

AGENDA

Budget Committee

November 2005 National General Meeting

DAY ONE

1. PREPARATION FOR COMMITTEE DELIBERATIONS

a. Ratification of the Committee Chair(s)

Standing Resolution 1, Section 4, Committee Chairperson states that:

As its first order of business each standing general meeting committee shall either:

- a. ratify as the committee chairperson(s) the National Executive member(s) appointed to the committee; or
- b. elect a committee chairperson from within its membership.

b. Roundtable Introductions

c. Review of the Committee Agenda

d. Review of the Committee's Terms of Reference

Committee members should be familiar with the responsibilities of the Budget Committee as established in the Federation's Standing Resolutions. At the November general meeting the Committee shall:

- review and recommend budget adjustments for the remainder of the fiscal year to the closing plenary;
- assess the availability of funds for proposed projects and/or purchases, including donations; and
- discuss the Federation's long-term financial planning.

2. REVIEW OF FINANCIAL DOCUMENTS AND ISSUES

a. Orientation to the Finances of the Federation

- i. Revenue Sources
- ii. Areas of Spending
- iii. Funds and Fund Balances

b. Overview of Current Financial Realities/Pressures (In-camera)

c. Review of 2005-2006 Budget and Year-to-date Statements

The Committee will review the 2005-2006 budget and the comparative year-to-date statement of revenue and expenditures.

PAGE 2 — BUDGET COMMITTEE AGENDA

24th Annual National General Meeting of the Canadian Federation of Students(-Services)
Wednesday, November 23 to Saturday, November 26, 2005

DAY TWO

3. REVISION OF THE 2005-2006 BUDGET

The Committee will discuss the draft Revised 2005-2006 Budget and propose to the closing plenary any amendments it deems necessary.

4. OTHER BUSINESS

5. ADJOURNMENT

AGENDA

Campaigns and Government Relations Forum

November 2005 National General Meeting

DAY ONE

1. PREPARATION FOR FORUM DELIBERATIONS

- a. Roundtable Introductions**
- b. Review of the Forum Agenda**

2. PREPARATION FOR THE FEDERAL ELECTION

a. Federal Election Campaign Overview

Federal elections present the Federation with a unique opportunity to influence public policy by seeking commitments from candidates and political parties to address issues of concern to students. A presentation about the Federation's federal election strategy will be provided by British Columbia Organiser Michael Gardiner.

b. Overview of Voter Registration

Elections Canada no longer undertakes an enumeration in advance of federal elections to ensure voter are registered, instead relying on provincial lists of electors, and information provided by a number of federal government agencies. Because students are particularly vulnerable to being omitted from voter lists either because they are first-time voters or because they frequently change addresses, the Federation can play an important role in ensuring that members are registered and understand post-secondary education issues. An overview of the federal electoral registry will be provided by Campaigns and Government Relations Director Ian Boyko.

DAY TWO

3. REVIEW OF THE NATIONAL CAMPAIGNS PLAN

a. Review of 2005-2006 Campaign Strategy

An update on the implementation of the 2005-2006 Campaigns and Government Relations Strategy will be provided.

b. Province-by-Province Roundtable on Campaign Organising

The meeting will discuss the status of campaign organising in each region.

c. Preparation for the Remainder of the Year

3. MOTIONS REFERRED FROM OPENING PLENARY

The following motions will likely be referred to the Campaigns and Government Relations Forum by the opening plenary.

PAGE 2 – CAMPAIGNS & GOVERNMENT RELATIONS FORUM AGENDA

24th Annual National General Meeting of the Canadian Federation of Students
Wednesday, November 23 to Saturday, November 26, 2005

2005/11:N01 MOTION

Local 24/

Whereas gaining wide support for frozen or reduced tuition fees is necessary to pressure government when tuition fees are under review; and

Whereas when students, faculty, and staff are not working in a coordinated and united manner, it is easy for governments and university administrations to exploit divisions and ignore stakeholders; and

Whereas students, faculty, and staff often have the common concerns and goals that include promoting accessibility, quality, accountability, and public funding in post-secondary education; therefore

Be it resolved that member locals be encouraged to form campus coalitions that involve faculty and staff unions, with a goal of coordinating lobby efforts and developing common positions;

Be it further resolved that such coalitions seek to work collectively to develop a common approach to institutional governance bodies, including but not limited to boards of governors and academic councils or senates; and

Be it further resolved that these coalitions be encouraged to work together to mobilise the vote in the upcoming federal election and educate campus members about where political parties stand on the question of post-secondary education funding and access.

2005/11:N02 MOTION

Local 24/

Whereas decisions made at the Academic Council, Senate, or the equivalent institutional body often have a vast impact on the learning conditions of college and university students; and

Whereas student representatives on institutional academic bodies are often elected outside of the students' union elections and, in many cases, the election process is overseen by the institutional administration; and

Whereas a representative, accountable, and united student caucus on institutional academic bodies helps to ensure a more democratic, cohesive, and effective student voice; therefore

Be it resolved that member locals be encouraged to organise meetings with the student members of their respective Academic Council, Senate, or the equivalent institutional body for the purpose of coordinating strong, strategic, and effective student representation on all academic matters considered within the college or university governance structure.

2005/11:N03 MOTION

Local 24/

Whereas gaining wide public support for high-quality and affordable post-secondary education is necessary in order to successfully pressure governments to support dedicated federal transfer payments to the provinces for the purpose of increasing and guaranteeing funding for post-secondary education; and

Whereas tuition fee increases play a negative role in the educational experience of students; and

Whereas at most institutions the Academic Council, Senate, or the equivalent institutional body is mandated with the responsibility of protecting the quality of the educational experience of students at a given institution; and

Whereas at Ryerson University a motion endorsing the tuition fee freeze submitted by Local 24 and the Continuing Education Students' Association of Ryerson (CESAR), and directing the president of the university to write to the government to express support for the tuition fee freeze, was passed by the Academic Council; therefore

Be it resolved that member locals be encouraged to submit similar motions to their respective Academic Councils, Senates, or equivalent institutional bodies, calling for the official and public endorsement of tuition fee freezes and reductions.

CAMPAIGNS & GOVERNMENT RELATIONS FORUM AGENDA – PAGE 3

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2005/11:N04 MOTION

Local 24/

Whereas students democratically organise through national, provincial, and campus students' unions in order to provide representation and services; and

Whereas students democratically determine levies to impose individually upon themselves in order to fund their respective students' unions; and

Whereas students' unions must be able to retain current membership lists to communicate with and serve their members effectively; and

Whereas lack of access to membership lists hinders a students' union ability to make their members aware of the benefits and services available to them; therefore

Be it resolved that member locals be encouraged to request full membership lists from their respective institutional administrations; and

Be it further resolved that member locals be encouraged to work together, where necessary, to lobby their respective provincial governments to establish a legal right for students' unions to have access to their membership lists.

2005/11:N07 MOTION

Local 61/

Whereas students at Dawson College in Montreal, Quebec voted in favour of legal accreditation of the Dawson Students' Union in March, 2005; and

Whereas the Dawson Students' Union's accreditation was approved by the provincial government in April, 2005; and

Whereas Québec law empowers accredited students' unions with financial and political independence; and

Whereas in July, 2005 the Quebec Superior Court upheld both the accreditation referendum and the democratic Dawson Students' Union executive committee election; and

Whereas the Dawson College administration continues to refuse to recognise the democratic vote of the students' to accredit the Dawson Students' Union; and

Whereas the Dawson College administration refuses to recognise the democratically elected leadership of the Dawson Students' Union; and

Whereas the Dawson College administration continues to refuse to transfer previously collected students' union dues to the Dawson Students' Union; and

Whereas the Dawson College administration has collected the students' union dues for the 2005-2006 academic year but refuses to transfer the funds to the Dawson Students' Union; and

Whereas the Dawson College administration continues its campaign to discredit the Dawson Students' Union through a number of tactics including the dissemination of false information and assuming control of Dawson Students' Union services; and

Whereas legal and political campaigns are ongoing to force the administration to recognise the legitimacy of the democratically elected Dawson Students' Union executive and subsequently transfer the students' union dues to the Dawson Students' Union; therefore

Be it resolved that the Dawson Student Union's campaign to have the Dawson College administration recognise the legal rights of the Dawson Students' Union as an accredited students' union be supported; and

Be it further resolved that member locals be encouraged to write letters to the Dawson College administration and the Québec Minister of Education expressing support for the Dawson Student Union's campaign to have its legal accreditation recognised and respected by the Dawson College administration.

2005/11:N10 MOTION

Local 13/

Whereas lesbian, gay, bisexual, transgendered, two-spirited people are still facing discrimination on campuses and within society in general; and

PAGE 4 – CAMPAIGNS & GOVERNMENT RELATIONS FORUM AGENDA

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Whereas the Federation's "Positive Space" campaign has not been updated in some time and is dormant; therefore

Be it resolved that the "Positive Space" campaign be revitalised; and

Be it further resolved that the National Executive work with the Queer Constituency Group to revitalise the campaign.

2005/11:N11 MOTION

Local 89/

Whereas all students have the right to a full appeal when faced with expulsion, suspension or any serious disciplinary action; and

Whereas in international student appeal cases, international students are particularly vulnerable due to the fact the federal government delegates the power to determine an international students' legal status in Canada to educational institutions; and

Whereas the expulsions of international graduate students at the University of Victoria have resulted in loss of legal status in Canada for those students; and

Whereas non-status migrants do not have the right to financial aid or to earn an income in Canada and therefore international students in an appeal process can be left without income; and

Whereas the Federation has committed itself to the principle of international students' rights;

Be it resolved that Local 89's campaign to protect international students in appeal processes be adopted; and

Be it further resolved that the Ministry of Citizenship and Immigration and other relevant federal authorities be called upon to create policy to protect international students undergoing appeal processes.

2005/11:N12 MOTION

Local 68/

Whereas the Canadian Federation of Students frequently works in coalition with the Fédération étudiante universitaire du Québec (FÉUQ); and

Whereas the FÉUQ shares many of the Federation's major goals with respect to post-secondary education; and

Whereas there is strength in numbers; therefore

Be it resolved that, where possible, work be undertaken with the FÉUQ during the next federal election.

2005/11:N13 MOTION

Local 68/

Whereas the Millennium Scholarship Foundation has failed miserably at improving access and reducing student debt; and

Whereas the Foundation has undertaken an aggressive public relations campaign to increase tuition fees; and

Whereas the Foundation's research project has proven to be biased and detrimental to the interests of Canadian students and their families; and

Whereas the Foundation's research project has doled out lucrative and untendered research contracts to former employees of the Foundation; and

Whereas Foundation employees have attempted to undermine students' unions by denouncing the goals and tactics of the student movement; and

Whereas the Foundation has already begun to lobby elected officials and bureaucrats to extend the Foundation's lifespan beyond 2008; therefore

Be it resolved that the campaign for the wind-down of the Foundation be escalated.

4. ADJOURNMENT

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Whereas the Foundation has already begun to lobby elected officials and bureaucrats to extend the Foundation's lifespan beyond 2008; therefore

Be it resolved that the campaign for the wind-down of the Foundation be escalated.

4. ADJOURNMENT

CAMPAIGN GUIDE

Grants Not Loans

Background

In Canada, more than half of all post-secondary students require some financial assistance. Three-quarters of those receiving student loans believe they would be unable to participate in higher education without this assistance. A national system of needs-based grants would reduce daunting levels of student debt and improve access to universities and colleges.

In 1998, the federal government belatedly acknowledged the student debt crisis by creating the Millennium Scholarship Foundation. The Foundation was endowed with \$2.5 billion to disburse by 2009.

Regrettably, the Foundation has proven to be an ineffective public relations stunt, and under the guise of "research", a campaign machine that advocates for higher tuition fees and higher student debt.

As a result of the Foundation's politicised research project and inability to provide student financial assistance, *the Foundation must be wound down and its endowment used to fund a national system of needs-based grants.*

Implementation

Research: The Federation will produce a fact sheet that outlines how a national system of grants would be funded and administered. The Federation will also continue to publicise the biased nature of the Millennium Scholarship Foundation's research and communications efforts.

Government Relations:

The Federation will lobby federal decision-makers to convert the MSF into a national system of needs-based grants. The Federation will also lobby for the augmentation of the federal low-income grant.

National Awareness and Media:

The Federation will develop a comprehensive media strategy designed to highlight the inefficiencies and ineffectiveness of the current Canada Student Loan Program. The Federation will seek to publish research and opinion pieces in national publications.

Membership Mobilisation:

The Federation will encourage member locals to continue to highlight the impact of student debt in their communities.

The Federation will investigate the possibility of hosting a national conference on student financial aid in order to, among other things, maintain a national dialogue about what must be done with the Millennium Scholarship Foundation.

In addition, the Federation will launch a national petition drive that will serve both to educate the membership and influence decision-makers.

Coalition Work: The Federation will continue to build widespread awareness among coalition partners about the importance of winding down the Millennium Scholarship Foundation in favour of grants.

Campaign Goal

The Federation seeks the establishment of a national system of grants.

GUIDE DES CAMPAGNES

Un système national de bourses

Objectif de la campagne

La Fédération veut la création d'un système national de bourses.

Information

Au Canada, plus de la moitié des étudiantes et étudiants postsecondaires ont besoin d'une aide financière quelconque. Les trois-quarts de ceux ou de celles qui reçoivent des prêts étudiants pensent qu'ils ou elles ne pourraient pas poursuivre des études supérieures sans aide financière.

Un système national de bourses accordées selon le besoin réduirait immédiatement le niveau important de l'endettement étudiant et améliorerait l'accès aux universités et aux collèges. En 1998, le gouvernement fédéral a finalement reconnu sa contribution à la crise de l'endettement étudiant en créant la Fondation des bourses du millénaire et à laquelle il a octroyé une somme de 2,5 milliards de dollars à déboursier jusqu'en 2009.

Malheureusement, la Fondation s'est révélée un exercice de relations publiques inefficace, qui prétend faire de la « recherche » en présentant des arguments en faveur de l'augmentation des frais de scolarité et de l'endettement étudiant.

En effectuant de la recherche à teneur politique et en étant incapable de fournir une aide financière aux études véritable, la Fondation s'est révélé un organisme inutile qui doit être aboli et dont les fonds devraient être affectés à la création d'un système national de bourses accordées en fonction du besoin.

Mise en oeuvre

Recherche : La Fédération produira une info-fiche décrivant la façon dont on pourrait financer et gérer un système

national de bourses.

La Fédération continuera en outre à dévoiler la partialité politique de la recherche et du travail de communications effectués par la Fondation des bourses du millénaire.

Relations avec le gouvernement :

La Fédération continuera à faire des pressions auprès des décideurs fédéraux en faveur de la mise en œuvre d'un système national de bourses accordées en fonction du besoin.

La Fédération exercera en outre des pressions politiques en faveur de l'augmentation des bourses pour étudiantes et étudiants à faible revenu.

Travail de sensibilisation et médias :

La Fédération élaborera une stratégie médiatique complète pour souligner les inefficacités du Programme canadien de prêts aux étudiants actuel. La Fédération tentera de diffuser de la recherche et des articles dans des publications nationales.

Mobilisation des membres :

La Fédération encouragera les sections membres à poursuivre leur travail de sensibilisation sur les conséquences de l'endettement étudiant. La Fédération étudiera la possibilité d'organiser une conférence nationale sur l'aide financière aux études pour, entre autres, continuer le débat à l'échelle nationale sur le sort qu'il faut réserver à la Fondation des bourses du millénaire. De plus, la Fédération lancera une campagne nationale de pétitions qui servira à informer les membres et à influencer les décideurs.

Travail de coalition : La Fédération cherchera à obtenir l'appui de ses partenaires de coalition traditionnels et encouragera les sections membres à travailler de concert avec d'autres organisations locales s'il y a lieu.

CAMPAIGN GUIDE

Income Contingent Repayment

Background

In 1955, the U.S. economist Milton Friedman devised Income Contingent Loan Repayment Schemes (ICR) as a way to reduce the role of the state in financing education. Instead of public funding, Friedman proposed that tuition fees be full cost-recovery. In order for students to pay for these vastly higher tuition fees, he proposed that they have access to larger loans and that repayment be based on an individual's level of income after graduation (i.e. income contingent).

More recently, former Ontario Premier Bob Rae has called for the national implementation of ICR. Rae's vision of ICR flows directly from Friedman's founding premise that the individual should be responsible for all or most of the cost of a post-secondary education.

Under an ICR scheme, borrowers repay their loans as a percentage of their incomes upon completion of study. Thus, graduates with lower levels of income repay their loans over a longer period of time, while those in high-paying jobs repay their loans quicker and pay less compound interest. Those who can afford to pay their tuition fees up-front avoid extended compound interest payments after graduation, thereby paying less for their education than students who must borrow to pay for tuition fees.

Where ICR models that have been implemented in other parts of the world tuition fees have increased dramatically. In fact, ICR schemes attempt to facilitate fee hikes and hasten the underfunding of

education. Most models replace loan plans that are interest-free during the period of study (such as Canada Student Loans) with loans that collect interest from the moment they are provided.

Implementation

Research: The Federation will continue to monitor the effects of ICR schemes in those jurisdictions outside of Canada where they have been implemented.

Government Relations: The Federation will continue to lobby governments that present ICR schemes as a form of "student aid". The Federation will implement the campaign provincially to ensure that Income Contingent Loan Repayment schemes are not introduced in provincial budgets. The Federation will continue to lobby the federal government to expressly exclude ICR schemes as a prerequisite to any future harmonisation agreements or service provider contracts.

National Awareness and Media: The Federation will investigate the possibility of hosting a national conference on student financial aid and present the current evidence about ICR's effects on student debt.

Membership Mobilisation: Member locals will be encouraged to submit to campus and local newspapers features about the problems associated with Income Contingent Loan Repayment schemes and the negative effect of student debt on access to education. A draft opinion editorial shall be circulated to member locals for the purpose of submitting it to campus, community, and local corporate newspapers.

Campaign Goal

The Federation seeks to halt any government initiatives to implement Income Contingent Loan Repayment schemes.

GUIDE DES CAMPAGNES

Remboursement de prêts d'études en fonction du revenu

Objectif de la campagne

La Fédération veut mettre fin aux initiatives gouvernementales de mise en œuvre des modèles de prêts remboursables en fonction du revenu.

Information

En 1955, l'économiste américain Milton Friedman a conçu les prêts remboursables en fonction du revenu (PRR) pour réduire le rôle de l'État dans le financement de l'enseignement. Au lieu d'un financement public, Friedman a proposé que les frais de scolarité soient entièrement récupérés. Et, pour que les étudiantes et étudiants puissent payer ces frais de scolarité extrêmement élevés, il a proposé de leur accorder de gros prêts. Enfin, pour gérer la taille des prêts, il a proposé que les remboursements soient faits en fonction du niveau de revenu après les études.

Plus récemment, l'ancien premier ministre de l'Ontario Bob Rae a plaidé en faveur de la mise en œuvre d'un projet de remboursement en fonction du revenu à l'échelle nationale. La vision que M. Rae a des PRR provient directement de la prémisse énoncée par M. Friedman selon laquelle l'individu devrait payer la totalité ou la plus grande part du coût de ses études postsecondaires. En vertu des PRR, les emprunteurs rembourseraient leurs prêts en tant que pourcentage de leur revenu après avoir fini leurs études. Donc, ceux dont le revenu serait faible rembourseraient leurs prêts sur une plus longue période et ceux qui auraient un emploi très bien rémunéré feraient des remboursements plus rapides, évitant ainsi le paiement d'intérêts. Ceux qui peuvent se permettre de payer leurs frais de scolarité en une fois, évitent de payer le taux d'intérêt élevé après la fin de leurs études; ils paieraient donc moins pour leur éducation postsecondaire.

Pratiquement tous les modèles de PRR qui ont été adoptés dans d'autres pays ont vu des augmentations considérables des frais de scolarité. En fait, le modèle PRR est simplement une manière de camoufler l'impact de l'augmentation des frais de scolarité et d'accélérer le sous-financement de l'éducation. La plupart des modèles remplacent des régimes de prêts qui ne

prévoient pas le paiement d'intérêts durant la période des études (comme le Programme canadien de prêts aux étudiants) par des prêts qui accumulent des intérêts dès le moment où le prêt est consenti.

Mise en oeuvre

Recherche : La Fédération continuera d'étudier les conséquences des modèles de PRR dans les juridictions où ils ont été adoptés hors du Canada.

Relations avec le gouvernement : La Fédération continuera de faire des pressions auprès des gouvernements qui présentent des modèles de prêts remboursables en fonction du revenu comme étant une forme « d'aide aux étudiantes et étudiants ». La Fédération mettra la campagne en œuvre au niveau provincial pour s'assurer que les modèles de PRR ne seront pas inclus dans les budgets provinciaux. La Fédération fera des pressions auprès du gouvernement fédéral pour exclure expressément les PRR en tant que condition préliminaire à toute entente sur l'harmonisation ou avec les fournisseurs de services.

Travail de sensibilisation et médias : La Travail de sensibilisation et médias : La Fédération étudiera la possibilité d'organiser une conférence nationale sur l'aide financière aux études et présentera des preuves sur les conséquences néfastes des PRR pour l'endettement étudiant.

Mobilisation des membres : Il faudra encourager les sections membres à prendre contact avec les journaux sur le campus et les journaux locaux pour leur proposer la publication d'articles ou de reportages sur les problèmes liés aux modèles de prêts remboursables en fonction du revenu et les effets négatifs que l'endettement des étudiantes et étudiants aura sur leur accès à l'éducation. La Fédération diffusera un modèle d'article de journal que les sections membres pourront proposer à leurs journaux étudiants et communautaires, et aux quotidiens de leur région.

CAMPAIGN GUIDE

Federal Funding

Background

For more than two decades, the Federation has called for the establishment of a national system of standards for post-secondary education and research. The Federation proposes that a Ministry of Post-Secondary Education and Research be established and that a Post-Secondary Education Act, modelled on the principles of the Canada Health Act, be developed and implemented. A new Ministry will provide the federal government with a coherent national vision for post-secondary education and research.

Since the introduction of the Canada Health and Social Transfer (CHST) in 1996, accountability and transparency for federal post-secondary education transfers has diminished significantly. Even under the Canada Social Transfer, introduced to replace the CHST in April 2004, there are no criteria that establish the amount that provincial governments are expected to spend on post-secondary education.

In June 2004 under the pressure of an election campaign, Prime Minister Paul Martin promised to allocate \$7 to \$8 billion to a dedicated transfer payment.

Implementation

Research: The Federation will track the continued under-investment in federal transfers measured against inflation, population growth, and economic growth.

Government Relations: The Federation will meet with provincial and federal decision-makers to promote a clear vision for administering post-secondary education in Canada. Special emphasis will be placed on seeking the support of the Council of Ministers of Education.

Meetings to lobby for federal-provincial negotiations on a post-secondary education act that will have the goal of establishing a dedicated post-secondary education transfer payment and corresponding legislation shall be initiated jointly with the Canadian Association of University Teachers.

National Awareness and Media:

The Federation will implement a communications strategy in order to keep Prime Minister Paul Martin's 2004 election promise of a dedicated transfer payment in the public consciousness. Member locals will be encouraged to make use of local and campus media for similar purposes.

Membership Mobilisation: A draft letter to Members of Parliament supporting the creation of a dedicated transfer tied to tuition fees and a federal act will be circulated to member locals. Member locals will be encouraged to approach university and college Boards of Governors, Senates, and Education Councils, institution presidents, and faculty and staff unions to send similar letters supporting the Federation's campaign.

Campaign Goal

The Federation will continue to seek the establishment of:

- a dedicated cash transfer payment for post-secondary education;
- a federal Ministry of Post-Secondary Education and Research;
- a Post-Secondary Education Act; and
- a system of national guidelines for quality and accessibility in post-secondary education and research that includes special recognition for the needs of Québécois and First Nations students.

GUIDE DES CAMPAGNES

Financement fédéral

Objectifs de la campagne

La Fédération continuera à rechercher la création :

- d'un paiement de transfert destiné spécifiquement à l'éducation postsecondaire;
- d'un ministère fédéral de l'Éducation et de la recherche postsecondaire;
- d'une Loi sur l'éducation postsecondaire;
- d'un système de directives nationales pour la qualité et l'accessibilité de l'éducation et de la recherche au niveau postsecondaire; et
- d'études qui tiennent compte spécifiquement des besoins des étudiantes et étudiants du Québec et des Premières Nations.

Information

Depuis plus de deux décennies, la Fédération fait appel pour l'établissement d'un système national de normes pour l'éducation postsecondaire et la recherche. La Fédération propose la création d'un ministère de l'Éducation postsecondaire et de la Recherche ainsi que la mise en œuvre d'une Loi sur l'éducation postsecondaire fondée sur les mêmes principes que la Loi canadienne sur la santé. Le nouveau ministère fournirait au gouvernement fédéral une vision nationale plus cohérente pour l'éducation postsecondaire et la recherche.

Depuis l'introduction du Transfert canadien en matière de santé et de programmes sociaux (TCSPS) en 1996, le manque de responsabilité et de transparence en ce qui concerne les paiements de transfert fédéraux pour l'éducation postsecondaire est devenu de plus en plus apparent. Le Transfert social canadien, qui a remplacé le TCSPS en avril 2004, ne contient aucune disposition qui établit le montant des dépenses que les gouvernements provinciaux doit affecter à l'éducation postsecondaire.

En juin 2004, à la suite de pressions exercées lors de la campagne électorale, le Premier ministre Paul Martin a promis d'affecter de 7 à 8 milliards de dollars en paiements de transfert destinés uniquement à l'éducation postsecondaire.

Mise en oeuvre

Recherche : La Fédération suivra l'évolution des paiements de transfert leur décroissance continue par rapport à l'inflation et à la croissance de la population et de l'économie.

Relations avec le gouvernement : La Fédération continuera de rencontrer

les décideurs politiques aux niveaux provincial et fédéral afin de faire la promotion d'une vision claire pour l'administration de l'éducation postsecondaire au Canada. Elle fera des efforts particuliers pour obtenir l'appui du Conseil des ministres de l'éducation.

Des rencontres seront organisées en collaboration avec l'Association canadienne des professeures et professeurs d'université pour presser le gouvernement de tenir des négociations fédérales-provinciales pour une Loi sur l'éducation postsecondaire qui aura comme objectif d'établir un transfert distinct pour l'éducation postsecondaire et toute autre loi nécessaire à cette fin.

Travail de sensibilisation et médias :

La Fédération mettra en œuvre une stratégie de communications pour que la population n'oublie pas la promesse électorale que le premier ministre Paul Martin a faite en 2004 au sujet d'un paiement de transfert destiné spécifiquement à l'éducation postsecondaire. On encouragera les sections membres à prendre contact avec les médias de leur campus et de leur région pour faire de même.

Mobilisation des membres : On fera circuler auprès des sections membres une lettre-type adressée aux députées et députés fédéraux pour signaler notre appui pour un paiement de transfert destiné spécifiquement à l'éducation postsecondaire et qui serait lié aux frais de scolarité, et pour la création d'une loi fédérale sur l'éducation postsecondaire. On encouragera les sections membres à organiser des rencontres avec le conseil d'administration, le sénat et les conseils d'éducation de leur collège ou université, et aussi avec les recteurs, les corps enseignants et le personnel de soutien pour leur demander d'envoyer des lettres d'appui pour la campagne de la Fédération.

CAMPAIGN GUIDE

Reduce Tuition Fees

Background

The Federation has galvanised public support for freezing and reducing tuition fees. Increased awareness about the effects of tuition fee increases on access to post-secondary education has helped shift public opinion such that recent polling indicates that over 80% of Canadians oppose further tuition fee increases and that roughly half support a reduction in fees.

The challenge for the Federation is to maintain the momentum towards lower tuition fees in provinces where freezes and reductions have already occurred and create pressure in other provinces to reverse recent increases.

Implementation

Research: The Federation will compile information describing different systems of post-secondary education in countries where no tuition fees exist. Also, research will be collected on the effects of tuition fees in countries where they have recently been introduced.

In particular the Federation will rebut the research disseminated by proponents of higher tuition fees such as the Millennium Scholarship Foundation, the Educational Policy Institute, and others.

Government Relations: The Federation will lobby for the restoration of

federal transfer payments for post-secondary education in meetings with federal and provincial officials. The Federation will continue to lobby provincial premiers to issue a statement from the annual Premier's Conference calling for increased federal funding for post-secondary education as a catalyst to reduce tuition fees.

The Federation will lobby provincial governments to enact legislation that freezes and reduces tuition fees.

The Federation will articulate the positive benefit of expanding access for international students by eliminating differential fees.

National Awareness and Media:

Tuition fees and equitable access to university and college will remain the core of virtually all Federation communications, including but not limited to federal and provincial elections.

The Federation will also seek to expose the regional disparity with respect to access to post-secondary education and continue to build public support for the elimination of fees nation-wide.

Membership Mobilisation:

The Federation will encourage member locals to continue to campaign against tuition fee hikes for both Canadian and international students.

Campaign Goal

The Federation seeks:

- the progressive reduction of tuition and ancillary fees at public post-secondary institutions across the country with the ultimate goal of eliminating user fees;
- to address the exclusion of marginalised groups from post-secondary education caused by rising tuition fees;
- the elimination of differential fees for international students and an end to the growing trend among university administrators to regard international students as revenue opportunities for colleges and universities.

