

Written Submission for the Pre-Budget Consultations in Advance of the 2020 Budget

By: Canadian Federation of Students

PART 1: LIST OF RECOMMENDATIONS

Recommendation #1: Universally Accessible Post-Secondary Education

1. Establish an ongoing transfer to the provinces and territories to eliminate tuition fees. The federal government assumes a 50% share of the cost while provincial and territorial authorities commit to their share of this cost and observe the proposed *Post-Secondary Education Act*. **Cost:** \$2.6 billion per year.
2. Restore federal transfers to provinces and territories for post-secondary education to 1992 levels to address the \$2.29 billion cut in 1996, and increase this funding based on enrolment/inflation growth since. With current federal funding at \$4.3 billion, an annual federal funding gap of \$2.6 billion remains. **Cost:** \$6.9 billion per year (includes \$4.3 billion in current funding, plus additional funding of \$2.6 billion).
3. Support students who have had to incur debt to pursue their degree by eliminating interest rates on direct loans through the CSLP and providing Stage 2 assistance for all CSLP borrowers five years after graduating (including reducing the debt principal). **Cost:** \$1.15 billion.

Recommendation #2: Bold Action on Climate Change

1. A fully funded decarbonization strategy akin to the “Green New Deal” with the aim of limiting some of the most devastating impacts of climate change for our generation and those to come, while putting justice for Indigenous people, workers, and the poor at the centre of the transition to a green economy. This would include federal envelope funding for post-secondary institutions engaging in research and innovation on a renewable energy future, including retraining workers for green jobs. **Cost:** minimum 5% of GDP annually

Recommendation #3: Decolonize Learning

1. Invest additional funds to those allocated in Budget 2019 to fully address the backlog in applicants to the Post-Secondary Student Support Program (PSSSP) **Cost:** an additional \$228.3 million over three years
2. Consistent with *Bill C-91: An Act Respecting Indigenous Languages*, dedicate funding to support the development of Indigenous learning materials and language courses at the post-secondary level. **Cost:** \$10 million per year.

Recommendation #4: Graduate Students and Research

1. Extend eligibility for Canada Student Grants to graduate students. **Cost:** \$25 million per year.
2. Explore the creation of dedicated research fellowships for Indigenous and international students.

Recommendation #5: Improvements to Healthcare and Mental Health Supports

1. Allocate \$300 million over two years to improving on-campus mental health services. The fund, modeled after the Post-Secondary Institutions Strategic Investment Fund, would allow post-secondary institutions to apply for federal grants to improve on-campus mental health services. **Cost:** \$600 million over two years.
2. Create a dedicated mental health stream to ensure ongoing mental health promotion and prompt treatment of mental illnesses through a nationwide program in accordance with the principles and criteria of the Canada Health Act. **Cost:** \$350 million over three years.
3. Create a single-payer national pharmacare plan to lower costs and improve health outcomes. **Cost:** \$11.5 billion per year.

Recommendation #6: Fairness for International Students

1. Extend eligibility for the Canada Summer Jobs program to international students.
2. As part of its duties under the Canada Health Act, the federal government should require provinces and territories to offer the same public health care to international students that is provided to domestic residents.

Recommendation #7: Support for Parents and Children

1. Implement a nationwide universal childcare program in accordance with Child Care Now's *The Affordable Child Care for All Plan*. **Cost:** \$1 billion in first year, then growing by \$1 billion per year until reaching 1% of GDP.¹

¹ Child Care Now. 2019. “The Affordable Child Care For All Plan.” <https://timeforchildcare.ca/the-affordable-child-care-for-all-plan/>

PART 2: CONTEXT AND EXPLANATION

Recommendation #1: Universally Accessible Post-Secondary Education

Ensuring Canada's competitiveness requires educated, active participants in our economy. We need to unleash the potential of the most talented members of our society — not just the wealthiest. To achieve this goal, the ongoing underfunding of post-secondary education must be addressed. In a country where the great majority of new jobs require some form of post-secondary education, we need to eliminate student debt loads and unfair interest rates on student loans. They discourage lower-income people from pursuing higher education and stifle consumer spending, investment, and innovation.

In 2015, debt owed to the Canada Student Loans Program reached \$19 billion² and total public student debt sits at \$36 billion. Financing post-secondary education through student loans is inequitable and requires students from low- and middle-income backgrounds to pay more for their education than students who can afford to pay the full cost upfront. A student who must take out \$30,000 in loans to finance their education will pay \$10,318 more for their education over 10 years through accumulated interest on these loans.³ While Budget 2019 took steps to address this issue by reducing student loan interest rates, students who cannot afford the upfront cost of education will still pay more for their education by over \$2,000 over the length of their loan.

Budget 2020 provides an opportunity to introduce new funding, and to reallocate current funding, to ensure federal expenditures are creating a post-secondary education system accessible to all.

Recommendation #2: Bold Action on Climate Change

In accordance with the Green Economy Network's (GEN) recommendation to make 1 million climate jobs in and to reduce our greenhouse gas emissions by 25 to 35%, invest a minimum of 5% of GDP annually over five years with subsequently greater investments in "public renewable energy developments [i.e. wind, solar, and geothermal power]; energy efficiencies through building retrofits; public transit improvements and expansion; and in higher speed rail between urban cities within urban corridors."⁴

Recommendation #3: Decolonize Learning

Boosting Canada's competitiveness requires lifting up all members of our society in order to unleash their talents and productivity, and to spark innovation and promote social unity with new ways of thinking, learning, and communicating. It is therefore imperative that we continue making education more inclusive of Indigenous learners, and that we close achievement gaps between Indigenous and non-Indigenous people. According to the Centre for the Study of Living Standards, for example, "Canada's Gross Domestic Product (GDP) would be \$36.4 billion greater in 2031 if the Indigenous education attainment gap and related gaps for employment rates and income by level of employment were closed."⁵

Students were pleased to see various post-secondary sector investments for First Nations, Métis and Inuit students in Budget 2019. Specifically \$327.5 million over five years to the PSSSP for First Nations learners, \$125.5 million over ten years for Inuit students, and \$362 million over ten years for Métis student access to post-secondary. However, in Budget 2020 we hope to see an additional annual injection of \$76.1 million over the next three years to accommodate the rapid growth of this demographic of learners and address the backlog of program applicants.

