

# 8 Do we really need to raise tuition fees?

**Eight misleading arguments for the hikes**



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# EDUCATION: WHAT IS IT GOOD FOR?

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Judging by what we've been hearing every day lately, Quebec universities would appear to be severely underfunded, leaving them unable to provide a quality education and actively participate in the Quebec economy. People say that there's no choice but to raise tuition fees. Besides, students will earn higher salaries once they graduate. So by going into debt, they are really making a profitable investment in their own human capital, or so we are told. But what's the truth?

Most of the "debates" currently underway are about figures: how much should we invest in education, and who should foot the bill? However, one fundamental question is rarely raised: what is the purpose of education? Some would have education become a center for intellectual entrepreneurship that produces employees and marketable diplomas. This suggests a radical change in the mission of the university, which was originally geared toward transmitting humanity's cultural, intellectual, and scientific heritage and honing students' critical thinking skills.

Beyond financial issues, public debate should first center on this restructuring of education. Before handing over the reins of the education system to businesspeople and before accepting the arguments that higher tuition fees are inevitable and that free education is an outdated utopian ideal, doesn't it make sense to take a timeout to reflect and really question what is happening to students and education in Quebec?

No matter what we may think at first glance, it is worth taking the time to carefully examine this question, considering what is at stake. Could something else be lurking behind what is often presented as a simple accounting adjustment? After looking at the measures adopted in the last budget, this brief paper will carefully examine the arguments of those seeking to raise tuition fees and make education an institution essentially ruled by economic concerns.





# 2011 QUEBEC BUDGET: A SHIFT TOWARD PRIVATIZING EDUCATION FUNDING

In its last budget, the Quebec government planned to hike tuition fees so that it will soon cost students \$3,793 a year for university studies—or an increase of nearly 75 % (\$1,625) over five years. If we take into account previous increases (from 2007–2008 to 2011–2012), tuitions will have gone up \$2,125 (127 %) in ten years, jumping from \$1,668 to \$3,793. And the uptrend will continue past 2017, because tuition fees are slated to be indexed to inflation, even if student earning power does not follow this rise in the cost of living.

The Quebec government intends to earmark \$850 million for universities by 2016–2017, or \$320 million to cover rising system costs and \$530 million in additional resources. These sums will come from tuition fee increases (\$265 million), government reinvestment (\$430 million), increased donations by businesses and individuals (\$54 million), and heightened commoditization of research and other ancillary university activities (\$101 million).<sup>1</sup>

However, only 50 % to 60 % of these new sums will be used to improve teaching conditions and student services. Between 15 % and 25 % of the money will go toward research, with priority given to the private sector. From 10 % to 20 % will be dedicated to the “competitive positioning of universities in Canada and abroad,” (i.e., advertising campaigns and recruitment of high profile/highly paid professors. Lastly, 5 % to 15 % of the cash will be used for “governance” expenses including salaries of administrators, managers, or “members of the board of directors who sit on committees of strategic importance in the management of the university.”<sup>2</sup>

Tuition fee hikes are in line with a more general trend toward privatizing educational institutions. Rather than shaping minds and imparting intellectual, cultural, or scientific heritage, universities are now being asked to help fuel economic development and growth.

Quebec also wants to boost university donations from businesses and individuals by 50 % to open up the public education system to private interests. To that effect, it created the “Placements Universités” plan, which sets fundraising objectives and awards additional grants to universities that manage to find the most private funding.

What is more, we know that this type of philanthropy benefits certain universities—generally English-speaking—over others. In Quebec in 2008–2009, donations made to McGill, Concordia, and Bishop’s universities represented 47 % of the overall donations and legacies issued to all universities, while these three universities account for only one-fourth of the total university students.<sup>3</sup>

Also as part of the 2011 budget, “the government expects universities to obtain more private research contracts and to market their research results in better conditions,”<sup>4</sup> which means they will become commercial research laboratories that businesses can use to farm out research they do not wish to conduct alone.

**“Rather than shaping minds and imparting intellectual, cultural, or scientific heritage, universities are now being asked to help fuel economic development and growth.”**

To coordinate this restructuring of the university mission, the government created a fund for university excellence and performance known as “Fonds pour l'excellence et la performance universitaires.” The new fund will receive \$160 million per year in 2016–2017 that breaks down as follows:

- \$40 million to encourage donations and legacies from businesses and individuals, with the creation of Placements Universités
- \$60 million to clear universities' accumulated deficit
- \$60 million to fund “research”

This is being presented as a way to “save” universities. But it can also be viewed as a new way of privatizing the funding and role of universities. As we will attempt to demonstrate here, we can easily refute each of the arguments submitted to defend this policy.



