



TUITION FEE RATES

After the Campus Alberta operating grant (which accounts for 56% of the University's 2022-23 operating revenue budget), the other main revenue source for the University is tuition and other fees revenue, comprising approximately 36% of our 2022-23 revenue budget.

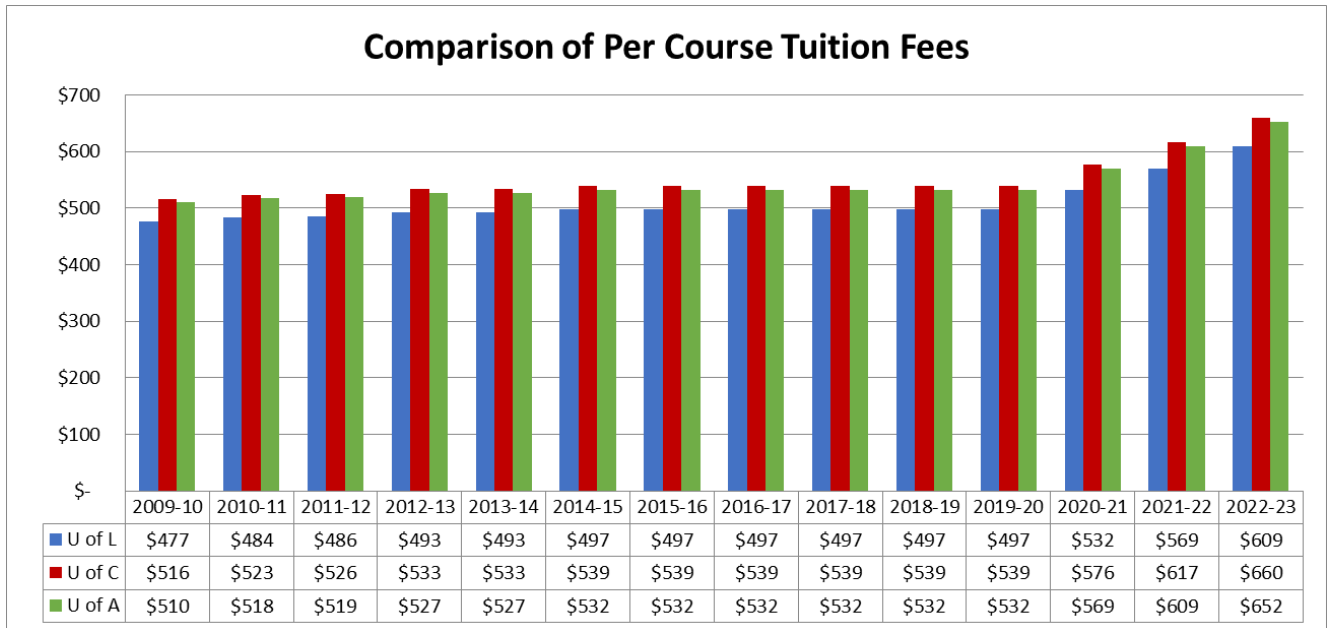
The [Alberta Tuition Framework](#) reflects formal government policy direction on tuition and fees at most post-secondary institutions in Alberta. It guides how tuition is set and how tuition increases, along with addressing exceptional tuition increases, international student tuition, and mandatory non-instructional fees, and sets minimum requirements for student consultation. In addition to following this Framework, the U of L follows its own [Establishment of Student Fees](#), in support of its belief that every student should have the opportunity to get a post-secondary education, regardless of financial circumstances, at the highest quality student experience possible.

The U of L believes that cost should not be a barrier to post-secondary education. However, to continue to offer first-rate, high quality educational experiences in challenged economic times it is critical that our University has financial resources and tuition revenue comparable to other universities in Alberta and across Canada with similar comprehensive academic and research mandates. Within the principle of affordability there is also the understanding that efforts to preserve the high quality of U of L academic and student experiences will be intensely challenging. It is critical to rectify current provincial inequities in tuition rates and revenue.

In arriving at this conclusion it is important to appreciate how the history of tuition regulations in Alberta has impacted the fiscal environment of the U of L. Under previous tuition regulations, post-secondary institutions were unable to raise tuition fees if tuition revenue equaled or was greater than 30% of net operating expenses. This scenario occurred at the U of L in 2001-02 and 2002-03 and thus for three years the U of L had a static tuition fee rate (Figure 1). During the years that the U of L's tuition rate was frozen, the rates at the University of Alberta (U of A) and the University of Calgary (U of C) increased significantly and surpassed what was being charged at the U of L. Essentially, the previous tuition policy penalized the U of L for its prudent budgeting and efficient operations. As a result, the U of L has collected tuition at lower rates than the other Comprehensive Academic and Research Universities (CARUs) since 2000/2001. The disparity in tuition fees between the U of L and other research universities in Alberta contributes to the U of L's ongoing challenge in balancing its operating budget.



