

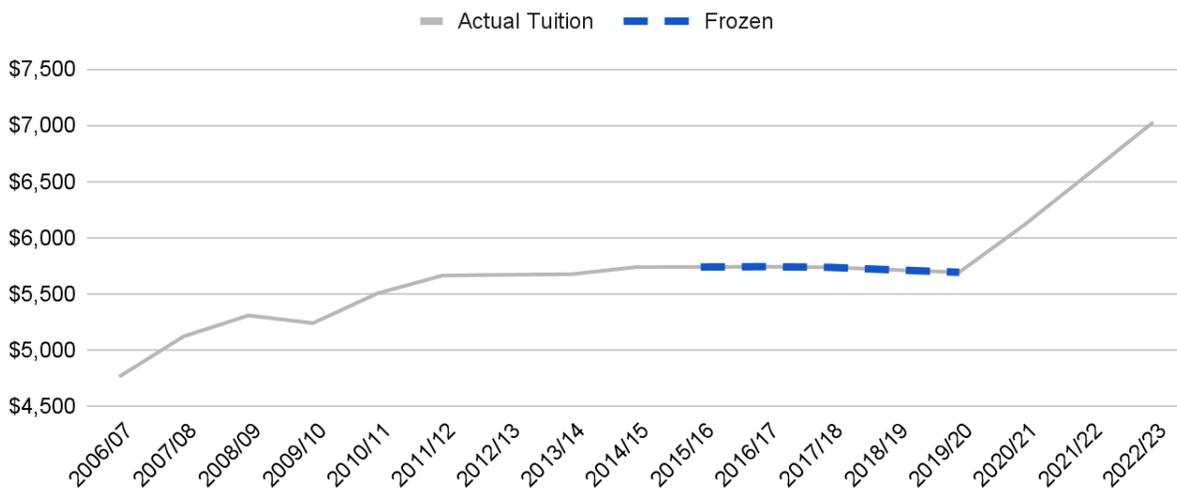
Overview of the Tuition Freeze

In 2015, responding to advocacy by the Council of Alberta University Students (CAUS) and other stakeholders, the Government of Alberta began a tuition freeze. After multiple extensions, the freeze lasted throughout 2015/16, 2016/17, 2017/18, 2018/19, and 2019/20. For five years, domestic tuition remained stable in nominal terms, and international tuition saw sharply curtailed increases.

The 2019 Alberta election led to three years of 7% increases designed, ostensibly, to get domestic tuition levels back to where they would have been without the freeze. International tuition also rose sharply. These unnecessarily rapid increases impacted prospective and current students across Alberta, and coincided with the COVID-19 pandemic.

Average domestic undergraduate tuition in Alberta

Source: StatCan table 37-10-0045-01 (constant dollars)



Despite the government's choice to implement these aggressive tuition hikes, and although tuition freezes are less efficient financial aid methods than (for example) up-front needs-based grants, the tuition freeze substantially benefited students for years. This briefing attempts to approximate that benefit with models based on the newest federal and provincial data.

Across five years of implementation and three years of aggressive catch-up by the government, for bachelor's-degree-seeking students alone, the tuition freeze ultimately saved students roughly \$221 million: \$190.8 million for domestic students and \$30.5 million for international students.

Number of Students who Benefited

As provincial and federal data use different student categories, the most straightforward way to assess the core impact of the tuition freeze, for our purposes, is to focus on students in bachelor's degree programs. This information is available for 2015/16 through 2020/21 via the provincial government's Open Data page labeled "[Headcount enrolment within the Alberta post-secondary education system.](#)"

These datasets also, crucially, give us the number of international students over that time period.

Students in part-time undergraduate programs and other types of programs, across all of Alberta's post-secondary institutions, also benefited from the tuition freeze, but the extent of that benefit would be more challenging to model accurately. Our analysis focuses on domestic and international students in bachelor's degree programs.