GUIDE DES CAMPAGNES

Réduction des frais de scolarité

Objectifs de la campagne

La Fédération vise les objectifs suivants :

- la réduction progressive des droits de scolarité et des frais afférents dans les établissements d'études postsecondaires partout au pays, en vue d'éliminer tous les frais;
- une solution à l'exclusion des groupes marginalisés du système d'études postsecondaires en raison de l'augmentation des droits de scolarité; et
- l'élimination des frais différentiels pour les étudiantes et étudiants étrangers et un terme à la tendance croissante de l'administration des universités qui perçoit cette population étudiante en tant que possibilité de recettes pour les collèges et universités.

Information

La Fédération a galvanisé l'appui du public pour le gel et la baisse des droits de scolarité. En effet, la population est de plus en plus consciente des répercussions associées à la hausse des droits de scolarité. D'après des sondages réalisés récemment, plus de 80 % des Canadiens et Canadiennes s'opposent à toute autre augmentation des droits de scolarité et environ la moitié de la population est en faveur d'une baisse des droits de scolarité.

La Fédération devra poursuivre ses efforts pour réduire les droits de scolarité dans les provinces qui ont déjà gelé ou abaissé leurs droits de scolarité, et elle devra exercer des pressions dans les autres provinces pour inverser les dernières hausses.

Mise en oeuvre

Recherche : La Fédération compilera des données sur des modèles d'éducation postsecondaire dans des pays où les étudiantes et étudiants ne paient pas de frais de scolarité. La Fédération fournira des recherches axées sur des droits de scolarité dans des pays où ils ont été introduits récemment.

Relations avec le gouvernement : La Fédération fera des pressions en vue de rétablir les paiements de transfert du gouvernement fédéral destinés aux études postsecondaires au cours de réunions avec les responsables fédéraux et provinciaux. La Fédération pressera les premiers ministres provinciaux à appuyer la

publication d'une déclaration de la Conférence annuelle des premiers ministres exigeant l'augmentation du financement fédéral pour l'éducation postsecondaire afin de réduire les droits de scolarité.

La Fédération fera des pressions auprès des gouvernements provinciaux pour qu'ils adoptent une législation visant à geler et réduire les frais de scolarité.

La Fédération fera connaître les avantages de l'élargissement de l'accès à la population étudiante internationale en éliminant les frais différentiels pour les étudiantes et étudiants étrangers.

Travail de sensibilisation et médias : Les frais de scolarité et l'égalité de l'accès à l'université ou au collège resteront au cœur de presque toutes les communications de la Fédération, y compris les communications sur les élections fédérales et provinciales.

La Fédération tentera aussi de démontrer les disparités régionales en matière d'accès à l'éducation postsecondaire et continuera de solliciter l'appui de la population pour l'élimination des frais de scolarité partout au Canada.

Mobilisation des membres : La Fédération encouragera les sections membres à continuer de faire campagne contre les hausses des frais de scolarité imposées au niveau local, que ce soit pour les étudiantes et étudiants canadiens, résidents ou étrangers.

CAMPAIGN GUIDE

Stop the GATS

Background

In 1995, the Government of Canada became a signatory to the General Agreement on Trade in Services (GATS) through its membership in the World Trade Organization (WTO). The GATS forms the basis for any new trade in private and public services. It will potentially cover all services, except those "provided in the exercise of governmental authority" if they are also "supplied neither on a commercial basis nor in competition with one or more service suppliers." Because public education and private education co-exist in Canada, the provision above does not necessarily protect the public system from inclusion under the GATS. Essentially, GATS regulations threaten to infringe on the ability of all levels of government to provide and democratically regulate services, including public education.

To-date, Canada has not put education on the table for negotiations, but there has been no commitment made that it will not be introduced in the future.

Implementation

Research: The Federation will continue to participate in the Trade Initiative Research Project (TIRP). TIRP is a consortium of researchers who meet quarterly to review government trade agreements and the global literature devoted to analyzing and critiquing global trade agreements. An updated GATS factsheet will be released.

Government Relations Strategy: The Federation will lobby the federal government to end all negotiations on publicly offered services. In addition, the Federation will lobby municipal councils to adopt resolutions that oppose trade liberalisation agreements that threaten locally provided services. The Federation will continue to monitor international organisations such as the Organization for Economic Co-Operation and Development (OECD) and gather information about possible trade liberalisation trends effecting Canada.

Membership Mobilisation: Member locals will be encouraged to participate in a letter-writing campaign to the Minister of Industry and the Prime Minister, expressing concern about the impacts of existing trade and intellectual property agreements on public post-secondary education. Ministers will also be encouraged to make Canada a leader in opposing "free market" education at negotiations.

Coalition Work: National coalition work will be conducted through continued membership and participation in the Common Frontiers, an organisation of non-governmental groups opposed to trade liberalisation. The Federation will also work through the International Union of Students to build international links promoting accessible, high quality public post-secondary education.

Campaign Goal

The Federation seeks to halt Canadian trade negotiations on post-secondary education and other public services.

GUIDE DES CAMPAGNES

Arrêtons l'AGS

Objectif de la campagne

La Fédération veut mettre un terme à la menace que posent à l'éducation postsecondaire les accords commerciaux internationaux.

Information

En 1995, le gouvernement du Canada a été un des signataires de l'Accord général sur le commerce des services (AGCS) en sa qualité de membre de l'Organisation mondiale du commerce (OMC). L'AGCS – qui est à la base de tout nouveau commerce de services – englobe potentiellement tous les services, sauf ceux qui sont fournis dans l'exercice de l'autorité gouvernementale à condition qu'ils soient fournis ni sur une base commerciale ni sur une base compétitive avec un ou plusieurs fournisseurs de services. En raison de la coexistence de l'éducation publique et privée au Canada, cette disposition ne protège pas le système public de l'inclusion dans l'AGCS. Avant tout, les règlements de l'AGCS menacent d'enfreindre la capacité qu'ont les gouvernements et les municipalités à fournir des services comme l'éducation publique, et de les réglementés de façon démocratique.

Jusqu'ici l'éducation n'est pas matière à négociation pour le Canada, mais il n'y a aucun engagement selon lequel ce ne pourrait pas être le cas dans l'avenir.

Mise en oeuvre

Recherche : La Fédération continuera de participer au Projet de recherche sur le commerce et l'investissement (Trade Initiative Research Project - TIRP). Il s'agit d'un consortium de chercheurs progressistes qui se rencontrent tous les trois mois pour examiner les ententes commerciales conclues par le gouvernement ainsi que la documentation mondiale consacrée à l'analyse et à la critique des ententes commerciales mondiales. De plus, l'info-fiche décrivant les conséquences de l'AGCS sur l'éducation

postsecondaire sera mise à jour.

Stratégie des relations avec le gouvernement

: La Fédération fera des pressions auprès du gouvernement fédéral pour qu'il cesse toutes les négociations ayant trait au commerce des services. La Fédération fera des pressions auprès des élus municipaux pour adopter des résolutions exigeant que les accords commerciaux internationaux n'entravent pas les services fournis au niveau local. Enfin, les membres de la Fédération continueront de surveiller les organismes internationaux comme l'Organisation de coopération et de développement économiques (OCDE) et d'assister à des réunions en tant qu'observateurs pour rassembler de l'information stratégique sur la libéralisation du commerce.

Mobilisation des membres : La Fédération encouragera ses sections membres à participer à la campagne de lettres adressées au ministre de l'Industrie et au Premier ministre pour exprimer leurs inquiétudes concernant les accords sur le commerce et la propriété intellectuelle, et leurs conséquences pour l'éducation postsecondaire publique. La Fédération encouragera aussi les ministres à faire du Canada un chef de file lors des négociations en s'opposant à l'éducation du type « libre marché ».

Travail de coalition : La Fédération poursuivra son travail de coalition au niveau national en continuant d'adhérer et de participer au groupe Front commun. La Fédération continuera à travailler avec l'Union internationale des étudiants en vue de bâtir des liens dans le monde entier pour la promotion d'une éducation postsecondaire accessible et de haute qualité.

CAMPAIGN GUIDE

Student Loan Bankruptcy

Background

On June 18, 1998, amendments to sections 178(1)(g)(ii) and 178(1.1) of the Bankruptcy and Insolvency Act R.S.C. 1985, c.B-3 took effect, making student loans non-dischargeable for a period of ten years after a student has ceased full or part-time studies. These provisions create a distinction between student debtors and consumer debtors in general.

Before the 1998 changes, student loan holders who lacked sufficient funds to repay their debt could, as a last resort, apply for bankruptcy protection and a discharge of all remaining debts.

This protection was in place to ensure that, even though most debtors pay back their student loans despite hardship, there was a way out for those who were destitute. In 1996, of those declaring consumer bankruptcy where the primary debt was student loans, the annual median income was \$14,211.

On December 7, 2000, the Federation filed a legal challenge to the Bankruptcy and Insolvency Act (BIA). The case was heard on June 16, 2004, in the Ontario Superior Court. Unfortunately, as of May 2005 no decision has been rendered in the challenge.

Implementation

Research: The Federation will produce a fact sheet dispelling commonly held myths regarding student loan default rates, student

loan debtors and bankruptcy protection.

Government Relations: The Federation will continue to lobby MPs and Senators to eliminate the prohibition. In particular, the Federation will support a Private Member's Bill by Liberal Senator Wilfred Moore during the early stages of the legislative process. Senator Moore's Bill only reduces the prohibition to five years, but the Federation will lobby Members of Parliament and Senators to reduce the prohibition further at the committee stage.

In addition, the Federation will pressure the next Parliament to consider the recommendations of the Senate Committee on Banking and Commerce. Though the Committee issued its report in November 2003, it has not yet been formally considered by Parliament.

National Awareness and Media: A comprehensive media strategy has been developed in anticipation of the decision. Special consideration will be given to ensuring that the media exposure resulting from the Charter challenge complements the Federation's work in the next federal election.

Membership Mobilisation: Member locals are encouraged to continue to gather names and contact information of students and recent graduates willing to discuss the student debt crisis with the media, and forward that information to the national office.

Campaign Goal

The Federation seeks the repeal of the ten-year ban on student loan bankruptcy.

GUIDE DES CAMPAGNES

La loi sur la faillite

Objectifs de la campagne

La Fédération veut l'abolition de l'interdiction de dix ans pour les faillites reliées aux prêts étudiants.

Information

Aux termes des modifications apportées le 18 juin 1998 au sous-alinéa 178(1)g(ii) et au paragraphe 178(1.1) de la Loi sur la faillite et l'insolvabilité S.R.C. 1985, c. B-3, les étudiantes et étudiants ne peuvent se libérer de leur prêt étudiant en vertu d'une faillite pour une période de dix ans suivant la fin de leurs études à plein temps ou à temps partiel. On a établi ainsi une distinction entre les débiteurs étudiants et les débiteurs consommateurs en général.

Avant les modifications de 1998, les emprunteurs étudiants qui n'avaient pas assez de moyens financiers pour rembourser leur dette, demandaient en dernier recours la protection de la loi sur les faillites et l'acquittement du reste de leurs dettes. Rappelons que cette loi devait protéger les débiteurs privés de ressources et incapables de payer leurs dettes, bien que la plupart d'entre eux remboursent leurs prêts d'études malgré leurs problèmes financiers. En 1996, parmi les personnes qui se sont déclarées en état de faillite civile, où la dette principale consistait de prêts d'études, le revenu annuel moyen était de 14 211 \$.

Le 7 décembre 2000, la Fédération a intenté une contestation relative à la Loi sur la faillite et l'insolvabilité. La contestation a été entendue le 16 juin 2004 par la Cour supérieure de l'Ontario, mais malheureusement, en mai 2005, aucune décision n'avait toujours pas été rendue.

Mise en oeuvre

Recherche : La Fédération produira une info-fiche pour réfuter les mythes que tout le monde croit quant au nombre de personnes qui ne remboursent pas leur prêt étudiant, sur les débiteurs de prêt

étudiant eux-mêmes et sur la protection de la loi sur la faillite.

Relations avec le gouvernement : La Fédération va continuer de faire des pressions auprès des députées et députés et des sénatrices et sénateurs pour que l'interdiction soit annulée. La Fédération appuiera le projet de loi présenté par le sénateur libéral Wilfred Moore aux débuts du processus législatif. Le projet de loi proposé par le sénateur Moore ne réduit l'interdiction que de cinq ans, mais la Fédération continuera de faire des pressions auprès des députées et députés et des sénatrices et sénateurs pour que l'interdiction soit réduite davantage lors de l'étape de l'étude en comité.

La Fédération fera également des pressions auprès du prochain Parlement pour qu'il étudie les recommandations du Comité sénatorial permanent des banques et du commerce. Le comité a produit son rapport en novembre 2003, mais celui-ci n'a toujours pas été étudié par le Parlement.

Travail de sensibilisation et médias : La Fédération élaborera une stratégie médiatique pour les dernières étapes de la contestation en vertu de la Charte. On s'assurera surtout que l'attention des médias portant sur la contestation en vertu de la Charte complètera le travail de la Fédération lors des prochaines élections fédérales.

Mobilisation des membres : Il faut encourager les sections membres à prendre en note les noms et les coordonnées des étudiantes et étudiants et des nouveaux diplômés et diplômées qui seraient disposés à discuter de la crise de l'endettement étudiant avec les médias.

CAMPAIGN GUIDE

Keep the Public in Post-Secondary Education

Background

Over the last 20 years, decreases in federal funding for post-secondary education has paved the way for the increased commercialization of universities and colleges. Commercialisation of universities and colleges manifests in several ways, from marketing products in hallways, to corporate donations for university capital projects, to private funding for university research. The implications are significant for public post-secondary education.

Private interests encroaching into the halls, labs, and classrooms threaten post-secondary institutions' mandate to serve the public interest. For both universities and colleges, increased pressure from industry can influence the curriculum, and research projects; even faculty hirings can be subject to interference.

Declining federal support for basic infrastructure and operating costs has also fostered a business-model approach to the operation and administration of universities and colleges. For example, commercialisation takes the form of the contracting-out of many essential campus services to private corporations with a greater interest in turning a profit than the campus community and workers' rights.

Although the federal government has reduced its role in post-secondary education, it has also implemented an aggressive commercialisation agenda for university research. Increasingly, funds allocated to university research are provided

with requirements to seek matching sponsorship or to demonstrate commercial potential. Corporate partnerships can also impede scientific progress because private sponsors generally impose nondisclosure clauses in the research agreements. Increasingly, cases of research misconduct are surfacing where researchers have kept secret or manipulated research results because of pressure from a private sponsor.

Implementation

Government Relations: The Federation will continue to lobby for increased public funding for the national granting councils that is free of requirements for matched funding from the private sector. The Federation will also lobby federal and provincial governments for legislated protection for whistleblowers who seek to expose research misconduct.

National Awareness and Media: The Federation will publicise the dangers of commercialization in public post-secondary education. The Federation will also continue to support whistleblowers who decide to make public their struggles in defense of academic freedom and scientific integrity.

Membership Mobilisation: Member locals are encouraged to continue to gather information about examples of commercialisation on campus and promote an environment for student researchers to come forward who may feel pressure from corporate sponsors.

Campaign Goal

The Federation seeks to reduce commercialisation of campus life, classroom curriculum, and university research.

GUIDE DES CAMPAGNES

L'éducation postsecondaire, c'est une affaire publique

Objectifs de la campagne

La Fédération tente de réduire la commercialisation des campus, des programmes d'études, et de la recherche universitaire.

Information

Au cours des 20 dernières années, les réductions du financement fédéral de l'éducation postsecondaire ont préparé le terrain à l'accroissement de la commercialisation des universités et collèges. Cette commercialisation se manifeste de diverses façons, allant du marketing de produits dans les couloirs des établissements d'enseignement aux dons corporatifs finançant des projets capitaux pour les universités, en passant par le financement privé de la recherche universitaire. Les conséquences sur l'éducation postsecondaire publique sont importantes. Cette commercialisation dans les établissements d'enseignement postsecondaire menace le mandat de ceux-ci qui est de servir l'intérêt public. Tant dans les universités que les collèges, cette pression accrue du secteur privé peut influencer sur le curriculum et les projets de recherche. Même sur l'embauche du corps professoral peut faire l'objet de ces interférences.

La baisse de l'aide fédérale aux infrastructures fondamentales et aux dépenses opérationnelles a aussi moussé une approche des affaires semblable à celle du secteur privé des activités et de l'administration des universités et collèges. À titre d'exemple, la commercialisation prend la forme de la sous-traitance de plusieurs services essentiels sur les campus à des entreprises privées beaucoup plus intéressées à faire des profits qu'à favoriser le bien-être de la communauté du campus et les droits des travailleuses et travailleurs.

Non seulement le gouvernement fédéral a réduit son rôle en éducation postsecondaire, mais il a aussi mis en œuvre une approche de commercialisation agressive de la recherche universitaire. De plus en plus, les fonds alloués à la recherche universitaire le sont selon des exigences de parrainage

et d'appariement avec le privé ou pour démontrer un potentiel commercial. Les partenariats corporatifs peuvent également bloquer l'avancement de la science, car les parrains privés imposent généralement des clauses de non divulgation dans les contrats de recherche. Plus le temps passe, plus font surface les cas d'inconduite en matière de recherche, que ce soit pour avoir gardé le secret ou avoir manipulé des résultats de recherche en raison des pressions qu'exerçait un parrain du secteur privé.

Mise en oeuvre

Relations avec le gouvernement : La Fédération continuera de faire des représentations pour que soit augmenté le financement public des conseils subventionnaires nationaux et que ce financement soit exempt d'exigences quant à un appariement avec celui du secteur privé. La Fédération exercera aussi des pressions sur les gouvernements fédéral et provinciaux pour une protection enclavée dans la loi des dénonciateurs et dénonciatrices qui cherchent à mettre au grand jour l'inconduite en matière de recherche.

Conscientisation nationale et les médias : La Fédération publicisera les dangers de la commercialisation en éducation postsecondaire. La Fédération continuera à appuyer les dénonciateurs et dénonciatrices qui décident de rendre publiques leurs luttes de défense de la liberté universitaire et de l'intégrité scientifique.

Mobilisation des membres : Nous incitons les sections membres à continuer de recueillir de l'information sur des exemples de commercialisation sur les campus et à promouvoir un environnement qui permette aux étudiant-e-s qui font de la recherche et qui sont sujets à la pression de parrains du secteur privé de ne pas hésiter à s'exprimer à ce propos.

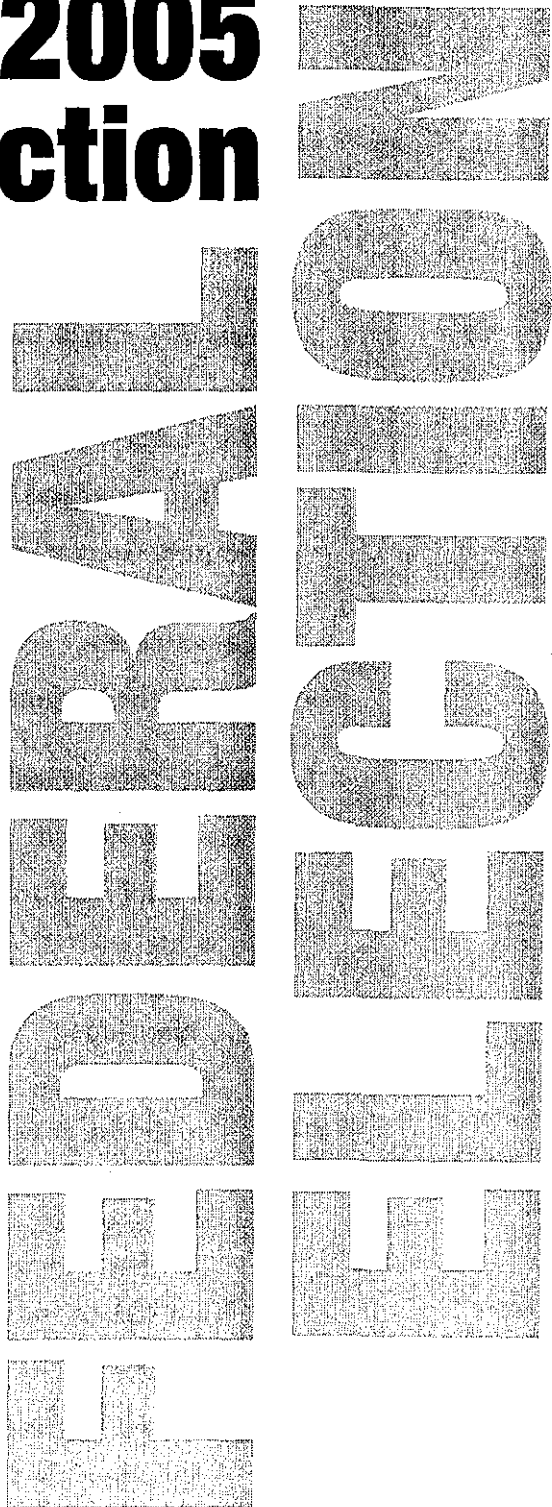
2005 Federal Election

During the last federal election campaign, Federation members from St. John's to Victoria organised all-candidates debates, created their own radio ads, campaigned door-to-door, flooded radio shows with callers, and wrote hundreds of letters.

It was during the 2004 federal election campaign that Prime Minister Paul Martin made his now infamous promise to create a dedicated post-secondary education transfer payment and fund it to the level of "seven to eight billion" dollars. Students have heard very little from Martin since that night in St. John's, but that will change in the next federal election campaign.

It was also during the last election that the Canadian Federation of Students found six Reform/Conservative candidates who were openly promising to implement income-contingent repayment schemes (ICR) if their party formed government—a promise the Party leadership would neither confirm nor deny. The Conservative Party of Canada has since adopted official policy supporting ICR schemes.

The Canadian public's general cynicism for politicians has certainly not been helped by allegations of corruption. Although polling regularly shows that Canadians overwhelmingly support the Federation's goals for public education, the sponsorship inquiry will likely dominate the headlines for the first few weeks of the campaign. However, the party accused of corruption and some media outlets will likely want to make the campaign about the issues. Students must take advantage of that political opportunity to be effective.



Campaign Overview

FEDERAL
ELECTION

Campaign Goals

The Federation's goal for the campaign is straight forward: to make accessible, high quality, public post-secondary education a vote-determining issue for the majority of Canadian voters. To succeed, the Federation and its member locals will have to:

- inform members and the general public about the national crisis in post-secondary education caused by years of federal underfunding;
- mobilise member participation in the campaign;
- demonstrate to candidates the overwhelming public support for an accessible, high quality system of public post-secondary education in Canada; and
- increase turnout among voters who support the Federation's goals.

Campaign Policy Demands

1. Greater investment in post-secondary education:
 - Replace the Canada Social Transfer with a post-secondary education transfer. The transfer would be a federal cash transfer vehicle exclusively designated for colleges and universities.
 - Implement a post-secondary education agreement based on the five principles of medicare: public administration, public funding, accessibility, comprehensiveness in providing a complete array of public educational options and the transferability or portability of credits and assistance between institutions and provinces.
2. Student financial assistance that reduces student debt:
 - Cancel the Canada Education Savings Grant program, education-related tax credits, and the Millennium Scholarship Foundation to fund a national needs-based grants program.
 - Reject income-contingent repayment schemes.

Target Audiences

Youth and Students

Although the student population is diverse in age, a significant proportion fall into the 18 to 24 year-old demographic. Voters in this age group have the lowest voter participation rate of any age category in federal elections.

These voters are directly affected by government decision-making on post-secondary education. Tuition fees and student financial assistance are vote-determining* issues for people in this age group. Although this group is difficult to motivate to vote, politicians will likely respond if they believe youth and students are engaged.

Parents

The average Canadian parent knows that their child will require some post-secondary education and training if they are to achieve their goals in life. These parents are concerned that rising tuition fees and student debt will keep their child from receiving the education they need. More and more of these parents are still dealing with debt that they accumulated while in university or college. Many do not know the impact that federal government decisions have on these issues. However, voter participation is strong among this group and they tend to pay attention to election issues.

Candidates and Political Parties

A lot can happen in a month-long campaign. Candidates will adjust their positions based on their values and on their electability. Political parties will follow public opinion polling and media coverage closely. The tighter the race, the more likely the leading party will be to respond to public opinion. The Federation must ensure that candidates and their political parties are hearing the Federation's message not just through the media, but also on the doorstep, at town hall meetings, in debates, and from their pollsters.

*Vote Determining: A term used to describe an issue that will affect how someone votes. There are many issues that people care about and support but don't sway their votes. These are not considered vote determining. There are two issues that are consistently vote determining: health care and taxes.

Campaign Issues

FEDERAL ELECTION

The Public Policy Environment

During the election campaign, the Federation's analysis and tactics must resonate broadly, so Canadians choose an education agenda over a narrow tax cut agenda. Polls consistently show that Canadians, despite being bombarded with messages about tax cuts, are more concerned about investing in basic social programs such as health care and education.

The powerful minority view pushing tax cuts must be undermined if students are to successfully make post-secondary education funding an issue in the election.

Main Issues in Election 2005

The main issues of the Federation's campaign are the effects of the federal funding cutbacks to post-secondary education, and the leadership role the federal government must play in Canada's system of higher education.

CORE FUNDING

According to the Canadian Association of University Teachers, Canadian universities are underfunded by \$1.5 billion annually compared to 1993-94 levels, and over \$4 billion annually compared to historic levels of 0.5% of GDP.

In addition to creating pressure for even higher tuition fees at colleges and universities, this underfunding has produced a decline in the quality of higher education as faculty to student ratios have soared, building maintenance has been neglected, and support staff have been reduced.

TUITION FEES

In 1994, the federal Liberal government began cutting billions of dollars from post-secondary education funding to the provinces. As a direct result, tuition fees have more than doubled. Although setting tuition fee levels is provincial jurisdiction, the federal government can—and should—exercise direct influence through transfer payments.

STUDENT DEBT

Since 1990, student debt has tripled, and skyrocketing tuition fees are the primary cause. Stagnating wages for low-income earners are a secondary cause. The federal government is responsible for the majority of student financial aid and most student debt is owed to the federal government. Instead of taking action against student debt, the federal government has introduced gimmicky boutique programs and targeted student debtors with punitive legislation like the ten-year prohibition on bankruptcy.

INCOME CONTINGENT REPAYMENT LOAN SCHEMES

To support further tuition fee increases, some parties are looking to saddle students with even more debt. One particularly insidious proposal is income contingent repayment schemes (ICR). In countries that have experimented with ICR schemes, tuition fees have shot up over 500 percent and students from low- and middle-income families have remained in debt for most of their working lives. It is projected that many, particularly women who take time off to have children, will carry their student loan debt until they retire.

Myth Buster

ANSWERS TO COMMON QUESTIONS

Isn't post-secondary education a provincial responsibility?

Although a strict legal interpretation of Canada's constitution makes education a provincial jurisdiction, the federal government has always had an important role in enhancing social programs. Since the end of the Second World War, the federal government has had a major role in student financial assistance and core funding for colleges and universities.

Much like health care, post-secondary education is a shared responsibility between the federal and provincial governments.

Doesn't post-secondary education benefit the individual, so shouldn't the student bear the financial responsibility?

Health care benefits the individual even more exclusively than education, yet Canadians share the cost of maintaining a healthy population.

The most equitable way to guarantee that the cost of higher education and training does not prevent access for those from low- and middle-income backgrounds is to reduce upfront user fees and recover the cost through a system of progressive taxation. This also ensures that those with higher incomes contribute fairly to their education.

Students are calling for a national system of grants, but isn't that what the Millennium Scholarship Foundation is?

The Millennium Scholarship Foundation has proven to be more of a publicity stunt than a social program. The Foundation has failed miserably at getting money into students' hands, helping only seven percent of students collecting student financial assistance.

But where does the money come from to pay for education? Can we really afford it?

The federal government could save over \$2 billion annually by converting programs like the Canada Education Savings Grant, the Canada Learning Bond, education tax credits, and the Millennium Scholarship Foundation into a grants program that actually helps students with financial need.

It's the provincial government's fault tuition fees are so high, right?

Both levels of government share the responsibility for making education (in)accessible. Although the provincial government has the direct responsibility for setting tuition fees, a fair financial contribution from the federal government through transfer payments facilitates the reduction of tuition fees. Conversely, the federal government needs to seek more accountability for its financial contributions to the provinces so a portion of increased federal funding actually results in tuition fee reductions.

Isn't an income contingent repayment loan scheme a less painful way to repay student loans, by providing a "flexible" solution to student debt?

The whole point of an ICR scheme is to cushion massive increases in tuition fees. ICR schemes are not a new way to “help” students, but rather a way to further individualise the cost of an education by increasing debt and spreading loan repayment over a lifetime. Every jurisdiction that has introduced ICR schemes did so as a prelude to dramatic tuition fee increases.

Under ICR schemes, a student loan would accumulate interest from the moment it is disbursed, and compound interest will cause a borrower to repay more than 150 percent of the value of her original loan.

What options are there besides an ICR plan?

Rather than promoting income contingent repayment schemes and lifelong debt, there are more realistic and fair measures to solve the student debt crisis.

The best federal policy to reduce student debt is for the federal government to begin transitioning the Canada Student Loans Program into a comprehensive system of need-based grants. Canada is in the indefensible position of being one of only three industrialised countries with no *comprehensive* grants programs. The solution to the student debt crisis lies in policies that directly reduce debt, not drag out the repayment period.

THE FUTURE OF THE FUTURE

Campaign Activities

FEDERAL ELECTION

Attending All-Candidates Forums in Your Community

All-candidates forums provide an excellent opportunity to get clarifications on party positions and secure commitments from those seeking public office. If a candidate in your constituency makes a commitment on post-secondary education—positive or negative—please forward this information to the national office. In addition to holding politicians and parties accountable in the long-term, the Federation can expose commitments that harm students.

