

The Rising Cost of Tuition Fees

Tuition Fees Steadily Increasing Across Canada

During the 1990s, undergraduate tuition fees in Canada increased at an annual average rate of more than 9.6%. In the 1990/1991 and 1991/1992 academic years alone, they went up 15.2% and 16.5%, respectively. Since the year 2000, the increasing cost of education has slowed to an average of 3.8%.

In 1998/1999 the average cost of tuition for an undergraduate student was \$3,064, compared to just \$1,185 in 1988/1989. On average, undergraduate students paid \$4,917 in tuition fees in 2009/2010, compared with \$4,747 in 2008/2009.

Canadian full-time students in undergraduate programs faced the same increase in tuition fees (+3.6%) for the 2009/2010 academic year as they did a year earlier.

In comparison, between August 2008 and August 2009, inflation as measured by the Consumer Price Index (CPI) declined 0.8%. During the same 12-month period in the previous year, the CPI rose 3.5%.

Tuition fees increased in all but three provinces this fall. Fees remained unchanged in Newfoundland and Labrador and New Brunswick, while they declined in Nova Scotia (-3.1%) for a second year in a row.

Two provinces ended freezes on tuition fees with increases — Manitoba (+4.3%) and Saskatchewan (+3.4%). Elsewhere, tuition fee increases ranged from 2.0% in British Columbia to 5.0% in Ontario. Ontario's increase was the limit legislated by the Ontario government.

On average, undergraduate students in Ontario also paid the highest fees in Canada at \$5,951. Students in Nova Scotia had the second-highest average tuition fees at \$5,696.

Quebec undergrads continued to pay the lowest fees, averaging \$2,272, followed by those in Newfoundland and Labrador at \$2,619.

Graduate Students Face Greater Increase than Undergrads

At the national level, graduate students faced larger tuition fee increases than undergraduate students.












On average, graduate students paid 4.7% more than in 2008/2009, compared with an increase of 3.6% for undergraduate students. Graduate students paid an average of \$6,008 in tuition fees for the current academic year.

Fees for graduate students were up in eight provinces. Fee hikes ranged from 3.4% in Saskatchewan to 5.9% in British Columbia. In Newfoundland and Labrador and New Brunswick, fees for graduate students remained unchanged from 2008/2009.

The education gap

The discrepancy in university fees across Canada is prompting calls for a federal transfer program.

AVERAGE UNDERGRADUATE TUITION FEES FOR CANADIAN FULL-TIME STUDENTS

BY PROVINCE		PERCENTAGE CHANGE 2008/2009 to 2009/2010	BY FACULTY	PERCENTAGE CHANGE 2008/2009 to 2009/2010
Ontario		\$5,951 5.0%	Veterinary medicine	15.6%
N.S.		\$5,696 -3.1	Architecture	6.5
Alberta		\$5,520 4.0	Law	5.9
N.B.		\$5,479 0.0	Dentistry	5.3
Sask.		\$5,238 3.4	Pharmacy	5.1
Canada		\$4,917 3.6	Engineering	5
B.C.		\$4,840 2.0	Mathematics, computer and information science	4.7
PEI		\$4,710 4.0	Medicine	4.0
Man.		\$3,377 4.3	Visual and performing arts, and communications	3.7
Nfld./ Labrador		\$2,619 0.0	Education	3.6
Quebec		\$2,272 4.2	Physical and life sciences and technology	3.6
			Social and behavioural science	3.5
			Agriculture	3.4
			Other health, parks, recreation and fitness	3.4
			Humanities	3.1
			Nursing	3.1
			Business, management and public administration	1.9

THE GLOBE AND MAIL ■ SOURCE: STATSCAN

Undergraduate: Dentistry Students Pay Highest Avg. Fees in Canada

As was the case in 2008/2009, undergraduate students in dentistry paid the highest fees on average (\$13,988), nearly three times the average of all undergraduate disciplines, followed by students in medicine (\$10,216).

Undergraduate students in veterinary medicine saw the largest increase (+15.6%), and ended up paying \$5,110 in the current academic year, followed by architecture and related services programs with a 6.5% rise. Increases in other fields ranged from 1.9% (business, management and public administration) to 5.9% (law).

At the graduate level, the most expensive program was the executive master of business administration (MBA), with tuition of \$30,653, and the regular MBA program at \$20,564. However, students in the executive MBA program had the smallest increase of all graduate programs from 2008/2009 to 2009/2010 at 2.5%.

The largest increases were recorded in agriculture, natural resources and conservation (+15.7%) and veterinary medicine (+10.9%).

International Students Paying More

Nationally, the average increase for international students in undergraduate programs was 7.1%, and they had average fees of \$15,674.

Tuition fees rose for all programs for international undergraduate students except in Newfoundland and Labrador. The increases for the other 9 provinces ranged from 0.4% in Nova Scotia to 18.9% in Alberta. Overall, 4 of the 10 provinces covered by the survey had hikes of more than 12% from 2008/2009.

International full-time students in graduate programs faced an average fee hike of 5.1% in 2009/2010 compared with the previous year.

While fees increased in most provinces, they declined slightly (-1.0%) for international students in Manitoba, and remained unchanged for Newfoundland and Labrador and New Brunswick's international students.

International full-time students in graduate programs faced the highest increase in Prince Edward Island (+9.0%), followed by those in Québec (+8.2%).

Additional Compulsory Fees on the Rise

The bundle of services included in additional compulsory fees varies from one institution to the next and can change over time. Typically, they include fees for athletics, student health services, student association and other fees that apply to full-time Canadian students.

Nationally, the additional compulsory fees increased 6.8% compared with last year. On average, Canadian undergraduate students paid \$749 in additional compulsory fees in 2009/2010, up from \$701 a year earlier.

In 2009/2010, additional compulsory fees for undergraduate students ranged from \$474 in New Brunswick to \$935 in Alberta. Compulsory fees for graduate students ranged from \$536 to \$987 for the same provinces respectively.

Alberta, with an increase of \$222 (+31.1%), posted the highest increase in additional compulsory fees for undergraduate students, while Prince Edward Island had the highest increase for graduate students (+8.9%).

Additional compulsory fees are often excluded from fee regulations and are normally determined in part by provincial departments, institutions and student organizations. **Source: Statistics Canada 09.10.20**

Preparing Ahead to Meet the Challenge

Based on the current rate that tuition fees are rising, a child born in 2009 can probably expect to pay upwards of 60K to 75K in tuition fees alone by the time they are finished high school.

To help offset the increasing cost of education, the Canadian government allows families to save for their children's education through a tax sheltered program known as an RESP, or Registered Education Savings Plan.

Not only is the money that is invested inside an RESP allowed to grow tax free, it also attracts contributions from the federal government through the [Canada Education Savings Grant](#) (CESG) and [Canada Learning Bond](#) (CLB) programs.

There are different ways for families to invest money inside an RESP, and different companies that offer RESP's to the public. Choosing the right RESP can give you the peace of mind of not having to worry about how your children will pay for their education, and take the burden from your children by them not having to worry about paying back thousands of dollars in student loans.