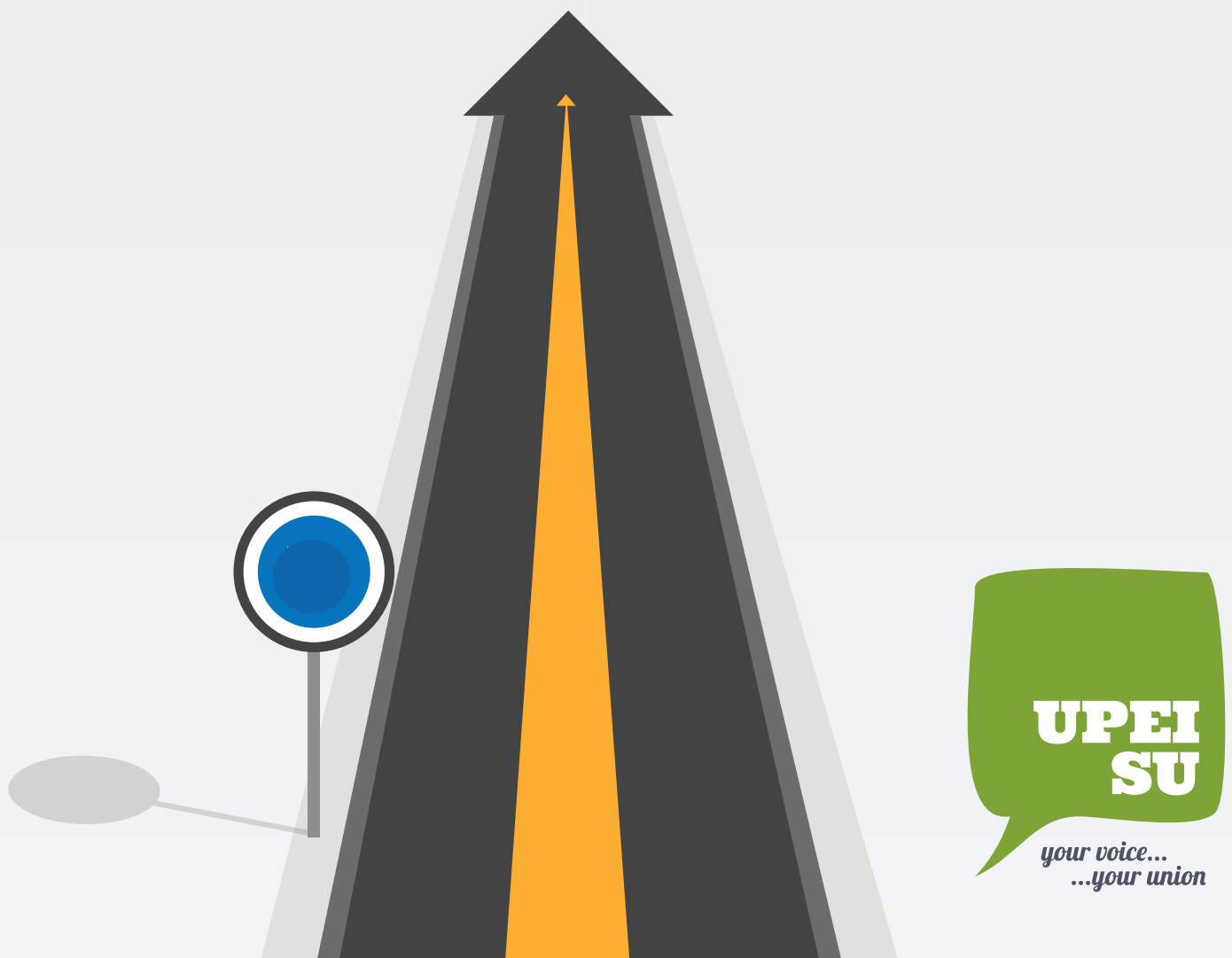


# **Momentum.**

Post-Secondary Education on Prince Edward Island:  
accessible, affordable, and accountable.



# About the UPEISU

## ***Our Mission:***

The UPEI Student Union is a non-profit democratic representation of students. We are dedicated to fostering pride in the university, the betterment of university life, and enhancing the student experience at UPEI. We value our independence as an organization while maintaining effective relationships with the university and surrounding community.

## ***Our Vision:***

As a unifying body, the UPEISU strives to provide leadership while assisting students as they obtain the highest standards in their academic and personal life; enhancing their quality of life now and into the future.