Additionally, as the Truth and Reconciliation Commission emphasizes, post-secondary institutions have an important role to play in honouring and preserving Indigenous languages and cultures. With *Bill C-91* this government has prioritized the preservation and promotion of Indigenous language. However, there is a specific role for the post-secondary sector. To

² Office of the Superintendent of Financial Institutions of Canada (Office of the Chief Actuary), "Actuarial Report on the Canada Student Loans Program" (Ottawa: June 2015).

³ Ibid

⁴ Green Economy Network. 2015. "GEN's One Million Climate Jobs Challenge." <https://greeneconomynet.ca/one-million-climate-jobs-challenge/>

⁵ Calver, Matthew. 2015. "Closing the Aboriginal Education Gap in Canada: Assessing Progress and Estimating the Economic Benefits." Centre for the Study of Living Standards: Ottawa.

that end, we recommend \$10 million to support the development of culturally appropriate curricula at the post-secondary level, including courses and programs in Indigenous languages, cultures, and history.

Recommendation #4: Graduate Students and Research

The commitment to basic research in Budget 2018 goes a long way towards ensuring innovation and Canada's competitiveness. It is also important to ensure that historically underrepresented groups have the means and incentives to pursue graduate studies, both as a matter of equality of opportunity and for the purpose of bringing diverse perspectives to the social and technological challenges facing Canadians in an increasingly complex and competitive global system.

By expanding eligibility to needs-based Canada Student Grants, more underrepresented students could pursue graduate studies and graduate students could focus on completing their research. In turn, a more highly educated and diverse Canadian workforce would fuel research and innovation in both the public and private sectors. In the same vein, the creation of dedicated research fellowships for Indigenous and international students would serve to support the diversity of perspectives, and solutions to problems, that are crucial to ensuring Canada's competitiveness.

Recommendation #5: Improvements to Healthcare and Mental Health Supports

Ensuring Canada's competitiveness requires a healthy workforce: body and mind. Early life experiences and access to healthcare significantly impact the productivity of the workforce.⁶ It is therefore crucial that students and their families have access to adequate healthcare, including psychological care, both on and off campus.

In Spring 2016, over 43,000 students from more than 42 post-secondary institutions across Canada responded to the National College Health Assessment. This survey found that, within the last 12 months: 89.5% of respondents felt overwhelmed by all they had to do; 59.6% felt that things were hopeless; 73.7% felt very sad; 44.4% felt so depressed it was difficult to function; and, 13% had seriously considered suicide.⁷

Structural and financial constraints on post-secondary institutions have hindered their ability to provide necessary mental health services. The need for mental health services has far outpaced the delivery of them, as evidenced by growing waiting lists and restrictions on on-campus services.

Recommendation #6: Fairness for International Students

Collectively, international students make a substantial economic contribution. The total annual expenditure by international students, and visiting friends and family, stood at \$11.4 billion in 2014. Every year, spending by international students supports over 100,000 full time equivalent jobs.⁸ Moreover, international students contribute to the diversity of our campuses, providing additional points of view and critical perspectives. What these contributions illustrate is how vital it is for Canada to distinguish itself as an attractive destination for students from around the world.

Provincial policies of differential fees have created a system where international students pay three to four times more in tuition fees for the same education as their domestic peers. This unfortunate reality mixed with the stress of being away from home can generate wellness struggles and a greater need for job security.

Currently, the Canada Summer Jobs program excludes international students from participation, a restriction that can and should be removed. Moreover, the health and wellness of students studying in Canada should be a public consideration. As such, we recommend that as part of its duties under the Canada Health Act, the federal government should require provinces and territories to offer the same public health care to international students that is provided to domestic residents.

Recommendation #7: Support for Parents and Children

According to the OECD, Canadian families spend almost one-quarter of their income on childcare — significantly more

⁶ Public Health Agency of Canada. May 2009. "Investing in prevention: The economic perspective." Government of Canada.

⁷ American College Health Association. 2016.

⁸ Economic Impact of International Education in Canada - 2016 Update. Global Affairs Canada. <http://www.international.gc.ca/education/report-rapport/impact-2016/index.aspx?lang=eng>

than comparable countries. Amongst OECD countries Canada ranks last in funding for childcare. Since 2014, childcare costs in Canada have risen at three times the rate of inflation.

Student parents face particular barriers to accessing and completing postsecondary education, including lack of quality and affordable childcare, absence of child-friendly spaces on campus, and academic schedules that are incongruous with the needs of parents and children.

To make affordable, accessible, and safe child care a reality for Canadian parents, including student parents, the federal government should build upon existing bilateral agreements with provinces and territories, and gradually boost childcare spending to at least 1% of GDP. The provision of public, universal childcare would help to ensure Canada's competitiveness by enabling parents, and especially women, to have a real choice to remain in the workforce, focus on their careers and, therefore, maximize their productivity within the Canadian economy.