# ARGUMENT NO. 1

## Universities are underfunded.

» The truth is Quebec universities receive a lot of money, but are rather victims of an improper use of funding, or a misallocation of resources.

A number of stakeholders, chief among them Conference of Rectors and Principals of Quebec Universities (CRÉPUQ), assert that universities suffer from “chronic underfunding.”<sup>5</sup> It is the main reason given to justify the tuition fee hikes: universities need money, so students have to do their part.

Yet this alleged underfunding is actually a misleading construction built on a rather weak methodology. CRÉPUQ assesses this “underfunding” at \$620 million.<sup>6</sup> However, this figure is not based on an analysis of universities’ needs that points to a lack of resources, but rather on “the current difference between the financial resources Quebec universities have at their disposal compared to what institutions in other provinces have.”<sup>7</sup> As such, the CRÉPUQ figure does not actually reveal what universities are lacking, only the additional resources they would gain if Quebec raised its tuition fees to match the Canadian average.

Do we really need this money? According to the Quebec government, in 2008–2009, overall university spending represented 1.94 % of Quebec’s GDP, compared to 1.76 % in Ontario and 1.58 % in Canada as a whole (excluding Quebec).<sup>8</sup> If we combine what the government, students, and the private sector invest in universities, we get a total of \$29,242 in spending per student in Quebec compared to \$26,383 for Ontario and \$28,735 for the rest of Canada.<sup>9</sup> Out of all OECD member countries, only the United States and South Korea outstrip Quebec in terms of overall spending per student.<sup>10</sup> In the area of sponsored research, per-student spending is \$7,878 in Quebec versus \$6,225 in the rest of Canada.<sup>11</sup>

Quebec therefore already spends more per student—both in general and for research—than the rest of Canada. So why do universities need even more money? Part of the answer lies in what they do with the money they already have.

An examination of their budgets shows that more and more funds are being allocated to research, to the detriment of operating and teaching budgets. The amount of grants and research contracts allocated to universities has more than doubled from 1995–1996 to 2005–2006, swelling from \$721 million to \$1.276 billion in constant 2006 dollars.<sup>12</sup> This money is unevenly distributed. The fields of health science, pure science, and applied science alone received 75.8 % of the research grants and contracts awarded in 2005–2006. As for social and human sciences, in the same period they received only a scant 7.8 % of funds assigned to research.<sup>13</sup>

In addition, this money is used less for fundamental research than applied or marketable research. Businesses are increasingly turning to universities to subcontract out their research and development activities. This takes the form of research partnerships or even university expertise farmed out to businesses.

» this “underfunding” is not based on an analysis of universities’ needs, but on a biased Canadian average.

The most recent Quebec budget also calls for an increase in private donations and spinoff companies,<sup>14</sup> (i.e., it is encouraging universities to use resources that were once public to start up businesses or produce patents and intellectual property that will later be privatized). Activities like this funnel funds, resources, and energy away from the university's teaching mission. To those working at these institutions, it seems like universities are always short on funds for their primary function of teaching (classrooms bursting at the seams, teacher shortages, sparse libraries, etc.). However, the funds are not lacking, they simply are not being allocated to these purposes.

In summary, a look at current university budgets reveals that the real culprit is the improper use of funding (or a misallocation of resources), not underfunding. The amounts available are increasingly being put to commercial uses that are completely outside the mission and purpose of education. "Underfunding" is first and foremost a pretext to adapt our universities to the Canadian model and to justify tuition fee hikes and the commoditization of education.



## ARGUMENT NO. 2

# University underfunding threatens to undermine the quality of education and value of degrees.

» The truth is tuition fee hikes and the commoditization of universities reduces education to an essentially pragmatic good that is increasingly expensive and decreasingly rich in content.

We often hear that the quality of education or the “value” of degrees is threatened by the purported “underfunding.” According to this logic, the quality of an education can be measured by its cost. This foments the flawed perception that the more expensive an institution is, the better its reputation must be. Capitalizing on this twisted logic, educational institutions in the United States and the United Kingdom simply raised their tuition fees—without lifting a finger to raise the quality of the education they provide—and saw their enrollment increase. People bought into the idea that “if it’s expensive, it must be a good college.”<sup>15</sup>

This anecdote brings us to the underlying question: What determines the “quality” of an education or the “value” of a degree? Historically, a curriculum’s merit was measured by its ability to transmit part of a society’s scientific, intellectual, and cultural heritage, or the knowledge needed to practice an occupation or profession. Increasingly, however, attention has been shifting away from education’s content to its benefits in strictly economic terms: what kind of salary does it yield, what impact does it have on economic growth, what skills or services will it offer the businesses asked to subsidize it?

