THE Research
Universities' Council
OF BRITISH COLUMBIA

UBC SFU University of Victoria UNBC Royal Roads UNIVERSITY THOMPSON RIVERS UNIVERSITY

Quick Facts on
Tuition and Student Debt at BC's Universities

1

52% of BC university students graduate without debt

- Based on a 2014 survey of 2012 baccalaureate graduates at BC's universities, 52% of graduates did not incur any form of debt to finance their degree. The most common sources of funds for these students were family and friends, and employment.

- Of that 48% who incurred debt, 36% reported using government-sponsored student loans.[1]

2

For those with student loan debt, the average debt incurred is $25,000

- The average <u>federal</u> government student loan balance for universities in Canada at the completion of studies is $15,548[2].

- Incorporating the provincial loans, total student debt balance after a four-year degree in BC is on average $25,913: 60% federal ($15,548) plus 40% provincial ($10,365)[3]. (This is before loan forgiveness and remission.)

- Of those with student loan debt: 43% had a balance of between $0 and $19,000, 38% had a balance of between $20,000 and $39,000, and 19% had a balance greater than $40,000.

3

The average amount of student loan debt repayable is $21,000

- The federal and provincial governments assist students in repaying their student loans, though a number of federal and provincial programs. The major BC programs are: the loan reduction plan available to all full-time students who apply for student loans, the repayment assistance plan for low income students, and the loan forgiveness program limited to a number of professions agreeing to work at publicly funded facilities.

- These programs combine to reduce the average loan (for the 36% who have government sponsored student loans) to approximately $21,000 at graduation[4].

4 | **Tuition fees increases have been frozen at 2% annually since 2005**

- Since 2005, BC government policy has limited tuition fee increases to 2% annually. The national average increase in tuition in 2015/16 was 3.2%.[5]

- From 1996 to 2002, tuition rates in BC were frozen. During the three years between the tuition freeze and the government-imposed 2% limit, tuition fees increased to the national average.

5 | **The average BC undergraduate tuition fee is $5,305, the fourth lowest in Canada**

- In 2015/16, the average undergraduate tuition fee for full time students in BC is $5,305. This is the fourth lowest in Canada and below the national average of $6,191.[6] Tuition fees at universities cover about 35% of the total cost of a post-secondary education.

6 | **Tuition fees are only a part of the reason students incur debt**

- It is common to assume that tuition costs (and tuition fee increases) are the major reasons for students acquiring significant levels of debt.

- However, when looking at the average costs for a Canadian Arts program student living away from home, tuition and other compulsory fees account for about 30% of the annual cost of attending a university in BC[7].

- Other major cost factors include: books (10%), housing on-campus (20%), food and groceries (20%) and miscellaneous expenses including internet access, medical, recreation, transportation, etc. (20%).

7 | **Default rates on student loans at BC's research universities are less than half the provincial average**

- The average student loan default rate five years after graduation for those who attended one of BC's research universities was 4.8% (for the 2007/08 – 2011/12 student cohort).[8]

- The average student loan default rate for all BC public post-secondary institutions five years after graduation (for the 2007/08 – 2011/12 cohort) was 12.1%.

[1] BC Stats, B.C. Baccalaureate Graduate Student Outcomes Survey 2014
[2] 2012-13 Canada Student Loans Program Statistical Review.
[3] Assumes BC average student loan amount is close to the Canadian average
[4] Honourable N. Yamamoto - Hansard May 19, 2011
[5] Statistics Canada, University tuition fees, 2015-16
[6] Statistics Canada, Undergraduate tuition fees for full time Canadian students
[7] Based on annual cost estimates found on RUCBC member websites.
[8] Data B.C., Student Loan Default Rates at B.C. Public Post-Secondary Institution