



Written Submission for the Pre-Budget Consultations in Advance of the 2024 Federal Budget

August 2nd, 2023

Undergraduates of Canadian Research Intensive Universities



MEMBERS:

Liam Gaither – Students' Society of McGill University (SSMU)
Abigail Samuels – McMaster Students' Union (MSU)
Julian Mollot-Hill – Alma Mater Society of Queen's University (AMS QU)
Tina Tong – Alma Mater Society of UBC Vancouver (AMS UBC)
Nishtha Mehta – University of Saskatchewan Student's Union (USSU)
Aidan Thompson – University of Toronto Students' Union (UTSU)
Katie Georgia Traynor – Waterloo Undergraduate Student Association (WUSA)
Emily Poirier – University Students' Council (USC)
Victoria Mills – Alma Mater Society of Queen's University (AMS QU)
Ishita Mann – University of Saskatchewan Student's Union (USSU)
Bandhul Vikas Khanna – Alma Mater Society of UBC Vancouver (AMS UBC)
Erin Strachan – Alma Mater Society of UBC Vancouver (AMS UBC)

Table of Contents

The Undergraduates of Canadian Research-Intensive Universities (UCRU)	3
Our Recommendations	4
Mental Health	6
International Students	7
Student Financial Aid	9
Housing	10

Dear Minister Freeland,

*Please consider the following recommendations and insights for your consultations in advance of the 2024 federal budget:

The Undergraduates of Canadian Research-Intensive Universities (UCRU) is an alliance of student unions in Canada. Our common objective is to protect the interests and advocate on behalf of over 240,000 undergraduate university students from Canada's largest research-intensive universities (U15).

Mental health is a salient issue for all Canadians. People aged 15-25 are at a heightened risk for mental health issues and students face pre-existing challenges when accessing mental health support. Limited mental health support creates barriers towards completing their academic careers and entering the workforce. Likewise, as a result of inflated costs of living and basic necessities, students require additional support to attend post-secondary institutions. For example, in 2022/2023, the average tuition fees for international undergraduate students doubled. Additionally, indigenous students face unique barriers to accessing post-secondary institutions, often experiencing a sense of isolation and inadequate support for their educational success. Barriers such as inadequate mental health support and limited financial support limits student inbound and outbound mobility when accessing post-secondary education.

Similarly, affordable housing Canada is sparse, especially at post-secondary institutions which are primarily located in downtown CMAs that have volatile housing markets. Students are especially vulnerable to rising costs in housing markets because they do not have the same protections of long-term tenants since student leases are short and often move around their post-secondary institution.

The Undergraduates of Canadian Research-Intensive Universities (UCRU) commend the government's commitments to increasing student financial aid in Budget 2021 but still believe that barriers such as mental health, increasing costs of living, and unaffordable housing limit educational quality and experience at Canadian post-secondary institutions. We have outlined several recommendations to work towards these goals. These recommendations concern four key areas, to which we hope to draw the attention of the federal government:

Our Recommendations

MENTAL HEALTH

- **Recommendation 1:** That the Federal Government establish a 4-year Post-Secondary Mental Health Infrastructure Fund (based off the success of the Local Food Infrastructure Fund) to provide direct capital and short-term operational funding to applicant post-secondary institutions and affiliate student associations to establish high-quality, affordable, and accessible mental health networks, supports, programs, and initiatives for students.

INTERNATIONAL STUDENTS

- **Recommendation 2:** Amend the Canadian Experience Class (Express Entry) program such that international students are able to count part-time employment experience while they are full-time students towards their permanent residency.
- **Recommendation 3:** That the Federal Government makes the one-year pilot program lifting the 20 hour work cap for international students permanent.
- **Recommendation 4:** That the Federal Government renew the Building on Success: International Education Strategy In addition to increasing the \$147.9 million budget and \$8 million per year ongoingly to \$165.6 million and \$8 million per year for the next 5 years to reflect the current numbers of international students in Canada.

STUDENT FINANCIAL AID

- **Recommendation 5:** That the Federal Government continue to fund the Post-Secondary Student Support Program (PSSSP) beyond 2024.
- **Recommendation 6:** That the Federal Government maintain the increase to \$4,200/year maximum on the Canada Student Grants program from the previous pre-COVID-19 maximum of \$3,000/year.

HOUSING

- **Recommendation 7:** That the Federal Government develop an initiative to finance the construction of purpose-built student housing in the vicinity of post-secondary institutions with \$800 million in mixed funding models (\$560M in grants (70%), \$240M in loans (30%)).

Mental Health

Recommendation 1 : That the Federal Government establish a 4-year Post-Secondary Mental Health Infrastructure Fund (based off the success of the Local Food Infrastructure Fund) to provide direct capital and short-term operational funding to applicant post-secondary institutions and affiliate student associations to establish high-quality, affordable, and accessible mental health networks, supports, programs, and initiatives for students.