To maximize these benefits, education is being adapted to the economy in a highly specialized manner. For example, a Ubisoft campus was created at Cégep de Matane where graduates are promised jobs with the company. If Ubisoft lays them off down the line, they will have to go back to school since the highly specialized education they received to meet the company’s immediate needs is not general enough.

Ultimately, we are paying more and more for an education that is increasingly lacking in content, because it often leaves students with a blend of technical skills geared toward specific applications, but provides no deeper substance or critical thinking capabilities. The relative cost of an education says little about the value of its content. But as people attempt to measure the exchange value of a degree by placing an artificial price on it, they are scarcely interested in content.

## ARGUMENT NO. 3

# Tuition fee hikes would swell university coffers.

» The truth is increased tuition fees will change the way education is funded, favoring a private funding model over the principle of public funding.

The tuition hikes announced in the most recent Quebec budget are not intended to fill university coffers, but rather to alter the way they are funded. The goal is to shift an increasing amount of university funding to individuals and the private sector.

In North America, there are two opposing methods regarding universities: on one side is the Quebec model, which is based on strong government involvement in funding and contributing to the vibrancy of postsecondary education. On the other is the United States model—a model taken up by institutions in the rest of Canada and elsewhere—which leaves the private sector in charge of funding a significant portion of universities’ needs and determining the thrust of higher learning. The current increases are designed to shift Quebec to the U.S. model, which places the burden of funding on individuals.

In 1974 in the United States, total per-student university spending was \$7,286; of this amount, \$5,680 was covered by the government, or some 78 %. In 2000, 26 years later, the total per-student cost of funding university education was \$16,796, with government subsidies accounting for \$7,152, or just 42.6 % of

the total. In Ontario, students’ share of university funding climbed from 25 % in 1988–1989 to 45 % in 2003–2004.<sup>16</sup>

Quebec, which is constantly summoned to “catch up to the Canadian average,” also saw the government contribution taper off year after year, as Table 1 illustrates. The goal of tuition hikes is not to increase the amount of cash universities receive, but rather to transfer the source of their funding from the public sector to the private sector and students.

**TABLE 1** Distribution of Public, Private, and Individual Funding of Quebec Universities, 1988–2015 (in % of overall funding)

	Income from Public Sector	Income from the Private Sector	Income from Individuals
1988	87.0%	7.5%	5.4%
2003	67.8%	21.2%	11.0%
2009	65.8%	22.0%	12.2%
2015 (P)	63.4%	19.7%	16.9%
Variation	(23.6%)	12.2%	11.5%

SOURCES: VIERSTRAETE, Valérie, *Les frais de scolarité, l'aide financière et la fréquentation des établissements d'enseignement postsecondaire*, MELS, 2007; and *Information financière universités et collèges 2008–2009*, Association canadienne du personnel administratif universitaire, 2010, 2011 Quebec Budget, authors’ calculations..

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## ARGUMENT NO. 4

# Raising tuition fees will attract the best students and professors and help universities purchase new equipment.

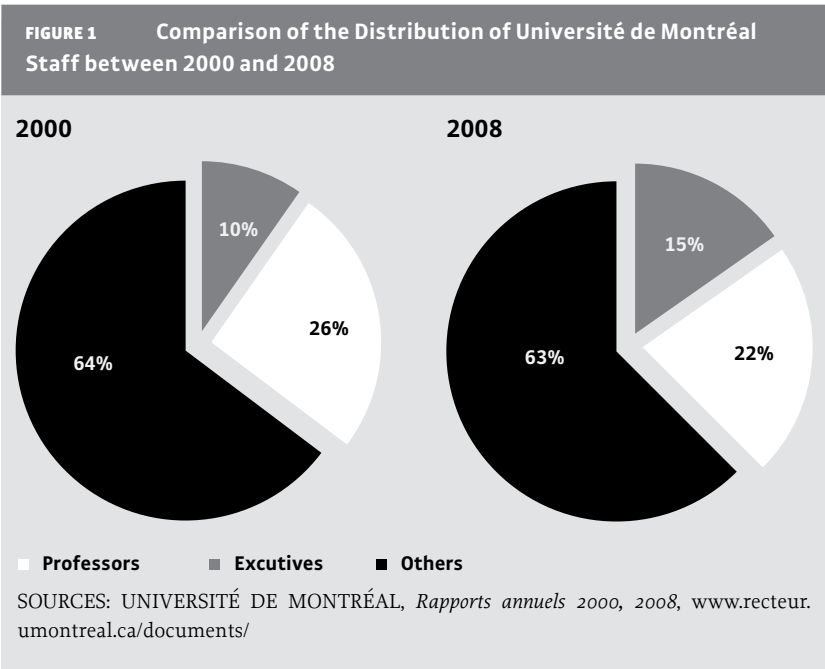
» The truth is university management expenses are exploding, and they are likely to climb even higher in the coming years.