Figure 1:



Due to this regulated suppression of tuition fees over the past 20+ years, the U of L has collected substantially less tuition revenue per student than the other Alberta CARUs. Based on the U of L's Full Load Equivalent (FLE) student count in 2020-21, the U of A and the U of C are collecting \$2.2 million and \$2.8 million per year in tuition, respectively, more than the U of L (Figure 2).

Figure 2:

Institution	Annual Tuition 2021/22	Annual Tuition Differential per Student 2021/22	Annual Tuition Revenue (based on 6,314 FLEs)	Net Annual Tuition Difference (based on 6,314 FLEs)
U of L	\$5,322	0	\$33,606,500	0
U of A	\$5,693	\$370.60	\$35,946,616	\$2,340,117
U of C	\$5,763	\$440.80	\$36,389,887	\$2,783,388

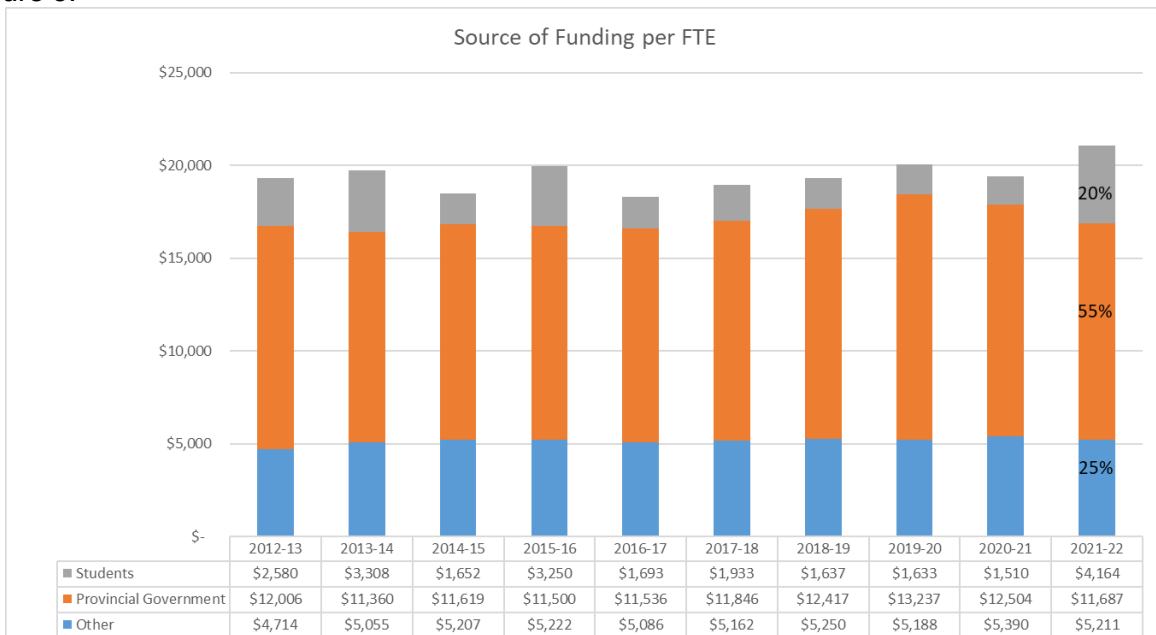
It is also significant to note that the gap in tuition revenue grows each year that tuition increases occur, since tuition fee increases are percentage increases. The cumulative loss in tuition fee revenue over the past 17 years because of not being allowed to increase tuition fees in 2001-02 and 2002-03 is at least \$33 million. If the U of L had been able to increase tuition fee rates in 2001-02 and 2002-03 at percentage rate increases similar to the U of A and the U of C, the current tuition fee rates at all the institutions would be comparable.

The University of Lethbridge fully appreciates the need to be competitive with other institutions in Alberta, Canada and indeed the world when it comes to tuition rates. The U of L has also grown the magnitude of its student awards and scholarships by 150% in the last 10 years, in support of the principle that cost should not be a barrier to post-secondary education



Figure 5 shows the breakdown of the source of funding per full-time equivalent, with students paying approximately 20% of the total cost of their education.

Figure 5:



The U of L is a high quality comprehensive institution despite being unable to charge similar tuition rates as other universities in the province. Maintaining high quality in an environment of decreasing overall income has been possible because of the continuous review and implementation of operating efficiencies but due to significant cost escalations in Universities, more equitable funding between comparable institutions, including tuition fee revenue, is required. For the U of L to continue to grow as a CARU, as mandated by the Government of Alberta, it is critical that the U of L finds an appropriate balance for continued access and cost recovery of expenditures in relation to services.

For 2022/23 academic year, the University will increase the average tuition fees per domestic student by the maximum 7% per year. Beginning in the 2023-24 academic year, tuition legislation states that average increases for domestic students will be capped at the percentage annual change in the Alberta Consumer Price Index (CPI).