## ***UPEISU Executive 2014-2015:***

### **President:**

Lucas MacArthur

### **Vice-President Academic & External:**

Travis Gordon

### **Vice-President Student Life:**

Emilie Sullivan

### **Vice-President Finance:**

Willem MacKenzie

### **Vice-President Communications:**

Alexandra Heighington

## ***Our Core Values:***

**Representation for all students**  
**Transparency, Honesty, and Accountability**  
**Fun, Participation and Engagement**  
**Progress** (Growth, Strength, Best Practices, Creative Solutions, etc.)  
**Sustainability** (Triple Bottom Line - Financial, Social, and Environmental)

**In today's labour market climate, we know that having a post-secondary education is no longer an option, but rather a requirement. As our system continues to produce skilled young graduates, it is vital that we are continually working towards improvement.**

**Issues exist in many areas of the system: tuition on Prince Edward Island remains unregulated, and exposes students to potentially significant changes in the level of their education's affordability. The PEI student loans program has issues as well: for example, it has been many years since the maximum assistance limit has been reassessed, which has led to a great number of vulnerable students reporting unmet need.**

**Further, Prince Edward Island remains the only province to allow post-secondary institutions to manage their own access to information processes – and promotes a system with a lack of objective oversight and modes of appeal.**

**Students are seeking an affordable, accessible, and accountable post-secondary education on Prince Edward Island. It is incumbent upon government to ensure it is doing everything possible to ensure our post-secondary education system is in top shape: after all, the graduates of today are the labour market leaders of tomorrow.**

**Investment in post-secondary education represents, in fact, an investment in the economy. As Prince Edward Island continues to grow as a province, a key part of this will be ensuring that our post-secondary system is excellent in all respects. The UPEI SU, as the voice of all full-time students at UPEI, looks forward to working with government to make this a reality.**



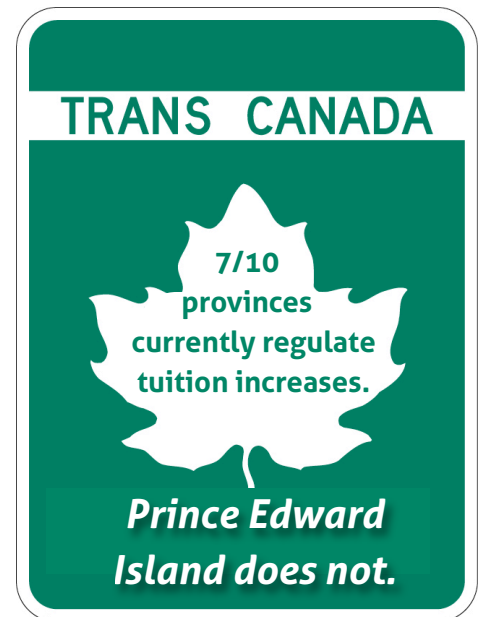
# **Executive Summary.**

# Regulating the Cost of an Education.

The cost of a post-secondary education is a major one: that fact is well-known. And tuition is a major part of the cost that students pay to access post-secondary education. Currently unregulated in the province of Prince Edward Island, tuition over the past ten years at UPEI has been increased in the range of 40-45%, with the Consumer Price Index over the same time period placing inflation in the range of 25%<sup>12</sup>.

Prince Edward Island, in reality, is in the minority of provinces which choose not to regulate the tuition of public post-secondary institutions. The regulation of tuition is a common feature of provincial post-secondary policy from coast-to-coast. British Columbia, for example, currently imposes a tuition cap of 2% per annum, a policy which has been in effect since 2005<sup>3</sup>. The Alberta government has a 2.15% cap on tuition increases, but in 2013-2014 froze tuition while providing additional funding assistance to Universities. Of note, the Redford government recognized the pitfall of freezing tuition without additional funding – and took steps to avoid it<sup>4</sup>.

Tuition is also regulated in all Atlantic provinces, save for Prince Edward Island. In Nova Scotia, the government has a legislated cap of 3% per year<sup>5</sup>. New Brunswick has instituted an annual cap of \$150, while Newfoundland and Labrador has had a tuition freeze in place since 1999<sup>67</sup>.



Newfoundland and Labrador's public policy choice has led to incredibly low tuition for students at its institutions: in 2013-2014, tuition fees were just over \$2,500 for domestic students<sup>8</sup>.

Both Ontario and Manitoba also regulate tuition. In Ontario, tuition is capped to increases of an average of three per cent per year<sup>9</sup>. In Manitoba, tuition fees are capped to inflationary levels, following a decade of frozen tuition<sup>10</sup>.

The UPEI SU recognizes the need for growth in tuition. In order to stabilize programming and plan for new services and growth, post-secondary institutions should be able to ensure revenue growth to cover ever-increasing costs. Also

important is the province's funding role with regard to post-secondary institutions: for UPEI in particular, provincial operating grants to the University make up about fifty per cent of its 2014-2015 revenues<sup>11</sup>.