YEAR	DOMESTIC (BACHELOR)	INTERNATIONAL (BACHELOR)
2015/16	88248	6464
2016/17	91453	6878
2017/18	94047	7621
2018/19	95742	8644
2019/20	97746	9214
2020/21	102451	9622
2021/22	<i>102451</i>	<i>9622</i>
2022/23	<i>102451</i>	<i>9622</i>

This is the most recent data, as updated in June 2022. Since official figures for more recent years are not available yet, repeating the 2020/21 values served as a useful approximation. The actual number of domestic and international students in recent years is likely somewhat higher.

Note also that these datasets do not give us the total number of unique students over any period longer than a year. Assuming rotation through a four-year program, we estimate around 300,000 unique students, give or take a few tens of thousands, likely benefited from the tuition freeze for some or all of their course of study.

Tuition Actually Paid

The most recent version of [Statistics Canada table 37-10-0045-01](#) (released September 2021) gives average domestic and international undergraduate tuition rates for Alberta through 2021/22. Domestic tuition rose by an additional 7% for 2022/23. In these eight years, domestic students in bachelor's degree programs paid at least \$4.7 billion in tuition.

YEAR	DOMESTIC (BACHELOR)	AVERAGE DOMESTIC UNDERGRADUATE TUITION (ALBERTA)	APPROX. DOMESTIC TUITION PAID
2015/16	88248	\$5,739	\$506.5 million
2016/17	91453	\$5,742	\$525.1 million
2017/18	94047	\$5,736	\$539.5 million
2018/19	95742	\$5,713	\$547.0 million
2019/20	97746	\$5,692	\$556.4 million
2020/21	102451	\$6,111	\$626.1 million
2021/22	<i>102451</i>	\$6,567	<i>\$672.8 million</i>
2022/23	<i>102451</i>	\$7,027	<i>\$719.9 million</i>
TOTAL	<i>N/A</i>	<i>N/A</i>	<i>\$4,693.2 million</i>

International tuition increases varied at the institutional level this year, but have been significant, approximated as 5% for 2022/23. Across eight years, international students in bachelor's degree programs paid at least \$1.6 billion in tuition.

YEAR	INTERNATIONAL (BACHELOR)	AVERAGE INTERNATIONAL UNDERGRADUATE TUITION (ALBERTA)	APPROX. INTL. TUITION PAID
2015/16	6464	\$20,412	\$131.9 million
2016/17	6878	\$20,601	\$141.7 million
2017/18	7621	\$21,043	\$160.4 million
2018/19	8644	\$21,491	\$185.8 million
2019/20	9214	\$21,884	\$201.6 million
2020/21	9622	\$27,188	\$261.6 million
2021/22	<i>9622</i>	\$28,014	<i>\$269.6 million</i>
2022/23	<i>9622</i>	<i>\$29,414</i>	<i>\$283.0 million</i>
TOTAL	<i>N/A</i>	<i>N/A</i>	<i>\$1,635.6 million</i>

