# FAIRNESS for INTERNATIONAL STUDENTS

# International Students in Ontario

#### Fact Sheet | May 2017

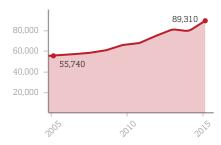
## **Recognizing International Students**

Over the past 15 years, the provincial government has placed a greater importance on attracting international students to college and university campuses. Between 2005 and 2015, the number of international students at Ontario colleges increased by 27 per cent, while the number of international students at Ontario universities has increased by 92 per cent.<sup>1</sup> The 2014 Federal government set a goal of doubling international student enrolment in Canada to approximately 450,000 students. Also, in 2014, the Government of Ontario prioritized international students as a key group of potential immigrants to meet the goals of building an educated, prosperous and skilled society. Just one year later international students constituted 82 per cent of the Ontario provincial nominees immigration program.<sup>2</sup> Despite this

increase, international students only account for five per cent of skilled immigrants coming to Ontario. Immigrants in Ontario make up 30 per cent of the labour force, the push to attract more international students and increase the amount of people admitted into the provincial nominees immigration program does reflect the province's desire to attract a highly skilled and educated labour force.<sup>3</sup>

International students are an integral part of college and university campuses. They make our institutions more diverse and add valuable contributions to the academic community. International students have a large economic impact – they contribute \$4.4 billion annually to the province's economy through paying tuition fees, basic living expenses and

# **Number of International Students Studying in Ontario**



consumer spending.<sup>4</sup> Such spending results in an annual tax contribution of a quarter of a billion dollars and has contributed to the creation of approximately 54,000 jobs in Ontario's labour market.<sup>5</sup> Despite these significant contributions, international students have to contend with various challenges accessing post-secondary education, universal health care and the process to immigrate to Canada.

## **Tuition Fees**

While students in Ontario are faced with the highest tuition fees in the country, the financial burden for international students studying in the province is even greater. Tuition fees for undergraduate international students are triple and graduate international students are double the cost of tuition for domestic students, respectively \$29,761 and \$20,673, compared to tuition fees for undergraduate and graduate domestic students, respectively \$8,114 and \$9,416.6 For some technical and professional programs, international students are expected to pay over \$40,000 in tuition fees per year.

The difference in tuition fees for domestic and international students is referred to as differential fees. Increases in tuition fees are the result of successive provincial governments divesting resources from public post-secondary education. One outcome has been that institutions are turning to differential fees as a strategy to generate revenue. International students are seen as guaranteed and low risk revenue sources for institutions and government because they are perceived as having less direct political influence in Canada.

The provincial government regulates tuition fees in Ontario. In December

2016, the government continued to extend the tuition fee framework that allows tuition fees for domestic students to increase by three to five per cent annually. Unfortunately, international tuition fees are not regulated under this framework. International tuition fees have been unregulated since 1996 when the provincial government discontinued institutional funding for international students. Institutions are free to raise international tuition fees as they see fit, in some cases, leading to fee increases of up to 50 per cent in a single year.









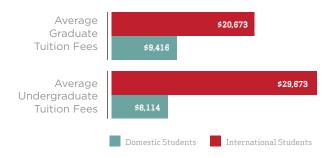
# **Differential Fees: Unfair and Short-Sighted**

High tuition fees have put college and university education out of reach for many international students who want to study in Ontario, particularly those from low- and middle-income families. In many cases, international tuition fees alone at Ontario universities are more than the average annual wage of families in particular countries. Continued tuition fee increases have created a system where only the wealthiest who can afford to pay high fees and a limited number of low- and middle-income students who are able to receive financial assistance can pursue post-secondary education in the province. In many cases, international students must rely on large private loans to finance their college or university program since they are ineligible for most forms of government financial assistance. International students also have more difficulty planning their finances from one year to the next due to currency fluctuations and the uncertainty of how high their fees will increase each year.

Differential tuition fees endanger the intellectual, cultural and social benefits that international students contribute to campuses. With skyrocketing tuition fees, the province is sending the message that institutions only want the wealthiest students,

as opposed to the best and brightest students and researchers who want to study and live in Ontario. International undergraduate and graduate students in Ontario pay more compared to all other provinces- almost four times more than what international students pay in Saskatchewan and six times more than those in Newfoundland and Labrador.9 Ontario needs to change this trend as students are opting to go to other provinces to study rather than choosing Ontario.

Until recently, the negative impact of high tuition fees on international



students was further compounded by federal restrictions on working while studying in Canada. The Canadian Federation of Students has successfully lobbied for the removal of such restrictions, including the introduction of the Student Work Permit program in 2007 that allows international students to apply for off-campus work permits. In 2014, the federal government announced further measures to give international students attending public post-secondary institutions more flexibility to work off-campus, including removing the requirement for the Student Work Permit.10

### **Health Care**

In 1994, the Ontario government eliminated coverage for international students from the Ontario Health Insurance Program (OHIP). Now international students studying at universities must enroll in a private health insurance program - the University Health Insurance Plan (UHIP) - which costs between \$600.00 and \$2000.00 per year.11 This for-profit health insurance plan provides limited health coverage that is not accepted universally by physicians, hospitals and clinics in Ontario. International college students are also required to pay for a mandatory private health insurance plan - which is not universally accepted by health care providers. The international College Health Insurance Plan (C-HIP) was a program comparable to the UHIP program. Currently all colleges and private universities use other health plans determined by the institution, and prices are not available online. International students not only have an incentive to study elsewhere based on lower tuition fees, but other provinces including British Columbia, Manitoba, Prince Edward Island, Nova Scotia and New Brunswick currently include international students in their provincial health insurance programs.

- Statistics Canada. Postsecondary enrolments, by student status, country of citizenship and sex (Table 477-0031)(2016).
- Government of Ontario. Ministry of Advanced Education and Skills Development Building the Workforce of Tomorrow: A Shared Responsibility (2016).
- Government of Ontario. Ministry of Citizenship, Immigration and International Trade. Minister's Employers Table (2014)
- Government of Canada. Global Affairs Canada. Economic Impact of International Education in Canada (2016). Government of Canada. Global Affairs Canada. Economic Impact of International Education in Canada (2016).
- Statistics Canada. Canadian and international tuition fees by level of study (Table 477-0077); Figures do not include tuition fees for Dentistry, Medicine, Pharmacy & Masters of Business Administration programs (2016).
- Government of Ontario. Ministry of Education and Training. Future Goals for Ontario Colleges and Universities (1996). York University Graduate Students' Association. Close the Gap on Differential Tuition Fees (2014).
- Statistics Canada. Canadian and international tuition fees by level of study (Table 477-0077) (2016). Government of Canada. Notice New regulations for international students finalized (2014).
- University Health Insurance Plan. UHIP Premium Table Effective September 1st, 2016 to August 31st, 2017.

## **Towards Full and Equal Access for International Students**

Restoring funding for public post-secondary education to Ontario would reduce the incentive for colleges and universities to rely on international tuition fees as a means of generating revenue for the institution. Reducing international tuition fees would improve access and attract a greater diversity of international students to Ontario colleges and universities. Removing other barriers faced by international students such as allowing better off campus work flexibility and providing better access to health care should also be an important component of post-secondary education and immigration policy. By taking all of these steps, Ontario would become more equitable for international students and increase and diversify its skilled labour force for a better and stronger economy.

