**To**:

**From:**

**Re:** Upcoming U of T Fundraising Drive

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There is reason to believe that the University of Toronto Faculty of Law has plans to begin a fundraising drive for student financial aid. This raises some important questions that alumni will want to consider.

It is impossible not to support in principle the cause of improved student financial aid. Indeed, the need for improvement is urgent. Many alumni have watched with increasing concern as the cost of tuition has risen to unsupportable levels.

A focus on accessibility is sorely needed. The gap between tuition and financial aid has been growing, and will continue to grow unless there is a significant intervention. A brief synopsis of the current situation based on the information available is attached to bring alumni up to date on the current situation.

A discussion about needs and goals is urgent, and that requires sound information about the objectives of and prospects for success for this campaign. Improving access is a laudable goal, but a reasonably precise plan is called for.

The following questions are central:

1. What is the target for the endowment? What target will ensure that there is enough in the fund to reduce the effective cost of tuition for those in need?
2. Is the aim merely to offset future tuition increases for less well-off students, or to make up some of the ground that has been lost as increases have outstripped financial aid resources?
3. Has the Faculty continued its initial set-aside policy of 30% of tuition fee increases, or not? If it is no longer 30%, how much is it? Is 30% enough? What, if anything, does the provincial government or the central university contribute to the financial aid fund?
4. What assurance is there that fundraising for financial aid won’t be offset by the withdrawal of other sources of funding currently committed? Alumni will be reluctant to donate if an increase in the size of the endowment is treated as a reason by the Faculty, the University, or the province to contribute less to financial aid or to freeze their contributions.
5. Will the faculty gathering accurate information about the family income of its students? Without this information, how can we know whether tuition levels are affecting access, and whether future financial aid increases are increasing access?
6. Is data about student debt levels upon graduation being gathered?
7. What do we know about student career choices, and whether debt levels are influencing the decisions students make? Is this data being gathered?

A successful plan requires transparency and accountability. Donors will need a clear picture of the Faculty’s objectives and targets for the fundraising campaign, and regular reports on progress.

**Key Facts and Figures: U of T Law**

**Tuition:**

In 1997-98 tuition was **$3808**.

It rose by $2000 per year until 2003-04 to reach **$16,000.**

The province then froze tuition for 2 years. In 2005-06 it was capped at 8% until 2013-14, and 5% thereafter. Since 2005-06, tuition has risen by the maximum allowed every year.

In 2015-16 tuition is **$33,105**, almost 35% higher than the next highest Ontario school, Osgoode, at $24,745.

At this rate, by 2018-19, the 20th anniversary of the start of this process, fees will have risen by 1000%.

**Financial Aid:**

*Endowment:*

In newspaper op eds in 2001 and 2002, then Dean Ron Daniels claimed that from 1995 to 2001 the Financial Aid endowment increased from $500,000 to $18,000,000. In 2016, it stands at $24,000,000.

This initial endowment is impressive, as were its effects. In 2000-01, 35 students attended U of T tuition free, and one-third of students received financial aid.

However, the endowment has grown by only 33% in the last 15 years, while tuition more than tripled. As the cost of tuition accelerated, the value of the aid endowment stagnated.

The following graph illustrates how tuition is pulling away from the aid available:

The results: as many as 40 full tuition bursaries were being awarded by 2003-04, but by 2010-11, that number was down to **0**. Today half the student body receives financial aid; as tuition climbs ever higher, more and more students are in need. It looks as though a slowly growing pie is being divided into an ever smaller number of slices.

To illustrate the trend:

In 2003-04, 40 students received tuition waivers (value: maximum $16000 for 1L, $13230 for 3L). The average bursary for 1L students was nearly half the value of tuition.

By 2014-15, when tuition was $30,230, the average bursary was $9209. No student received a bursary worth more than half the value of tuition. The average bursary received by a 1L student was $8640, approximately 30% of the tuition rate.

*Redistribution:*

As the era of rapid tuition increases was being rolled out, the province required universities to set aside 30% of all tuition increases to supplement the financial aid program, and Dean Daniels proclaimed his support for such reinvestment of tuition increases as a mark of the Faculty’s commitment to accessibility. When the freeze ended, the provincial requirement to return 30% of increased tuition revenue to financial aid was quietly dropped. We can’t be sure whether the Faculty of Law continued to adhere to Dean Daniels’ promise thereafter or not. However, this was exactly the period during which increases in the financial aid budget began to slow. (From 2003-04 until 2014-15, the aggregate value of bursaries increased approximately 63%; over that period, tuition more than doubled.)

**Access and Career Choice**

Over the years, many have voiced concern that high tuition was likely to keep lower income students from attending the University of Toronto. Many also expressed concerns that students would be driven into jobs in large firms whatever their interests or inclinations. The Canadian Bar Association’s National Standing Committee on Equality assembled the evidence and made submissions to Governing Council on both these matters in April 2003, emphasizing the likely effects of high tuition levels on racialized communities, women, and other marginalized groups. The CBA Committee, student groups, and concerned faculty all urged the University to track the effects of tuition increases carefully. No rigorous and systematic collection of data along these lines has ever been undertaken. Student groups continue to raise concerns that the law school does not reflect our society.

The available evidence suggests these concerns are not idle. For example, a Statistics Canada report published in 2005 (Marc Frenette, “The Impact of Tuition Fees on University Access: Evidence from a Large-scale Price Deregulation in Professional Programs”) studied changes in enrollment patterns in Ontario as fees in professional programs rose much more sharply here than in other provinces. It concluded:

…over the period of rapidly increasing tuition fees in professional programs, enrollment patterns by socioeconomic background changed substantially in Ontario, where tuition fees increased the most. Specifically, enrolment rose among Ontario students whose parents held a graduate or professional degree. … In provinces such as Quebec and British Columbia, where tuition fees were frozen over the period, no changes in enrollment patterns by socioeconomic background were registered.

(Frenette, p.8)