We often hear that tuition increases will make it possible to hire the best professors, purchase better equipment, and improve the quality of education. In reality, most recent hires have been management personnel and executives, because the commoditization of universities requires increasing managerial control and costly monitoring mechanisms.

Between 1997 and 2005, the percentage of Quebec university payroll expenditures attributed to administrative staff rose by 2 %, whereas the proportion allotted to professors fell by 4.4 %. The percentage of payroll expenditures going to managers and administrators shot up 83.2 % between 1997 and 2004.<sup>17</sup> Rectors' salaries increased considerably: in 2008–2009 McGill University's Heather Monroe-Blum is alleged to have been paid a total of \$587,580, or three times the salary the premier receives from the Quebec National Assembly.

This shift in priorities has also carried over into the relative weighting of personnel. For instance, Graph 1 shows that at Université de Montréal between 2000 and 2008, the relative weight of administrative personnel (executives and professionals) went up from 10 % (817 employees) to 15 % (1,712 employees) of university staff overall. Conversely, the proportion of professors fell from 26 % of overall university personnel in 2000 to 22 % in 2008.

Here is another example: At UQAM, between 2000 and 2006, payroll expenditures for professors rose by only 19 % while payroll spending climbed 30 % for management staff and 40 % for top-tier executives.<sup>18</sup>

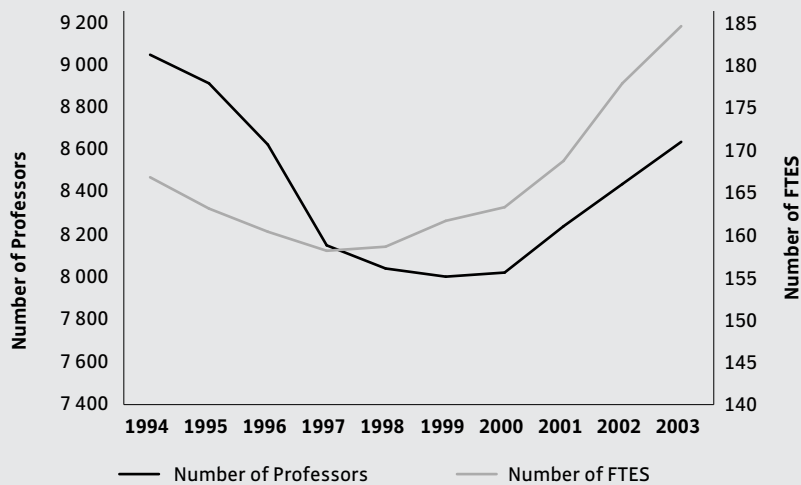


The commoditization of universities for corporate interests tends to chip away at more fundamental pedagogical activities: instrumental research is overtaking education, with more and more money spent on lecturers (60 % of undergraduate courses are taught by lecturers in some Quebec universities<sup>19</sup>). Without questioning their competence, it is important to stress that lecturers have less and less time to prepare their courses and they cannot direct graduate students. As illustrated in Graph 2, the professor/full-time equivalent student (FTES) ratio has diminished since 1990.

This trend is likely to worsen with the adoption of the bills the government has tabled on governance. The government plans to change the composition of Cégep and university boards of directors to give majority power (2/3) to “independent” members. Although a few of these independent members come from the local community or cultural sector, most are from the business community. These businesspeople are not selected because they know how a university operates, but because they have an interest in making sure that universities provide businesses with R&D services and patents that increase their value. These business representatives therefore have no interest in fostering universities’ mission of education or imparting cultural or scientific heritage.

In short, the new sums injected into education will likely continue to be increasingly monopolized by managers and administrators instead of being used to hire teaching staff or purchase new educational equipment.

**FIGURE 2** Comparison of the Change in the Number of Professors and FTES at Quebec Universities



SOURCE: CREPUQ, *De la pénurie de professeurs d'université au Québec: prévision de la demande de professeurs d'université au Québec jusqu'en 2012*, January 2004; DYKE, Nathalie, Michel UMBRIACO, and Cécile SABOURIN, *Financement des universités. Investir dans le corps professoral*, FQPPU, April 2008, p. 4..

## ARGUMENT NO. 5

# The financial aid system will offset tuition fee increases.

» The truth is over 80 % of students will have to shoulder higher tuitions with no compensation.

To mitigate the impact of tuition hikes on the most economically disadvantaged students, the government will gradually inject new funds into the Student Financial Assistance Program, up to a total of \$118 million a year in 2016–2017. Of this total, \$116 million will come from increases in the amount of tuition fees students must pay.