It is vital that Institutions are aware of how much they can reasonably expect from the provincial government each year, in order to allow them to adequately plan for the future and can adjust the revenues they will need to collect accordingly.

The UPEI Student Union recommends that the Government of Prince Edward Island create a funding agreement with the public post-secondary institutions, such that each institution can be reasonably certain as to the amount of public funding they will receive each year.

The UPEI Student Union recommends that the Government of Prince Edward Island implement a tuition cap for public post-secondary institutions, such that no institution may raise tuition by more than the percentage increase in the Consumer Price Index each year.

MAXIMUM  
TUITION

???

Currently, students are left wondering year-to-year how much their education will cost, with no regulation to ensure that tuition fees will stay within a reasonable range. Further, the institution is left wondering what level of funding it will receive from provincial operating grants, which complicates budget planning and, unfortunately, leaves tuition fees up in the air until May of each year<sup>12</sup>.



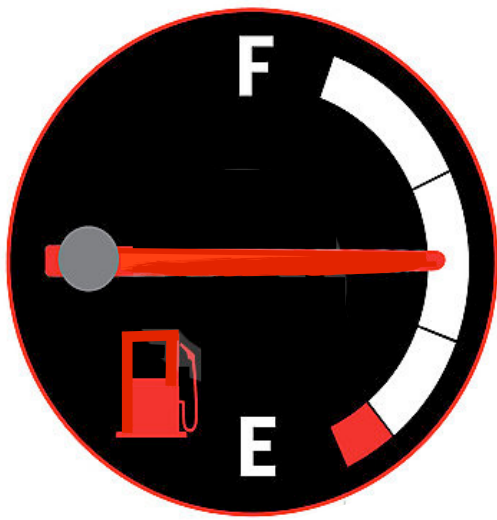
# **Ensuring Transparency and Accountability at UPEI.**

The *Freedom of Information and Protection of Privacy Act* of Prince Edward Island is the piece of legislation which governs how public bodies collect, store, share, and disseminate information upon request. It is the strong opinion of the UPEI Student Union that UPEI, and indeed, all public post-secondary institutions in Prince Edward Island, should constitute public bodies, and therefore be subject to the *FOI/PPA* Act.

According to UPEI's 2014-2015 operating budget, roughly fifty per cent of UPEI's revenues are derived from government<sup>13</sup>. Fundamentally, the UPEI SU believes that this level of funding from taxpayers necessitates an avenue for accessing information about the University. While the University does have a privacy officer and a system for accessing information, it is not well known, and there is no external oversight or mode of appeal for those whose requests may be denied<sup>1415</sup>.

**PEI is the only  
province  
in Canada where  
universities are not  
covered by FOI/PPA.**





**Half of UPEI is funded  
by public dollars.**

**The UPEISU  
recommends that  
the Government of  
Prince Edward  
Island amend the  
*Freedom of  
Information and  
Protection of  
Privacy Act* to bring  
public post-  
secondary  
institutions under  
its jurisdiction.**

Prince Edward Island is the only province in Canada which has not brought public post-secondary institutions under the jurisdiction of *Freedom of Information* legislation<sup>1617</sup>. Clearly, other provinces have recognized the need for transparency and accountability in their public institutions, including those within the education sector. Most importantly, there must be external oversight and a mode of appeal, which *Freedom of Information* legislation provides<sup>18</sup>. The UPEI SU strongly believes in promoting transparency in public institutions, and implores government to amend the legislation appropriately.

**There are currently 114  
Designated Public Bodies subject  
to FOIPP, including:**

**Health PEI**



**PEI 2014 Inc.**



**PEI Sports Hall of Fame**



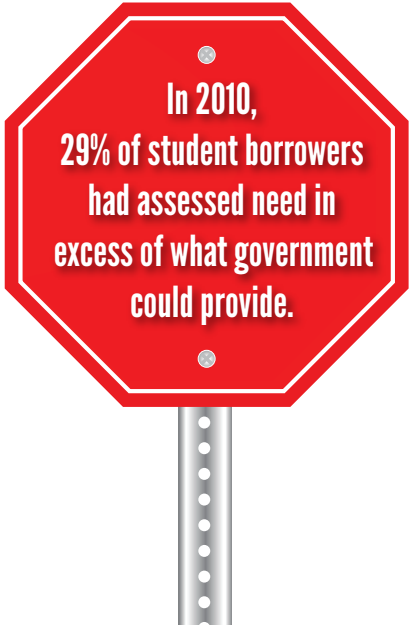
# Providing Adequate Student Loans Funding.

Clearly, student financial aid programs have played a key role in ensuring that many students are able to adequately access education. The costs of post-secondary education are enormous, and include more than just tuition and fees. The cost of financing an education can vary widely from location-to-location, program-to-program, and student-to-student. With that said, there is a limit on the amount of student financial aid a student may receive from the provincial government: \$165 per week of study, which when combined with the federal government amount of \$210, gives a 34-week maximum of \$12,750<sup>19</sup>.

