



RESPONSE:

INTERNATIONAL STUDENT TUITION RECOMMENDATIONS

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This report is submitted in response to the proposed three (3) year strategy for a twenty percent (20%) increase to undergraduate student and twenty-five percent (25%) increase to graduate student international tuition fees proposed by TRU World to the TRU Board of Governors.

Post-secondary education in Canada, and specifically at TRU, has become profoundly reliant on international student enrollment. The recruitment and presence of international students across post-secondary institutions have provided benefits to both individual international students and the institutions they attend. International students have the opportunity to receive a high quality post-secondary experience and an improved path towards immigration, and institutions benefit from international students existing as a vital part of their functionality: as international students provide direct labour, human capital, consistent engagement in the campus community, and act as a tremendous financial resource.

While international students are often treated primarily as an economic commodity, how we interpret the value of international students to the institution and the role they play in our community directly impacts their potential success and the perceived worth of their recruitment. As an institution looking to support our current and future international student population, we must decide not only how much we should charge in exchange for the opportunity to obtain an education here at TRU, but also the process and rationale by which we arrive at that amount.

This report makes two (2) recommendations to align with best practices. We believe these recommendations strongly coincide with TRU's Mission; TRU's Values of Inclusion and Diversity and Community-Mindedness; and TRU's Strategic Change Goals to Eliminate Achievement Gaps and Design Lifelong Learning.

We encourage the TRU Board of Governors to adopt the following recommendations in support of our international student community.

RECOMMENDATION 1: INTERNATIONAL STUDENT TUITION DEPOSIT AMOUNT REDUCTION & PAYMENT CALENDAR EXTENSIONS

Tuition Deposit Reduction

International students at TRU currently pay a \$5,000.00 CAD non-refundable tuition deposit upon registration for fall and winter courses in undergraduate, post-baccalaureate, and graduate programs (thesis-continuation and project extension requires full payment). For summer programs a full tuition payment is required from international students. These deposits are required to secure access to course and program registration.

Most comparative institutions across Canada offer both international and domestic students a lower tuition deposit amount to secure their program seat. For example, the University of British Columbia (UBC) requests that undergraduate international students pay \$1,000.00 CAD to secure program registration upon admission and does not require any further deposit to secure registration in additional years (**Figure 1**).

To align ourselves with sector-wide best practices, a reduction in the upfront tuition deposit at TRU is necessary.

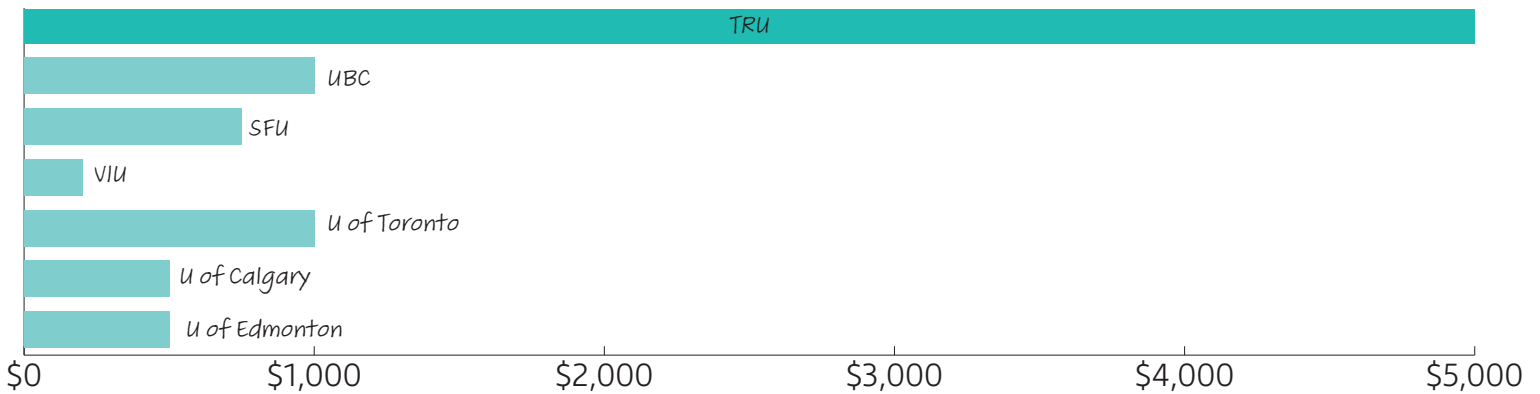


Figure 1. Deposit Amounts at Comparative Institutions in Canada

Tuition Payment Calendar Extensions

TRU is also excluded from the list of comparative universities that currently offer both international and domestic students later payment deadlines for admission, deposits, and payments-in-full (**Table 1**). Several similar institutions provide extended payment deadlines following a tuition deposit.