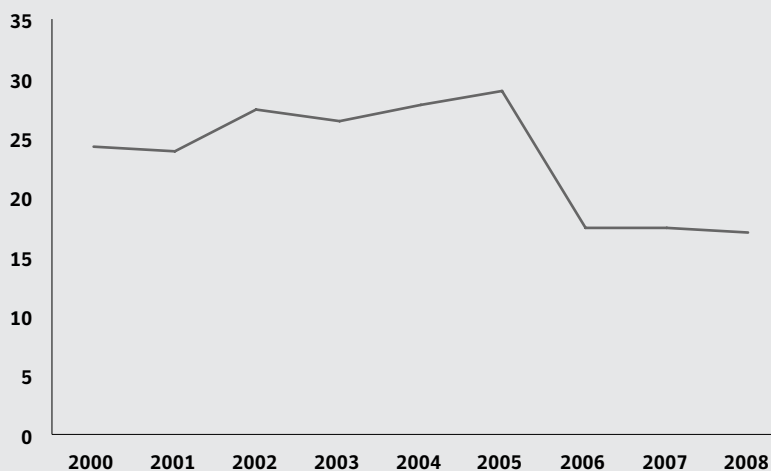
Moreover, of all the students who will need aid, only current recipients of student financial assistance (or 17 % of students) will be entitled to these funds to offset dramatic tuition hikes. The remaining 83 % will have to cover the full price, or \$3,793 a year.<sup>20</sup>

This increase will have a huge impact on personal debt. For now, Quebec students have less debt than their counterparts in the rest of Canada. In 2009 the average amount of debt for students enrolled in their final year of a bachelor's degree program who took out student loans was \$15,102 in Quebec—versus \$25,778 in Ontario and the overall Canadian average of \$26,680.<sup>21</sup> In Nova Scotia, the debt load is twice as high as in Quebec.

As the British precedent has shown, students will be forced to work more while they study, which leads to a drop in attendance and reduces the quality of learning. On the heels of a major tuition increase in 2005, the number of full-time students who held a job in the United Kingdom jumped 54% from 406,880 to 630,718.<sup>22</sup> Under such conditions, those who do not receive the bursaries set aside for a minority of students are only able to do the bare minimum of the reading assigned in their programs. This restriction will hit young, middle class students the hardest. In addition, according to the British Department for Business Innovation & Skills, average student debt has risen from about £9,000 to £15,000, which is a strong deterrent for less affluent people who would like to study.<sup>23</sup>

The case of Great Britain sheds light on another phenomenon. People often claim that loan and bursary systems help sustain univer-

FIGURE 3 School Participation Rate for 20- to 29-Year-Olds in the United Kingdom from 2000 to 2008 (%)



SOURCE: OECD, *Education Indicators*, 2010, Indicator C1.2.

**“The mass of students without access to compensatory measures will sooner or later be strapped with thousands of dollars in debt, even before they have a chance to start their careers.”**

sity participation. However, as Graph 3 shows, despite a financial aid program that the OECD has dubbed one of the best among all member countries, the U.K. saw a considerable and immediate drop in university participation following the steep tuition hikes implemented in 2005.

The objective of tuition fee increases is to shift a greater portion of the cost of education to individuals so that governments can reduce public funding. No new injections of financial aid or debt deferment measures can change this basic fact: the mass of students without

access to compensatory measures will sooner or later be strapped with thousands of dollars in debt, even before they have a chance to start their careers.

## ARGUMENT NO. 6

# Higher tuition fees will ensure that students pay their fair share of education.

» The truth is with the expected increase, students will have to work twice as long as students in the 1970s to pay off their education.

According to the government, higher tuition fees will make it so students pay their fair share of the cost of their education. The concept of “fair share” is a nebulous one. Who decides what is fair? What makes \$4,200 fairer than \$2,600, \$550, or \$0? Regarding the “fair share” issue, Quebec finance minister Raymond Bachand tells us that the new tuition fees will be in line with what he himself paid as a student at Université de Montréal in 1968.<sup>24</sup> The way Bachand explains it, the tuition fees students pay would represent a percentage of the current education budget similar to that in 1968.

The slippery logic of the minister’s first argument is absurd: will the “fair share” change with the appointment of the next finance minister? His second argument can be explained by other facts that the minister fails to mention.

The year he chose for his comparison, 1968, was the final year in the existence of a small, elite Quebec university education system that was relatively inexpensive for the government. In fact, the very next year, the foundation of Université de Québec à Montréal (UQAM) marked the beginning of a phase of improving access to higher education. The Universités du Québec (UQ) network followed, with its schools in Trois-Rivières (UQTR), Chicoutimi (UQAC), Rimouski (UQAR), Hull (UQAH, which later became UQO), and Abitibi-Témiscamingue (UQAT). With the resulting increase in the portion of the budget dedicated to the education system, it is no surprise that the share of funding provided by tuition fees has fallen over the years.