It is no secret that the cost of obtaining an education continues to increase rapidly. In fact, since 2004 it is estimated that tuition costs at the University of Prince Edward Island have increased by 40 to 45%<sup>20</sup>, with inflation according to the Consumer Price Index measuring roughly 25% over the same time period<sup>21</sup>. In addition, over the past years, mandatory non-instructional fees have increased by almost 160%<sup>22</sup>. With no signs of educational costs leveling out in the near future, it is vital that the Province respond to this trend.



Over the last 10 years it is estimated that tuition costs at the University of Prince Edward Island have increased by approximately 45%



In 2010,  
29% of student borrowers  
had assessed need in  
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could provide.

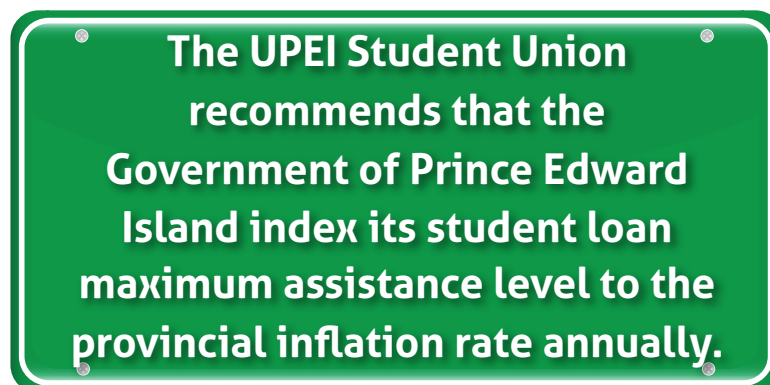




An unfortunate reality of our current student financial aid system is that some students don't get all the assistance they require. In fact, in 2010, 29% of Canadian student debtors had assessed need which was over-and-above what the government could legally provide<sup>23</sup>. 59% of student debtors also had to rely on other forms of borrowing in order to make ends meet<sup>24</sup>.

Unfortunately for these students, the reality of private borrowing is that it is far less supportive than that which is publicly sponsored: private borrowing frequently comes with higher interest rates, in-study payments, and may require a co-signer – something which students from low-income backgrounds may not be able to secure.

An unfortunate reality of our current student financial aid system is that some students don't get all the assistance they require. In fact, in 2010, 29% of Canadian student debtors had assessed need which was over-and-above what the government could legally provide<sup>25</sup>. 59% of student debtors also had to rely on other forms of borrowing in order to make ends meet<sup>26</sup>. Unfortunately for these students, the reality of private borrowing is that it is far less supportive than that which is publicly sponsored: private borrowing frequently comes with higher interest rates, in-study payments, and may require a co-signer – something which students from low-income backgrounds may not be able to secure.



Expenditures on education are never wasted – ensuring Islanders have access to an accessible, affordable, and accountable post-secondary has many public benefits. 41% of Canada's income tax is paid by those with University degrees, and that same demographic utilizes only 14% of government transfers<sup>27</sup>. Comparably, those with only a high school credential use 15% of transfers while paying only 11% of income tax<sup>28</sup>.

Moving towards a more accessible, affordable, and accountable system should always be the goal in post-secondary education. Ensuring that our post-secondary system is in good shape is vital to the future of this province – in this rapidly-changing labour market, those wishing to succeed need a tool-belt of skills in critical thinking, problem-solving, and adaptability – exactly the type of skills a University education provides.

Students know the system that they both want and need for success. Students are seeking regulated tuition, indexed student loan funding, and an accountable and transparent system in which to study. Moving towards these priorities will be an emphatic demonstration of this government's focus on education – and a commitment to the future of this province.

**Moving Forward.**



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<sup>8</sup> MUN.ca "Become an Undergraduate Student | Tuition & Fees." Avail: <http://www.mun.ca/undergrad/admissions/fees/>

<sup>9</sup> "New Tuition Framework Reduces the Cap on Tuition Increases." Government of Ontario. March 2013. Avail: <http://news.ontario.ca/tcu/en/2013/03/new-tuition-framework-reduces-the-cap-on-tuition-increases.html>

<sup>10</sup> Macleans.ca. April 12, 2011. "Manitoba caps tuition at inflation." Avail: <http://www.macleans.ca/education/uniandcollege/manitoba-caps-tuition-at-inflation/>

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<sup>18</sup> MacDonald, Maria. "UPEI FOI FYI: What would it mean to UPEI if it were subject to *Freedom of Information and Protection of Privacy Act*?" n.d. Presentation.

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