Approximating Domestic Tuition Without the Freeze

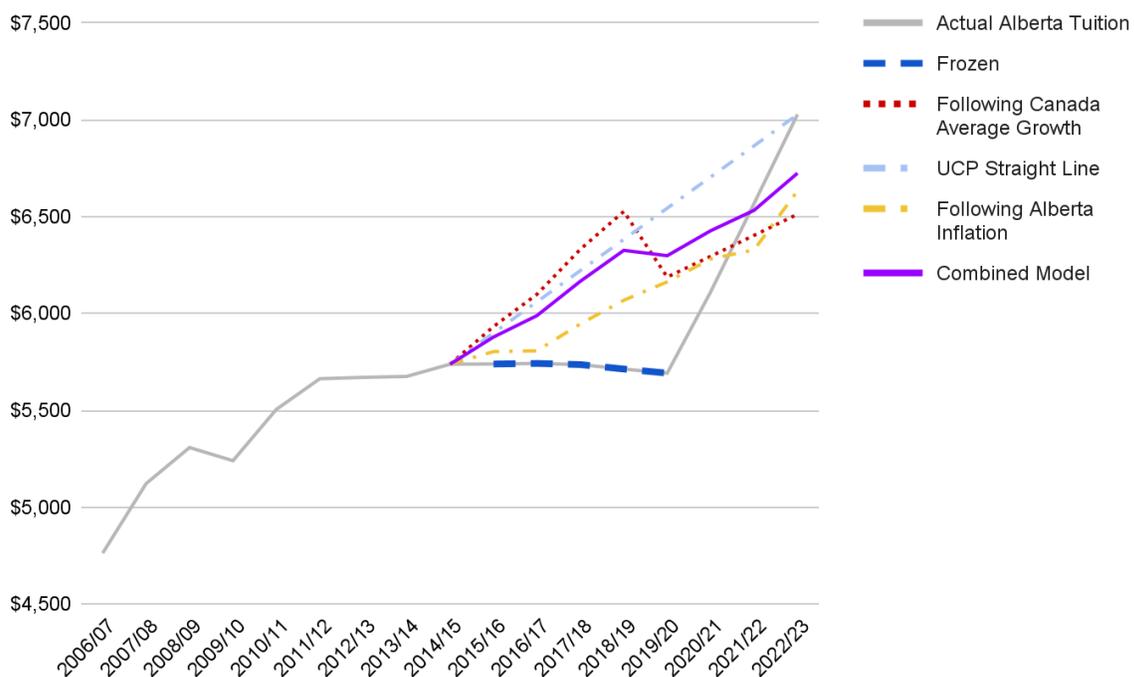
Three approaches presented themselves:

- Assuming that the provincial government's three-year, 22.5% domestic tuition increase (7% compounded) returned tuition levels to where they would have been without the freeze, and drawing a straight line between 2014/15 and 2022/23 (the end of the compensating period).
- Comparison with rates of change in Canada's average domestic undergraduate tuition.
- Comparison with Alberta CPI.

It is vital to understand that infinite 'might-have-been' scenarios could be generated for the last eight years. To some extent, all these scenarios and their relative probabilities are arbitrary. We have estimated what we consider to be a likely scenario (the combined model) by combining three scenarios. The combined model is also consistent with the previous decade's increases.

Models for AB domestic undergraduate tuition without the freeze

Calculated from StatCan table 37-10-0045-01 (constant dollars)



Applying the combined model to the number of domestic students in bachelor's degree programs indicated that, since 2015/16, these students would have paid \$4.9 billion in tuition, a 4.1% increase over actuals, for estimated savings of \$190.8 million.

Estimated Domestic Savings by Model (Difference from Actual)

YEAR	FOLLOWING ALBERTA CPI	FOLLOWING CANADA TUITION AVERAGE	STRAIGHT LINE	AVERAGE
2015/16	\$5.6 million	\$17.0 million	\$14.1 million	\$12.3 million
2016/17	\$5.9 million	\$32.6 million	\$29.1 million	\$22.5 million
2017/18	\$19.7 million	\$56.0 million	\$45.6 million	\$40.4 million
2018/19	\$34.0 million	\$77.9 million	\$64.1 million	\$58.6 million
2019/20	\$46.0 million	\$48.4 million	\$83.2 million	\$59.2 million
2020/21	\$17.4 million	\$18.8 million	\$60.7 million	\$32.3 million
2021/22	-\$24.5 million	-\$16.8 million	\$30.5 million	-\$3.6 million
2022/23	-\$40.5 million	<i>-\$52.7 million</i>	\$0	-\$31.0 million
TOTAL SAVINGS	\$63.8 million	\$233.9 million	\$327.3 million	\$190.8 million

**Since this data is not available for 2022/23, the marked number assumes that average domestic tuition across Canada grew by the same 1.7% as the previous year.*

As shown above, the past three years of aggressive tuition increases made tuition 6% higher than where it would have been if indexed to Alberta CPI inflation. (One potential way to restore equilibrium going forward could be to freeze tuition for two to three years and then index it to CPI permanently.) If tuition had been capped at CPI for the past eight years, Alberta's average domestic tuition would now be 6% lower, saving 2023/23's students upwards of \$40 million per year.