Organising All-Candidates Forums on Campus

Make your voice heard and ensure education becomes an election issue by organising an all-candidates forum.

Your students' union's Campaigns Committee (or External Affairs Committee or Student Action Committee) is the most effective organising tool on campus for the upcoming federal election.

Remember to:

- Consult with your local coalition partners.
- Send invitations and book facilities and equipment early.
- Produce posters and other materials to advertise events.

- Develop a strategy to earn media attention, both on campus and in your local community.
- Avoid conflicts with other events.
- Inform the national office about on-campus events.

Mobilising Members at High Profile Events

The major media outlets will be accompanying the party leaders and other high-profile politicians on their campaign tour. Some events will be covered live on CBC Newsworld and CTV NewsNet. Some events are closed to the public, but campaign organisers cannot bar access to public space.

Asking questions of the leaders or holding placards with an education message are also effective strategies. The Parties rarely provide a detailed itinerary for their leaders in advance, but major media outlets sometimes list the party leaders' itineraries on their web sites, usually a day in advance.

Local Media Outreach

Campus papers and local media outlets are always looking for ways to localise national stories. Contribute your own opinion editorial pieces about:

- the federal parties' platforms and how they will affect your campus;

Campaign Activities

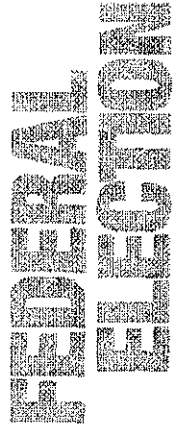
- student debt stories;
- the importance of voting for candidates who support post-secondary education;
- the need for many students to work full-time while attending school full-time; and
- any local issue of which students and community members should be aware when they vote.

VoteEducation.ca

The Federation has developed a bilingual online clearing house for up-to-the-minute information on the federal election. Members can download an analysis of the party platforms and the parties' response to a questionnaire about post-secondary education and research.

The site will also be a resource for policy proposals, including but not limited to: federal funding, student debt, university research, and Aboriginal support. Finally, VoteEducation.ca will provide detailed information about how to vote.

Member locals are strongly encouraged to include a prominent link to VoteEducation.ca on their own website for the duration of the election campaign.



Questions for Candidates

When asking a question at an all-candidates debate, there are two audiences for the question: the crowd and the candidate. The people present at a debate (and any media) need context for the question you are asking, and they also should be clear about what answer student representatives want to hear. In this sense, questions to candidates serve as a public awareness tool for a given issue. Therefore, shape your questions to get a clear response from candidates, but also try to ensure that the crowd at the event can recognise a poor answer.

Make detailed notes of candidates' answers.
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FUNDING

According to the Canadian Association of University Teachers, Canadian universities are underfunded by \$1.5 billion annually compared to 1993-94 levels, and \$3.6 billion annually compared to historic levels of 0.5% of Gross Domestic Product (GDP).

Considering this, will you commit to a dedicated transfer increased by \$3.6 billion a year to the provinces for post-secondary education?

NATIONAL GRANTS

Canadian financial aid measures currently concentrate aid in the form of loans rather than grants, leading to very high levels of debt for students from the poorest backgrounds. Average debt levels have tripled since 1990 and now stand at over \$25,000.

Will your party create a national system of need-based grants to replace the current Canada Student Loans Program?

MILLENNIUM SCHOLARSHIP FOUNDATION

In 1998, the Liberal government created the Millennium Scholarship Foundation. By every measurable standard, the scholarship has been a dismal failure, providing financial assistance to only 7% of Canadian students requiring assistance. Further, in three provinces, students get no benefit from the program at all.

Will your party dismantle the Millennium Scholarship Foundation and replace it with a national system of need-based grants?

BANKRUPTCY PROHIBITION

Changes to the Bankruptcy and Insolvency Act made it impossible for any graduate to declare bankruptcy for ten years following the completion of their studies, no matter how desperate the circumstances. Only Canadians convicted of fraud face similar punishment.

In April 2005 most Liberal and Conservative Members of Parliament voted against a private member's bill that would have redressed this prohibition on students.

Will you commit to amending the Bankruptcy and Insolvency Act to remove the prohibition on students declaring bankruptcy?

FUNDING

With cuts to federal funding for post-secondary education in the 1990s, tuition fees skyrocketed by 125%. The average undergraduate tuition fees in Canada last year were higher than \$4,000, and much higher fees are charged for some professional programs.

Will your government work with the provinces to reduce tuition fees? How?

INCOME CONTINGENT REPAYMENT SCHEMES

High tuition fees and student debt are the most significant barriers to post-secondary education. Yet schemes known as “income contingent student loan repayment” plans will place higher education beyond the reach of many disadvantaged Canadians by pushing tuition fees even higher and saddling students with debt for most of their working lives. Students and their families deserve better.

If an income contingent repayment loan scheme is introduced in Parliament, will you vote against its implementation? If your party moves to implement ICR schemes, will you resign your seat?

AGENDA

Organisational and Services Development Committee

November 2005 National General Meeting

DAY ONE

1. PREPARATION FOR COMMITTEE DELIBERATIONS

a. Ratification of the Committee Chair(s)

Standing Resolution 1, Section 4, *Committee Chairperson* states that:

As its first order of business each standing general meeting committee shall either:

- a. ratify as the committee chairperson(s) the National Executive member(s) appointed to the committee; or
- b. elect a committee chairperson from within its membership.

b. Roundtable Introductions

c. Review of the Committee Agenda

d. Review of the Committee's Terms of Reference

Committee members should be familiar with the responsibilities of the Organisational and Services Development Committee as established in the Federation's Standing Resolutions. Standing Resolution 1, Section 3 d) *Organisational and Services Development Committee* states that:

The Organisational and Services Development Committee shall:

- i. review and make recommendations to closing plenary on the national structure of the Federation, including:
 - the National Executive;
 - the national staffing;
 - the national office; and
 - all other national structures of the Federation;
- ii. review and make recommendations to closing plenary on the national programmes of the Federation;
- iii. review the development of the 'profile' of the Federation within member local associations;
- iv. review and make recommendations to closing plenary on the national communication tools of the Federation;
- v. review and make recommendations on development of new members;
- vi. review and make recommendations to the closing plenary on proposed amendments to the Constitution and Bylaws, Standing Resolutions and Operations Policy.

2. REVIEW OF FEDERATION SERVICES

a. Preparation for the 2006-2007 Handbook Project

This year, 55 students' unions in nine provinces participated in the project. Over 295,000 handbooks were produced. The Committee will discuss the progress of the project and ideas for the future.

PAGE 2 – ORGANISATIONAL AND SERVICES DEVELOPMENT COMMITTEE AGENDA

24th Annual National General Meeting of the Canadian Federation of Students(-Services)

Wednesday, November 23 to Saturday, November 26, 2005

b. National Student Health Network

The National Student Health Network is a buying consortium for student health and dental insurance plans that the Federation established more than fifteen years ago. Following a brief orientation to the service, the Committee will discuss strategies for improving and promoting the service.

c. ISIC/Studentsaver Discount Programme

The Federation has run a national student discount program since its founding in 1981. The service utilises two discount cards: the International Student Identity Card (ISIC), which only full-time students are eligible to receive; and the Studentsaver card, which is available to all full- and part-time students belonging to the Federation.

Following a brief orientation to the discount programme, The Committee will discuss preparations for the 2006-2007 discount programme and discuss the following motions that were submitted for consideration at this meeting:

2005/11:N09 MOTION

Local 61/

Whereas continued reductions to student services funding at post-secondary institutions have resulted in limited access to computing service; and

Whereas increased numbers of students are required to purchase personal computers to satisfy course or program requirements and for access to online resources; and

Whereas the purchase of a personal computer constitutes a significant expenditure for students from middle or low income backgrounds; therefore

Be it resolved that Studentsaver discounts from national computer equipment companies be solicited.

2005/11:N14 MOTION

Whereas the Federation honours the Canadian Labour Congress' requests to boycott specific companies and products in its day-to-day practices; and

Whereas the Federation has ethical purchasing policy that determines from which businesses it will solicit discounts for the Studentsaver and International Student Identity Card programmes; and

Whereas provincial, national, or international corporations interested in offering discounts to students would be subject to scrutiny as per Federation policies; and

Whereas many members of the Federation rely on the Federation's discount programmes to save money on necessities like food, clothing, and school supplies; and

Whereas it is important that the Studentsaver and ISIC discount programmes offer a wide variety of discounts to remain relevant and useful to students; and

Whereas discounts provided by provincial, national, and international corporations would improve the quality of the Studentsaver and ISIC discount programmes; and

Whereas member locals at Federation general meetings have repeatedly affirmed the need to secure a greater number of provincial and national discounts; therefore

Be it resolved that a strategy be developed to expand and improve solicitation of provincial and national discounts.

Studentphones

The Federation has partnered with Studentphonestore to secure discounts on cellular telephone service. A presentation on the progress of the service will be provided.

Free On-Line Tax Filing Arrangement

In April the Federation offered through its web site free income tax filing with Ufile, an on-line tax filing service. The Federation is in discussions with Ufile about possibly extending the offer to future tax filing years. The Committee will discuss the service.

ORGANISATIONAL AND SERVICES DEVELOPMENT COMMITTEE AGENDA – PAGE 3

24th Annual National General Meeting of the Canadian Federation of Students(-Services)
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d. Online Student Housing Service

Homes4students.ca is the national online student housing database service that the Federation has operated for the past three years. Following a brief orientation to the service, the Committee will discuss strategies for improving and promoting the service.

e. Other

DAY TWO

3. MOTIONS REFERRED FROM OPENING PLENARY

The following motions will likely be referred to the Organisational Development Committee by the opening plenary.

2005/11:N05 MOTION

Local 78/

Whereas Standing Resolution 18 is currently silent on the process for filling vacancies on the National Graduate Caucus Executive; therefore

Be it resolved that Standing Resolution 18 be amended to include the following:

Vacancy in a Caucus Executive Position

In the event of a vacancy in the position of Caucus Chairperson, Caucus Deputy Chairperson, or Graduate Student Representative on the National Executive:

- i. the Caucus Executive shall have the authority to appoint a member of the National Graduate Caucus to fill the position until the next national general meeting; and
- ii. an election for the position shall be conducted at the next Caucus general meeting as per the election procedures set out in Standing Resolution 18, Section 6.

2005/11:N08 MOTION

Local 61/

Whereas many member locals own and operate food service and beverage operations which purchase similar goods, equipment, and consumables; and

Whereas vendors for commonly used food and beverage service goods, equipment, and consumables are common across most of the country; and

Whereas significant financial benefit can be realized by member locals working together to bulk order products and services; and,

Whereas bulk purchasing of goods and services can create unique opportunities for membership development; therefore,

Be it resolved that the creation of a national student bar supplies consortium be created modeled after the structure of the National Student Health Network; and

Be it further resolved that the production of Federation crested food and beverage consumables be investigated.

4. DISCUSSION OF MEMBERSHIP DEVELOPMENT STRATEGY

5. OTHER BUSINESS

6. ADJOURNMENT

AGENDA

Policy Review and Development Committee

November 2005 National General Meeting

1. PREPARATION FOR COMMITTEE DELIBERATIONS

a. Ratification of the Committee Chair(s)

Standing Resolution 1, Section 4, *Committee Chairperson*, states that:

As its first order of business each standing general meeting committee shall either:

- a. ratify as the committee chairperson(s) the National Executive member(s) appointed to the committee; or
- b. elect a committee chairperson from within its membership.

b. Roundtable Introductions

c. Review of the Committee Agenda

d. Review of the Committee's Terms of Reference

Committee members should be familiar with the responsibilities of the Policy Review and Development Committee as established in the Federation's Standing Resolutions. Standing Resolution 1, Section 3 c) *Policy Review and Development Committee* states that:

"The Policy Review and Development Committee shall review and make recommendations to closing plenary on proposed amendments to the issues policy of the Federation, as proposed by Committee members and member locals on plenary floor."

2. CURRENT POLICY ISSUES DISCUSSION

The Committee will discuss policy issues related to post-secondary education in Canada. The discussion will be facilitated by Director of Research Michael Conlon.

3. MOTION REFERRED FROM OPENING PLENARY

The following motion will likely be referred to the Policy Review and Development Committee by the opening plenary:

2005/11:N06 MOTION TO REPEAL AND REPLACE

Local 78/

Be it resolved that the Policy on Research Councils be repealed; and

Be it further resolved that the following policy be adopted:

Preamble

The Natural Sciences and Engineering Research Council, Social Sciences and Humanities Research Council, and the Canadian Institutes for Health Research provide public funds for research in Canada. The Canada Council for the Arts provides funding to artists and arts organizations. These councils are mandated to "promote the highest standards of research excellence". Public funding for research, scholarly, and artistic activities is integral to a strong Canadian intellectual and cultural fabric.

Recent federal activities, such as the "Innovation Strategy", have increased pressure to commercialise research in public universities. This shift has influenced the mandates of the granting councils to increasingly support applied research. The commercialisation of research poses threats to the ability of researchers to participate in curiosity-driven or basic research that does not have an immediate commercial interest. Under

PAGE 2 – POLICY REVIEW AND DEVELOPMENT COMMITTEE AGENDA

24th Annual National General Meeting of the Canadian Federation of Students

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such a scheme it is also clear that applied social sciences will be funded over humanities research. A funding agenda that favours applied research also poses threats to research integrity.

In addition, although the majority of students are studying in the social sciences and humanities and the majority of faculty teach in the social sciences and humanities, funding to the Social Sciences and Humanities Research Council is significantly lower than the funding provided to the other two granting councils.

Policy

The Federation supports:

- adequate public funding for research through the granting councils;
- adequate and sustained public funding for artists through the Canada Council for the Arts;
- equitable distribution of granting council funds among disciplines and institutions;
- adequate allocation of granting council funds towards basic research;
- granting councils research funding provided to support public, not private, interests; and
- granting councils ensuring that universities receiving funding uphold the highest standards of research by explicitly supporting the role of whistleblowers through the enactment of whistleblower protection policies.

4. OTHER BUSINESS

5. ADJOURNMENT

AGENDA

Provincial Component Meetings

November 2005 National General Meeting

1. PREPARATION FOR COMPONENT DELIBERATIONS

- a. Roundtable Introductions**
- b. Review of the Component Agenda**

2. PREPARATION FOR SUBCOMMITTEES

- a. Overview of Subcommittees**
- b. Overview of Selection Process**
- c. Subcommittees Section Process**

Standing Resolution 1, Section 2, Committee Composition states that:

"Each caucus, constituency group and provincial component shall have the right to select one voting member to sit on each standing general meeting committee."

The Caucus will select representatives for each of the following plenary sub-committees:

- Budget Committee;
- Organisational and Services Development Committee; and
- Policy Review and Development Committee.

3. REVIEW OF MOTIONS FOR CONSIDERATION

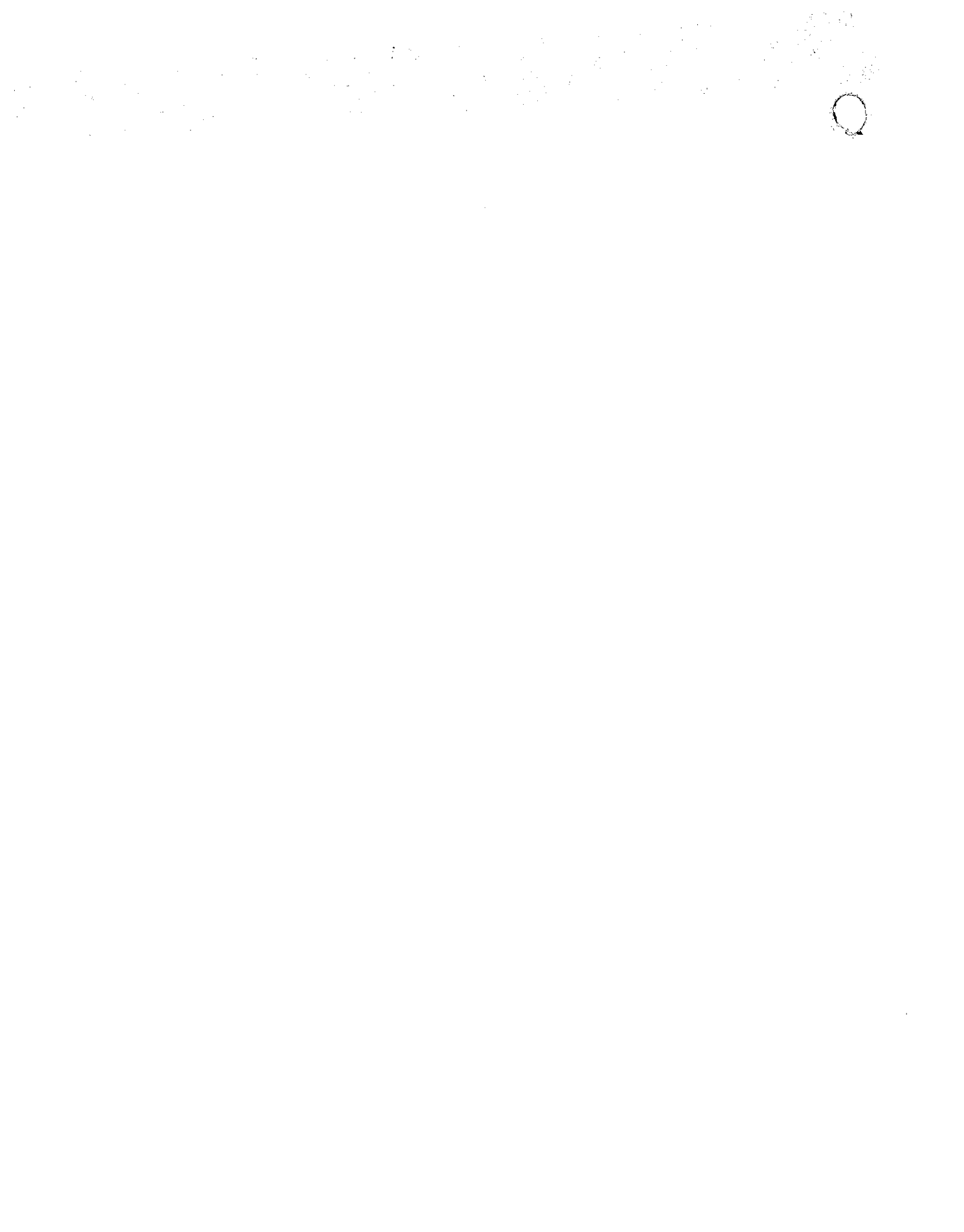
The Component will review the motions that were submitted with notice for consideration at the November 2005 national general meeting. The Component will develop recommendations for the motions.

4. REVIEW OF MEETING LOGISTICS

Any questions or concerns about meeting logistics should be addressed at this time. Meeting coordinators will provide an overview of the transportation schedule from the meeting site to the airport.

5. OTHER BUSINESS

6. ADJOURNMENT



AGENDA

National Aboriginal Caucus

November 2005 National General Meeting

1. ATTENDANCE AND INTRODUCTIONS

An Elder from the community will provide welcoming remarks and delegates will have an opportunity to introduce themselves.

2. ADOPTION OF THE AGENDA

3. REVIEW OF CAUCUS TERMS OF REFERENCE

The Caucus will review Standing Resolution 17.2.

4. ADOPTION OF THE MINUTES

Delegates will consider the minutes of the previous meeting of the Caucus.

5. REVIEW OF MOTIONS FOR CONSIDERATION

The Caucus will review the motions that were served with notice for consideration at the November 2005 national general meeting.

6. SELECTION OF REPRESENTATIVES TO SERVE ON PLENARY SUB-COMMITTEES

Standing Resolution 1, Section 2, *Committee Composition* states that:

"Each caucus, constituency group and provincial component shall have the right to select one voting member to sit on each standing general meeting committee."

The Caucus will select representatives for each of the following plenary sub-committees:

- Budget Committee;
- Organisational and Services Development Committee; and
- Policy Review and Development Committee.

7. ROUNDTABLE DISCUSSION

Delegates will provide an update of activities at their respective locals.

8. EXECUTIVE REPORT

The Executive will present a report on work undertaken since the previous Caucus meeting. Delegates will have an opportunity to ask questions about the work of the Executive.

PAGE 2 — NATIONAL ABORIGINAL CAUCUS AGENDA

24th Annual National General Meeting of the Canadian Federation of Students
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9. REVIEW OF CAUCUS CAMPAIGNS

The meeting will review the status of current campaigns including the "Where's the Justice?" campaign.

10. OTHER BUSINESS

11. ADJOURNMENT

AGENDA

National Graduate Caucus

November 2005 National General Meeting

SESSION 1 – Thursday, November 24, 2005

1. ROLL CALL OF MEMBER LOCAL ASSOCIATIONS

- Local 03 University of British Columbia Students' Union-Okanagan
- Local 61 Malaspina Students' Union
- Local 23 Simon Fraser Student Society
- Local 89 University of Victoria Graduate Students' Society
- Local 21 University of Calgary Graduate Students' Association
- Local 09 University of Regina Students' Union
- Local 101 University of Saskatchewan Graduate Students' Association
- Local 96 University of Manitoba Graduate Students' Association
- Local 102 Brock University Graduate Students' Association
- Local 78 Carleton University Graduate Students' Association
- Local 62 University of Guelph Graduate Students' Association
- Local 32 Lakehead University Students' Union
- Local 39 McMaster University Graduate Student Association
- Local 94 University of Ottawa Graduate Students' Association des étudiant(e)s diplômé(e)s de l'Université d'Ottawa
- Local 27 Queen's University Society of Graduate and Professional Students
- Local 24 Ryerson Students' Union
- Local 85 Saint Paul University Students' Association
- Local 19 University of Toronto Graduate Students' Union
- Trent University Graduate Students Association*
- Local 47 University of Western Ontario Society of Graduate Students
- Local 56 Wilfred Laurier University Graduate Students' Union
- Local 48 University of Windsor Graduate Students' Society
- Local 84 York University Graduate Students' Association
- Local 83 Concordia University Graduate Students' Association
- Local 79 Post-Graduate Students' Society of McGill University
- University of New Brunswick Graduate Students' Association
- Local 70 University of Prince Edward Island Graduate Students' Association
- Local 64 Acadia Students' Union
- Local 95 Cape Breton University Students' Union
- Dalhousie Association of Graduate Students*
- Local 34 Mount Saint Vincent University Students' Union
- Local 07 Student Union of NSCAD University
- Local 100 Graduate Students' Union of the Memorial University of Newfoundland

* Prospective member

2. ADOPTION OF THE AGENDA

Changes or additions to the agenda may be proposed at this time.

PAGE 2 — NATIONAL GRADUATE CAUCUS AGENDA

24th Annual National General Meeting of the Canadian Federation of Students
Wednesday, November 23 to Saturday, November 26, 2005

3. WELCOMING REMARKS AND INTRODUCTIONS

4. ADOPTION OF MINUTES FROM THE PREVIOUS MEETING

The meeting will consider the minutes of the previous meeting of the Caucus.

5. SELECTION OF REPRESENTATIVES TO SERVE ON PLENARY SUB-COMMITTEES

Standing Resolution 1, Section 2, *Committee Composition* states that:

"Each caucus, constituency group and provincial component shall have the right to select one voting member to sit on each standing general meeting committee."

The Caucus will select representatives for each of the following plenary sub-committees:

- Budget Committee;
- Organisational and Services Development Committee; and
- Policy Review and Development Committee.

6. REVIEW OF MOTIONS FOR CONSIDERATION

The Caucus will review the motions that have been submitted with due notice for consideration at the national general meeting.

SESSION 2 – Thursday, November 24, 2005

7. REPORT ON CAUCUS ACTIVITIES BY THE NATIONAL GRADUATE CAUCUS EXECUTIVE

An overview of the work undertaken by the Caucus during the reporting period will be provided.

8. CAMPAIGNS AND GOVERNMENT RELATIONS REPORT

The Caucus Executive will present an update on Caucus campaigns.

9. CONSIDERATION OF MOTION SERVED TO THE NATIONAL GRADUATE CAUCUS

2005/11:NGC-1 MOTION

Local 96/

Whereas Ian Mauro, a graduate student at the University of Manitoba, produced a video documentary in 2002 as part of a research project on farmer-focused risk analysis of genetically modified crops; and

Whereas this project was funded with public dollars by the Social Sciences and Humanities Research Council of Canada (SSHRC); and,

Whereas the video documentary has garnered interest internationally by farmers, researchers, and policymakers; and,

Whereas the University of Manitoba refused to allow the screening of the video documentary for three years because of concerns about a negative response by Monsanto, a multinational biotechnology corporation; and,

Whereas the University of Manitoba recently announced the relocation of Monsanto's Canadian headquarters to the research park on the University campus; and,

Whereas there are troubling connections with the relationship between the University administration and Monsanto; and,

Whereas the National Graduate Caucus opposes private interference of publicly-funded research; and,

Whereas the National Graduate Caucus publicly supports academic freedom and those who stand in support of academic integrity; therefore,

Be it resolved that the University of Manitoba's interference in the dissemination of Ian Mauro's publicly-funded graduate research be denounced;

Be it further resolved that the National Graduate Caucus write a letter to the University of Manitoba administration denouncing their efforts to prevent the dissemination of publicly funded research and urging the University to allow Ian Mauro to use the documentary for his dissertation; and

Be it further resolved that member locals be encouraged to write similar letters; and

Be it further resolved that letters of support be copied to the Caucus, SSHRC, and Ian Mauro; and

Be it further resolved that member locals be encouraged to support local screenings of Mauro's film and public fora on academic freedom.

10. UPDATE FROM PLENARY SUB-COMMITTEES

Caucus representatives on each plenary sub-committee will report on sub-committee deliberations.

SESSION 3 – Saturday, November 26, 2005

11. CAUCUS EXECUTIVE BY-ELECTION

12. REVIEW OF CAUCUS FINANCES

13. PREPARATION FOR FEDERAL ELECTION

14. UPDATE FROM PLENARY SUB-COMMITTEES

Caucus representatives on each plenary sub-committee will report on sub-committee deliberations.

15. ROUNDTABLE DISCUSSION

Caucus members will provide a local-by-local update on the status of implementation of Federation campaigns and services.

16. ADJOURNMENT

MINUTES

National Graduate Caucus of the Canadian Federation of Students
Thursday, May 19 to Sunday, May 22, 2005

CALL TO ORDER—Friday, May 20, 2005

11:13 Caucus Chairperson Kelly Holloway called the meeting to order.

1. ATTENDANCE ROLL CALL

Local 03	University of British Columbia Students' Union-Okanagan	Present
Local 61	Malaspina Students' Union	Present
Local 23	Simon Fraser Student Society	Present
Local 89	University of Victoria Graduate Students' Society	Present
Local 21	University of Calgary Graduate Students' Association	Present
Local 09	University of Regina Students' Union	Present
Local101	University of Saskatchewan Graduate Students' Association	Present
Local 96	University of Manitoba Graduate Students' Association	Present
Local102	Brock University Graduate Students' Association	Present
Local 78	Carleton University Graduate Students' Association	Present
Local 62	University of Guelph Graduate Students' Association	Absent
Local 32	Lakehead University Students' Union	Absent
Local 39	McMaster University Graduate Student Association	Present
Local 94	University of Ottawa Graduate Students' Association des étudiant(e)s diplômé(e)s de l'Université d'Ottawa	Present
Local 27	Queen's University Society of Graduate and Professional Students	Present
Local 24	Ryerson Students' Union	Present
Local 85	Saint Paul University Students' Association	Absent
Local 19	University of Toronto Graduate Students' Union	Present
	Trent University Graduate Students Association*	Present
Local 47	University of Western Ontario Society of Graduate Students	Present
Local 56	Wilfred Laurier University Graduate Students' Union	Absent
Local 48	University of Windsor Graduate Students' Society	Present
Local 84	York University Graduate Students' Association	Present
Local 83	Concordia University Graduate Students' Association	Present
Local 79	Post-Graduate Students' Society of McGill University	Present
	University of New Brunswick Graduate Students' Association	Present
Local 70	University of Prince Edward Island Graduate Students' Association	Present
Local 64	Acadia Students' Union	Absent
Local 95	Cape Breton University Students' Union	Absent
	Dalhousie Association of Graduate Students*	Absent
Local 34	Mount Saint Vincent University Students' Union	Present
Local 07	Student Union of NSCAD University	Absent
Local100	Graduate Students' Union of the Memorial University of Newfoundland	Present

* Prospective member

Caucus Chairperson Kelly Holloway declared that quorum had been achieved.

2. ANNOUNCEMENT OF PROXIES

Holloway announced that no member local had designated another member local as its proxy for the meeting.

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National Graduate Caucus of the Canadian Federation of Students
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3. ADOPTION OF THE AGENDA

2005/05:01 MOTION

Local 84/Local 24

Be it resolved that the agenda be adopted.

Holloway said that, since an election for graduate representative on the National Executive would occur at this meeting, that an electoral report was required on the agenda.

2005/05:02 MOTION TO AMEND

Local 34/Local 89

Be it resolved that Motion-2005/05:01 be amended to read:

"Be it resolved that the agenda be adopted with the following amendment:

- add Electoral Report."

CARRIED

2005/05:01 CARRIED AS AMENDED

4. WELCOMING REMARKS AND INTRODUCTIONS

Caucus Chairperson Holloway welcomed delegates to the National Graduate Caucus meeting. She explained the Caucus was the group of students' unions within the Canadian Federation of Students that were comprised in whole or in part of graduate students. She said that the Caucus focused on promoting high quality and accessible graduate education in Canada. She said that it was very important for graduate students to be working united with undergraduate and college students through the Canadian Federation of Students.