Table 1. Tuition and Fee Deadlines at Comparative Institutions.

Institution	Fall Balance Owing Deadline	Winter Balance Owing Deadline
Camosun College	September 19 *deferred	January 23 *deferred
Kwantlen Polytechnic University	September 22	January 26
Simon Fraser University	September 20	January 17
University of Victoria	September 30	January 31
Thompson Rivers University	September 2	December 30

Extending the current deadlines for tuition and fee payments will allow us to align ourselves with comparative institutions (**Table 2**).

Table 2. Current and proposed tuition and/or fee deadlines at TRU.

Semester	Current Balance Owing Deadline		Proposed Balance Owing Deadline	
	Domestic	International	Domestic	International
Fall	September 2	Deposit due upon registration, complete balance due September 2	September 20	Deposit due upon registration, complete balance due September 20
Winter	December 30	Deposit due on December 1, complete balance due December 30	January 15	Deposit due upon registration (if new), complete balance due January 15
Summer Interession 1	April 28	Full deposit due upon registration	May 22	Deposit due upon registration, complete balance due May 22
Summer Intersession 2	June 16	Full deposit due upon registration	June 23	Deposit due upon registration, complete balance due June 23

RECOMMENDATION 1:

Reduce the deposit amount for international students to \$1000.00 CAD for both undergraduate and graduate programs, and extend the tuition deposit and full payment deadlines for international and domestic students as shown above.

RECOMMENDATION 2: INTERNATIONAL STUDENT TUITION FEE INCREASE CAP AT 2%

Proposed Increase Goes Too Far

It's important to recognize that international student tuition fees are not currently regulated on a provincial or federal level. Unlike domestic student tuition fees, which in BC are capped with a 2% potential increase under the Tuition Fee Limit Policy, international students often are faced with drastic increases in the name of revenue production and to fill monetary gaps in post-secondary institution funding. While international students currently account for an estimated one fifth (1/5) of BC's university enrollment, they contribute almost half of BC's tuition revenue.

At TRU specifically, international students already pay a premium to subsidize the gap between an institutions' potential revenue and an institutions' desired expenditures. Currently a domestic undergraduate student at TRU pays \$4,487.00 CAD in tuition fees per year. The government provides TRU with annual additional revenue of \$9,520.00 CAD per full-time equivalent (FTE) student to subsidize their tuition, resulting in a complete revenue amount per domestic student of \$14,007.00 CAD. Comparatively an international undergraduate student contributes \$18,355.00 CAD in tuition, resulting in a premium of \$4,348.00 CAD in revenue per student. This premium means that each international student is already contributing 23.7% more than a domestic student, even when accounting for government funding (**Figure 2**). With the proposed 3-year strategy to increase international student tuition fees there will be an estimated 84% increase in the premium revenue every international undergraduate student generates. The proposed international graduate increase is even higher. It is the appropriate level of this premium that is at the heart of this discussion regarding the proposed TRU international student tuition increases.