Post-secondary students continue to be disproportionately affected by mental health. As stated by the Ministry of Education “Student mental health and well-being should be considered a top priority, as good mental health is fundamental to a student’s ability to learn and to succeed at school and in life.”¹ However, CAMH reports that 1 in 5 Canadians experience mental health issues in any given year, with people aged 15-25 being the most at-risk group for these issues.² Additionally, studies at post-secondary institutions have demonstrated that 1 in 3 students report inadequate access to services at their educational institutions.³ Post-secondary students are also among the hardest hit by the COVID-19 pandemic; students are consequently suffering from social isolation, job insecurity, and financial hardships.⁴ Without early intervention and proactive investments in post-secondary mental health infrastructure, we risk the health and wellbeing of students. Post-secondary students and their respective institutions require investments that can address untreated mental health issues in early adulthood. Studies show this can decrease the risk of developing severe and enduring mental health problems⁵ in their future if left untreated.

UCRU believes that there are more steps that can be taken to establish minimum standards of mental health support for students attending post-secondary institutes in Canada. A 4-year Post-Secondary Mental Health Infrastructure Fund has the potential to alleviate student burdens to accessing standardized, accessible, and timely mental health supports.

International Students

Recommendation 2: Amend the Canadian Experience Class (Express Entry) program such that international students are able to count part-time employment experience while they are full-time students towards their permanent residency.

International students make significant contributions to Canada's economy, yet they still face significant barriers to permanent residency. Although international students have become acquainted with the Canadian workforce, current part-time and full-time work during academic terms cannot be counted towards a student's permanent residency. According to the International Education Strategy, improving paths to permanent residency in Canada can foster sustainable growth of Canada's international education sector and have equitable benefits across the country.⁶ The federal government can expand the Canadian Experience Class (Express Entry) program. It is currently reported that within 10 years of international students receiving their first study permit, 20% to 27% become permanent residents.⁷ Additionally, among the 58% of international students who filed a tax return in Canada after graduation, approximately 8 in 10 remained in their province of study one year after graduation. This rate falls to about 7 in 10 five years following graduation. With most international students receiving their permanent residency 10 years after graduation from post-secondary institutions and the rate of foreign talent retention falling after graduation, it is essential that the Canadian Experience Class (Express Entry) program be amended to decrease extended processes to become eligible for permanent residency in Canada that allow for positive contributions to Canada's economy.

Recommendation 3: That the Federal Government make permanent the one-year pilot program lifting the 20 hour work cap for international students.

Financial barriers and challenges to permanent residency inhibit international student retention and workforce transition in Canada. Rising costs of international tuition, concerns about traveling to pursue education, and a shrinking job market all make it more difficult for international students to settle in Canada after they have finished their degrees. Almost 50% of all international students surveyed in 2015 worked full or part-time in order to finance their studies.⁸ Being unable to count this work experience towards permanent residency results in unnecessarily lengthening academic careers and application for permanent residency in Canada. Similarly, studies found that higher levels of earnings from employment for international students while studying or after graduation increased the likelihood of permanent residency.⁹ By permanently lifting the 20 hour work cap for international students, the federal government can match the interests and motivations of international students who desire to stay permanently in Canada. Furthermore, this change allows international students to increase their ability to meet the qualifications requirements for permanent residency and decrease financial barriers to attending post-secondary institutions.

Recommendation 4: That the Federal Government renew the Building on Success: International Education Strategy and increase the \$147.9 million budget and \$8 million per year ongoingly to \$165.6 million and \$8 million per year for the next 5 years to reflect the current numbers of international students in Canada.

Although international students represent a growing proportion of Canadian post-secondary students they face disproportionate financial barriers when attending post-secondary institutes in Canada. International undergraduate students will pay 429.0% more than domestic students, while international graduate students will pay 184.0% more than domestic counterparts. The Building on Success: International Education Strategy that encourages the inbound and outbound mobility of international and Canadian

students will sunset in 2024. With a reported total number of 807,750 (study permit holders, including higher education) international students at all education levels.¹⁰ It is essential that the budget in the Building on Success: International Education Strategy is renewed to reflect growing international student populations that contribute an estimated \$21.6 billion to Canada's GDP and support almost 170,000 jobs for Canada's middle-class.¹¹ UCRU's ask to increase the \$147.9 million budget and \$8 million per year ongoingly to \$165.6 million and \$8 million per year for the next 5 years is roughly a 12% budget increase to factor in the 86,545 new international student study permit holders in Canada who would be eligible to access the initiatives in the Building on Success: International Education Strategy.

Student Financial Aid

Recommendation 5: That the Federal Government continue to fund the Post-Secondary Student Support Program (PSSSP) beyond 2024.

UCRU champions the principle that every Canadian citizen should enjoy equal opportunities and access to quality post-secondary education. Central to this commitment is our endorsement of a critical step towards reconciliation for Indigenous students. While we acknowledge the \$320 million allocation pledge for the PSSSP program from 2019 to 2024, UCRU advocates for an extension beyond this figure. At this time, there is limited amount of funding and high demand for PSSSP and UCEPP, resulting in First Nations and Inuit students being waitlisted for sponsorship or assistance to access post-secondary institutions. Modifications to PSSSP funding elevates educational attainment labels for indigenous students. This initiative will close existing institutional and education gaps that hinder indigenous students from accessing available support when enrolling in post-secondary institutions.¹² Such an enhancement in funding is particularly pertinent and resonates with the Truth and Reconciliation Commission's calls to action 7 and 11. The rising number of Indigenous students on campuses across Canada reinforces this need.