Holloway said that, at the Caucus' most recent general meeting in February, members had developed a campaigns strategy for the Caucus. She explained that the Caucus had decided to focus on the commercialisation of research and academic freedom, copyright and open access, post-residency fees, and graduate student workers' rights and unionisation. She said that the meeting had been very productive and that members left the meeting energised to undertake the campaigns for the year.

Caucus Deputy Chairperson Eric Newstadt announced that the Federation had invited Chris Radziminski, a graduate student whistleblower, to speak at the national general meeting about his academic freedom case. He noted that Radziminski had spoken at the National Graduate Caucus meeting in February 2005 and that it was an opportunity for other Federation members to learn more about the threats to academic freedom posed by private interference in university research.

Holloway announced that a guest speaker, Tim Mark of the Canadian Association for Research Libraries (CARL), had been invited to address the Caucus on the Association's current activities on Open Access to Scholarly Publishing. She explained that the Caucus had been working in coalition with CARL on campaigns and research activities regarding copyright and open access to scholarly publishing.

5. ADOPTION OF THE NATIONAL GRADUATE CAUCUS MEETING MINUTES

2005/05:03 MOTION

Local 23/Local 89

Be it resolved that the minutes of the February 2005 National Graduate Caucus general meeting be adopted.

CARRIED

6. SELECTION OF REPRESENTATIVES TO SUB-COMMITTEES

Graduate Students' National Executive Representative Phil Robinson explained that each Caucus selected representatives to participate in the Budget Committee, Organisational Development Committee, and National Education and Student Rights Committee.

2005/05:04 MOTION

Local 84/Local 101

Be it resolved that Local 23 delegates Hattie Aitken and Ariel Hornstein be ratified as the National Graduate Caucus representatives on Budget Committee.

CARRIED

2005/05:05 MOTION

Local 78/Local 101

Be it resolved that Local 19 delegate Nancy Dawe and Local 47 delegate Aaron Keeler be ratified as the National Graduate Caucus representatives on National Education and Student Rights Committee.

CARRIED

2005/05:06 MOTION

Local 34/Local 27

Be it resolved that Local 48 delegate Katy Modaressi and 100 delegate Carolyn Shimmin be ratified as the National Graduate Caucus representatives on Organisational Development Committee.

CARRIED

7. REVIEW OF MOTIONS

Delegates discussed the motions that had been served with due notice for consideration at the May 2005 national general meeting.

2005/05:07 MOTION TO RECESS

Local 23/Local 89

Be it resolved that the meeting recess until 21:30, Friday, May 20.

CARRIED

12:36 the meeting recessed.

CALL BACK TO ORDER—Friday, May 20, 2005

21:34 Caucus Chairperson Kelly Holloway called the meeting back to order.

8. CAUCUS ACTIVITIES REPORT AND UPDATE

Holloway provided an update on the activities of the Caucus.

Newstadt provided an update on the whistleblower campaign. He explained that public-private partnerships to conduct university research had been threatening research integrity. He said that the Caucus was developing policy for universities and the granting councils to support whistleblowers. He said that the Caucus had been actively supporting Chris Radziminski in his academic freedom case.

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Robinson provided an update on the post-residency fees campaign. He said that the campaign called for the restoration of post-residency fees in universities where they had been eliminated and to maintain post-residency fees where they currently existed. He said that several member locals had been participating in the campaign and that momentum had been building.

Holloway said that concern had been raised about the lack of information available in Canada about graduate student debt. She said that the Caucus executive committee had been lobbying Statistics Canada to improve its research on graduate student debt.

Newstadt reported that the Caucus had continued to lobby the federal government on the renewal of the *Copyright Act*. He explained that the federal government had been drafting a bill to amend the Act to respond to digital technology. He said that the Caucus had designed a postcard to send to the Prime Minister explaining student concerns with potential amendments. He said that a bill would be tabled shortly and that the Caucus would be providing an analysis of the bill after it had been tabled.

Robinson explained that the Caucus participated on the Theses Canada Advisory Committee of the National Library. He provided an overview of the history of the Theses Portal. He said that the Caucus had been a supporter of the portal, but had concerns about the companies profiting from the sale of graduate students' theses. He said that the Caucus had been working to encourage individual universities to work on in-house electronic processing capabilities. He reported that the National Library of Canada had recently renewed its contract with the for-profit company, ProQuest, for an additional two years.

Holloway provided an update on membership development activities of the Caucus. She explained that the Caucus had been experiencing significant growth over the past few years and that three graduate students' unions were prospective members of the Federation: Dalhousie Association of Graduate Students, Trent Graduate Students' Association, and University of New Brunswick Graduate Students' Association. She said that as the Caucus continued to grow it would become even more effective, both in its campaigns and services work.

Holloway said the Caucus had recently produced a "Manual of Best Practices" that provided a survey of the internal structure of graduate students' unions. She explained that graduate students' unions were generally quite small and, because graduate student members were also juggling their graduate work, the manual provided a helpful overview of the staffing, internal structure, dues structure, and the types of operations and services that existed among graduate students' unions in Canada.

Holloway explained that there was an independent magazine in Canada targeted to graduate students entitled *Peer Review*. She said that the Caucus had provided financial support to start *Peer Review* and that the Executive Committee members of the Caucus had corresponded with the editors on upcoming issues. She said that a limited number of issues had been distributed to graduate students' unions across Canada.

Robinson explained that some graduate students' unions had recently approved levies or donations to *Peer Review* to facilitate widespread distribution of the magazine to their members. He encouraged locals to contact the editor if they were interested in contributing financial to receive discounts on bulk orders.

Holloway said that the Caucus had begun producing a newsletter that was intended to be distributed to members across the country and inform the membership of the activities of the Caucus. She encouraged members to contact the national office for more copies of the newsletter.

Robinson provided an overview of the Federation's services. He explained that the Federation provided a variety of cost-saving services that were of particular benefit to graduate students. He highlighted the success of the handbook project and the National Student Health Network as two popular services for graduate students and graduate students' unions.

Holloway provided an overview of the Caucus' coalition work. She said that the Caucus worked very closely with the Canadian Association of University Teachers (CAUT). She said that the Caucus had been working with CAUT on copyright renewal and academic freedom.

Robinson explained that the Caucus was a member of the Canadian Association for Graduate Studies (CAGS), which was a national organisation that primarily represented graduate deans. Robinson explained that the Caucus shared many issues of common concern with CAGS; however, he said that the Caucus had become increasingly concerned with the direction of CAGS. He said that the organisation had not been very supportive of graduate student employees' right to unionise and that the organisation had not taken a stand regarding the commercialisation of research in public universities. He added that CAGS had also recently been undermining the democratic representation of graduate students on its executive committee.

Holloway said that the Caucus had been active in the Coalition of Graduate Employee Unions (CGEU) that brought together graduate employee unions across Canada and the United States. She said that recently, Canadian graduate employee unions had discussed the possibility of hosting a meeting for graduate student employees in Canada. She said that this would be an opportunity for members of the Caucus to build greater coalitions with graduate employee unions across the country. She said that the Caucus had been in regular contact with some of the unions who had been planning for an upcoming meeting.

Holloway explained that the Caucus was also a member of Post-Graduate International Network (PI-Net) that was a loosely formed international network of graduate students' associations.

Question and Answer

Ontario Chairperson Jesse Greener said that the Caucus had been growing significantly and that it had been gaining leverage in its lobbying efforts. He said that the Caucus had successfully coordinated for the consultation about the Social Sciences and Humanities Research Council transformation process and that members should be proud of that work. He said that there was still significant work to be done related to Theses Canada's contract with ProQuest and that graduate students needed to continue voicing concerns about the commercialisation of their theses. He said that the Caucus needed to concentrate on a few issues in the near future: the Canadian Association for Graduate Studies' role in supporting the commercialisation of research and the right of graduate student employees to organise within unions. He said that the Caucus also needed to work closely with the graduate employee unions on campus. He said that working in solidarity with campus unions would make Caucus campaigns more effective.

Local 79 delegate Alex Bourque said that he had some concerns with the Federation's National Student Health Network. He said that the Local had recently undertaken an audit of their current plan and that he had been disappointed with the quality of the audit. He said that the local had opted to stay with its existing broker.

Local 78 delegate Jess Turk-Browne said that her Local was with the Network. She said that the local had been very satisfied with the plan offered. She said that the members at the local appreciated that the Network negotiated health and dental plans from a not-for-profit insurance carrier and that the Network offered essential skills to students' unions to help negotiate rates and coverage.

Director of Research Michael Conlon said that the Federation offered an audit to determine the quality and cost-effectiveness of students' union's plans. He said that the quality and effectiveness of the audit was very dependent on the broker currently working for the students' union: if the broker refused to provide information about the plan, the audit was more difficult. He said that the Federation's service was fundamentally different from others because it was negotiated with a not-for-profit insurance provider. He said that every penny made from the

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service went back to the Network to make the plans cheaper. He said that the Network had set an industry standard and that this had a positive effect on the direction of the industry.

Local 89 delegate Tayfun Ince said that they were members of the National Student Health Network. He said that there had been some concern from members regarding anticipated premium increases.

Local 84 delegate Serife Tekin said that she had previously been on the executive committee of Local 101. She said that the Local had been in a multi-year contract with a broker and that when the Local had requested an audit from the Network the broker had intimidated members of the executive committee and had threatened them with litigation. She said that the executive was displeased with this harassment from the broker. She said that Local 84 was a member of the National Student Health Network and that the members and the executive had been very pleased with the service. She said that the members of the graduate employee union local had been shifting to the network plan because of the superior coverage.

Local 101 delegate Jon Anuik added that the Local's health plan representatives had been very secretive about the details of their health plan. He said that the broker attempted to single out members of council and the executive to befriend. He said that the Local was looking forward to support from the Network in ensuring an open bidding process would occur when the current contract expired.

Local 21 delegate Melanée Thomas said that she was very appreciative of the Caucus' work on unionisation. She explained that the provincial government in Alberta prohibited graduate student employees from unionising. She said that students' unions were responsible for collectively bargaining on behalf of graduate employees at the universities in Alberta. She said that the Local had been seeking support from other locals in Canada to help address the labour laws in Alberta.

Local 23 delegate Clement Apaak said there was a very strong teaching assistant and support staff union at Simon Fraser University. He said that they would very likely be willing to provide support and share resources with members in Alberta. He asked whether the Caucus had made any public statements about its dissatisfaction with the direction of the Canadian Association for Graduate Studies (CAGS). He said that the Caucus should make a public statement.

Conlon said that the first public statement made by the Caucus regarding CAGS was in the recent edition of the newsletter. He said that members of the Caucus had raised concerns regarding commercialisation at previous CAGS conferences. He said that the Caucus needed to continue to work within the structure of CAGS to continue raising these concerns.

Local 94 delegate Sascha Maicher said that he would like to see the Caucus begin working on a debt-reduction campaign for graduate students because it was a very important issue.

Local 23 delegate Hattie Aitken thanked the executive for its thorough report on activities. She also commended the executive on the campaigns document that had been prepared for the meeting. She said that she was especially interested in the campaign about commercialisation and academic freedom since it was becoming an increasingly critical issue at Simon Fraser University.

Local 101 delegate Anuik said that there had recently been two unsuccessful attempts to unionise the teaching assistants at the University of Saskatchewan. He said it was very important that the Caucus was working on graduate student employees' right to unionise. He said that he was concerned that the University administration was attempting to prevent further attempts to unionise by providing minimal wage hikes.

9. REPORT FROM PLENARY COMMITTEES

Caucus representatives on plenary committees provided updates on the deliberations in the plenary sub-committees.

2005/05:08 MOTION TO RECESS

Local 78/Local 27

Be it resolved that the meeting recess until 10:30, Sunday, May 22.

CARRIED

11:42 the meeting recessed.

CALL BACK TO ORDER—Sunday, May 22, 2005

10:35 Caucus Chairperson Kelly Holloway called the meeting back to order.

9. REPORT FROM PLENARY COMMITTEES (continued)

Caucus representatives on plenary committees provided updates on the deliberations in the plenary sub-committees.

10. ELECTORAL REPORT

Electoral Officer Ashkon Hashemi announced that Local 78 delegate Phil Robinson had been elected Graduate Students' Representative on the National Executive for the 2005-2006 term.

2005/05:09 MOTION

Local 101/Local 27

Be it resolved that Phil Robinson (Local 78) be recommended for ratification as the Graduate Students' Representative on the National Executive for the 2005-2006 term.

CARRIED

11. REPORT ON CAUCUS FINANCES

Robinson provided an overview of the Caucus' finances.

Local 27 delegate Simon Kiss asked whether the increase in revenue was due to a growth in membership.

Robinson confirmed that an increase in the number of graduate students' unions that were members of the Federation and an overall increase in graduate enrollment had resulted in an increase to the Caucus budget.

2005/05:10 MOTION

Local 79/ Local 84

Be it resolved that the Caucus budget be adopted as presented.

CARRIED

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9. REPORT FROM PLENARY COMMITTEES (continued)

Caucus representatives on plenary committees provided updates on the deliberations in the plenary sub-committees.

12. DISCUSSION OF MEMBER LOCAL ACTIVITIES

Local 61 delegate Joanna Hesketh reported that the Local had been very active in the provincial "Rock the Vote" campaign in British Columbia. She said that Malaspina University had a very young graduate program and that the Local had been working to increase graduate students' involvement in the students' union.

Local 27 delegate Kiss said that unionisation of teaching assistants had been a high priority among graduate students at the Local. He said that there had been unsuccessful attempts two years in a row. He said that labour laws prohibited another vote until March 2006. He said that teaching assistants had been considering holding another drive commencing in September 2006. Kiss said that the University had been planning for a new student centre. He said that students' unions had been asked to contribute and levy significant fees.

Local 70 delegate Faiz Ahmed said that Local 70 was a very small local and it had been working to increase its involvement in Federation campaigns.

Local 96 delegate Meghan Gallant said that local priorities included achieving greater autonomy from the undergraduate students' union at the University of Manitoba.

Local 48 delegate Katie Modaressi said that the Local's main concern was with increasing fees at the University of Windsor. The Local was fighting for a tuition fee freeze for international students. She said that the Local was exploring strategies for getting graduate students more involved in the Union's campaigns.

Local 47 delegate Aaron Keeler said that the Local had been active on the copyright campaign. He said that the Local had drafted a letter to Marlene Catterall, the standing chair of the Heritage Committee. He said that the University of Western Ontario was in the early stages of restructuring graduate student funding packages, especially for Master's students. He said that the funding packages barely covered tuition fees for graduate students. He reported that the graduate students' pub had recently undergone expansion that had been financed by a loan. He said that there was some concern about how that loan would be repaid.

Local 19 delegate Gina Trubiani said that the Local had been very busy working on the post-residency fees campaign and that it had been successful to date. She said that several pledges had already been signed and returned to the Students' Union. She said that the Local had hosted screenings of documentaries, including "My Student Loan" and "The Corporation". She said that the Local had also organised a panel discussion about racial profiling, which had resulted in significant turnout. She said that the Local executive committee had been working on strategies to increase engagement with course union presidents and had begun hosting regular lunches with them. She said that the new University president, David Naylor, had been more receptive to students. She said that the Local had been working to obtain democratic student representation on University hiring committees.

University of New Brunswick Graduate Students' Association delegate Mary Milliken said that the Local had been working on improving its internal infrastructure. She also said that the Association was in the process of evaluating membership in a national organisation.

Local 100 delegate Leisha Sagan said in March the provincial government had announced a three-year extension to the existing tuition fee freeze. She said that, in total, this would be nine successive years of tuition fee freezes and reductions in the province. She said that teaching assistants had recently attempted to unionise and that they had been met with resistance from

the University administration. She said that they would be initiating another union drive in the fall. She said that the Local had been busy campaigning for international students to gain access to public health insurance.

Local 94 delegate Maicher reported that the Association had been developing a satellite café outside of its graduate student bar.

Local 21 delegate Thomas said that the provincial government in Alberta had recently adopted a bill on higher learning that included a mandate for a tuition fee review. She said that the Local had been working to obtain democratic student representation on the review panel. She said that the provincial government had recently increased university operating grants. She said that at the University of Calgary some of the funds from the base operating grants had been allocated to graduate students and that the Local would be actively providing input into the allocation of the funds. She said that the University had been looking to contract out its food services to Chartwells. She said that the union representing employees was very upset about this change. She said that the contract had not yet been signed and that students were actively participating in the university's decision-making process.

Local 101 delegate Jon Anuik said that unionization was a significant issue at the Local. He said that graduate student tuition fees had recently been restructured. He said that the restructuring did not lead to an overall increase in fees, but that there was concern that the new structure did not include a post-residency fee structure. He said that the Local was interested in being involved with the post-residency fees campaign. He said that Aboriginal graduate students had been working to form a campus club and that the Local had been supporting this initiative. He said that the privatisation of food services was increasingly becoming an issue on the campus.

Local 24 delegate Nora Loreto said that graduate students had become increasingly involved in environmental activities on the campus. She explained that graduate students and undergraduate students were members of the same students' union and that they were planning to restructure the graduate student caucus.

A Local 79 delegate said that students in Quebec had recently participated in a province-wide strike against cuts to grants and that 20,000-50,000 students had marched in Montreal.

Local 83 delegate Heather Fussell said that the Local had been working to improve outreach to members. She said that the undergraduate students' union had previously offered academic advocacy services to graduate students, but that this was in the process of being changed.

Local 23 delegate Hattie Aitken reported that the Local had recently hosted a workshop on issues of copyright and intellectual property and that Chris Radziminski had been invited to speak. She said that the event had been a success. She said that the graduate dean had been discouraging departments from having graduate students on University selection committees. She said that the Liberal government in British Columbia had recently announced a cap on tuition fee increases, but she said that the cap would not apply to students in professional programs. She said that the Local had been working to get a seat for an international students' representative on the University's board of governors. She reported that the Teaching Support Staff Union was currently in negotiations and that the University was attempting to clawback tuition fee protection and childcare benefits in the negotiations.

Local 78 delegate Riccardo Filippone said that the Local had been actively working on the provincial campaign to maintain the tuition fee freeze in Ontario. He said that the Local intended to continue the post-residency fee campaign in the fall. He said that the Local had been very busy with the undergraduate students' union in fighting for student space on the University campus. He said that there was a new University President, David Atkinson, at Carleton University. He said that the outgoing President had not been very receptive to students' concerns. He said that the Local had been working to increase student representation on

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university committees. He said that the Local had also been working to negotiate with the University for an improved postering policy.

13. OTHER BUSINESS

There was no other business.

14. ADJOURNMENT

2005/05:11 MOTION TO ADJOURN

Local 19/ Local 28

Be it resolved that the meeting be adjourned.

CARRIED

11:37 the meeting adjourned.

CAMPAIGNS AND GOVERNMENT RELATIONS REPORT

For the National Graduate Caucus of the Canadian Federation of Students
National General Meeting
November 23 to November 26, 2005

1. RENEWAL OF THE COPYRIGHT ACT

On June 20, Bill C-60, *An Act to Amend the Copyright Act*, was tabled. While the bill demonstrates significant improvements from Bulte's recommendations, it is still skewed in favour of the recording and software industry: little protection was secured in the bill to have access to educational materials. A legislative committee is in the process of being struck to schedule hearings from stakeholders and to review the amendments.

The Federation is involved in the Copyright Forum, which is a network of organisations and individuals interested in educational issues and copyright. The Forum provides a venue for the Federation to exchange information about lobbying, campaign activities, and analysis regarding Bill C-60. In addition, Federation representatives meet regularly with coalition partners, including the Canadian Internet Policy and Public Interest Clinic, the Canadian Association of University Teachers, and the Canadian Federation of the Humanities and Social Sciences, to lobby the federal government for clarification of educational use of copyrighted materials through the Act's "fair dealing" clause.

During orientation activities, member locals distributed copies of the campaign postcard to the prime minister calling for a fair and balanced *Copyright Act*.

Copyright fact sheet has been updated and will be distributed at this meeting. An article on the amendments to the *Copyright Act* has been written and included in the latest edition of *Perspectives*.

In addition, the Federation has drafted a submission to the legislative committee that is reviewing the Bill. The submission outlines the Federation's position on Bill C-60.

2. CAMPAIGN FOR POST-RESIDENCY FEES

The campaign for the restoration and maintenance of post-residency fee systems was adopted by the Caucus in February 2004. In September 2004, a fact sheet on post-residency fees was developed and circulated to members. A revised version of the fact sheet has been developed for distribution at this meeting.

A customisable pledge form had been developed for students. The pledge is a commitment that, as alumni, they would withhold donations to their university unless post-residency fees are retained or restored. By targeting alumni donations, the campaign signals to universities that there would be a cost to them if they charge graduate students full tuition fees for the duration of their program. The pledge also calls on university boards of governors to actively lobby for reduced tuition fees and increased provincial and federal funding. Several customised pledge forms have been developed for member locals.

To-date, Local 94-University of Ottawa Graduate Students' Association des étudiant-e-s, diplômé-e-s is the only local to have attempted to present the pledge forms to their university's governing. The request to present the pledges was accompanied by a request to establish an ad hoc committee of the Board of Governors that would examine tuition fee relief for all students.

Locals 19 and 78 have been collecting signed pledge forms through both the 2004-2005 and 2005-2006 academic years. Local 84 has joined the campaign, and Local 27 intends to launch the campaign during the winter 2006 term.

Of particular note are developments at Local 78, where the new President of Carleton University, Dr. David Atkinson, has announced that the University will be reviewing the re-establishment of a post-residency fee system. While this is a positive development, the President has not made any commitments and there is some resistance from the Faculty of Graduate Studies and Research. Further, President Atkinson has also indicated that he does not support a 'one size fits all' reinstatement of post-residency fees. Local 78 has been developing a firmer proposal for the reinstatement of the fee system, and has developed an outreach strategy for its membership as well as sympathetic faculty.

Across Canada, there have been a number of universities that have or are in the process of restructuring graduate tuition fee models. To date, the tuition fee models at University of Saskatchewan and Memorial

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University of Newfoundland have been restructured, including the elimination of post-residency fees at the University of Saskatchewan. In both cases, the restructuring has increased the cost to students who do not complete their program within the stipulated time frame. Both the University of Manitoba and Carleton University are currently investigating the restructuring of graduate student tuition fee models.

4. CAMPAIGN ON THE COMMERCIALISATION OF RESEARCH

a. International Summit on Research and Teaching

From August 3-5, the University of Alberta hosted an international summit on research and teaching. The conference focused on the benefits of incorporating research into teaching activities, particularly in undergraduate programs. Many of the participants argued that research was integral to the teaching experience, offering little analysis of the risks of the research agenda as presented by the federal government's "Innovation Strategy". The Federation presented a paper entitled "The Politics of Corporate Partnerships: The Price of Doing Business". The presentation cautioned participants that, while there was no question that research was integral to the learning process, that there were still risks to academic freedom and research integrity resulting from the intensification of the commercialisation of research in our public universities.

b. Graduate Student Conference on Education and Research

On September 16-18, students at Concordia University hosted a conference entitled, "Graduate Student Contributions to Education and Research." The Federation presented a paper entitled "Commercialization and the Core Mandates of Canadian Universities". The presentation illustrated how the federal government's commercialisation of research agenda was dramatically shifting the interests of universities away from the public interest and towards commercial benefit. The flawed research project on Warton's drinking water was used as a case study to reveal the problems that arise when private interests steer research at Canadian universities. The response from the audience was extremely positive.

c. Presentation to the Alberta Graduate Council

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The Federation is involved in the Copyright Forum, which is a network of organisations and individuals interested in educational issues and copyright. The Forum provides a venue for the Federation to exchange information about lobbying, campaign activities, and analysis regarding Bill C-60. In addition, Federation representatives meet regularly with coalition partners, including the Canadian Internet Policy and Public Interest Clinic, the Canadian Association of University Teachers, and the Canadian Federation of the Humanities and Social Sciences, to lobby the federal government for clarification of educational use of copyrighted materials through the Act's "fair dealing" clause.

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Copyright fact sheet has been updated and will be distributed at this meeting. An article on the amendments to the *Copyright Act* has been written and included in the latest edition of *Perspectives*.

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To-date, Local 94-University of Ottawa Graduate Students' Association des étudiant-e-s. diplômé-e-s is the only local to have attempted to present the pledge forms to their university's governing. The request to present the pledges was accompanied by a request to establish an ad hoc committee of the Board of Governors that would examine tuition fee relief for all students.

Locals 19 and 78 have been collecting signed pledge forms through both the 2004-2005 and 2005-2006 academic years. Local 84 has joined the campaign, and Local 27 intends to launch the campaign during the winter 2006 term.

Of particular note are developments at Local 78, where the new President of Carleton University, Dr. David Atkinson, has announced that the University will be reviewing the re-establishment of a post-residency fee system. While this is a positive development, the President has not made any commitments and there is some resistance from the Faculty of Graduate Studies and Research. Further, President Atkinson has also indicated that he does not support a 'one size fits all' reinstatement of post-residency fees. Local 78 has been developing a firmer proposal for the reinstatement of the fee system, and has developed an outreach strategy for its membership as well as sympathetic faculty.

Across Canada, there have been a number of universities that have or are in the process of restructuring graduate tuition fee models. To date, the tuition fee models at University of Saskatchewan and Memorial

University of Newfoundland have been restructured, including the elimination of post-residency fees at the University of Saskatchewan. In both cases, the restructuring has increased the cost to students who do not complete their program within the stipulated time frame. Both the University of Manitoba and Carleton University are currently investigating the restructuring of graduate student tuition fee models.

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a. International Summit on Research and Teaching

From August 3-5, the University of Alberta hosted an international summit on research and teaching. The conference focused on the benefits of incorporating research into teaching activities, particularly in undergraduate programs. Many of the participants argued that research was integral to the teaching experience, offering little analysis of the risks of the research agenda as presented by the federal government's "Innovation Strategy". The Federation presented a paper entitled "The Politics of Corporate Partnerships: The Price of Doing Business". The presentation cautioned participants that, while there was no question that research was integral to the learning process, that there were still risks to academic freedom and research integrity resulting from the intensification of the commercialisation of research in our public universities.

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Campaign for a Balanced Copyright Act

Objective

To ensure new copyright legislation is fair and balanced and that it does not infringe upon the right of researchers, scholars and students to have access to and share digital information.

Background

The federal Copyright Act is currently being amended, in part, to respond to digital technology. On June 24, Bill C-60, An Act to Amend the Copyright Act, was tabled. While the bill demonstrates significant improvements from previous recommendations, it is still skewed in favour of the recording and software industry: little protection was secured in the bill to have access to educational materials.

The Federation, along with its coalition partners, has been arguing that the Act needs to be amended to clarify provisions for use of copyrighted works for educational purposes, particularly through the "fair dealing" clause that allows users to make single copies of portions of works for certain types of use, such as research and private study. The Federation contends that this particular clause ought allow for a much more liberal interpretation for the use of copyrighted works in public educational institutions, similar to the "fair use" model in the United States of America. Instead, the bill includes restrictive provisions for digital inter-library loans and technology-enhanced learning.

Thus, while the recording and software industry have publicly praised the bill, various members in the educational community and a number of public interest groups are calling on Parliament to defeat it. Since it is likely that the Bill will not be voted on before an election takes place, it is important to continue lobbying all parties for a balanced Act.

Action

The Caucus will:

- Develop a poster to educate members about the dangers of restrictive copyright law.
- Continue to distribute and submit the "Copyright" postcards to the Prime Minister demanding fair copyright law.
- Encourage member locals to lobby Members of Parliament to clarify educational use of the internet in Bill C-60.
- Encourage member locals to host sessions/panels on their campuses, in coalition with their research librarians, public librarians, and faculty associations.

Campaign for Post-Residency Fees

Objective

To challenge the elimination of post-residency fees in graduate programs of Canadian universities and to support the maintenance of post-residency fees where they currently exist.

Background

'Post-residency fees' refers to a system in which graduate students pay reduced tuition fees following the completion of their course work. Over the past decade, many universities have eliminated this fee system and instituted full-tuition fees for the duration of graduate programs. Many other universities are considering eliminating the post-residency fee system.

Restoring and maintaining post-residency fees would increase retention rates and reduce time-to-completion rates. Fewer financial barriers for graduate students would help improve the research and teaching capacity of universities and ensure that there are qualified graduates to address the anticipated faculty shortage.

Action

The Caucus will:

- Encourage member locals to undertake the pledge campaign on their campuses.
- Actively support member locals who experience backlash from their university administrators.
- Investigate available research on the effects of eliminating post-residency fees.

Campaign for Open Access Archives

Objective

To remove barriers to the free sharing of scholarly research by supporting initiatives that aim to provide researchers and the public with unqualified open access. These initiatives include the development of institutional repositories and a national archive of scholarly material, as well as efforts to facilitate the growth of scholarly journals that are publicly available online.

Background

In the last decade and a half, the skyrocketing cost of scholarly journals has led to the exploration of digital alternatives. One alternative, Open Access, has become a nationally debated issue in both the United States and the United Kingdom. Open Access is commonly defined as access whereby there is no charge to the user, who is granted rights to copy, download, and print. Generally, Open Access can take three forms: unqualified (immediate and unrestricted access), delayed ("unqualified" after an interval of time), or partial (select content is accessible and may be "delayed").

