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

1. **51% of BC university students graduate without debt**
   - Based on a 2012 survey of 2010 baccalaureate graduates at BC’s universities, 51% 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 49% who incurred debt, 36% reported using government-sponsored student loans.¹

2. **For those with student loan debt, the average debt incurred is $27,000**
   - The average federal government student loan balance for universities in Canada at the completion of studies is $16,600².
   - Incorporating the provincial loans, total student debt balance after a four-year degree in BC is on average $27,600: 60% federal ($16,600) plus 40% provincial ($11,000)³. (This is before loan forgiveness and remission.)
   - Of those with student loan debt: 47% had a balance of between $0 and $19,000, 36% had a balance of between $20,000 and $39,000, and 16% 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 graduation⁴.
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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 2013/14 was 3.3%.\(^5\)
- 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 $5,029, the fourth lowest in Canada

- In 2013/14, the average undergraduate tuition fee for full time students in BC is $5,029. This is the fourth lowest in Canada and below the national average of $5,772.\(^6\) 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%.

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\(^1\) BC Stats, B.C. Baccalaureate Graduate Student Outcomes Survey 2012
\(^2\) 2011-12 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, 2013-14
\(^6\) 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