism and systemic racism have created the social and economic barriers faced by First Nations, Inuit and Métis people. Receiving proper access to education is not only a part of a just recovery, but also a treaty right. These issues cannot be addressed without the government committing to collect and disseminate race based data of students, staff and faculties to truly begin addressing systemic inequities.

- 7. Mandating and establishing funding for in-depth data collected and public dissemination on First Nations, Métis and Inuit students and other race-based data to further address inequities in Post-Secondary Education (including enrollment and retention). A fully funded Transitional Year Program to support Indigenous learners in bridging between high school and Ontario's public Post-Secondary Education system. Designated First Nations, Inuit and Métis student support services fund in order to create programs, such as, academic support services, mental health services, Elders in residence programs and culturally-specific programming.**
- 8. An increase in funding for Special Purpose Grants, in particular, funds provided for Indigenous education and training, institutional grants, and Indigenous initiative and programming. An investment of \$1.5 million in the fund would be required to offset inflation since 2009-10.**
- 9. Include a meaningful increase to northern and bilingual grants in recognition of the important mandate of northern and bilingual institutions and the particular challenges they face. As a first step the investment of an additional \$6.5 million in the Northern Ontario Grant to offset inflation since 2002-2003 and an additional \$12.5 million in the Bilingualism Grant to offset inflation since 2007-2008.**

Post-secondary students face a myriad of challenges to maintain their wellbeing. Studies show that 89.5% of students feel overwhelmed by their workload<sup>1</sup>. Similarly, young people aged 15 to 24 are more likely to experience mental health issues than other age groups which significantly impacts their social connections, educational goals and workforce participation. As many as 1 in 5 students met the diagnostic criteria for a mental health disorder and 30% to 50% of students reported experiencing overwhelming stress, anxiety, and depressive symptoms during their postsecondary year.

A survey indicated that during 2018, 68.9% of students felt overwhelming anxiety, 16.4% seriously considered suicide, and 51.6% of students felt so depressed it was difficult to function. No matter where students are on the mental wellness continuum, more needs to be done. The Covid-19 pandemic has further exposed many of the gaps students have long called for action around.

Mental health is not an issue of the individual— rather, it is a societal issue. The mental health crisis at Ontario post-secondary institutions is due in large part to the continuing pressures and inequities that are prevalent in student life. Everyday, students face housing insecurity, food insecurity, and healthcare insecurity. Everyday, students are negatively impacted by the effects of racism, transphobia, homophobia, sexism, ableism, colonialism, and classism. Everyday, students must juggle rigorous programs in institutions that put performance metrics over their well being. Drastic changes are needed to the systems and structures that students endure. Personal action for one's own mental health is not enough.

The Federation has made many policy recommendations and proposed legislative changes which can be found in the campaign *Equity In Mental Health*. In regards to Budget 2022, the provincial government should play a role in creating the conditions to foster improved mental health in Ontario. The burden of mental illness and addiction in Ontario is more than 1.5 times the burden of all cancers, and seven times the burden of all infectious diseases. The current demand for student mental health services is far beyond the capacity of current delivery models. There is a need for system-wide coordination and investment from the provincial government.

- 10. The provincial government urgently needs to review and streamline available mental health supports at government, post-secondary, and community levels. This can be done through providing funding for the creation of a standalone Ministry of Mental Health, Addictions and Harm-Reduction. This new Ministry should seek to centralize mental health care for students in Ontario to reduce wait times, provide case-specific care, and relieve the burden on individual supports in place. The Ministry must recognize that post-secondary students have specific mental health needs and consult with students on best practices for institutions and health care providers.**
- 11. Provide funding to immediately make counselling available for free for all students in Ontario. This should include sufficient funding to timely access to services by medical doctors, psychologists, psychiatrists, MSW's, mental health practitioners and Elder counsellors. Subsequently, there is a need to include more programs and services funded under OHIP as well.**



- 12. Create dedicated grants to allocate new funding to food and housing support programs through Ontario campuses, campus wellness centres and peer- support groups, and increase funding for functional spaces for mental health care, mental health promotion, and mental health community-building. Student-run services and campus services are essential to help student wellness.**
  
- 13. The province needs to support the call for a national, public and universal pharmacare system as a fundamental resource for students and people facing increased barriers accessing services to both mental and physical health. Work with and push the federal government to create universal, single payer pharmacare. This measure could save the province as high as \$1.9 billion annually.**

The Canadian Federation of Students will be conducting its annual Provincial Lobby Week from Monday, February 28 - Friday, March 4, 2022. We hope to discuss these issues and additional policy proposals with you in the future.

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