In Canada, one way in which Open Access to scholarly material is developing is in the form of institutional repositories. At least 17 Canadian universities have begun to archive articles published by their faculty members and students in an institutional repository. For example, every time an academic at the University of New Brunswick publishes in a journal, a copy is archived electronically by the University with the permission of the journal. That article is then available free of charge (i.e. Open Access) to anyone who wishes to use it. The Canadian Association of Research Libraries (CARL) has created software that can "scrape" all of the institutional archives in Canada. To search the CARL Open Archive Harvester, visit <http://carl-abrc-oai.lib.sfu.ca:8044/>.

Recently, there has been growing interest in the development of a national archive of scholarly material. To this effect, the National Research Council Canada created National Consultation on Access to Scientific Research Data (NCASRD) in June 2004 with the objective of "recommend[ing] to Canada's primary research funding agencies and organizations, the actions necessary to maximize, through open access, the research and economic value, and public benefit of data gathered at public expense, as well as actions to preserve historically significant data as an historic record, and as a scientific and cultural asset for current and future research." Released in January 2005, NCASRD's Final Report recommended the creation of a national archive of scholarly material. Organisations such as CARL have enthusiastically embraced this recommendation and the underlying principle of public access to publicly funded research.

An additional means of supporting Open Access is by encouraging the growth of scholarly journals that are publicly available online. According to the "Directory of Open Access Journals" (www.doaj.org), there are currently 1852 journals that are publicly available online, which represents an increase of almost 50 percent over the previous year. By increasing the number of open access journals available online, the public's ability to access scholarly work grows while the impact of research conducted at Canadian universities is strengthened.

Campaign for Open Access Archives

Action

The Caucus will:

- Produce a backgrounder on the benefits of Open Access to scholarly publishing.
- In cooperation with other campus organisations, lobby local university administrations to establish an institutional repository.
- Maintain close ties with regional and national organisations that support open archive initiatives, such as the Canadian Association of University Teachers and the Canadian Association of Research Libraries.

Campaign to Prevent the Commercialisation of Canada's Universities

Objective

To prevent the encroachment of for-profit ventures into university research and protocols by lobbying for both the provision of higher and adequate levels of public funding and by seeking to regulate and scrutinise corporate sponsorship deals.

Background

Over the last 25 years, public funding for higher education has significantly declined. At the same time, corporate interest in the university has increased tremendously; led by numerous examples in the US, where corporations have been able to successfully generate proprietary research by partnering with publicly funded universities. Corporations have become increasingly interested in entering into similar deals in Canada.

In recent years, the commercialisation of Canadian universities has accelerated. Government matching programs, such as the Canadian Foundation for Innovation, have made corporate partnership deals incredibly lucrative for universities. As well, federal granting agencies like NSERC and CIHR have begun to offer a series of Research Partnerships Grants with the express purpose of transferring knowledge of "industrial relevance" to "Canadian-based organisations".

Rather than actively opposing such pressures to undertake mandates of commercialisation, university administrators have routinely cast "public-private partnerships" as prime examples of autonomy and academic freedom. For example, the University of Toronto recently held a series of high-level and highly publicised meetings with research coordinators from the US military.

The consequences of commercialisation for graduate students are becoming increasingly clear and severe.

First, students are increasingly required to seek corporate funds for their research. This means that for students not tied into corporate-funded research, there are both fewer spaces and/or less supervision. It also means a lack of academic freedom for those who are funded by corporations.

Second, corporations are increasingly attempting to use financial contributions as a way to leverage public funds to conduct research and development and training. In Canada there are also several examples of corporate donations and sponsorship programs being linked to curriculum design.

Third, many universities are finding that they have no ethical guidelines and principals for the conduct of corporate-funded research. Without ethical protocol, whistleblower, and access to information guidelines, graduate students are potentially placed in the precarious position of being party or witness to the manipulation of data or the suppression of negative findings under pressure from corporate sponsors.

Campaign to Prevent the Commercialisation of Canada's Universities

Action:

The Caucus will:

- Provide an overview of the research examining the commercialisation of universities and its effects in Canada, the US, Europe, Australia and New Zealand.
- Develop draft provincial and federal whistleblower legislation.
- Lobby provincial governments to ensure research deals that are signed with public universities and external parties are subject to freedom of information regulations.
- Seek a legal opinion on authorship and intellectual property guidelines for university researchers.
- Continue pressuring CAGS to support whistleblower protection legislation and the public disclosure of public-private research contracts.

Campaign to Promote Graduate Student Workers' Rights

Objective

To raise awareness about the working conditions of graduate student employees in Canada.

Background

As a result of the under-funding of post-secondary institutions in Canada, graduate students have had to rely more heavily on their work as teaching assistants and research assistants in order to finance their education. At the same time, administrators see graduate students as a means by which more affordable labour can subsidise teaching and research. As professors are denied tenure, graduate students take on more of the burden of teaching at universities and colleges, and for lower wages than Faculty. In this climate, graduate students are finding it increasingly necessary to work with organised labour in order to gain awareness to protect their rights as workers, and are linking access to post-secondary education to labour rights.

Action

The Caucus will:

- Determine what research exists on the working conditions of post-secondary academic workers as graduate and undergraduate teaching assistant.
- Design a survey on the working conditions of graduate student employees to be administrated by member locals.
- Develop a fact sheet on the working conditions of teaching assistants in Canada.
- Continue to demand that CAGS recognise graduate student employees' right to choose to unionise.

AGENDA

Caucuses: Colleges and Institutes, Large Institutes, and Small Universities

November 2005 National General Meeting

1. INTRODUCTIONS and OVERVIEW OF CAUCUS MEETING

- a. Roundtable Introductions
- b. Review of the Caucus Agenda
- c. Review of the Caucus Terms of Reference

2. SELECTION OF REPRESENTATIVES TO SERVE ON PLENARY SUB-COMMITTEES

Standing Resolution 1, Section 2, *Committee Composition* states that:

"Each caucus, constituency group and provincial component shall have the right to select one voting member to sit on each standing general meeting committee."

The Caucus will select representatives for each of the following plenary sub-committees:

- Budget Committee;
- Organisational and Services Development Committee; and
- Policy Review and Development Committee.

3. REVIEW OF MOTIONS FOR CONSIDERATION PACKAGE

The Caucus will review the motions that were served with notice for consideration at the general meeting for the purpose of giving general direction to the Group's representatives on the committees.

4. OTHER BUSINESS

5. ADJOURNMENT

AGENDA

Constituency Groups

November 2005 National General Meeting

1. INTRODUCTIONS and OVERVIEW OF CONSTITUENCY GROUP MEETINGS

- a. Roundtable Introductions**
- b. Review of the Constituency Group Agenda**
- c. Review of the Constituency Group Terms of Reference**

2. SELECTION OF REPRESENTATIVES TO SERVE ON PLENARY SUB-COMMITTEES

Standing Resolution 1, Section 2, *Committee Composition* states that:

"Each caucus, constituency group and provincial component shall have the right to select one voting member to sit on each standing general meeting committee."

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- Budget Committee;
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3. REVIEW OF MOTIONS FOR CONSIDERATION PACKAGE

The Constituency Group will review the motions that were served with notice for consideration at the general meeting for the purpose of giving general direction to the Group's representatives on the committees.

4. OTHER BUSINESS

5. ADJOURNMENT



Canadian Federation of Students' submission to the
House of Commons Standing Committee on Finance

October 2005

National Office • Bureau national
500-170 rue Metcalfe Street
Ottawa, Ontario
K2P 1P3
(613) 232-7394
www.cfs-fcee.ca

The Canadian Federation of Students
83 Member Students' Unions
500,000 University and College Students

British Columbia

University of British Columbia Students' Union-Okanagan
Camosun College Student Society
Capilano Students' Union
Cariboo Student Society
Douglas College Students' Union
Emily Carr Institute of Art and Design Students' Union
King Edward Students' Union
Kwantlen University-College Student Association
Malaspina University-College Students' Union
College of New Caledonia Students' Association
North Island College Students' Association
Northern Lights College Students' Association
Northwest Community College Students' Association
Okanagan College Students' Union
College of the Rockies Students' Union
Selkirk Students' Association
Simon Fraser Student Society
Vancouver Community College Students' Union
University of Victoria Students' Society
University of Victoria Graduate Students' Society

Prairies

Alberta College of Art and Design Students' Association
Brandon University Students' Union
Graduate Students' Association of the University of Calgary
First Nations University of Canada Students' Association
University of Manitoba Students' Union
University of Manitoba Graduate Students' Association
University of Regina Students' Union
University of Saskatchewan Students' Union
University of Saskatchewan Graduate Students' Association
Association étudiante du Collège universitaire de Saint-Boniface
University of Winnipeg Students' Association

Ontario

Algoma University Students' Union
Atkinson Students' Association
Brock University Graduate Students' Association
Carleton University Students' Association
Carleton University Graduate Students' Association
Student Association of George Brown College
Glendon College Student Union
University of Guelph Central Student Association
University of Guelph Graduate Students' Association
Lakehead University Student Union

Continued . . .

Members continued:

Association of Laurentian Part-Time Students
Laurentian University Students' General Association
Association des étudiantes et étudiants francophones de l'Université Laurentienne
McMaster Graduate Students' Association
Nipissing University Student Union
Ontario College of Art and Design Student Union
Graduate Students' Association des étudiant(e)s diplômé(e)s de l'Université d'Ottawa
Queen's University Society of Graduate and Professional Students
Continuing Education Students at Ryerson
Ryerson Students' Union
Saint Paul University Students' Association
Scarborough Campus Students' Union
University of Toronto Graduate Students' Union
University of Toronto Students' Administrative Council
Association of Part-Time Undergraduate Students of the University of Toronto
Trent Central Student Association
Trent University Graduate Student Association
University of Western Ontario Society of Graduate Students
Wilfrid Laurier University Graduate Students' Association
University of Windsor Graduate Students' Society
University of Windsor Students' Alliance
York Federation of Students
York University Graduate Students' Association

Québec

Concordia Students' Union
Concordia University Graduate Students' Association
Post-Graduate Students' Society of McGill University

Maritimes

Acadia Students' Union
Cape Breton University Students' Union
Dalhousie Association of Graduate Students
Holland College Student Union
University of King's College Students' Union
Association générale des étudiants et étudiants de l'Université de Moncton campus d'Edmonston
Mount Saint Vincent University Students' Union
University of New Brunswick Graduate Students' Association
Student Union of NSCAD University
University of Prince Edward Island Student Union
University of Prince Edward Island Graduate Student Association
Association générale des étudiants de l'Université Sainte-Anne

Newfoundland & Labrador

Grenfell College Student Union
Marine Institute Students' Union
Memorial University of Newfoundland Students' Union
Graduate Students' Union of the Memorial University of Newfoundland
College of the North Atlantic Students' Union

Introduction

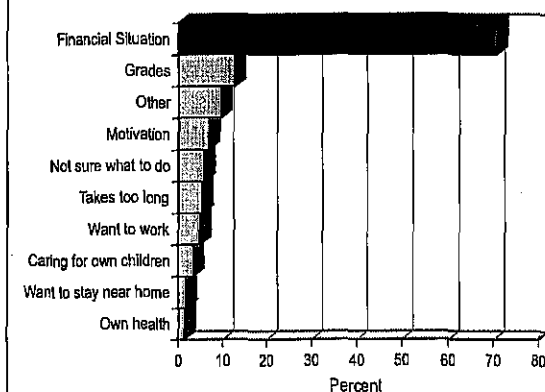
Canada's Post-Secondary Education System is Characterised by Financial Barriers to Access

The crisis in accessibility in Canada's universities and colleges is driven by the cost of a post-secondary education. The defining difference between those who have access to post-secondary education and those who are forced to languish in low-paying, low-skill work is financial resources. Despite the elementary nature of this observation, there is real resistance among university and college administrators and government policymakers to accept this reality. Over 400,000 students in Canada are forced to borrow to finance their education every year. Average student debt for a four-year program is now nearly \$25,000. However, that number will rise rapidly with the increase in loan limits introduced in the 2004 federal budget. The decision taken to substantially increase the amount that students can borrow will ensure that students from low- and middle-income households start their working lives saddled with debt. It is critical to note that the rapid increase in student debt has occurred in conjunction with the elimination of grants programs in most provinces. Québec is the only remaining province with a comprehensive system of needs-based grants.

Although policymakers often look at student debt as the deferred cost of a post-secondary education, there is good reason to believe that it is a primary factor in determining access to post-secondary education at the front end. While it is true that students do not start repaying a loan until they cease full-time study, students are increasingly weighing their post-graduation debt burden when deciding whether to pursue higher education. We also know from the Youth in Transition Study (YITS) that

among those who list a barrier to post-secondary education, over 70% list finances as the primary barrier (see Figure 1). In addition to addressing the reality of debt aversion, it is imperative that the federal government examine the real cost of student debt. A \$25,000 student debt is actually a debt of almost \$34,000 when accounting for interest payments over the amortization period (see Table 1). This number is also based on interest rates near an all-time low.

Figure 1: Identified Barriers to Post-Secondary Education for Secondary School Graduates



Source: Youth In Transition Survey 2002 (Statistics Canada)

It is important to note that the financial return of a post-secondary education over a lifetime has been greatly exaggerated by those who seek to justify higher tuition fees. Those who use a narrow economic equation to argue for higher fees imply that those who have a university or college credential automatically earn a six-figure salary. Although it is certainly true that those with post-secondary education earn more than those with just a high school diploma, the return on post-secondary education has actually remained relatively constant since the 1990s. Contrary to those who argue that education

is simply an investment like any other, a post-secondary education is not the ticket to the highest income bracket, but rather the necessary pathway to a modest income.¹ In *Knowledge Matters*, Human Resources and Skills Development Canada estimates that over 75% of new jobs will require at least 2 years of post-secondary education by 2007. The average wage of those with such a credential is just over \$30,000 per year compared to just over \$25,000 for high-school graduates, hardly the kind of income that would justify \$6,000 in tuition fees and \$25,000 of student debt.²

Table 1: Canada Student Loan Repayment by Principal and Repayment Period

Principal	Repayment Period	Monthly Payment	Interest Paid	Total Cost of Education
\$20,000	10 years	\$232.22	\$7,865.87	\$27,865.87
\$20,000	15 years	\$179.77	\$12,357.22	\$32,357.22
\$20,000	20 years	\$155.06	\$17,214.29	\$37,214.29
\$25,000	10 years	\$290.27	\$9,832.61	\$34,832.61
\$25,000	15 years	\$224.71	\$15,446.87	\$40,446.87
\$25,000	20 years	\$193.82	\$21,519.28	\$46,519.28
\$32,000	10 years	\$371.55	\$12,585.50	\$44,585.50
\$32,000	15 years	\$287.63	\$19,771.83	\$51,771.83
\$32,000	20 years	\$248.10	\$27,541.74	\$59,541.74

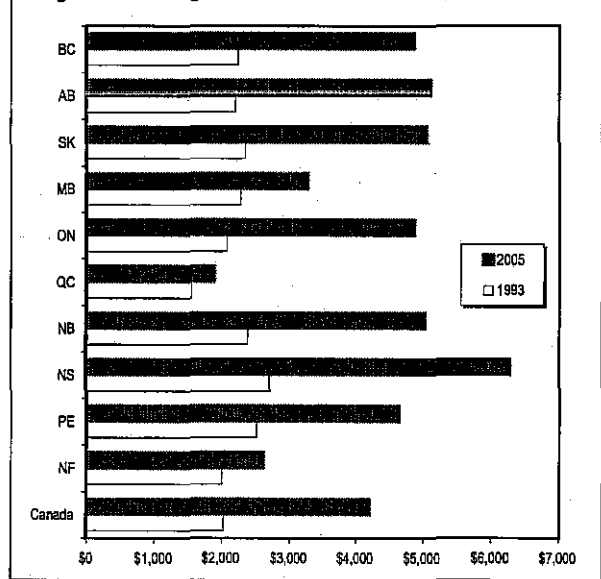
Note: As the repayment period is extended, the cost of education for low-income earners increases

Recent socio-economic data also starkly demonstrates that student debt is, by definition, the most regressive way of financing a post-secondary education. Those who enter the system with the least are forced to borrow the most. Students from low-income households are the least likely to have a ready source of funds to pay tuition fees up-front. Thus, those who are from low-income homes bear the brunt of fee hikes and borrow tens of thousands of dollars to finance an undergraduate degree. A recent Canadian Association of University Teachers (CAUT) report documented this trend by noting that, as a percentage of disposable income, those in the bottom fourth of income earners devote nearly twice as much to education costs as those in the top fourth.³ This disparity is confirmed by Statistics Canada's Post-Secondary Education Participa-

tion Study (PEPS), which determined that those from families in the top income quartile are twice as likely to attend university as those in the bottom quartile.

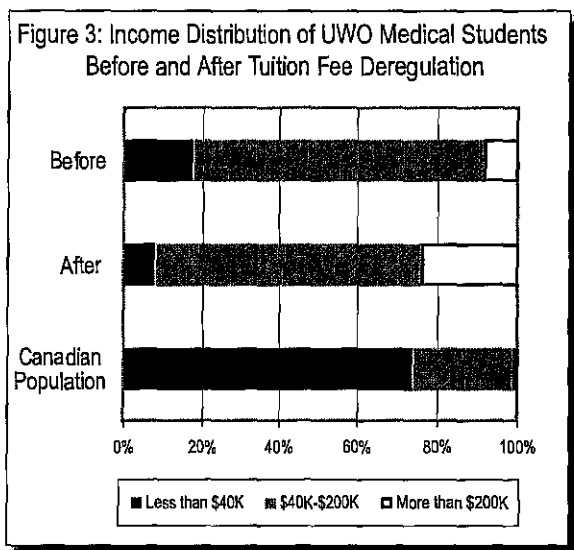
This evidence becomes more worrisome when it is viewed in the context of recent data on the growing gap between the rich and the poor in Canada. Statistics Canada's 2001 census report showed that the income of those in the bottom quintile remained stagnant through most of the 1990s while families in the top one-tenth of income earners made substantial gains. These findings are corroborated by other census data that found that, on average, those under the age of thirty are earning substantially less than they did in 1980.⁴ This statistic is troublesome on several levels: first, it means a decline in disposable income for those facing tuition fees that increased by 130% in the 1990s. Second, for those lucky enough to attend college or university this income data shows that they are likely to experience difficulty paying back mortgage-size student loans. Thus, Canada has the most indebted generation in its history facing a real decline in their income.

Figure 2: Undergraduate Arts Tuition Fees, 1993 & 2005



The greatest factor driving higher student debt is tuition fees. Tuition fees are the largest cost students face as students. Tuition fees have more than doubled since 1993, making the average for tuition fees

for an arts and sciences undergraduate degree over \$4,000 per year (see Figure 2). Fees at that level will entrench the access gap outlined by the PEPS study, but there is also evidence to suggest that current fee levels are pushing students out of the system. A study undertaken by leading U.S. researchers demonstrates that for every \$1,000 increase in tuition fees, there is a 19% drop in persistence rates for low-income students.⁵ A similar study conducted by economist Thomas Kane in California noted that for every \$1,000 dollar in fee hikes there would be a commensurate decline in enrolment of 14.9%. According to Kane, the decline in enrolment comes "almost exclusively from minority and low-income students."⁶



In the Canadian context, a 1999 study found a direct link between tuition fee hikes and depressed enrolment amongst students from low-income families. The Department of Epidemiology and Biostatistics at the University of Western Ontario undertook a study on the accessibility of Western's medical school in the years immediately following the deregulation of tuition fees in Ontario.⁷ This study was conducted over a four-year period to determine the effect of steep fee increases on the attributes of new students. The study examined participation rates by socio-economic status and documented a dramatic decline in participation rates from low-income families by the fourth and final year of the study. In the first year examined, 17.3% of students

in medical school came from homes where their family income was under \$40,000. That year, students were paying the regulated tuition fees of approximately \$4,000. By the fourth year of the study, when tuition fees had risen to over \$10,000, only 7.7% of students were from this low-income group (see Figure 3). Thus, immediately after exorbitant tuition fee increases, there was a 50% decline in the participation of low-income students.

Student Financial Assistance: A Path to Access vs. Lifelong Debt

Any discussion of tuition fees must end with an assessment of student financial assistance. What follows is an outline of the current policy context that will assist the committee in its task of modernising student financial assistance. The national and international data demonstrates unequivocally that the level of tuition fees and the model of student assistance are the determining factors in who has the opportunity to participate in post-secondary education. In addition to the research on the up-front cost of a post-secondary education, there is overwhelming evidence to suggest that grants (not loans) are the best way to promote access. In the largest study of its kind, British researchers followed low-income students through the post-secondary system and determined that the availability of grants was the primary factor in determining whether low-income students could finish their degree.⁸

A similar study in the United States, entitled *Empty Promises*, also argues that access to grants was the determining factor on whether or not low- or middle-income students would enter the system and persist until graduation.⁹ In another UK study, researcher Stephen Machin tracked the decline in the participation rates of low-income students after the UK government abolished grants for living expenses. In the final year of the program, 13% of those in UK universities were from the lowest income strata. Six years after the grant was scrapped, only 7% came from the poorest British families.¹⁰

By increasing loan limits in the 2004 budget, the federal government made clear its opinion that loans are the preferable policy model for coping with the exploding cost of post-secondary educa-

tion. Unfortunately, this approach will exacerbate the social inequities in access outlined above. As we documented at the beginning of this section, the pressing and simple solution to this problem is a concerted federal and provincial effort to reduce tuition fees. Simply put, there will be very little political or financial incentive for provincial governments to reduce tuition fees until the federal government re-asserts its role in funding post-secondary education. A sustainable approach to federal funding is outlined later in this brief.

The grants program for low-income students introduced in the 2004 federal budget is a somewhat modest recognition by the federal government of the necessity to increase spending on grants. However, at the current level of financing, the program is unlikely to be much more than a first step since a grant's value is relative to the cost it is intended to mitigate. Without restoring funding to the provinces for post-secondary education, tuition fees will rapidly erode the value of federal grants.

As fees continue to rise, the Canada Student Loan Program (CSLP) is under increasing pressure. One of the inevitable effects of deregulated tuition fees is that students studying professional programs are now far more likely to borrow (and very often borrow at maximum levels) under the CSLP. With tuition fees of \$18,000 for law school at the University of Toronto and \$16,000 for Dentistry at the University of Saskatchewan, and \$11,000 for animation arts at Sheridan College, most modest- and middle-income students now rely on mortgage-sized student loans to fund their education. With professional programs charging fees at this level and average arts and science undergraduate fees approaching a national average of \$5000, it is no surprise that the CSLP is under increasing pressure to meet the evolving needs of students studying in a variety of programs and entering or re-entering post-secondary education at different times in their adult life. For example, according to the Association of Community Colleges Canada (ACCC), the average age of a college student is 26. Therefore, those entering college are likely to have family obligations

and prior debt and are not likely to be well-served by a loans-based system.

The financial pressure created by high fees has also led to some policy discussion about how Canada Student Loans are distributed and who benefits from the program. Since its inception, the CSLP has been a needs-based system of student financial assistance. Financial need is calculated by subtracting existing financial resources (savings and anticipated earnings from summer and part-time employment) from overall educational and living costs. The Government of Canada pays the interest accruing on Canada Student Loans during the full-time study period. Under this system, the interest subsidy largely flows to those students coming from a low-income household, but high fees have increasingly meant that borrowers from middle-income backgrounds are receiving a greater share of the interest subsidy. This development has resulted in calls for a revamped program of student financial assistance, one that focuses on those from the very lowest income homes and leaves those from modest-income families to fend for themselves.

The idea of excluding all but the most disadvantaged was proposed by former Ontario Premier Bob Rae in his 2004 review of post-secondary education in Ontario. In other words, Rae recommends a system in which a sliver of students from very low-income homes get substantial grants, while everyone else is left to rely on debt to finance their education.

The implications of such a proposal are stark: under Rae's plan, a family of three earning \$36,000 a year would receive no non-repayable student financial assistance. Such a proposal would simply compound the debt of thousands of students and increase the number of students who are forced to take out loans. Rae also muses about the elimination of all interest subsidies, which would reduce the cost to government of future loan administration. For the family of three living on \$36,000, Rae's solution is ostensibly a private system of for-profit lending.

Low-income students and those communities underrepresented in university and college should be at the centre of any student assistance model. However, the emerging trend that Canada's financial

aid system must address one of either high-need or low-income must be rejected. Tuition fees are the primary cause of the rising costs faced by students and higher tuition fees are forcing more students to rely on financial assistance every year. It is preposterous to suggest that the best policy solution is to increase the cost of borrowing for all but those from the very poorest families. The federal government has a responsibility to ensure affordability for all of those unable to pay the up-front cost of a post-secondary education, but as long as tuition fees are allowed to continue to rise, the sustainability of any effective student financial assistance program is tenuous at best.

High tuition fees compromise access, overtax the CSLP, and create an artificial distinction between high need and low-income students. Virtually all of these problems can be traced back to reduced government funding. This situation is remedied by implementing a long-term vision that includes tuition fee reductions and a broad system of grants.

RECOMMENDATION #1—*Increase the value of the low-income grant from 50 percent of tuition fees to 100 percent of tuition fees, while eliminating the \$3,000 ceiling.*

Learning Bond

The federal government announced that \$325 million will be spent each year attempting to address what it perceives as a motivational problem amongst low-income families to save for their children's post-secondary education. The notion that poverty and lack of savings for post-secondary education are the result of insufficient RESP advertising—rather than the reality of other more immediate expenses (i.e. food, shelter)—is dubious at best. As with the public relations machine behind the Millennium Scholarships, the creators of the Learning Bond have placed a premium on optics over sound public policy. Gimmicky approaches like the Learning Bond will do nothing to erase the reality of generational poverty, housing shortages and massive rent inflation, and the myriad of real challenges that inhibit the participation of low-income families in post-secondary education. Until the federal government makes real commitment

to address these issues, policies like the Learning Bond will seem cynical.

Families with incomes below \$35,000 who bear children after 2003 will receive \$500 towards the establishment of a Registered Education Savings Plan (RESP) and \$100 each subsequent year the family remains "low-income". By the federal government's own estimates, the maximum benefit of the Learning Bond/RESP program will be approximately \$3,000 in 2004 dollars. In other words, the most a low-income family can hope for from a Learning Bond is 75 % of one year of tuition fees. Moreover, the "savings" in a Learning Bond may reduce a family's eligibility for other needs-based assistance.

The Canadian Federation of Students convened a meeting in March 2004 with the National Anti-Poverty Organization, the National Organization of Immigrant and Visible Minority Women of Canada, the Canadian Council on Social Development, and Low-Income Families Together to discuss the implications of the Learning Bond. Participant organisations were unanimous in their opposition to the proposal to increase federal spending on flawed savings programs.

Millennium Scholarship Foundation

The Millennium Scholarship Foundation (MSF) was created in 1998 as part of the "education budget". Then Finance Minister Paul Martin promised in his budget speech that the MSF would reduce the debt of students with the highest need by \$12,000. Unfortunately, very little of the money set aside to reduce student debt has even made its way to students. Most provinces have simply ignored the non-binding "gentleman's agreements" signed with the Foundation. In British Columbia, Saskatchewan, Ontario, Prince Edward Island, and Nova Scotia students are seeing little or no net benefit. In other provinces, a small portion of the money is going to reduce student debt.

Regrettably, little time or energy has been put into pushing the recalcitrant provincial governments to use Foundation funds to reduce student debt. These five provincial governments, with the blessing of the Foundation, have simply reneged on

their agreements to invest Foundation funds into student financial assistance.

In addition to gaping operational failures, there are also mounting concerns about the Foundation's lack of transparency. The Foundation has a \$10 million research budget but it has consistently refused to release any detailed information about how it disperses funding for research projects. This is particularly disconcerting given that the Foundation is awarding lucrative "no bid" contracts to former employees.

In addition, the Foundation's research project is heavily biased toward researchers who favour higher tuition fees and student debt. Therefore, only those who support the Foundation's ideological positions can compete for research funding or speaking slots at Foundation conferences. Despite receiving over \$2.5 billion in taxpayer funds, the Foundation operates like a private corporation—accountable to nobody but a largely hand picked and pliant board. The structure of the Foundation, then, allows it to bypass the most elementary standards of transparency and accountability in its day-to-day functioning.

The Canadian Federation of Students is not alone in its concern about the fiscal and operational accountability of the Millennium Scholarship Foundation. In testimony before the Standing Committee on Public Accounts, Auditor General Sheila Fraser (February 12, 2003) and Professor Peter Aucoin of Dalhousie University (October 8, 2003) both criticized the fact that Foundations are unaccountable to parliament despite their vast expenditures of tax dollars. The Auditor General was particularly perturbed that the finances and operations of the MSF are essentially the business of its private board.

The MSF is a failed experiment in contracting out student financial assistance. Unfortunately, it has been low-income students and their families that have suffered the consequences of this cynical exercise. In light of this record of abject failure and the pressing need for a modern system of student financial assistance, the Canadian Federation of Students is calling upon the federal government to collapse the Foundation and redirect its budget to

expanding a needs-based grant administered by the Canada Student Loan Program.