For the sake of a fairer comparison, let’s look at a year when the Quebec university network was already fully developed, say, ten years later in 1978. Also, rather than focusing on tuition fee amounts that have been corrected for inflation, let’s compare the number of weeks a student had/will have to work full time at minimum wage to pay off these expenses. Table 2 illustrates this new calculation.

TABLE 2 Number of Weeks of Full-Time Work (40h/Week) at Minimum Wage Needed To Pay for Education, 1978–2015

Year	Minimum Wage	Number of Weeks of Full-Time Work at Minimum Wage
1978	\$3.37/hour	4 weeks
1989	\$5/hour	2.8 weeks
2000	\$7/hour	6.0 weeks
2012	\$9.65/hour	6.7 weeks
2015	\$12/hour (speculative figure)	8.8 weeks

SOURCES: Commission des normes du travail, Ministère de l’Éducation, 2011 Quebec Budget, authors’ calculations.

If intergenerational equity is so important to Minister Bachand, perhaps he can explain how fair it is that students today must work twice as long to pay for their education as those who attended university over 30 years ago. Nine weeks of full-time work is generally all students have at their disposal each summer. In 2015, even after working all summer long, students will not have a single cent left in their pockets by September to pay for food, housing, and transportation to the university. So Minister Bachand's talk about "fair share" really means paying tuition fees much higher than students have paid in the last 30 years.





## ARGUMENT NO. 7

# Higher tuition fees will have no impact on university participation.

» The truth is raising our tuitions to match the Canadian average would deny 30,000 students access to university studies.

According to proponents of the announced tuition fee increase, higher tuitions will not have a major impact on university participation rates. This assertion is mind-boggling, particularly since it comes from the people who in one breath will tell you that education is a commodity, yet in the next will say that increasing a commodity's price reduces demand for it. This argument is notably used to present Hydro-Québec's rate increases as an incentive for consumers to use less energy and protect the environment. So raising the price of electricity would reduce power consumption, but raising the price of education would not have any effect on the demand? We must reject such doublespeak.

Moreover, the facts show that the assertion that high fees are not an obstacle to university participation simply does not hold water. Graph 4 gives a comparison of Quebec and the rest of Canada.

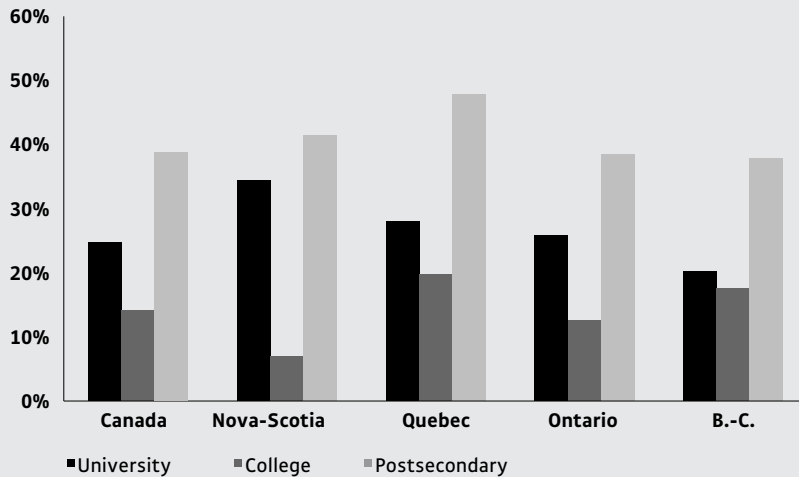
The first compelling observation is that the postsecondary participation rate is 9 % higher in Quebec than in the rest of Canada. Quebec surpasses the Canadian university participation rate by over 3 % and the college participation rate by nearly 6 %. Some may respond that despite higher tuition fees, Nova Scotia outperforms Quebec in terms of university participation. But this argument does not take into account the differences in the two education systems, which render ineffective comparisons that focus only on university participation rates. Keep in mind two facts:

- College education is virtually free in Quebec, which means that many people seeking a vocational diploma will opt for a college diploma rather than go to university as they would have to do in Nova Scotia. For instance, nurses in Nova Scotia are trained at the university level, whereas most Quebec nurses are trained at the college level.
- Since college studies are not more or less mandatory for students going to university in other provinces, most bachelor's degree programs last four years instead of three, which artificially raises their university participation rate compared to Quebec's.

There is also historical evidence of the relationship between high tuition fees and low participation rates. In the early 1990s the Quebec government raised tuition fees sharply. Ministère de l'Éducation statistics show that university participation rates dropped appreciably as a result.