Recommendation 6: That the Federal Government maintain the increase to \$4,200/year maximum on the Canada Student Grants program from the previous pre-COVID-19 maximum of \$3,000/year.

Post-secondary students are facing increasing barriers for accessing post-secondary education in the wake of the COVID-19 pandemic. According to recent data from the Labour Force Survey, students between the ages of 20 to 24 experienced a 23.6% fall in the employment rate and 52.5%.¹³ The aftereffects of the pandemic on post-secondary student job employment and opportunity impacts financial access to post-secondary institutions. Likewise, among students, 50% of postsecondary graduates have a median debt of approximately

\$17,500 post graduation. And, nearly half (47%) of students that partook in the COVID-19 Pandemic: Financial impacts on postsecondary students in Canada study reported extreme concern about student debt as a result of COVID.¹⁴ With extreme anxiousness from students about covering current expenses and affording tuition costs, UCRU recommends that the government maintain the 40% increase of Canada Student Grants from the 2019/20 pre-pandemic levels beyond July 31, 2024.

If the current \$4,200/year maximum on the Canada Student Grants program were reduced, then there could be immediate risk of students lacking funds to post-secondary institutions, leading to some students dropping out of their studies in the fall.

Housing

Recommendation 7: That the Federal Government develop an initiative to finance the construction of purpose-built student housing at and in the vicinity of post-secondary institutions with \$800 million in mixed funding models (\$560M in grants (70%), \$240M in loans (30%)).

Housing is essential to an individual's inherent dignity and to foster a strong national economy where people of Canada can thrive.¹⁵ The cost of housing at post-secondary institutes is volatile and for students who have other financial burdens of basic necessity, increasing costs of renting has created a barrier to pursuing higher-education. Census data from Statistics Canada indicated that unaffordable housing is highest in downtown CMAs primary where post-secondary institutes are located. Noting that 30% of renter income in 33 of 42 downtown CMAs was spent on shelter costs in 2021 which is above the national average. This shift in unaffordable housing within proximity to post-secondary institutions places financial pressures on students to find affordable, accessible, and quality housing. With temporary COVID-19 benefits phased out including the Canadian Housing Benefit, vulnerable populations including students are facing pressure to make ends meet, particularly for life's essentials - combined with the highest rate of inflation in 40 years.¹⁶ Hence, UCRU recommends that the federal government develop a finance initiative based on the B.C. homes provincial housing plan that invests in affordable housing within an overheated housing market.¹⁷ By investing in purpose-built student housing within the vicinity of post-secondary institutions, the federal government can address unaffordable housing within downtown CMAs, increase opportunities for first-time homebuyers, and streamline efforts to create affordable housing.

- ¹ <https://www.ontario.ca/document/covid-19-health-safety-and-operational-guidance-schools-2021-2022/mental-health-and-student-supports>
- ² <https://www.camh.ca/en/driving-change/the-crisis-is-real/mental-health-statistics>
- ³ <https://campusmentalhealth.ca/resource/the-new-abnormal-student-mental-health-two-years-into-covid-19/>
- ⁴ <https://www.canada.ca/en/health-canada/news/2022/05/health-canada-provides-2m-to-support-mental-health-project-for-post-secondary-students.html>
- ⁵ <https://www.univcan.ca/media-room/media-releases/universities-see-urgent-need-for-federal-government-to-follow-through-on-student-mental-health-commitment/>
- ⁶ <https://www.international.gc.ca/education/strategy-2019-2024-strategie.aspx?lang=eng>
- ⁷ <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021006/article/00003-eng.htm>
- ⁸ <https://www150.statcan.gc.ca/n1/pub/11f0019m/11f0019m2019019-eng.htm>
- ⁹ <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021006/article/00002-eng.htm>
- ¹⁰ [https://erudera.com/statistics/canada/canada-international-student-statistics/#:~:text=The%20total%20number%20of%20international,holders\)](https://erudera.com/statistics/canada/canada-international-student-statistics/#:~:text=The%20total%20number%20of%20international,holders))
- ¹¹ <https://www150.statcan.gc.ca/n1/daily-quotidien/210908/dq210908a-eng.htm>
- ¹² <http://aboriginallearning.ca/band-sponsorship/>
- ¹³ <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00016-eng.htm>
- ¹⁴ <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00016-eng.htm>
- ¹⁵ <https://laws-lois.justice.gc.ca/eng/acts/N-11.2/FullText.html>
- ¹⁶ <https://www.google.com/url?q=https://www150.statcan.gc.ca/n1/daily-quotidien/220921/dq220921b-eng.htm?indid%3D32991-1%26indgeo%3D0&sa=D&source=docs&ust=1690474854197958&usg=AOvVaw2ov-HY925XDxGK1RHjv7tA>
- ¹⁷ <https://news.gov.bc.ca/releases/2023HOUS0019-000436>