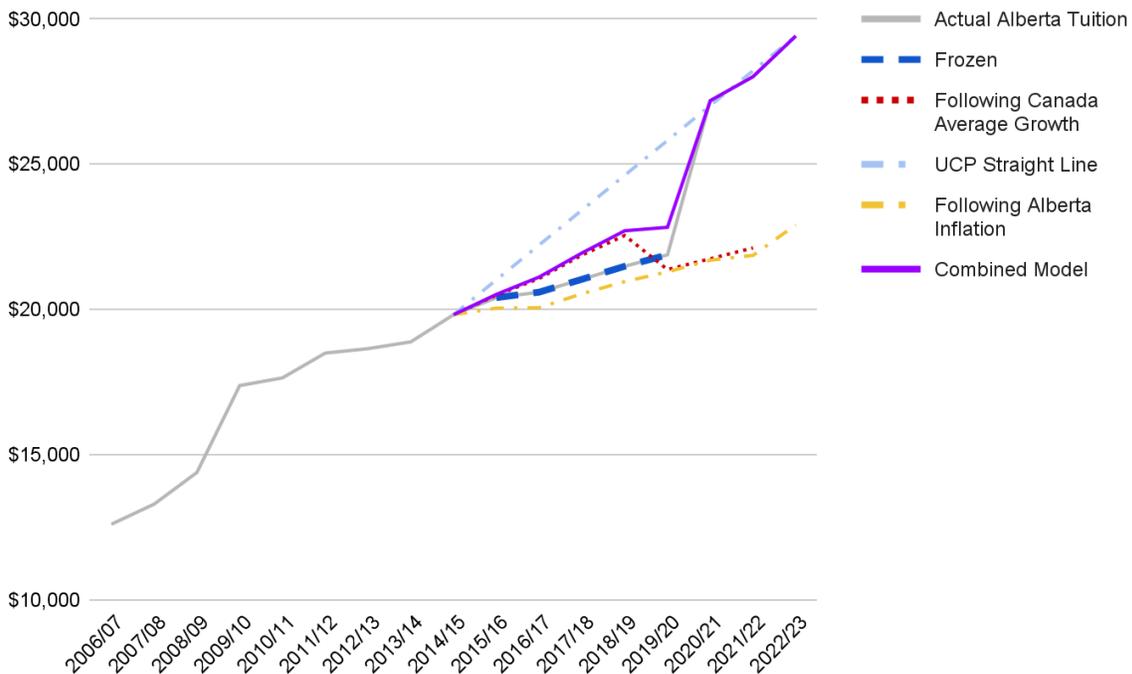
However, if tuition had been capped at CPI for the past eight years, students would have paid \$64 million more in tuition than the actuals. To be clear, this means the tuition freeze (even counting the aggressive growth since) saved many students money compared to the lowest plausible scenario.

Approximating International Tuition Without the Freeze

A similar approach produced a plausible combined model for international tuition if the freeze had not happened. The model required adjustment to compensate for the major increase in international tuition in 2020/21, which likely would have happened in some form regardless of previous tuition restrictions, for political reasons. Note also that the tuition freeze did not limit international tuition as strictly as domestic tuition; average international rates continued to rise somewhat during the freeze.

Models for AB international undergraduate tuition without the freeze

Calculated from StatCan table 37-10-0045-01 (constant dollars)



Applying this model to the number of international students in bachelor's degree programs indicated that, since 2015/16, these students would have paid \$1.66 billion in tuition, a 1.9% increase over actual tuition, for an estimated savings of \$30.5 million.