RECOMMENDATION #2—*The federal government should scrap the Millennium Scholarship Foundation and the Registered Education Savings Plan and use the funds to implement a national system of needs-based grants.*

Credit Checks

In 1998, the federal government introduced credit checks for all Canada Student Loans Program applicants over the age of 21. A student loan can be denied to an individual who, in the three years preceding application for a student loan, has missed at least three monthly payments on each of three separate loans or debts worth \$1,000 or more. The ostensible reason for the introduction of this regulation was to screen out habitual credit abusers. However, virtually any family in Canada that falls upon hard economic times could fail the current credit check. In most cases, failing the Canada Student Loans Program's credit screening is not due to a moral failing or fraudulent intent, but rather a matter of financial desperation. These are the Canadians that the federal government has made a specific commitment to help in the past. Therefore, it is punitive and counter intuitive to disqualify those who are the most in need of post-secondary education or training from receiving student financial assistance. The federal government has failed to distinguish between those in legitimate financial hardship and those committing fraud. In its effort to protect the fiscal integrity of the system, the government has, in effect, punished people for being poor.

RECOMMENDATION #3—*The federal government should remove the credit history assessment for Canada Student Loans Program eligibility.*

Debt Reduction in Repayment

The Canadian Federation of Students is calling on the federal government to honour a commitment made to students in the 1998 budget. That budget committed to a Debt Reduction in Repayment program (DRR) supposed to help over 12,000 students per year. Touted as a method of reducing unmanageable debt after graduation, the stringent

eligibility criteria has ensured that less than 500 students per year benefited from the program in its first four years.

In 2004, the Department of Finance finally acknowledged this problem and changed the eligibility requirements for DRR to bring them in line with the Interest Relief program. Unfortunately, many of those who should have legitimately qualified for Debt Reduction in the past five years will have defaulted on their loans, and be rendered ineligible for DRR under the revised criteria. In addition, despite Paul Martin's promise to assist 12,000 borrowers per year, there is no provision to make the current criteria retroactive. Given it took over five years to implement the program as promised, it is only fair that those who applied and were denied under the old criteria should be allowed to re-apply for those years under the new rules.

RECOMMENDATION #4—*The federal government should allow previous applicants who were denied DRR between 1999 and 2004 to reapply and be assessed retroactively using the new criteria.*

Bankruptcy and Insolvency Act

The provisions of the Bankruptcy and Insolvency Act were designed to offer hope to those unable to cope with debt. Under the Act, an individual must appear before a judge and present evidence under oath that their financial situation makes it impossible for them to meet their obligations. However, a ten-year prohibition introduced in the 1998 "education budget" deprived students of their rights under the law. The effects of the 1998 changes to the Bankruptcy and Insolvency Act (BIA) have been destructive and widespread. The law ensures that those unable to afford massive student loan payments are harassed by collection agents for up to ten years. This arbitrary and punitive change is widely criticized by legal and bankruptcy professionals.

In the spring of 2003, Industry Canada and the Senate set out to examine all aspects of the BIA, including the ten-year prohibition on student loan bankruptcy. In both cases, it was eventually recommended that students be entitled to a hardship hearing within one year of graduation and that the

general prohibition be lowered from ten years to five years.

In June 2005, the federal government finally responded to these mounting concerns with the introduction of a proposed change to the Bankruptcy and Insolvency Act. The bill proposes a reduction in the prohibition from ten to seven years. Although a belated acknowledgement of the misery caused by the law, reducing the prohibition from ten to seven years is a cosmetic change to a patently unfair bill.

RECOMMENDATION #5—*The federal government should repeal the ten-year prohibition on bankruptcy for Canada Student Loan holders.*

Federal Transfers for Post-Secondary Education

A Word from the Prime Minister

During a national CBC television broadcast on June 4, 2004, Prime Minister Paul Martin said that the Canada Social Transfer should be split to create a distinct transfer payment to the provinces for post-secondary education. The Prime Minister added that the dedicated transfer should reach \$7 to \$8 billion. The Canadian Federation of Students agrees with the Prime Minister.

The Prime Minister's comments are the latest development in a growing consensus in the post-secondary education community that current transfer payment mechanisms are inadequate to achieve federal funding goals. This section is a blueprint for how increased funding through a separate transfer payment for post-secondary education is a necessary step towards improving the accessibility and quality of Canadian universities and colleges.

The Federal Government in Retreat

To the detriment of access to post-secondary education, the federal government has quietly retreated from its historical role as the key figure in post-secondary education financing.

In the name of federal deficit reduction, billions were cut from post-secondary education and training during the 1990s. Provinces struggled with the increased burden and passed those costs on to stu-

dents and their families. In today's dollars, federal cash contributions for post-secondary education are now 50 percent lower than in 1982.¹¹

As a direct result, tuition fees at Canada's universities more than doubled in less than a decade. Thus, while claiming to eliminate Canada's budgetary deficit, that amount has been shuffled off the national books and onto the backs of students in the form of increased student debt. The devastating results on access and student debt were reviewed in detail in the previous section.

Towards a Post-Secondary Education Transfer

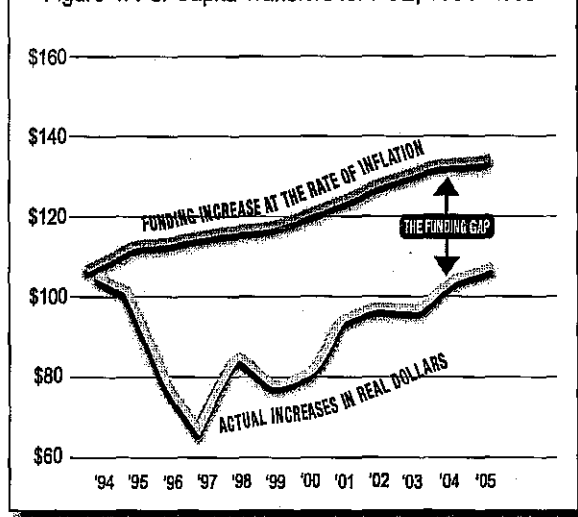
Recent federal surpluses have not been used to restore the funding cut from post-secondary education in the 1990s. The federal government has made minor adjustments in areas of undisputed federal jurisdiction (ie. income tax), but has failed to make any effort to engage provincial governments in negotiations to improve the quality and accessibility of Canadian universities and colleges.

The federal government has a clear constitutional role in the core funding of universities and colleges. The Prime Minister has responded to the call of the Canadian Federation of Students for a post-secondary education transfer, but the conditions and commitments placed on such a transfer will determine its viability. Not only must there be a distinct payment to the provinces for public universities and colleges, but mutually agreed upon conditions must be established in order to avoid provincial misallocation of federal post-secondary education funding.

The Canadian Federation of Students and the Canadian Association of University Teachers (CAUT) both recommend the adoption of legislation or other binding forms of agreement that would establish conditions for federal post-secondary education transfers. These conditions must commit the provinces to upholding principles similar to those of the Canada Health Act: public administration, accessibility, comprehensiveness, democratic governance, and academic freedom. In return for upholding these principles, provincial governments would receive increased and predictable funding from the federal government.

One of the first steps to creating the conditions for a collaborative strategy with provincial governments is for the federal government to commit to restoring cash transfers to 1993 levels in real dollars (see Figure 4). That represents an immediate investment of \$1.2 billion per year. In the medium term, the federal government should return spending levels for post-secondary education to 0.5% of gross domestic product, which will require an additional \$2.8 billion.

Figure 4: Per Capita Transfers for PSE, 1994–2005



Provincial premiers have recently made unmistakable signals that they are interested in exploring further collaboration with the federal government to improve the affordability and quality of post-secondary education. The federal government must use this historic opportunity to reach a new agreement on transfers for post-secondary education.

2005 Budget Amendment

The majority of Canadian students are currently protected by a tuition fee freeze. Most provinces have taken steps to curb tuition fee increases, a move that signals that governments of all political stripes are taking action to address the financial barriers posed by tuition fees. This is precisely the policy shift in the provinces that the federal government must support and encourage with fiscal commitments.

The 2005 federal budget amendment is an important piece of legislation because it furthers the policy goal of reducing tuition fees. It also re-establishes the federal government's legitimate role in financing access to post-secondary education. Finally, the budget amendment's goal of reducing tuition fees should jump-start negotiations with the provinces on the issue of a new transfer for post-secondary education.

RECOMMENDATION #6—*The federal government should, in cooperation with the provinces, create a post-secondary education cash transfer payment for the purpose of reducing tuition fees and improving quality at universities and colleges. The transfer should be guided by the principles set out in a Post-Secondary Education Act.*

Aboriginal Education

The Assembly of First Nations estimates that nearly 10,000 First Nations students are unable to get funding through the Post Secondary Student Support Program (PSSSP) each year. Figure 5 illustrates the shrinking number of recipients of the PSSSP. Although many provinces have frozen tuition fees, post-secondary education remains beyond the financial reach for thousands of Aboriginal students. Reduced funding and rising tuition fees are key factors in the stagnation of Aboriginal enrolment in post-secondary education since the mid-1990s.

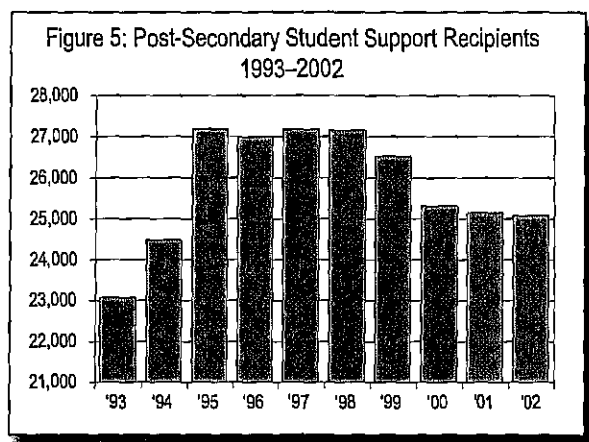
According to the 2005 Alternative Federal Budget¹²:

The budget for the PSSSP program needs to be increased to allow more Aboriginal students to obtain post-secondary education, and status-based restrictions to the program must be eliminated. Funding for the PSSSP program should be indexed to the growth in the Aboriginal youth population.

The concerns of Canada's Aboriginal leaders were echoed in the 2004 Report of the Auditor General. The Auditor General's office concluded that the PSSSP's allocation does not ensure equitable access, in part because Indian and Northern Affairs does not collect enough data on enrolment to measure the program's effectiveness.

The situation of Aboriginal students in Canada is unsatisfactory and getting worse. The federal government must move swiftly to offer greater non-

repayable financial assistance in conjunction with other treaty obligations.



RECOMMENDATION #7—*The federal government should meet its treaty obligations by fulfilling the post-secondary education funding needs identified by the Assembly of First Nations, the Metis National Council, and the Inuit Tapiriit Kanatami.*

Post-Secondary Education Tax Credits

Since the mid-1990s, the federal government has increasingly looked to tax expenditures as a substitute for directly allocated student financial assistance. In total, federal tax expenditures for post-secondary students have grown from \$566 million in 1996 to more than \$1.46 billion in 2005. This represents a 213% increase in real dollars and more than the total amount the federal government will spend on upfront grants this year.¹³

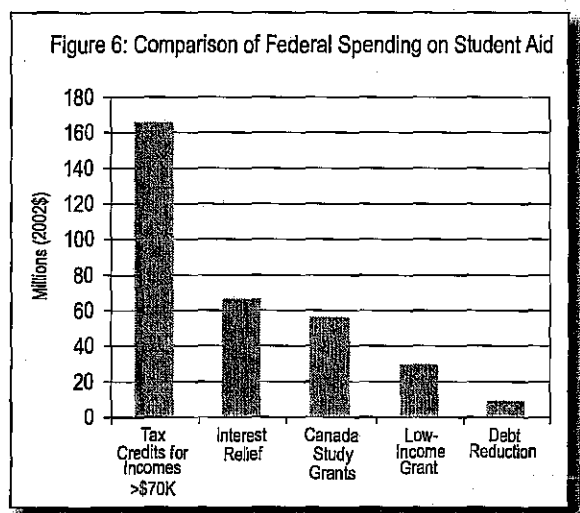
Despite their large price tag, federal tax expenditures do virtually nothing to either improve access to post-secondary education or relieve student debt. Moreover, since everyone who participates in post-secondary education qualifies for tax credits regardless of financial need, the federal government is diverting vast sums of public funding where they are not necessarily required.

This massive public expenditure, if offered as upfront grants, could deliver significant financial assistance to students with the greatest financial need. For example, if every Canada Student Loan recipient received a \$3,000 grant, the cost would be approximately \$1.13 billion per year. In other words, if the amount of money the federal govern-

ment spent on the tuition fee and education tax credit each year (\$1.15B) was simply shifted to the "front-end" in the form of grants through the Canada Student Loans Program, student debt could be reduced by 41%.

Helping Those Who Need Help the Least?

The Department of Finance estimates that transferred amounts account for almost half the total value of education and tuition fee tax credits claimed.¹⁴ In total, individuals with incomes over \$70,000 claimed more than \$164 million in federal education and tuition fee tax credits for the 2002 taxation year, and most of this total was likely claimed as amounts transferred from students



to family members. This \$164 million tax break to high-income parents is more than double the amount spent in 2002 on the federal Interest Relief program, and triple what the government spent on Canada Study Grants for high need students (see Figure 6).

With such a substantial portion of post-secondary education credits being claimed as amounts transferred to family members, there is no guarantee that the full value of these credits is even being applied to education-related expenses.

RECOMMENDATION #8—*The federal government should cancel the education and tuition fee tax credit and apply the savings directly to a new national system of needs-based grants.*

Conclusion

This document has demonstrated that the high upfront costs of post-secondary education dissuade tens of thousands of young people from applying for university and college, and force thousands more to drop out because they can no longer afford to attend. This situation continues to worsen, despite the millions of dollars spent each year by the federal government on a patchwork of ineffective student aid programs.

The Canadian Federation of Students supports the Prime Minister's plan to separate a portion of the Canada Social Transfer for post-secondary education. Such a move would improve transparency and accountability in the federal-provincial relationship governing the core funding of Canadian universities and colleges. However, a post-secondary education transfer must have the explicit goals of reducing tuition fees and improving the quality of the learning environment. The agreed upon conditions for provincial spending must be accompanied by conditions for predictable and escalating funding by the federal government, because without specific and binding conditions on the cash transfer, the entire project will be pointless.

Endnotes

1. The following statement from *Knowledge Matters* reflects the federal government's acknowledgment of the problem and a theoretical commitment to address it: "While overall post-secondary education participation rates have risen steadily until recently, a significant gap in participation in university is evident between lower, middle and higher income Canadians...Action is needed to address factors such as debt aversion, lack of information or the 'sticker shock' effect of high and rising educational costs that may discourage less advantaged Canadians from pursuing post-secondary education".
 2. For a more detailed overview of the "return" on a post-secondary education see Statistics Canada's *Relative Wage Patterns Among the Highly Educated in a Knowledge Based Economy*, September 2004. Also see the Statistics Canada 2001 Census for the most detailed overview of average earning relative to education level.
 3. See "University and College Affordability: How and why have fees increased?" *Education Review*. Canadian Association of University Teachers.
 4. For further documentation of this trend, see Armine Yalnizyan's *Canada's Great Divide: The Politics of the Rich and the Poor in the 1990s*. In addition, Andrew Jackson's *Falling Behind* specifically addresses the stagnant wages of working youth in Canada.
 5. This study also reveals a strong correlation between financial barriers and persistence (re-enrolment) rates for poor and working class students in the United States. The researchers concluded "...the high-tuition, high loan approach ... to higher education finance does not seem to be working". See "Social Class and College Costs: Examining the financial nexus between college choice and persistence". Michael B. Paulsen and Edward P. St. John, *The Journal Of Higher Education*, Vol. 73, No. 2, (March/April 2002).
 6. Thomas Kane, an economist at the University of California at Los Angeles, examines price sensitivity for tuition fee hikes in the public college system in California. The key portion of Kane's findings suggests that this drop comes "almost exclusively from Latino, African American, and low income students". See "College-Going and Inequality: A literature review", paper for the Russell Sage Foundation, June 2001, and *The Price of Admission: Rethinking How Americans Pay for College* (November 1999) University of California Press.
 7. Report of the 1999 Survey of Medical Students. University of Western Ontario Department of Epidemiology and Biostatistics, May 1999.
 8. *Widening Participation the Experience of Low-Income Students in Higher Education*. Vanessa Fitzgerald and Andrew Hannan (University of Plymouth), Arthur Baxter and Sue Hart (University of the West of England, Bristol), May 2004.
- The study offers a comprehensive set of data on the effect of grants on persistence (re-enrolment). The study demonstrates a very clear link between the availability of non-repayable student financial assistance and the ability of low-income students to finish a degree or diploma by tracking the path of low-income students at two universities in Southwest England. In particular, the researchers examine the effect of the grant available to low-income students to cover tuition fees. After carefully examining the persistence rates at both institutions the following unequivocal conclusion was reached:
- "The most interesting finding of this study arises from the data in Table 4 that compares the continuation rates of students with and without bursaries. Taking all students regardless of their fee support status, bursary students had higher rates of continuation than those without awards and this was consistent overall and at both institutions" (p. 12).
9. *Empty Promises: The Myth of College Access in America*. United States Advisory Committee on Student Financial Assistance, June 2002.
- This report was written by the independent committee appointed by the United States Congress to assess student financial assistance. It concludes that financial barriers are the main obstacles preventing low and moderate income Americans from having access to post-secondary education. The report predicts growing losses of college qualified high school graduates and wider income-related gaps in participation and degree completion unless need-based grant aid is increased significantly.

Empty Promises has direct relevance to the Canadian debates, as it explicitly contradicts the idea being put forward that addressing “non-financial” barriers is more important to improving access than reducing financial barriers to participation. The report challenges the effectiveness of the types of “early intervention” programs advocated by the Millennium Scholarship Foundation (such as mentoring and academic preparation programs) as policy options for improving access. The US Advisory Committee is clear that “early intervention” programs are only useful if accompanied by large increases to non-repayable student aid. In the Committee’s words:

“The primary cause of today’s college access and persistence problem is the excessive level of unmet financial need and associated work and loan burden for low and moderate income high school graduates ... [to] make progress in the long term, early intervention must include an access to college guarantee for low and moderate-income families”.

10. “Unto them that hath ...”, Stephen Machin, *Centrepiece Magazine*, Winter 2003, Centre for Economic Performance, London School of Economics.

11. “The Growing Funding Gap”. *Education Review*, August 2005, Canadian Association of University Teachers.

12. *Alternative Federal Budget 2005: It’s time*. Canadian Centre for Policy Alternatives.

13. *The Canada Student Loan Program Actuarial Report* (2004) and Canada Revenue Agency preliminary figures.

14. Department of Finance Canada *Tax Expenditures and Evaluations 2001*.

Post-Secondary Education Issues Research Digest

Volume 5, Number 2

Compiled by the Canadian Federation of Students

Let's be clear about the effect of unsustainable cost and the resulting debts on individual students. Wherever tuition goes down, enrolment goes up. And where does the increase in students come from? From those with less money. In other words, the lower the fees, the more egalitarian the society. The lower the fees, the more we are able to release the genius of the citizenry as a whole. And that genius, that collective unconscious is the key to a successful democracy.

John Ralston Saul

Introduction

The January 2002 National Executive meeting resolved that a compendium of research be compiled and distributed to the membership. An initial research digest was produced in the winter of 2002 in order to provide member locals with a guide to important national and relevant international research. This digest updates the original with summaries of relevant research. As in the original digest, the emphasis in this guide is on the Federation's core message of access to post-secondary education.

- Section One:* Canadian research on financial obstacles to access
- Section Two:* International research on financial obstacles to access
- Section Three:* The real impact of personal savings schemes
- Section Four:* The growth of economic inequality in Canada
- Section Five:* Research on the potential impacts of international trade agreements on post-secondary education
- Section Six:* Social and economic benefits of post-secondary education
- Section Seven:* Commercialisation of Research

1. Financial Barriers to Access: Canada

- a. *Access Denied: The affordability of post-secondary education in Canada.* Canadian Association of University Teachers (CAUT), September 2002.

www.caut.ca

Access Denied shows that post-secondary education is less affordable today than at any time in the last sixty years. The report examines changes in tuition fees from 1857 to 2002. When fees are adjusted for inflation, undergraduate university students today are paying more than at any other time in the past century, and six times what a student was charged in 1914.

The study measures how affordable university education is today compared with previous periods by plotting the number of hours of work (at an average carpenter's wage) it would take to pay for one year of tuition fees. By this account, it takes more hours of work to pay for tuition fees today than at any time since 1940.

According to the report, the decline in the affordability of professional programs since 1990 has been particularly steep. Law school tuition fees could be paid with 100 hours of manufacturing work in 1990, but today a total of 265 hours of work is needed. In 1990, one year of tuition fees in a dentistry program would have required 124 hours of work, compared to 512 hours today. For medical school, fees were equal to 118 hours of manufacturing work in 1990, and 425 hours in 2002.

- b. *At a Crossroads: First Results for the 18 to 20-Year-old Cohort of the Youth in Transition Survey* Human Resources Development Canada and Statistics Canada, January 2002

www.statcan.ca/english/IPS/Data/81-591-XIE.htm

This analysis of data from the Youth in Transition Survey (YITS) reveals that financial barriers are overwhelmingly the most common barriers to access for young people in Canada. Over 70 percent of high school graduates who had not gone on to post-secondary education because of barriers listed their financial situation as a primary obstacle. A similar percentage of respondents who had dropped out of a post-secondary program (71.4 percent) cited financial barriers as a primary reason for not continuing with their education.

The survey clearly demonstrates that money is the key factor determining access to post-secondary education, and contradicts claims by the Millennium Scholarship Foundation (MSF) that so called "non-financial" barriers are more important. MSF has attempted to misrepresent and downplay the results of the YITS in their own research reports.

- c. *Class of 2000: Profile of post-secondary graduates and student debt.* Statistics Canada, April 2004

www.statcan.ca/english/IPS/Data/81-595-MIE2004016.htm

The results presented in *Class of 2000* paint a worrying picture about the rapid growth of student debt in Canada during the late 1990s. For university graduates, student debt grew by an average of 30 percent between 1995 and 2000. The average debt for degree holders was \$19,500¹. However, the

1. This figure collapses data from graduates of three- and four-year degree programs. The commonly cited student debt of \$25,000 represents a federal government estimate of student debt for those completing four-year degrees.

study reports that for graduates who owe to both private and public sources, average debt is a stunning \$32,200. Almost one in three indebted graduates carried more than \$25,000 worth of loans in 2000.

The study also documented the burden of high student debt for a growing number of graduates. Almost one in four bachelor graduates reported difficulty in repaying their student loan, up from one in five graduates only five years earlier.

Class of 2000 reported on data gathered from the National Graduates Survey (NGS). Released every five years, the NGS studies graduates of degree and diploma programs who were not enrolled in further studies, including graduates of professional programs. In addition to data on student debt, the study also provides useful information on the demographic characteristics of graduates in 2000.

- d. *Distance to School and University Participation*. Statistics Canada, June 2002.
www.statcan.ca/Daily/English/020624/d020624b.htm

This study reveals that family income and distance to a university have a substantial affect on participation rates. The report shows that, outside commuting distance, students from high-income families were almost six times more likely to participate in university between 1995 and 1999 than were young people from lower-income backgrounds. According to the study, only three percent of students from low-income families living beyond commuting distance participated in university.

The existence of such a gap suggests that high education-related expenses and inadequate student financial aid have pushed university education beyond the reach of low and moderate-income people who need to relocate from outlying areas in order to attend university. Overall, one in five Canadians lived beyond commuting distance from a university in 1996. That figure rises to 52 percent for residents of Saskatchewan and to 42 percent for Newfoundland and Labrador residents.

- e. *Effects of rising tuition fees on medical school class composition and financial outlook*. Canadian Medical Association Journal, 166 (8), April 16, 2002.
www.cmaj.ca/cgi/content/full/166/8/1023

This study examines the family income background of students at Ontario medical schools between 1997 and 2000 and found that as tuition fees increased in Ontario, the proportion of students from families with incomes less than \$40,000 decreased from 17.3 percent to 7.7 percent.

The study concludes that the large increases in tuition fees implemented by medical schools in Ontario are associated with changes in the medical student population. At Ontario medical schools, there are now fewer students from lower-income families and more students expecting to graduate with large debts. In this research, Ontario medical students also report that financial considerations have an increasing influence on their specialty choice and practice location.

- f. *Financing Canada's Universities & Colleges: How Ottawa and the provinces can fix the funding gap*. Canadian Association of University Teachers, Education Review, Volume 7, Number 5, August 2005. www.caut.ca

This short quantitative research piece by the CAUT traces the decline of federal funding over the past fifteen years, and concludes that federal contributions to the provinces for post-secondary education are approximately \$4 billion short of levels seen in the late 1970s. The CAUT prescribes a dedicated transfer payment for post-secondary education to be governed by a Post-Secondary Education Act.

- g. *Funding Postsecondary Education in Ontario: Beyond the Path of Least Resistance.* Hugh MacKenzie, December, 2004. www.reviewrae.ca

This study examines the socioeconomic demographic of those claiming the tuition fee tax credit, which is a non-refundable 16 percent credit against income tax. The credit can be used on total tuition and ancillary fees paid in one year. Though the credit can be used by either the student, or the students' parents or grandparents, the tuition fee credit is an effective means by which to track who pays tuition fees relative to household income. MacKenzie also examines the rate of tax people pay under the current (relatively) progressive system of taxation.

This original research refutes the idea that publicly funded post-secondary education is subsidy to the rich, paid for by the poor. Unlike those who argue for higher tuition fees, MacKenzie carefully examines the overall distributional effect of tuition fees by examining both ways Canadians pay for post-secondary education: through the tax system and through user fees at source. When both sources are examined, the idea that low tuition fees for students are unfair to low-income students and low-income Canadians becomes a highly suspect and unsustainable argument.

Using tuition fee tax credit data, the study found that those earning above average income claimed less in tax credits than they contributed to the tax base. MacKenzie concludes that the progressive taxation system ensures that those who come from upper-income homes already pay a substantial premium for their education and other public services, precisely because they pay higher taxes for the same service. This point is vital because it obliterates the idea that lower tuition fees are a regressive transfer to the wealthy. A healthy system of progressive taxation ensures that low fees benefit everyone equally.

- h. *The Impact of Tuition Fees on University Access: Evidence from a large-scale price deregulation in professional programs.* Marc Frenette, Statistics Canada, September 2005.

The most recent Statistics Canada study of access examines the effect of deregulated fees in professional programs. Not surprisingly the study confirms earlier studies that document a decline in access for middle- and low-income families. The study measures access on the basis of those who come from one of three homes: those in which neither parent has post-secondary education qualification, those with one parent with a degree or diploma, and those from a home in which one parent has a professional or graduate degree. There is some controversy as to whether this measure presents a complete picture of socioeconomic status. Prior studies relied on income data rather than education and no compelling rationale is given for using education instead of income.

Prior to the deregulation of tuition fees, students from high-income homes were over-represented in programs such as law, dentistry and medicine. However, the deregulation of fees has intensified the socio-economic stratification in these programs. The gap widened the most in Ontario, where fees have gone up by over 500% in some programs. For example, prior to the deregulation of tuition fees, those from home in which the parent had a bachelor's degree were only slightly less likely to enroll than someone from a home in which one parent had a professional or graduate degree. After the deregulation of fees in Ontario, those from a home with a professional or graduate degree were more than four times more likely to enroll. Provinces in which there were only moderate fee hikes or fee freezes had the most representative participation rates. Such findings go a long way toward undermining the case of those that argue that fee hikes have no effect on accessibility.

One of the study's more interesting findings is that access remained relatively steady for those from low-income homes despite large fees hikes. Though those from low-income homes are dramatically underrepresented in professional programs, the fact participation rates did not decline in the face of

massive fee hikes is likely a result of scant student financial aid packages under which the very poorest students paid no fees. In most programs this accounts for fewer than 50 students. A second and more disturbing finding is that the participation rates of students from middle-income families plummeted. It is clear that those students who do not meet the very narrow definition of low-income used in most programs (those from homes of under \$22,000 annual income) are being shut out of professional programs.

- i. *Getting Ahead in Life: Does your parents' education count?* Statistics Canada Education Quarterly Review, Volume 5, No. 1, 1998.

This report documents the influence that parental education has on the likelihood that a child will attend college or university: 69 percent of those children from homes with a parent who completed a post-secondary education versus just 23 percent from homes in which they did not complete a secondary education. As Dr. Robert Allen notes in *The Education Dividend*, those who obtain a post-secondary education qualification earn, over a lifetime, 40 percent more than those without a post-secondary education. Though not surprising, this data confirms the cycle of exclusion for low-income families from post-secondary education.

- j. *The Part-Time Enrolments: where have all the students gone?* Torbin Drews and Herb O'Heron, Association of Universities and Colleges of Canada Research File, Volume 3, No. 2, May 1999

www.aucc.ca/publications/auccpubs/research/research_e.html

This study examines declining part-time participation rates at Canadian universities during the 1990s and concludes "tuition fees...are estimated to account for approximately 60 percent of the observed drop in part-time enrolments." This conclusion is particularly interesting because it was published by the Association of Universities and Colleges of Canada (AUCC), the Canadian university presidents organisation. The AUCC and its members often attempt to deny the impact of tuition fees on access when communicating with student representatives and the media.

- k. *Participation in Post-Secondary Education and Family Income.* Statistics Canada, The Daily, December 7, 2001 (erratum published January 9, 2002)

www.statcan.ca/Daily/English/020109/d020109a

www.statcan.ca:80/Daily/English/011207/d011207c.htm

This study assesses post-secondary participation rates by income between 1993 and 1998. The findings of the study are unequivocal: young adults from high-income families are more than twice as likely to attend university as those from low-income families. Only 18.8 percent of 18-21 year olds from families in the lowest income quartile attended university between 1993 and 1998, whereas 38.7 percent of those from the highest income quartile attended university during the same time period.