**“Rock-bottom tuition fees at Cégeps and relatively low university fees have allowed Quebec to educate 85,000 more students at its educational institutions than it would have if tuition fees matched the Canadian average.”**

**FIGURE 4** University, College, and Postsecondary Participation Rate, 15- to 24-Year-Olds Across Canada and in Various Provinces in 2006



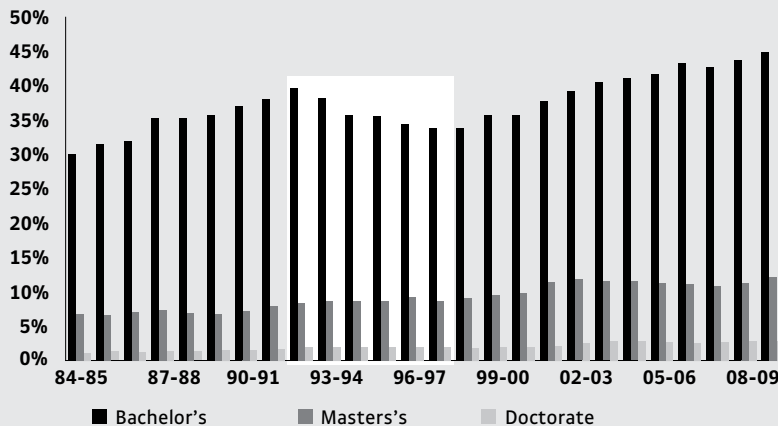
SOURCES: Statistics Canada, CANSIM, Series v258248I, v258977I, v259463I, v260678I, v31215364, v31217442, v31219604, v31222437, v31221423, v4645156I, v46453829, v46461767, v46464035, v46465169, authors' calculations.

As Graph 5 indicates, the access rate fell by over 5 % between 1992–1993 and 1997–1998, whereas in the periods when tuition fees were frozen before the hike, this rate sustained significant growth.

Rock-bottom tuition fees at Cégeps and relatively low university fees have allowed Quebec to educate 85,000 more students at its educational institutions than it would have if tuition fees matched the Canadian average. The government's current objective to align tuition fees could deprive 30,000 students of a university education that they would have access to at the current rates.<sup>25</sup>

It is clear that tuition is not the only factor at play when people make decisions about their studies. Many other considerations impact students' choices. However, tuition fees are a barrier to university access that is real and relatively easy to remove.

**FIGURE 5** Access Rate for Courses of Study Leading to a University Degree



SOURCE: MELS, "Indicateurs de l'éducation 2010," p. 67

## ARGUMENT NO. 8

# Frozen tuition fees and free education are unrealistic and potentially unfair measures.

» The truth is these measures are relatively inexpensive and their funding is socially equitable.

The government constantly repeats that there is a public finance crisis and that Quebec is “in the red.” So when students demand that the government stop raising tuition fees or institute free education, it’s easy for the finance minister to present these proposals as unrealistic. However, the government is largely responsible for its lack of budgetary resources.

In 2007 alone, the government denied itself \$950 million in revenues by granting households tax relief that especially favored the most affluent individuals.<sup>26</sup> By comparison, providing free education would cost only \$700 million.<sup>27</sup> And as Table 3 shows, this tax cut is not the only measure governments have adopted in the last ten years that cost more than it would to provide free education.

Introducing free education or, at the very least, axing the current tuition hikes are not merely pipe dreams. If the political will were there, the government could provide free education at all levels without too many difficulties.

Moreover, some people claim that low tuition fees or free education would be unfair measures. In their opinion, a good portion of university students have the means to pay high tuition fees, while others can look to bursaries or loans. By keeping tuitions relatively low, the government “would be subsidizing the rich.”

This argument overlooks the fact that tuition fees are not universities’ sole source of income. There is another more accurate and fair way to ask more affluent individuals to help fund education based on their incomes—income tax.

Funding postsecondary education through taxes is the most socially equitable measure. It hinges on a simple and effective public finance logic and could dovetail nicely with the institution of free education. It would mean free, universal access to education that the citizens of tomorrow could all help finance based on their actual financial means.

It’s probably no fluke that the “subsidizing the rich” argument makes no mention of the existence of the graduated income tax. The wealthy have effectively been trying for

**TABLE 3** Examples of Measures in the Last Ten Years That Cost More Than Instituting Free Education

Measures	Budget	Party in Power	Cost
Indexation of tax brackets	2000–2001	PQ	\$2 billion
Reduction of tax rates	2001–2002	PQ	\$1.2 billion
Tax cut	2006–2007	PLQ	\$950 million
Phasing out of capital tax	2007–2008	PLQ	\$890 million

SOURCES: 2000 to 2011 Quebec Budgets.

