

FACT SHEET

Post-Secondary Education

The Harris/Eves Conservative Government Record

- Annual provincial grants to universities are more than \$543 million less than in 1995, adjusted for inflation and enrolment growth and \$45 million less for colleges.
- Deferred maintenance costs of university and college buildings and general infrastructure are conservatively estimated at \$1.2 billion. This poses a serious health and safety hazard for students, faculty, staff, and the general public.
- No funding is provided for over six percent of university enrolments – at a cost to the institutions of over \$100 million a year.
- Tuition costs have increased by 70 percent since 1995, taking inflation into account. In 1998, tuition fees for professional programs, such as medicine, law, and computer animation, were deregulated. This has resulted in increases of 300 to 700 percent.
- The double cohort means a marked increase in applications for colleges and universities – about 25 percent. The Harris/Eves government planning for dramatically increased enrolment is a case of “too little, too late.”

The Ontario Alternative Budget Proposal

We know there is a better way. We would:

- Immediately freeze tuition fees and reduce them by 10 percent in the second year.
- Provide relief for students in need to reduce their debt-load.
- Provide targeted assistance for students with dependents or special needs.
- Restore post-secondary funding.
- Accommodate the double-cohort.

Total investments required would be \$1.85 billion. \$817 million would be invested in the first year.



What does the Ontario Alternative Budget do?

The Ontario Alternative Budget Working Group is made up of economists and researchers from labour, social, and faith groups. We have first hand experience with the impact of eight years of Harris/Eves policies. We know there is a better way.

Our budget does three things:

- One: It discredits the Harris/Eves government's claim that its tax cuts and fiscal policies have produced substantial gains for middle-income earners;
- Two: It documents the devastating impact of the Harris/Eves government policies on Ontarians; and
- Three: It proposes an alternative budget that would restore public services to their real per-capita 1995-96 level with a balanced budget.

Problems

- Social assistance cuts of 21.6 percent have meant a reduction in purchasing power for the poorest families in the province of 35 percent by August 2003. We see record participation in food banks, record number of homeless too many of them families.
- The sum effect is a huge change in the public economy of this province. The relative size of Ontario's public economy has been cut by almost 20 percent.
- The sum total impact of all Ontario's tax cuts, including personal income tax cuts, corporate tax cuts, and employer health tax cuts, is over \$15 billion. That is the impact in 2003-04 alone.
- Sixty percent of the benefit from the Harris/Eves tax cuts has gone to the highest 20 percent of income earners.
- Independent reports on health and on education confirm that massive reinvestment is needed in these key areas. The Walkerton inquiry showed the devastating impact of a government more concerned with the bottom line than with people's lives.

Solutions

The Ontario Alternative Budget proposes to

- Increase revenues in order to restore public services and balance the budget. We can do this by minimally raising all personal income taxes (0.25%), introducing new tax brackets for those earning over \$100,000, cancelling future corporate tax rate cuts, and eliminating the graduated rate structure for the Employer Health Tax.

The Choice

The Ontario Alternative Budget shows that

- Ontario's public services deficit is not inevitable but the result of political choices made by a government that is not interested in the greater public good.
- It is possible to reverse the damage caused by the Harris/Eves government and repair our public services within a responsible taxation and fiscal framework.

Need more information? Contact us:

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