- l. *Paying the Price: The case for lowering tuition fees in Canada.* Canadian Association of University Teachers, Education Review, Volume 7, Number 1, February 2005. www.caut.ca

In this study, the Canadian Association of University Teachers traces the rising share of post-secondary institutions' operating budgets comprised by tuition fees. The study notes that in 1980 public funding accounted for 84 percent of operating budgets, but by 2003 it had dropped 58 percent of university budgets. Not surprisingly, the share of tuition fees as a portion of operating budgets went from 13

percent in 1980 to 34 percent in 2003. In addition, the study clearly demonstrates that the rise in fees is tied directly to a sharp decline in base operating grants to colleges and universities.

This study offers much needed context for the specious claim that "low" tuition fees and current tuition fee freezes are to blame for declining quality and capacity at Canadian universities.

- m. *Is post-secondary Access More Equitable in Canada or the United States.* Statistics Canada, March 2005. www.statcan.ca

This recent Statistics Canada study examines the differences in access and cost of post-secondary education between Canada and the United States. Currently in Canada, those in the top quarter of income are twice as likely to attend university as those in the bottom quarter. In the United States, those in the top quarter of income are four times more likely to pursue university education. The study adds to recent findings that in the United States those in the top quarter of income are six times more likely to obtain a university degree.

Most importantly, the study concluded that the higher cost of education in the United States is one of the key reasons for the disparity, citing the fact that the cost of "publicly funded universities is 31 percent higher in the United States". The study also suggests that the proliferation of higher fee, private universities in the United States is a key reason for the higher gap in attendance between the rich and the poor. This point is of particular interest in the debate over the deregulation of tuition fees. Many larger universities in Canada such as the University of Toronto, Queen's University, and the University of British Columbia have shown keen interest in the idea of "ivy league" tuition fees as a means of creating a more elitist system.

- nl. *Report of the 1999 Survey of Medical Students.* University of Western Ontario Department of Epidemiology and Biostatistics, May 1999.

This study was conducted over a four-year period to determine the effect of deregulated tuition fees on accessibility. The study examines participation rates by socio-economic status and documented a dramatic decline in participation rates from low-income families by the fourth and final year of the study. 17.3 percent of students in medical school came from homes where family income was under \$40,000. During that first year students were paying the regulated tuition fees of approximately \$4000. By the fourth year of the study, when tuition fees had risen to over \$10,000, only 7.7 percent of students hailed from homes of family income of less than \$40,000. As a result of deregulated tuition fees, there was a 50 percent decline in the participation of low-income students.

This study is particularly important because it undermines the notion, parroted by most university presidents across the country, that high tuition fees will not exclude low-income students because 30 percent of tuition fee increases are allocated to increased student financial assistance. As this data makes clear, it is simply false to say that increases to student financial assistance will address the problem of accessibility when tuition fees rise.

- o. *Student Loans: Borrowing and Burden*

Ross Finnie, *Education Quarterly Review*, Vol.8, No. 4, 2002

This study examines incidence of debt, level of debt, repayment of debt and burden of debt based on data from the 1982, 1986, 1990 and 1995 National Graduate Surveys. The report's author often downplays the significance of growing debt levels, but some of the data presented in the study contradicts such an interpretation. Data tables used in this study show that the average student loan debt burden for female undergraduates tripled between 1982 and 1995.

Debt-to-earnings is calculated in this study by dividing the median average debt at graduation by the average annual rate of pay listed by respondents in their first National Graduate Surveys interview. Essentially, the study is looking at student debt as a percentage of annual rate of pay. The higher the ratio, the greater the debt burden it represents. Figures used in this study show that the debt-to-earnings ratio increased from 0.14 in 1982 to 0.38 in 1995 for male undergraduate students, and from 0.17 to 0.51 for female undergraduate students during the same time period. In other words, the average student debt for a female undergraduate in 1982 was equal to 17 percent of her first year of earnings after graduation. By 1995, average debt for a similar student had risen to 51 percent of her yearly earnings. To put this in perspective, a study done in the United States found that the average debt to earnings ratio for people who were forced to declare bankruptcy was 0.71 (or 71 percent of annual income).

p. Survey by the National Opinion Coalition (Vector Research Inc.), October, 2001

In an opinion poll conducted in October of 2001, Vector Research polled Canadians about the reasons why they did not pursue a post-secondary education. The poll confirmed that financial constraints were the key criteria that excluded low income Canadians and reported that 46 percent of low-income Canadians said lack of money was the sole reason for not attending. For those from families of income over \$100,000 lack money was reported by only 15 percent of respondents as a reason for not attending college or university. The poll was conducted with a sample of 1500 and is accurate within three percent age points 19 times out of 20.

q. *The Tuition Trap*. Hugh MacKenzie. www.ocufa.on.ca

In *The Tuition Trap*, Hugh Mackenzie builds on his earlier paper prepared for the Rae Review, *The Path of Least Resistance*. In *The Tuition Trap*, Mackenzie looks at the socio-economic composition of Ontario families relative to their participation rates in college and university. What he found was that, as portion of taxes paid through the progressive tax system, no income group carries a greater share of the burden. This finding is critical because it points to another factual error in the argument that post-secondary funding is a net transfer of wealth from the poor to the wealthy. Although there are disparities in participation rates between low- and high-income Canadians, Mackenzie demonstrates empirically that it is false to claim that low-income families do not share in the benefit of a publicly funded system of post-secondary education. In doing so, he undercuts one of the primary arguments made by high tuition fee advocates like Bob Rae.

Mackenzie also mounts a decisive critique of a recent study from a conservative US think tank, the Educational Policy Institute. EPI's study claims that the primary obstacle facing low-income Canadians is a lack of information about the benefits of post-secondary education. EPI's Alex Usher makes this claim on the basis that low-income families tend to overestimate the cost of post-secondary education and underestimate the benefits. Mackenzie points out that the poll, originally done in 2002, was not designed to test the financial literacy of prospective students and their families, as Usher claims. Usher also misreads the study's own findings, according to MacKenzie. Based on the results, Ipsos Reid concluded the following: "No demographic variations in opinion are apparent for this issue [the price and benefit of post-secondary education]." Yet Usher's entire argument is based on a supposedly sharp difference in knowledge between high- and low-income Canadians. Mackenzie succinctly captures the quality of Usher's work when he concludes "There are significant technical problems with every step of this argument....The complacent conclusion does not follow from its carefully selected fact base."

r. *University and College Affordability: How and why have fees increased?*

Canadian Association of University Teachers, Education Review, Volume 3, Number 2, May 2001.

www.caut.ca/

This study offers a comprehensive overview of the impact funding cuts and higher tuition fees have had on low-income families. The study charts a 25 percent decline in provincial and federal funding for post-secondary education between 1991 and 1998. During that same period tuition fees rose by over 125 percent and the average student debt increased from \$8,000 in 1990 to \$25,000 in 1998.

Most important the study quantifies the argument that "the impact of higher fees [is] most discernible in terms of exacerbating inequalities in access". Between 1991 and 1998 the real income and buying power of Canadians with the lowest 20 percent of after-tax income declined. Additionally, in 1991 families in this category would have to set aside 14 percent of their household income to pay tuition fees. By 1998 that amount had increased to 23 percent, an increase of over 60 percent coupled with a decline in buying power. This data is also confirmed by Statistics Canada's *Education Quarterly Review* in 1997 that reports that median family income in the 1990s had declined by five percent and the average employment income of those between 21 and 24 had fallen by 21 percent.

This data clearly demonstrates that tuition fee increases adversely affect low-income families and explain why it is preposterous to suggest that massive tuition fee hikes will not undermine access for low and modest income families.

2. Financial Barriers to Access: International Evidence

a. *America's Untapped Resource: Low Income Students in Higher Education.* Written by Richard D. Kahlenberg, Century Foundation Press, 2004

This book by, Richard D. Kahlenberg, examines the social and economic cost of excluding low-income students from college and university. His study found that while "race sensitive" admissions in the United States had marginally increased the participation rate of underrepresented minorities, low-income participation rates remained stagnant or decreased. They also found that affirmative action programs had done little to increase the participation rates of minority students from low-income backgrounds. The most alarming statistic from the study is the fact that, "economically disadvantaged student are 25 times less likely to be found on elite college campuses than economically advantaged students". This is but one statistic among many in Kahlenberg's book that undermines the view that high tuition fees do not deter low-income students.

b. *The Burden of Borrowing: A report on the rising rates of student loan debt.* King, Tracey and Ellynne Bannon Wahington: State PIRG's Higher Education Project, 2002.

Thirty-nine percent of student loan recipients graduate with unmanageable debt, defined as debt repayments that exceed 8 percent of monthly income. In comparison, 55 percent of African-American and 58 percent of Hispanic student borrowers graduate with unmanageable debt burden.d.

"Comparison of the Influence of Debtload on the Persistence of Students at Public and Private Colleges. Cofer, James and Patricia Somers *Journal of Student Financial Aid* 30.2 (2000).

Medium and high debt levels reduce the probability of persistence between 4 and 7 percent for students at private colleges. Tuition fee levels and the number of grants exert more influence on persistence at public colleges than do debt levels.

- c. *College-Going and Inequality: A literature review*. Paper for the Russell Sage Foundation, June 2001. <https://secure1.sc.netnation.com/~russells/programs/proj_reviews/si/revkane01.pdf>, and *The Price of Admission: Rethinking How Americans Pay for College* (November 1999) University of California Press). Both written by Thomas Kane.

Kane, an economist at the University of California at Los Angeles, examines price sensitivity for tuition fee hikes in the public college system in California. Based on a statewide survey Kane found that for every \$1,000 tuition fee hike there would be a drop of 14.9 percent in enrolment. The key portion of Kane's findings suggests that this drop comes "almost exclusively from Latino, African American, and low-income students."

- d. *The Effects of Tuition Prices and Financial Aid on Enrolment in Higher Education: California and the nation*. Donald E. Heller, 2001. www.edfund.org/pdfs/I-57.pdf.

In his study, Heller argues that "for every ten percent increase in fees we would see an enrolment decrease of 1.34 percent." Heller's study examines community colleges that, in California, serve primarily low-income residents.

- e. *Empty Promises: The Myth of College Access in America*. United States Advisory Committee on Student Financial Assistance, June 2002
www.ed.gov/offices/AC/ACCSFA/emptypromises.pdf

This report was written by the independent committee appointed by the United States Congress to assess student financial assistance. It concludes that financial barriers are the main obstacles preventing low and moderate income Americans from having access to post-secondary education. The report predicts growing losses of college qualified high school graduates and wider income-related gaps in participation and degree completion unless need-based grant aid is increased significantly.

Empty Promises has direct relevance to the Canadian debates, as it explicitly contradicts the idea being put forward that addressing "non-financial" barriers is more important to improving access than reducing financial barriers to participation. The report challenges the effectiveness of the types of "early intervention" programs advocated by the Millennium Scholarship Foundation (such as mentoring and academic preparation programs) as policy options for improving access. The US Advisory Committee is clear that "early intervention" programs are only useful if accompanied by large increases to non-repayable student aid. In the Committee's words:

"The primary cause of today's college access and persistence problem is the excessive level of unmet financial need and associated work and loan burden for low and moderate income high school graduates ... [to] make progress in the long term, early intervention must include an access to college guarantee for low and moderate-income families."

- f. *Expanding College Access: The Impact of State Finance Strategies*. A report by the Lumina Foundation for Education, 2004.
www.luminafoundation.org/research/access.html

Researchers at the *Indiana Education Policy Centre at Indiana University* offer a state-by-state analysis of financial aid policy. The study measures various strategies of student financial assistance. After examining databases in 50 states researchers concluded, "needs-based grants had a stronger influence than any other financial variable in the model (11)". That is to say that the largest factor influencing access for low-income students was non-repayable student financial assistance. The researchers note the

remarkably consistent results across states. Further, the researchers note a particularly strong negative effect in states in which fees are high and grants are either minimal or not available at all. This data contributes to a growing mountain of research that draws a direct link between grants, lower fees, and access.

In addition, the study notes a link between low tuition fees and a comprehensive system of grants and high school completion. Though one of the few studies of its kind, this study points to a startling link between massive tuition fee hikes, high student debt and high school completion rates. Put more bluntly, high fees and high debt deter and demoralize low-income students long before they enter college or university.

- g. *Graduate and Professional Degree Attainment Among 1992-93 College Graduates.* Price, Derek V. Ms. 2001. Lumina Foundation for Education.

Undergraduates who borrow reduced their odds of obtaining a graduate or professional degree within four years by 9 percent.

- h. *Generation Debt: The New Economics of Being Young.* Brendan I. Koerner. "The Ambition Tax: Why America's young are being crushed by debt—and why no one seems to care." March 2004.

www.villagevoice.com/issues/0411/fkoerner.php

This Village Voice story outlines the effect of high debt on low-income families. It makes the case that high student debt ensures that low-income students forced to borrow for an education are penalized for holding the same ambitions as upper income students who generally graduate with little or no debt. The article also makes the important case that high student debt serves to erase many of the ameliorative effect of post-secondary education. Students are forced to borrow so much that they effectively remain in the low-income bracket despite their post-secondary education credentials. The article also outlines the long-term economic effects of student debt. The article ends with a series of testimonials from students in debt. The testimonials are particularly powerful because they put a human face on student debt. It is precisely this face missing in the attitude held by those, like the Millennium Scholarship Foundation, who argue for higher debt and higher tuition fees.

- i. *Higher Education, Increasingly Important for All Americans, is Unaffordable for Many.* Lumina Foundation for Education. Illuminations. Indianapolis: Lumina Foundation for Education, 2002.

Student loans paid for 95 percent of the increased charges to students at four-year public colleges between 1991 and 1995. In the following four years, loans covered 62 percent of these increases. (Jerry S. Davis)

- j. *Life After Debt: Results of the National Student Loan Survey.* Baum, Sandy and Diane Saunders Braintree, MA: Nellie Mae, 1998.

In 1997, 70 percent of Black, Hispanic, and Asian/Pacific Islander borrowers who did not complete a degree reported that loans prevented them from staying in school. African-Americans with greatest levels of debt burden disproportionately report that student loan debt changed their career plans or prevented them from attending graduate school.

In 1997, lower-income students who received Pell Grants were more likely than other undergraduate borrowers to have debt exceeding \$20,000. The average percentage of monthly income that goes toward

student loan payments was 12 percent, which is 2 to 4 percent higher than the maximum acceptable debt burden according to the U.S. Department of Education and the student loan industry. Debt burdens are especially high for students who make lower than average salaries (like art and music majors).

- k. *Measuring Up 2002*. National Centre for Public Policy and Higher Education (United States), October 2002

measuringup.highereducation.org/2002/pdf/MeasUp2002.pdf

This report finds that improved academic preparation in the United States has not, on its own, improved access. Though many states have made substantial strides in preparing students for college-level education, there have not been widespread gains in the proportion of Americans going to college. The report also finds that overall college opportunity in America is at a standstill, and remains unevenly and unfairly distributed.

This report is important because it challenges the Millennium Scholarship Foundation's emphasis on "academic preparation" and "non-financial barriers" as the primary barriers to access. To quote the authors of *Measuring Up 2002*: "As a nation, we are doing better in preparing our young people for college than we are doing in assuring that they have opportunities to enrol in and complete programs of education and training beyond high school."

Measuring Up is produced every second year by the National Centre for Public Policy and Higher Education, a widely respected US non-profit, non-partisan post-secondary education policy institute.

- l. *Measuring the Effect of in Study Employment*

www.employment-studies.co.uk

Undertaken by the Institute for Employment Studies-UK, this report found that working compromised students' grades. Not surprisingly, the study found that low-income students had nearly 50 percent higher debt upon graduation and worked more hours. 58 percent of those who worked regularly gained a first or second class standing (roughly equivalent to an honours degree in the upper band, and regular honours degree), while 71 percent of those who did not work gained a first or second-class standing.

The data is based on a tracking study of 1,500 students between 1998 and 2003. The study is one of the few longitudinal studies that track the effect of in-study employment and academic results. Although it is known that Canadian students work on average more than 20 hours per week, very little data is available on the effect of paid work on academic performance.

- m. *Money Matters: The Impact of Race/Ethnicity and Gender on How Students Pay for College*. King, Jacqueline E. Washington: American Council on Education, 1999.

Almost eight out of ten African-Americans who earn a bachelor's degree borrow, and the average amount of student loan debt they accrue is \$13,000. The average loan debt for African-Americans who complete an associate degree program is \$6,500. Among Hispanic students who graduate with a bachelor's degree, almost 70 percent have debt averaging \$11,500. For comparison, just over half of White bachelor's degree recipients borrowed while in college, and their average indebtedness is \$12,300.

- n. *Paper Chase to Money Chase, Law School Debt Diverts road to Public Service*. A study by Equal Justice Works, the Partnership for Public Service, and the National Association for Law Placement, November 2002

www.equaljusticeworks.org/choose/lrapsurvey.php

This study examines the effect of high tuition fees and high student debt on the career choice pursued by law graduates in the United States. The study makes a direct link between high debt and aversion to lower paying public service legal careers. The study substantiates this disturbing trend by analysing employment statistics as well as qualitative interviews with graduates. The qualitative research demonstrates very clearly that those from low-income backgrounds who may have wanted to serve their own communities are rarely able to do so because they are most likely to be carrying crippling debt. The study effectively highlights the dual effect of this trend by pointing out that racially and economically marginalised communities are less likely to have community role models because of high fees and debt and that the community is robbed of a potential resource offered by legal professionals willing to work in low income neighbourhoods.

- o. *Rising Public College Tuition and College Entry: How well do public subsidies promote access to college?* Thomas J. Kane, National Bureau of Economic Research Working Paper No. 5164, July 1995

In this comprehensive appraisal of statistical evidence on the price sensitivity of American youth to tuition fees, UCLA professor Thomas Kane finds that high tuition fees are clearly a barrier to access for lower-income youth. Some of Dr. Kane's findings include:

- states with high public tuition fee levels have lower college entry rates;
- the gap in enrolment between high and low-income youth is wider in high tuition fee states; and,
- within-state tuition fee hikes lead to lower enrolment rates and wider gaps between high and low-income youth.

- p. *Social Class and College Costs: Examining the Financial Nexus Between College Choice and Persistence.* Michael B. Paulsen and Edward P. St. John, The Journal Of Higher Education, Vol. 73, No. 2, (March/April 2002).

This study reveals a strong correlation between financial barriers and persistence (re-enrolment) rates for poor and working class students in the United States. Using data collected in the United States National Postsecondary Study Aid Survey, researchers found that every \$1000 increment in tuition fees reduced the probability of poor and working class students re-enrolling in college or university the following year by 16 percent and 19 percent, respectively. The researchers concluded, "... the high-tuition, high loan approach ... to higher education finance does not seem to be working."

- q. *The Student Aid Game: Meeting Need and Rewarding Talent in Higher Education.* McPherson, Michael and Morton Owen Schapiro. City: Publisher: 1998.

The higher net costs of college restrict the options for low-income students who are increasingly attending community colleges. These higher net costs are partly a function of the declining percentage of tuition covered by federal financial aid grants: between 1986 and 1993 the percentage declined from 68 percent to 42 percent.

- r. *Student Money Matters 2002: A report on the finances and spending habits of school leavers, students and graduates.* NatWest (National Westminster Bank), United Kingdom, August 2002

This survey, conducted by British banking company NatWest, finds that half of British Sixth Form students (equivalent of Canadian high school graduates) not going to university blame tuition fees and the prospect of high debt as their main reasons for not attending. 50 percent of eligible students in 2002 have at least considered not going to university because of tuition fees. In total, the survey finds that

almost one fifth of qualified UK sixth form graduates are not going on to higher education due to a lack of money.

This study is significant because it shows the detrimental effect of tuition fees on access. Prior to 1998, university was free in the United Kingdom and a national system of grants assured that academically qualified students were generally able to attend university regardless of financial circumstances.

- s. *Student Loans and Social Inequality*. Price, Derek V. Ms. 2002. Lumina Foundation for Education.

Among a national sample of 1992-93 baccalaureate degree recipients, low-income students from families with incomes of less than 1.85 times the poverty rate had a six times greater risk than higher-income students of having educational debt burden exceed the 8 percent maximum threshold (8 percent of monthly income after taxes). Students from families with incomes between 1.85 times the poverty rate and 3.4 times the poverty rate had a 3.6 times greater risk of having debt burden exceed the 8 percent threshold.

- t. *The Student Loan Scheme: Inequities and emerging issues*. New Zealand University Students' Association, Wellington, 2002.

This assessment of the impact of Income Contingent Repayment (ICR) student loans on students in New Zealand provides further evidence in support of the Federation's opposition to the implementation of ICR schemes in Canada. According to research compiled by the New Zealand Students Association, total student debt in New Zealand has soared to over \$5 billion since the introduction of ICR, and only one in ten students is debt free.

Women, indigenous people and students from minority groups in New Zealand have been hit particularly hard by the inequities inherent in ICR schemes. For example, a Maori woman can expect to spend an average of 24 years repaying the cost of her bachelor degree under ICR, as opposed to 13 years for a New Zealand male of European ancestry. These figures are even worse for Pacific (non-Maori Polynesian) women in New Zealand, who face a staggering estimated average loan repayment time of 33 years. Overall, a woman with a bachelor degree in New Zealand can expect to take an average of 28 years to repay her loans under ICR—almost double the 15 year average repayment time for a man.

- u. *Unequal Opportunity: Disparities in college access among the 50 states*. A Lumina Foundation for Education report. January 2002.
www.luminafoundation.org/research/access.html

This study focuses on the relationship between affordability and access. The study finds that "the extent to which accessibility varies among states is more often a function of whether colleges are affordable than of their admissions criteria [or academic preparation]." This finding is particularly important because it undermines the idea that academic preparation and not cost is the main determinant of access. Academic preparation is a fashionable policy trend in the United States that is based on the argument that self-help programs that boosting the grades of poor youth is the key to access. While there is nothing wrong with such programs in and of themselves, this study demonstrates that it is ludicrous to suggest that finances have little or no impact on accessibility. Further the study confirms and extends earlier findings that grants as opposed to loans, combined with low tuition fees, is the best model for increasing access for low-income families.

- v. *Understanding the College Choice of Disadvantaged Students: New Directions for Institutional Research.* Carbrera, Alberto F. and Steven M. La Nasa (2000).

Targeting grants to low-income students is likely to result in increased enrolments. For example, a \$1,000 increase in grant aid increases enrolment rates for low-income students by 9 percentage points while a similar increase in tuition would decrease enrolment rates by 3.4 percentage points. The same increase in grant aid has a 3-percentage-point positive effect for lower-middle and middle-income students.

- w. *Unto them that hath. . .* Stephen Machin, Centrepiece Magazine, Winter 2003, Centre for Economic Performance, London School of Economics.
A story based on this study is available free on the Guardian newspaper website: education.guardian.co.uk/specialreports/tuitionfees/story/0,5500,901332,00.html

This report examines participation in higher education in the United Kingdom by social class during the 1990s and finds that the introduction of tuition fees appears to have increased the gap in university participation between high and low-income individuals. Prior to 1998, UK universities charged no tuition fees and the UK had a national system of need-based grants. In 1991-1992, while free tuition and grants were still in place, 13 percent of children from the lowest income families went to university. By the end of the decade, after the government introduced tuition fees and abolished the student grant, this figure dropped to just seven percent. At the same time, participation by children from the upper middle incomes increased from 55 percent to 72 percent.

- x. *Why Aren't More African Americans Going to College?* Carnoy, Martin. Journal of Blacks in Higher Education 6 (1994/95).

During the 1980s, federal financial aid shifted from primarily grants to primarily loans. During the same period, fewer Blacks enrolled in college. Carnoy posits that the net decline in financial aid during this period (after controlling for inflation) is in large part a function of rising college prices and affected Blacks more than Whites because a higher proportion of Blacks were from low-income families. He argues that "more high school graduates from poor minority families were competing for less financial aid in real terms," meaning the chance of receiving a grant went down by half during this period.

- y. *Widening Participation the Experience of Low-Income Students in Higher Education.* Vanessa Fitzgerald and Andrew Hannan (University of Plymouth), Arthur Baxter and Sue Hatt (University of the West of England, Bristol), May 2004.
www.staffs.ac.uk/schools/graduate_school/access/docs/Amster-paper>

The study offers a comprehensive set of data on the effect of grants on persistence (re-enrolment). The study demonstrates a very clear link between the availability of non-repayable student financial assistance and the ability of low-income students to finish a degree or diploma by tracking the path of low-income students at two universities in Southwest England. In particular, the researchers examine the effect of the grant available to low-income students to cover tuition fees. After carefully examining the persistence rates at both institutions the following unequivocal conclusion was reached:

"The most interesting finding of this study arises from the data in table 4 that compares the continuation rates of students with and without bursaries. Taking all students regardless of their fee support status, bursary students had higher rates of continuation than those without awards and this was consistent overall and at both institutions." (12)

These results echo a growing body of research in the United States that grants and not loans are the key to access and persistence for low-income students.

3. Registered Education Savings Plans (RESP), the Canada Education Savings Grant (CESG), and Education Tax Credits

- a. *Hope for Whom? Financial Aid for the Middle Class and Its Impact on College Attendance*, Susan Dynarski, National Bureau of Economic Research Working Paper No. 7756, June 2000.

www.nber.org/papers/w7756

This study demonstrates that education tax credits introduced in the American state of Georgia lead to increased postsecondary participation—but only for young people from higher-income families. According to the study, post-secondary institutions use the availability of tax credits as an excuse to increase tuition fees. As a result, college and universities have become less affordable for low-income earners, who often do not earn enough money to be eligible for tax credits. Instead of improving accessibility, education tax credits actually widen the gap in college attendance between African Americans and Caucasians, and between those from low and high-income families.

- b. *How Tax Credits Push Up College Costs*, a Business Week article, is available online: www.businessweek.com/bwdaily/dnflash/oct2000/nf20001027_396

- c. *The Impact of Federal Tax Credits for Higher Education Expenses*.

Paper prepared by Dr. Bridget Terry Long for the National Bureau of Economic Research Conference College Decisions: How Students Actually Make Them and How They Could, Harvard University, August 2002
www.nber.org/~confer/2002/hiedc02/long.pdf

This study by a Harvard University education economist reveals that education tax credits introduced in the United States did nothing to improve access. Accordingly, the author concludes that, “although one goal of the tax credits was to increase access to higher education, this study found no evidence of increased post-secondary enrolment among eligible students.” The study also finds that the education tax credits introduced in the U.S. appear to have provided state governments with an incentive to raise tuition fees at public institutions.

- d. *Survey of Approaches to Educational Planning*. Statistics Canada, April 2001
www.statcan.ca/Daily/English/010410/d010410a

In 1998, the federal government introduced the Canada Education Savings Grant (CESG) as a supplement to the existing Registered Education Savings Plan (RESP). The RESP was designed to provide a tax shelter as an inducement to save for a child's education. The CESG expanded the program dramatically by offering to match 20 percent of any contribution up to \$2,000. A \$2000 investment in an RESP, therefore, nets a 20 percent return.

When the program was first announced in 1998, the Federation argued that the program would disproportionately benefit those already in a position to save. In addition, the Federation argued the program would draw scarce resources away from areas where it was needed most such as tuition fee reductions or real solutions to the crisis of student debt.

The April 2001 Statistics Canada study confirms the Federation's pessimistic analysis of the RESP program. The study reports that, while 79.8 percent of those families with incomes under \$30,000 wanted to save for a child's education, only 18.7 percent were actually able to afford to do so. In families with incomes over \$80,000, 95 percent reported a desire to save for post-secondary education and 62.6 percent actually were saving.

These data clearly show that the RESP program does little to address the plight of those Canadians least likely to attend college and university in the first place. By individualising the cost of education in the form exorbitant tuition fees, federal and provincial governments have exacerbated the inequities in participation rates between low, high and middle-income students. These Statistics Canada data clearly demonstrate that the RESP program is not a solution to this social divide.

- e. *Tax Credits as Education Policy*. Canadian Federation of Students, September 2002
www.cfs-fcee.ca

In this fact sheet, the federal government tax credits for post-secondary education are examined and are found to have failed to compensate for increases in tuition fees during the 1990s. Using average Ontario university tuition fees in 1988, 1995 and 2001 as a basis for comparison, researchers found that the gap between federal education tax credits and Ontario university tuition fees increased from \$1,426 in 1988 to almost \$2,900 in 2001, even after adjustments for inflation. In addition, the study reveals that high-income earners were, on average, claiming more through education tax credits than were low- and middle-income earners. The study also finds that the average amount claimed through the federal Student Loan Interest Credit was extremely low and was apparently having little impact on student debt.

- f. *Tax Preferences for Education Saving: Are RESPs effective?* Kevin Milligan, C.D. Howe Institute Commentary, No. 174 (November 2002)
www.cdhowe.org/english/publications/currentpubs.html

In this study, University of British Columbia economist Kevin Milligan shows that wealthy Canadians are far more likely to benefit from Registered Education Savings Plans (RESPs) and federally funded Canada Education Savings Grants (CESGs) than people from low-income households. In 1999, only 6.3 percent of children from households with incomes under \$30,000 were beneficiaries of RESPs, while in households with incomes of \$80,000 or higher, almost 30 percent of children had RESPs in their name. Based on this finding, Milligan argues that Canada Education Savings Grants amount to a massive federal subsidy to families that are already well equipped to pay for post-secondary education. As Milligan points out, the \$423 million the federal government spent on the CESG in 2002/03 could have provided free tuition to 21 percent of Canadian university students. The report concludes that "... CESGs give scarce public funds to the wrong households ..." and that "[t]he CESG program should be discontinued."