**“If the political will were there, the government could provide free education at all levels without too many difficulties.”**

decades to disassociate themselves from society and minimize their tax contributions. The unbridled increases in tuition fees plays into this “everyone for themselves” logic where people are indifferent to the plight of others and have no regard for income inequality. Conversely, free education and graduated income taxes redistribute

the wealth, partially neutralize the inequalities, and give everyone the chance to get an education regardless of their class or means.



# CONCLUSIONS

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A sharp increase in tuition fees is presented as the inevitable solution to an alleged problem of university underfunding. The facts analyzed here indicate that such an increase is actually a political choice aimed at privatizing the funding and role of universities.

- » **Raising tuitions would intensify the financial burden on students with no consideration for the socioeconomic consequences of such a measure, notably with regard to university participation and personal debt.**
- » **The only beneficiaries of such measures would be private businesses, which would be authorized to transform universities to serve their immediate interests, and the managers who will pocket bigger and bigger salaries to oversee this commoditization of a social institution at the expense of its initial purpose—teaching.**
- » **The transformations underway break with universities' public service culture and transforms them into places where people come to "invest in their human capital" for the chance to earn higher wages in exchange for an education designed specifically with private businesses' interests in mind.**
- » **We thus see students take on debt and pay a high price for an education that can increasingly be summed up as instrumental training with a utilitarian scope meant for the sole benefit of the market.**

We are currently experiencing a number of crises (environmental, economic, cultural). Given these circumstances, we should be using our intellectual efforts to reinvent the way we live and inhabit the world. Yet the transformations we see being imposed on universities actually undermine their independence and make them simple accessories to the unrestrained and irrational economic growth. Learning institutions are reduced to intellectual entrepreneurship centers that orchestrate the shift to a system ruled purely by economic considerations.

- » **For students, this means higher tuitions, growing debt, and an education depleted of general content.**
- » **For professors, this leads to an incessant race for research grants, performance measures, and the relinquishment of teaching to lecturers in vulnerable situations.**
- » **For universities, this means a shift toward knowledge industry status.**
- » **For Quebec, this means the loss of collective institutions in favor of businesses, monopolies, and a small elite of administrators and financiers who will be the only ones to benefit from this liquidation of a public good.**

We must therefore not only oppose tuition fee hikes, but also reaffirm the importance of the public—not commercial—nature of universities so that knowledge may serve to foster individual and collective autonomy, critical thinking, and the transmission of intellectual heritage rather than simple market value.



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- 5 CREPUQ, Quebec society at a crossroads: universities require urgent action, Analysis and issues paper presented by Conference of Rectors and Principals of Quebec Universities (CREPUQ) as part of a meeting of education partners (Rencontre des partenaires en éducation), November 2010.
- 6 *Ibid.*, p. 20. [our translation]
- 7 MARTIN, Éric, “Le sous-financement universitaire: une construction trompeuse,” <http://www.cyberpresse.ca/le-soleil/opinions/points-de-vue/201012/03/01-4348909-le-sous-financement-universitaire-une-construction-trompeuse.php> [our translation]
- 8 Government of Quebec, L’avenir des universités et leur contribution au développement du Québec, December 6, 2010, p. 21.
- 9 MELS, Indicateurs de l’éducation 2010, p. 43.
- 10 *Ibid.*, p. 40.
- 11 *Ibid.*, p. 21–24.
- 12 MELS, Indicateurs de l’éducation, 2009, pp. 50–51.
- 13 MARTIN, Éric and Maxime OUELLET, La gouvernance des universités dans l’économie du savoir, Research report, Institut de recherche et d’informations socio-économiques, Montreal, November 2010.
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- 19 DYKE, Nathalie, Michel UMBRIACO, and Cécile SABOURIN, Financement des universités. Investir dans le corps professoral, FQPPU, April 2008, p. 4.
- 20 Government of Quebec, “A Fair and Balanced University Funding Plan,” *Ibid.*, p. 40.
- 21 Government of Quebec, Document d’appui à la réflexion. L’avenir des universités et leur contribution au développement du Québec, December 2010, Quebec, p. 59.
- 22 Trades Union Congress/National Union of Students (NUS), All work and low pay, 2006.
- 23 <http://www.publications.parliament.uk/pa/cm201011/cmselect/cmbis/writev/885/m16.htm>
- 24 Amount adjusted for inflation.
- 25 The number of students presented here corresponds to the difference in student participation between Quebec and the rest of Canada illustrated in Graph 4.
- 26 Quebec Budget, 2007.
- 27 Information financière des collèges et des universités 2008–2009, ACPAU. Of course, the hikes in effect since 2007 have the direct impact every year of raising the amount it would cost to eliminate them.

### PHOTO CREDITS

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