

[Ontario universities must slash tuition by 10 per cent, non-needs-based OSAP to be eliminated, government says](#)

Non-essential non-tuition fees no longer mandatory, potentially affecting student unions, Hart House

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In an unexpected move, the provincial government announced sweeping changes to domestic tuition, the Ontario Student Assistance Program (OSAP), and student levy fees on January 17. In her press conference, Minister of Training, Colleges and Universities Merrilee Fullerton repeatedly stated that the government was “putting students first.”

Fullerton announced changes to the six-month grace period on loans, an expansion of grants to low-income students, and decreases to the number of grants and loans provided to students with a household income of above \$50,000 — stating that all Ontario students will still be eligible to apply for OSAP, but that the government will be focusing on helping lower-income students.

Parliamentary Assistant to the Minister of Training, Colleges and Universities, and MPP for Northumberland—Peterborough South David Piccini, who stood behind Fullerton as she announced these changes, spoke to The Varsity on the specifics of the announcement and echoed Fullerton’s sentiments.

According to Piccini, the six-month grace period, which allows students to begin repaying provincial student loans six months after graduation, will remain. However, interest will accrue on the loans immediately after graduation, a change from the former system, which delayed interest until after the six-month period.

Piccini justified this decision by saying that it would align with the process of repaying federal government loans.

The government will also be eliminating the non-needs-based portion of the Ontario Student Grant for recipients of OSAP, according to Fullerton’s press release, giving a larger portion of grants to low-income households.

“We’re restoring trust and accountability. We’re restoring the integrity of the OSAP system so that it’s there for those who need it.”

Tuition cuts

Ontario universities and colleges will have to slash domestic tuition by 10 per cent for the 2019–2020 academic year and freeze it for another year, Fullerton also announced.

“Tuition was never free,” she said.

In response to a question about how universities and colleges will be expected to make up for lost revenue, Fullerton said, “There are different ways they can adapt... They will be able to determine what they need to do.”

Based on the 2017–2018 intake numbers, current tuition fees, and current university-wide operating budget, The Varsity estimates that the proposed 10 per cent cut to domestic tuition would cost the university at least \$43 million in income from undergraduates alone.

According to The Varsity’s estimates, the cut would be equivalent to about \$10 million less than all OSAP loans awarded to first-year Arts & Science students in 2017.

Currently, most domestic first-year Arts & Science undergraduate student at U of T pays about \$6,780 and would see an annual savings of \$678, with savings potentially increasing depending on year and program of study.

A student entering deregulated programs, including Rotman Commerce and computer science, paid more than \$12,500 this academic year, and may see a minimum saving of \$1,250. Engineering students may see a minimum \$1,500 reduction from their average \$15,000 annual tuition. It is currently unclear whether or not these programs will be affected by the tuition cuts.

Piccini emphasized the benefits of tuition cuts to students, saying that most student unions and groups prioritize rising tuition costs when addressing concerns on postsecondary education.

“I think everyone’s going to benefit from a tuition decrease,” said Piccini. “My phone has been blowing up overnight from constituents and students in my riding who are very excited at the prospect of cheaper tuition.”

Official Opposition Critic for Colleges and Universities MPP Chris Glover told The Varsity that he had consulted with the Canadian Federation of Students after learning of the tuition cuts.

“Students are not going to benefit from this. Students are going to be the losers in this announcement.”

Opting out of student fees

Finally, the provincial government has also announced that most non-tuition student fees will no longer be mandatory. This would apply to “non-essential” groups and services, which appear to range from student handbooks to clubs. The services identified as “essential” by the government include walksafe programs, counselling, athletics, and academic support.

Institutions will be required to create an online opt-out system for non-essential fees. However, the distinction of what falls under “essential” and “non-essential” will apparently be made at the discretion of the institution.

When asked by The Varsity if the government had consulted with universities and students, Fullerton affirmed that it had but did not provide specifics regarding which groups.

“Students are adults and we are treating them as such by giving them the freedom to clearly see where their fees are currently being allocated,” said Fullerton. She added that institutions will adapt, and the government was trying to challenge them to innovate.

Fullerton clarified that it will be “up to the institutions” to decide the “essential categories for student fees and... fees that they will be able to opt out of.”

“There is leeway for the institutions to have a say in that.”

However, there is confusion around who has the ultimate say in determining what is “essential” and “non-essential,” as well as how the government would enforce its mandate.

Piccini said that universities will be able to develop these policies “at their discretion.”

“Universities are autonomous, and we’ve outlined a policy to give students choice, and we certainly hope students will be given choice in this.”

However, Piccini also said repeatedly during the interview with The Varsity that “there has to be an opt-out option.” He further added that, while these changes might not mean much to students in “downtown Toronto,” students he has seen struggle with paying for postsecondary education will greatly benefit.

The historic policy decision on mandatory fees could mean that certain student groups will lose a debilitating portion of their funding if students choose to opt out of fees.

The University of Toronto Students’ Union’s (UTSU) 2017–2018 audited financial statements shows that about 72 per cent of its \$2.2 million revenue came from student fees. UTSG

students currently pay around \$200 per semester to the UTSU, although \$171.54 of that is refundable, including the Health and Dental Plan.

Hart House also heavily relies on mandatory fees, as its 2017–2018 budget states that 52 per cent of its \$17.7 million revenue comes from students. The typical full-time UTSG undergraduate student pays \$86.38 per semester, while full-time UTM and UTSC undergraduate students pay \$2.65.

— With files from Kevin Lu and Julie Shi