4. General research on economic inequality in Canada

- a. *The Evolution of Wealth Inequality in Canada, 1984-1999*: Statistics Canada, February 2002
www.statcan.ca/english/research/11F0019MIE/11F0019MIE2002187.pdf

This recent Statistics Canada study shows that wealth inequality in Canada has increased significantly between 1984 and 1999. Some of the study's findings include:

- wealth in Canada has become increasingly concentrated in the hands of the richest 20 percent of families;
- the top ten percent of families held 55.7 percent of Canada's total net worth in 1999; and,
- the top 10 percent of families saw their net worth increase by over 35 percent from 1984 to 1999, while the bottom 20 percent of families saw their net worth decline by 85 percent or more.

This growing inequality is not just relative; many people are actually poorer, after adjustments for inflation, than they were 15 years ago. Growth in wealth inequality has been associated with substantial declines in real average and median wealth for groups such as young couples with children and recent immigrants.

The median wealth of young couples aged 25 to 34 with children was \$30,800—nearly a third less than in the mid-1980s.

b. *Minimum Wages in Canada: A Statistical Portrait with Policy Implications.*

Ken Battle, Caledon Institute of Social Policy, January 2003

This study provides statistical data and analysis on the minimum wage and minimum wage workers in Canada, and includes provincial comparisons. Statistics show that after adjustments for inflation, the average minimum wage in Canada is lower today than it was in 1976, and that the minimum wage fell well below the poverty line in most Canadian jurisdictions. The study also shows that a disproportionate percentage of young workers, women and students were working for minimum wage in Canada. Around 30 percent of 17-19 year olds and 7 percent of 20-24 year olds worked for minimum wage in 2000. In total, workers aged 15-24 accounted for over 64 percent of all minimum wage workers. In the summer of 2000, 73 percent of young minimum wage workers—295,000 people in total—were full time students planning to return to school in the fall.

c. *Rags and riches: Wealth inequality in Canada.* Steve Kerstetter, Canadian Centre for Policy Alternatives, December 2002

www.policyalternatives.ca

Recent research and historical statistics are brought together in this study, which charts the growth of poverty and wealth inequality in Canada over the past 20 years. Statistics are broken down by age, family size, province and by numerous other variables. The study finds that much of the recent growth in wealth inequality can be traced to government cuts to social programs and also to changes in federal and provincial tax policies that favour Canada's wealthiest people.

5. International Trade Agreements and Post-Secondary Education

a. *GATS Impact on Education in Canada.* Gottlieb & Pearson, October 2001.
(Legal Opinion commissioned by the Canadian Federation of Students, the Canadian Association of University Teachers and the British Columbia Teachers Federation)
www.caut.ca/english/issues/trade/gats-opinion.asp

In October 2001, the Canadian Federation of Students, in concert with our partners at the Canadian Association of University Teachers and the British Columbia Teachers Federation, sought a legal opinion from the legal firm of Gottlieb and Pearson regarding the potential impact of the General Agreement on Trade in Services (GATS) on education in Canada. Gottlieb and Pearson analyzed the portions of the GATS that Canada has agreed to, as well the meaning and strength of the clause upon which Canada is relying to protect public education. They found that the clause was not only ambiguous but that the

Canadian system of post-secondary education may not satisfy the conditions for exclusion. In their analysis, Gottlieb and Pearson conclude that because "private education co-exists with public education" it will be difficult for Canada to argue that education is offered solely under government authority.

In addition, the proliferation of private education providers in Canada makes it even more difficult for Canada to argue that education is not provided on a commercial or competitive basis. Gottlieb and Pearson note that the WTO has consistently interpreted the government authority exclusion in a narrow manner and further conclude that "the GATS meaning of competition is much wider than has been articulated by Industry Canada". In short, Gottlieb and Pearson conclude that the clauses provide little if any grounds to protect public education from the dictates of the GATS.

- b. *Trading It Away: How GATS Threatens UK Higher Education*. Steven Kelk and Jess Worth, People and Planet, United Kingdom, October 2002.
www.peopleandplanet.org/tradejustice/tradingitaway.asp

Trading it Away is a comprehensive analysis of the potential impact that the General Agreement on Trade in Services (GATS) could have on post secondary education. The report was prepared by the British based student campaigning organisation People and Planet. Though the report focuses primarily on how the GATS will affect post-secondary education in the United Kingdom, much of the analysis and research is applicable to Canada and other countries participating in the GATS negotiations. Supported by extensive and detailed research, the authors of the report conclude that the GATS "... threatens the financial viability, quality, ideals and character of UK Higher Education."

6. Economic and Social Benefits of Post-Secondary Education

- a. *Earnings of Canadians: Making a living in the new economy*. Statistics Canada, March 2003.
www12.statcan.ca/english/census01/products/analytic/companion/earn/contents.cfm?

Information collected in the 2001 census reveals that though a university education was associated with higher earnings, young graduates were not benefiting to the same extent as older people with degrees.

Overall, results from the 2001 census show that higher education is associated with higher earnings. More than 60 percent of people in the lowest earnings category did not have more than a high school education in 2000, while more than 60 percent of those in the top category had a university degree.

However, the census also indicates that it is older groups with higher education and more work experience who made the most significant earnings gains over the last decade. As this report states, "a clear generational divide has opened up in the labour market with younger groups on a lower earnings track than older, more experienced groups." The low-income figures for younger university graduates provide a strong counter argument against attempts to justify increased student debt on the basis of "the high future earnings of graduates."

- b. *Job Futures: World of Work*. Applied Research Branch, Human Resources Development Canada, August 2000 (publication updated in 2002)
jobfutures.ca/en/brochure/JobFuture.pdf

In August of 2000 the Department of Human Resources Development Canada released an empirical study outlining the future of the labour market. The study offers conclusive evidence that post-secondary education will continue to be the dividing line between those who flourish in the new economy and

those left behind to struggle in underpaid, unfulfilling work. Analysts conclude that by 2004, over 70 percent of all jobs will require post-secondary education and only 5.8 percent will be available to those who do complete high school.

7. Commercialisation of Research

- a. *Dances with the Pharmaceutical Industry* and *Look, No Strings: Publishing industry funded research*. Canadian Medical Association Journal September 18, 2001; 165 (6) and Canadian Medical Association Journal February 19, 2002; 166 (4) respectively.

In September 2001 and February 2002, the Canadian Medical Association Journal published two studies critical of industry sponsored research. The first article, *Dances with the Pharmaceutical Industry*, tracks the disturbing link between positive results and industry sponsorship. The second study, *Look, No Strings*, focuses on the relationship between medical research and the pharmaceutical industry. The article also reviews the case of Dr. Nancy Olivieri and her hostile treatment by the Hospital for Sick Children and the University of Toronto. The article reviews the sordid roles played by pharmaceutical giant Apotex and then University of Toronto President Rob Pritchard who was at the time lobbying for Apotex.

Study Now, Pay Forever: Income Contingent Repayment Loan Schemes

Income contingent repayment (ICR) student loan schemes are funding models for post-secondary education that are based on the belief that the individual is the primary beneficiary of education and therefore should bear the full cost. ICR is neither a progressive nor fresh alternative to the Canada Student Loans Program, nor is it intended to improve access to post-secondary education.

An Old, Outdated Idea

In 1955, the U.S. economist Milton Friedman devised ICR as a way to reduce the role of the state in financing education. Instead of public funding, Friedman proposed that there be full cost-recovery tuition fees. In order for students to pay these vastly higher tuition fees, he proposed that they have access to large loans. For repayment of the loans to be manageable, he proposed that the size of loan payments be based on each individual's level of income after graduation (i.e. income contingent).

For Friedman and those who advocate ICR, the larger political and economic principle guiding this funding model is stark: primary, secondary, and post-secondary education is seen as a commodity like any other and should be priced and produced subject to the dictates of "the market".

"It is not a form of student assistance"

Starting in the mid-1990s, proponents of ICR have sought to gain support for it by exploiting the student debt crisis and by playing down the social benefits of an educated citizenry. Rather than being up-front about their true purpose—to shift the cost of education from the state to the individual—they have tried to "sell" ICR loan schemes as an improved student aid plan that allow student loan recipients to pay off their loans as their income allows.

But the purpose of ICR is not to improve student aid. Even policy analysts involved in designing and administering ICR models concede this point. The Government of Australia describes its ICR in these terms: "The purpose...is to raise revenue from the recipients of higher education for return to the system as part of...funding of higher education; it is not a form of student assistance."¹

In Canada, documents obtained through a federal Access to Information request filed in July 2004 also reveal the purpose

of these schemes: "ICR loans would solve the problem of university and college underfunding, by allowing institutions to increase tuition fees to cover a greater portion, or even all of its costs."

Lower Wage Earners Pay Far More in the Long Run

Under ICR, borrowers would repay their loans as a percentage of their incomes upon completion of study. Graduates with lower levels of income would repay their loans over a longer period of time, while those in high-paying jobs could repay their loans more quickly and pay less interest. Those who could afford to pay their tuition fees upfront would avoid high interest rate payments after graduation and end up paying less for post-secondary education. In Australia, students who can afford to pay their tuition fees in full at the beginning of every academic year receive a 25% discount.

A Lifelong Debt Sentence

ICR would disproportionately hurt women because it would take them, on average, considerably longer to pay back their interest-bearing loans. Repayment difficulties would be more pronounced because women still earn less than men on average and many leave the workforce due to pregnancy and child rearing.

Under one model considered in Canada in the mid-1990s, 43% of women would not be able to pay off their debt after 25 years of repayment.

The International Evidence

In other countries, ICR schemes have been accompanied by higher tuition fees, higher debt loads, and extended repayment periods. In 1989, Australia introduced ICR as part of a package of new tuition fees that were more than 500% higher than the previous administrative fee of \$263. The government promised that tuition fees would rise with the Consumer Price Index, but broke this commitment within three years. In the seventh year of Australia's ICR scheme, the government introduced a three-tiered differential fee structure that increased tuition fees by anywhere from 35% to 125% in one year alone.

New Zealand (1993) and the United Kingdom (1998) followed Australia's lead, introducing both tuition fees and an ICR scheme simultaneously. Accessibility and affordability have been undermined in both countries.

"Graduates with high balances and/or low incomes will take longer to (and may never) discharge their balances... Unpaid balances should last until death".

Ben Allaire and David Duff, *An Income-Contingent Financing Program for Ontario*, 2004.

ICRs: A Canadian Chronology

1964

The birth of the Canada Student Loans Program.

1969

The Council of Ministers of Education approves, in principle, an ICR coupled with tuition fee increases.

1984

The Ontario government's Bovey Commission supports ICR along with increased tuition fees.

1991

The federal government's Smith Commission advocates increased tuition fees coupled with a self-financing ICR.

1993

The Council of Ontario Universities proposes an ICR along with a tuition fee increase of up to 50%.

1994-95

The federal government's Social Policy Review proposes a massive withdrawal of federal funding for post-secondary education accompanied by ICR.

January 25, 1995

The Canadian Federation of Students organises one of Canada's largest national student demonstrations against ICR and funding cuts to education.

May 2, 1995

The federal government takes ICR off the table.

1996

The Ontario Conservatives promise to implement ICR. They never followed through due to a lack of support from lending institutions.

1997

The federal government announces that ICR is being considered again, but the proposal dies due to a lack of support.

2005

A review of Ontario's system of post-secondary education led by former Premier Bob Rae calls for the implementation of ICR and the deregulation of tuition fees.

In the United Kingdom, university applications from lower income students have dropped by nearly 10% since the introduction of tuition fees and ICR loans.²

In New Zealand, total student debt had risen to over \$5 billion by 2002 and only one in ten students is debt free.³ The New Zealand University Students' Association estimates that by 2020 total student debt in New Zealand will rise to almost \$20 billion, an amount the country's Auditor General believes could be "a major source of risk" to New Zealand's national government.⁴

Women, indigenous people, and students from minority groups in New Zealand have been hit particularly hard by the inequities inherent in ICR schemes. For example, a Maori woman can expect to spend an average of 24 years repaying the cost of her bachelor degree under ICR, as opposed to 13 years for a New Zealand male of European ancestry.⁵ These figures are even worse for Pacific (non-Maori Polynesian) women in New Zealand, who face a staggering estimated average loan repayment time of 33 years. A woman with a bachelor degree in New Zealand can expect to take an average of 28 years to repay her loans under ICR—almost double the 15 year average repayment time for men.

A leading New Zealand demographer recently found that soaring student debt loads and lengthy repayment times may even be a factor in New Zealand's declining birth rate, increased emigration, and reduced rates of home ownership since the mid-1990s.⁶

In Canada

Despite various attempts to implement ICR in Canada over the last three decades, Canadians continue to reject them.

In 1995, the federal government shelved its ICR proposal after the Canadian Federation of Students mounted a massive campaign against it. According to two leading Canadian journalists, the government's proposed reform to post-secondary education "simply seemed like a bald-faced attempt by government to double tuition fees."⁷ In 1997, the federal government tried again to revive ICR but lending institutions and most provinces rejected the scheme as either regressive or unworkable.

The Ontario government proposed ICR in 1996 to accompany a 20% funding cut to post-secondary education. It was ultimately unable to deliver on the promise to implement this scheme due to widespread opposition from lending institutions and students.

Income Contingent Repayment Today: Gone, But Not Forgotten

Canadian students consistently and unequivocally rejected ICR schemes during the 1990s, leading governments in Canada to temporarily retreat from overt attempts to introduce ICR. However, past experience and international precedent should dispel any sense of complacency. When the opportunity arises, governments have a history of repackaging ICR as a solution to the funding crises created by their own cuts to post-secondary education funding. Canadians will need to be wary of new attempts to introduce ICR in coming years. Moreover, ICR schemes must be challenged on the basis of what they actually are: a means of privatising and individualising the costs of post-secondary education. The lifelong debt and increased barriers to access that result from ICR will not contribute to a healthier, more prosperous, and better-educated society.

Endnotes

1. Robert Green, Assistant Secretary, Programs and Operations Branch, Department of Employment, Education and Training, Central Office, Government of Australia, Letter to the Canadian Federation of Students, November 5, 1991.
2. National Union of Students, United Kingdom press release: "NUS reacts angrily to minister dismissing student debt", Friday 15 November 2002. Available on-line at: <<http://www.nusonline.co.uk>>.
3. New Zealand University Students' Association, *The Student Loan Scheme: Inequities and emerging issues*. Wellington, 2002.
4. New Zealand University Students' Association, *The Student Loan Scheme: Inequities and emerging issues*. Wellington, 2002.
5. New Zealand University Students' Association, *Pacific Students and Debt*. Wellington, 2002.
6. Ian Pool, "The Demography of the Student Loan", transcript of presentation from the Student Debt Summit, Auckland, July 23, 2002.
7. Edward Greenspon and Anthony Wilson Smith, *Double Vision: The Inside Story of the Liberals in Power*. Toronto, 1996, page 193.

Registered Education Savings Plans

A National System of Grants for the Wealthy

Introduction

Federal funding cuts to post-secondary education during the 1990s resulted in massive tuition fee increases in every jurisdiction except Québec. Yet even in today's era of federal budget surpluses, the federal government has chosen to ignore its responsibility to restore funding to universities and colleges. Instead, the current government favours an approach whereby the individual pays an increasing portion of the cost of education by spreading it out over a lifetime:

Period	Individualised Cost-Bearing Mechanism
Pre-enrolment	Registered Education Savings Plans
Study	Access to debt (student loans)
Post-graduation	Income-contingent repayment ¹

From this perspective, RESPs are a core program in a funding model for post-secondary education that reduces the role of the federal and provincial government.

The Registered Education Savings Plan

The Registered Education Savings Plan is an investment vehicle that allows a contributor to save for a child's post-secondary education. Unlike Registered Retirement Savings Plans (RRSPs), the RESP contributions are not tax deductible. However, the savings grow tax-free until the beneficiary is ready to go full-time to college, university, or any other eligible post-secondary educational institution. Under the current rules, one can contribute a maximum of \$4,000 per year for a lifetime limit of \$42,000. Contributions can be made for 21 years and the plan must be collapsed after 25 years.

The RESP is in fact a national system of indirect grants: the income generated by the RESP accumulates tax-free. The foregone tax revenue is tantamount to a grant payable only to RESP investors. Since 2000, the federal government has spent \$567 million on the RESP program.

The Canada Education Savings Grant

RESPs became more attractive after the 1998 federal budget because in addition to an indirect grant in the form of

foregone tax revenue, the federal government said it would offer a direct grant—the Canada Education Savings Grant (CESG)—to any parent who had sufficient income to purchase an RESP. The Government of Canada pays directly into a beneficiary's RESP 20% of the first \$2,000 in contributions made on behalf of an eligible beneficiary each year.

This means the Grant can be as much as \$400 each year per beneficiary up to a lifetime maximum grant of \$7,200 per child. In other words, if you are wealthy enough to put aside \$2000 per year from the time your child is born until the end of the year in which your child turns 17, the government of Canada will give you a tax-free grant of \$7,200 towards your child's education.

Two Billion Dollars and Counting

Since the CESG is a "statutory" expenditure, there is no predetermined budget for the program: if every single eligible Canadian could afford an RESP, the federal government would have to pay out the corresponding CESG.

From 1998 to 2004 the Government of Canada spent \$2.36 billion in Canada Education Savings Grants. In terms of what the Government of Canada is prepared to spend on CESGs, if every eligible parent participated in the CESG and invested the maximum \$2,000 per year, it would cost \$2,827,512,000 each year.²

Benefitting Those Who Need it the Least

Research on RESP's shows that high income Canadians benefit far more from this program than do low income households. In 2001, children from households in the lowest quintile (incomes under \$25,000) made up only 9.7% of families who were saving for post-secondary education. Households

with incomes exceeding \$85,000 (the highest quintile) accounted for 31% of savers.³ The average savings by high-income families was nearly \$7,000 in 2001, whereas low-income households only saved one third that amount on average.

Taken together, the RESPs and CESGs represent a substantial system of indirect and direct grants to primarily high-income families.

"These plans came under heavy criticism in mid-July from the Ontario Securities Commission for their sometimes dodgy sales practices, early redemption penalties, and loose portrayal of investment returns".

Jonathan Chevreau, *Financial Post*,
August 28, 2004

"Enhanced" CESGs and the Learning Bond

In response to widespread criticism about the regressive nature of the RESP and CESG programs, the federal government attempted to make the programs more appealing for low-income Canadians by introducing changes to the CESG in the 2004

federal budget. The CESG payout was adjusted on a sliding scale to be more generous to low-income recipients, and in addition, children

born into a low-income family beginning in 2005 will receive \$500 towards an RESP account (the "Learning Bond") plus \$100 for every subsequent year the child's family qualifies as low-income.

Rather than acknowledge the real forces putting higher education out of reach for low-income families, the Learning Bond's proponents cling to a naïve vision for solving social ills: "Through savings incentives and supports such as financial literacy, low-income earners are encouraged to save for their future goals. With the right incentives the poor can and do save!"⁴

Nevertheless, speaking in purely financial terms, the amount of money that low-income Canadians may accumulate under a Learning Bond will be wholly inadequate to cope with the rapidly increasing costs of college and universities in most jurisdictions. Dennis Howlett, Executive Director of the National Anti-Poverty Organisation has noted that "When people are struggling to feed their children and keep a roof over their heads, they have no extra money available to 'invest' in university education, even if they were better informed about the costs and benefits...starting salaries, even for those with a university education, have been falling for some time, at the same time as the costs of education have been rising, making it less and less of a good investment"⁵.

Government-sponsored education savings vehicles also promote uneven spending across the country. In provinces where forward-looking governments have kept tuition fees low, such as Québec, parents will have less need to save. The federal government has openly conceded this point: "The lower RESP take-up rate in Québec is likely attributable to the province's publicly

funded college system (CEGEP) and relatively low university tuition fees for Québec residents"⁶. Thus, Quebecers and families in other lower tuition fee provinces have a diminished benefit from a multi-billion dollar federal grants program.

The biggest winners of the increased emphasis on savings schemes are undoubtedly the RESP providers. The federal government has created

a profitable scheme for the banks at the expense of real access to college and university. Nevertheless, the education savings industry has

"CESGs give scarce public funds to the wrong households...[t]he CESG program should be discontinued".

UBC Economist Kevin Milligan

repeatedly been the subject of criticism from both the Alberta and Ontario Securities Commissions for its sales tactics.

Conclusion: Towards an Effective and Fair Grants Program

Savings-based access to education re-frames the question about affording high tuition fees as a question about the individual and their savings history, rather than about Canada's collective resources and the collective responsibility to make education affordable to all. Students with financial need would be better served if the RESP and CESG programs were converted into a national system of needs-based grants. The federal government expects to spend \$615 million on the CESG in 2005—approximately what it would cost to give a \$5,000 grant to one in three student loan recipients, thereby reducing the debt of current students by 22%.

Endnotes:

1. Students forced the federal government to reject income contingent repayment in 1995, but the schemes are still a serious policy threat to this day. For more information visit www.cfs-fcee.ca.
2. This amount includes the Learning Bond announced in the 2004 federal budget.
3. Planning and preparation: First results from the Survey of Approaches to Educational Planning (SAEP) 2002. Statistics Canada.
4. Peter Nares, Executive Director of Social and Enterprise Development Innovations.
5. Formative Evaluation of the Canada Education Savings Grant Program: Final Report.
6. National Anti-Poverty Organisation news release "Anti-poverty Organization Critical of New Education Report", July 7, 2005.

"Want to really make a kid's eyes really light up on Christmas morning? An RESP could be just the thing. Imagine how grateful that special girl or boy will be to receive a little something toward what will undoubtedly be an atrociously expensive post-secondary education"

Rob Carrick, *The Globe and Mail, Money and Markets*, December 21 1999

"When Ottawa will pay you \$400 per year...simply for saving \$2000 per year yourself, who can refuse? Especially when getting the money is so simple".

Geoff Kirbyson, "Pro: Why open an RESP", *IE: Money*, August 1999

the facts about post-secondary education

Post-Secondary Education Tax Credits

Billions in Misdirected "Financial Aid"

Background

Since the mid-1990s, the federal government has increasingly looked to tax expenditures as a substitute for directly allocated student financial assistance. As defined by the Department of Finance, tax expenditures include "exemptions, deductions, rebates, deferrals and credits" that serve "to advance a wide range of economic, social, environmental, cultural and other public policy objectives". In total, federal tax expenditures for post-secondary students have grown from \$566 million in 1996 to more than \$1.46 billion in 2005. This represents a 213% increase (real dollars) and more than the total amount the federal government will spend on direct student financial aid this year.¹

Despite their large price tag, federal tax expenditures are a very poor instrument to either improve access to post-secondary education or relieve student debt. Moreover, since everyone who participated in post-secondary education qualifies for tax credits regardless of financial need, the federal government is diverting vast sums of public funding where they are not necessarily required.

A Confusing Patchwork

Education Tax Credit

Students may claim a 16% tax credit for the accrued "education amount". The education amount is equal to the number of months enrolled in post-secondary education multiplied by \$400 for full-time students and \$120 for part-time students.

Tuition Fee Tax Credit

Students may claim a 16% tax credit for tuition fees and ancillary fees paid. In 1987, it became possible to transfer this credit to a spouse, parent, or grandparent. As of 1997, this credit may be carried forward for application in future tax returns.

Student Loan Interest Tax Credit

Students may claim a 16% tax credit for the interest paid in a year during repayment of a Canada Student Loan and provincial student loan.

Registered Education Savings Plans

Contributions to Registered Education Savings Plans (RESPs) grow tax-free until the time that they are withdrawn, at

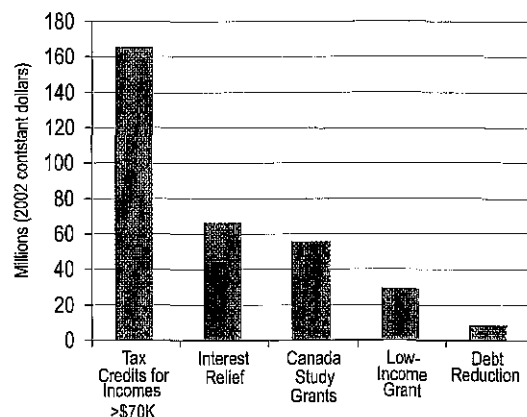
which point the saved amount is taxable as income for the beneficiary. For more information, see the Canadian Federation of Students' factsheet on the RESP program at www.cfs-fcee.ca.

An Inferior Approach to Reducing Student Debt

The non-refundable education and tuition fees tax credits have been the most expensive and widely used federal tax measures for post-secondary education. In the 2002 tax year 2,235,870 students and their family members claimed the education and tuition fee credits, costing the federal government almost \$1.15 billion in foregone tax revenue.²

This massive public expenditure, if offered as upfront grants, could deliver significant financial assistance to Canadian students. For example, a grants program under which every student receiving a Canada Student Loan received a \$3000 grant, would cost approximately \$1.13 billion per year.³ In other words, if the amount of money the federal government spent on the tuition fee and education tax credit each year (\$1.15B) was simply shifted to the "front-end" in the form of grants through the Canada Student Loans Program, student debt could be reduced by 41%.

Figure 1: Comparison of Federal Spending on Student Aid



Failing to Meet the Increased Costs of Education

Tax credits, in addition to diverting public funds to high income graduates, have not come close to offsetting soaring tuition fees.

41%

Student debt reduction that could be realised by converting tax credits into needs-based grants

\$1,426

Gap between tuition fees and education related tax credits in 1988

\$3,551

Gap between tuition fees and education related tax credits in 2003

Despite increased government spending on the education and tuition fees credit, the gap between tuition fees and education tax credits had soared to \$3,551 by 2003—more than double the gap in 1988. Federal tax credits have clearly failed to compensate for the steep tuition fee increases that resulted from cuts to federal transfers for post-secondary education during the 1990s.

Helping Those Who Need Help the Least?

In total, individuals with incomes over \$70,000 claimed more than \$164 million in federal education and tuition fee tax credits for the 2002 tax year, and most of this total was likely claimed as amounts transferred from students to family members. This \$164-million tax break to high-income parents is more than double the amount spent in 2002 on the federal Interest Relief program, and triple what the government spent on Canada Study Grants for high need students that year.⁴

With such a substantial portion of post-secondary education credits being claimed as amounts transferred to family members, there is no guarantee that the full value of these credits is even being applied to education-related expenses. The Department of Finance estimates that transferred amounts account for almost half the total value of education and tuition fee tax credits claimed.⁵

The Student Loan Interest Credit

The Student Loan Interest Credit was introduced in the 1998 federal budget with the professed aim of ensuring that, in the words of then Finance Minister Paul Martin, "Canadian students are not mired in a swamp of debt". Although the total cost of this credit was over \$62.4 million in 2002, the average amount claimed works out to only \$91.67 per year (\$7.64 per month) per claimant. Low-income claimants fared even worse, averaging only \$5.56 per month worth of debt and tax "relief".⁶ Given that the monthly loan payment on the average student loan is at least \$237, the Student Loan Interest Credit cannot be considered a serious attempt to address the student debt crisis.

Tax Credits Do Not Increase Access

In order to derive any benefit from the education tax credits, students and their families must first find the resources to pay for tuition fees and living expenses, and hope that a portion will be refunded sometime in the future. Tax credits do nothing to address the up-front financial barriers that prevent many students from low-income

backgrounds from enrolling in the first place. As a result, education tax credits are most likely to benefit those who already have enough money to afford post-secondary education.

A 2002 study by Harvard University professor Dr. Bridget Long found that this was precisely the case with education tax credits introduced in the United States. According to Dr. Long, "[a]lthough one goal of the tax credits was to increase access to higher education, this study found no evidence of increased postsecondary enrolment among eligible students".⁷ These findings are consistent with an earlier US study that found education tax credits introduced in the state of Georgia actually "widened the gap in college attendance between blacks and whites and between those from low- and high-income families".⁸

Conclusion

The evidence is clear: tinkering with the tax system is not an effective means of improving access to post-secondary education or reducing student debt. Federal tax measures have come nowhere near compensating for tuition fee increases brought on by long-term federal and provincial government under-funding of post-secondary education. Benefits derived from education tax credits disproportionately benefit higher income households and do little to help those most in need of financial assistance. Government funding currently directed at federal tax credits for post-secondary education would be better spent on up-front needs-based grants.

Endnotes:

1. Includes Education Tax Credit (present, carry-forward, and transferred), Tuition Fee Credit (present, carry-forward, and transferred), scholarship exemptions, Registered Education Savings Plans, and the Student Loan Interest Credit using the Department of Finance's Tax Expenditures and Evaluations 2004.
2. Canada Customs and Revenue Agency Income Statistics 2004 (2002 tax year).
3. Based on loan uptake calculations in the 2004 Actuarial Report of the Canada Student Loans Program.
4. Canada Student Loans Program Annual Report 2002-2003.
5. Department of Finance Canada Tax Expenditures and Evaluations 2004.
6. Canada Customs and Revenue Agency Income Statistics 2004 (2002 tax year).
7. Bridget Terry Long, "The Impact of Federal Tax Credits for Higher Education Expenses", Prepared for the National Bureau of Economic Research Volume and Conference: College Decisions: How Students Actually Make Them and How They Could, Harvard University, August 2002.
8. Susan Dynarski, "Hope for Whom? Financial Aid for the Middle Class and Its Impact on College Attendance", paper prepared for the Kennedy School of Government at Harvard University and the National Bureau of Economic Research, April 2000.