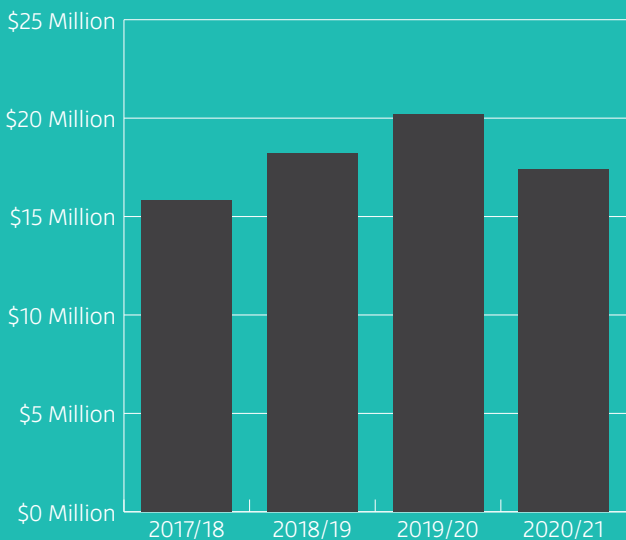
Figure 2. TRU Revenue Comparison

While some individuals may contend that we are losing out on potential revenue by not maximizing our fees in comparison to other institutions who seek to charge more, it is our position that this is a false comparison and a poor goal to strive for. As an institution we should be attempting to align ourselves with sector-wide best practices, and our existing international student premium is already doing so. Our current premium has successfully allowed us to generate many consecutive surpluses, while consistently growing and maintaining our international student enrollment. The decision to charge more because we can, or because other institutions have done so, is not a compelling argument.

TRU's Strong Financial Position: Past, Present, and Future

As an institution, we have enjoyed surpluses of \$15.8 million in 2017/2018, \$18.2 million in 2018/2019, \$20.2 million in 2019/2020, and \$17.4 million in 2020/2021, resulting in \$71.6 million dollars of cumulated surplus over the last 4 fiscal years.

Figure 3. TRU Surpluses 2017-2020



Even with this more appropriate increase, TRU will generate additional revenue of more than \$4.68 million over the next three years.



Based on current international student enrolment, with a 2% increase to international student fees we would see an estimated increase in revenue of \$1.53 million in year one, \$1.56 million in year two, and \$1.59 million in year three. Even with this more appropriate increase, TRU will generate additional revenue of more than \$4.68 million over the next three years. With a projected surplus of \$11.3 million (as of Q1) in 2022 we will be in a strong financial position institutionally, even without any proposed increases.

In alignment with TRU's Strategic Enrollment Management (SEM) Plan, we must also consider how the *"rapid shifts to new educational delivery models, access*

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to enabling technology, family finances, travel bands, bureau closures and many other factors have created obstacles, and in many cases barriers, for students seeking to pursue their educational goals” may continue to impact our international student community in their pursuit of a TRU education. Global impacts from pandemics, war, economic crises, and climate change will likely create variation in the number of students who are able to access an international education, particularly when only offered at a growing premium.

Protecting international students as a revenue source while also ensuring that TRU provides students with access to a high-quality education must remain our focus. The reduction of financial barriers to post-secondary education for international students is not only aligned with our institutional goal to create an integrated and academic open education plan but is also a core part of what TRU has been and strives to be. Maximizing our revenue at all costs, growing existing surpluses when not necessary, and acting without thought for the impact on individual students is a poor financial strategy and is not reflective of our organizational values.

Students Impacted Most by Inflation

The combination of increasing expectations for students to consider international post-secondary education coupled with inflated prices and a lack of financial aid means that many current international students are facing both temporary and chronic financial insecurity, regardless of prior financial planning. While institutions often refer to inflation rates in times of high inflation as justification for proposed fee increases, during these same times international students often face even greater financial pressures.

International students are dealing with the growing concerns of navigating the current housing affordability crisis with large increases to rental costs, rapidly rising food costs (over 10% in October 2022), as well as other goods and services that continue to go up. In many instances these costs have risen at a far greater rate than inflation and at a substantially greater rate than is being experienced by post-secondary institutions. For example, rent in BC is now the highest in the country with an average listing price of \$2578.00 CAD per month across the province, up 24% from 2021.

In closing, each international student already provides a significant premium in revenue. TRU has consistently run surpluses leading to a cumulative surplus of \$71.6 million over the last four years. In a time of significant inflation international students and their families are already being hit harder by inflation than the institution. Tuition increases of this level are drastic, unnecessary, and place an unwarranted burden on international students.

RECOMMENDATION 2:

Reject the proposed 3-year plan for increases to undergraduate and graduate student tuition and cap international student tuition increases at an annual maximum of 2% for all programs.



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