

University of Alberta Students' Union

STUDENTS' COUNCIL LATE ADDITIONS

Tuesday November 25, 2003 – 6:00 pm
Council Chambers 2-1 University Hall

2003-18/8

APPROVAL OF STUDENTS' UNION BOARDS AND
COMMITTEES REPORTS

2003-18/8a

External Affairs Board Report

**Motions passed at the November 21st Meeting of the External
Affairs Board:**

SMITH/KATZ MOVED THAT the External Affairs Board
recommend to Students' Council that it defeat the proposed multi-
year tuition package as put forward by University Vice President
(Academic) and Provost Carl Anrheim.

2003-18/10

LEGISLATION

2003-18/11

NEW BUSINESS

2003-18/13

INFORMATION ITEMS

2003-18/13a

"The 7 Myths of the Multi-Year Tuition Deal" by M. Mustafa Hirji,
submitted by Steve Smith.

Please see document LA 03-18.01

2003-18/13b

"An Analysis of the Proposed Multi-Year Tuition Deal" by Steve
Smith, submitted by Steve Smith.

Please see document LA 03-18.02

Myth #1: If we don't make this multi-year tuition deal with admin, there's no way for us to keep tuition down if more funding comes in.

History indicates that there are significant external pressures to keep tuition down. Specifically, pressure from the University governance system and pressure from the Provincial Government. For four years the UofA did not increase tuition by the maximum allowable.

<u>Year</u>	<u>UofA Increase</u>	<u>Max allowable</u>
1999-2000	6.70%	8.27%
2000-2001	6.20%	7.90%
2001-2002	3.20%	7.60%
2002-2003 (approx)	3.65%	7.40%

The 2001-2002 and 2002-2003 increases are particularly instructive.

In the fall of 2000, admin brought forward a proposal for a 5.7% increase for the 2001-2002 budget year. They felt this was reasonable since it was well below the 7.60% maximum allowed by the province. However in December 2000 when they presented it before GFC Academic Planning Committee (APC) for endorsement before sending it to the Board of Governors, APC chose not to endorse it because it was not convinced that the increase was necessary.

Admin revised their proposal to be a 3.7% increase. They brought this to APC in early January and APC assented to it. It moved on to the Board's Finance and Property Committee (BFPC). BFPC, however, wasn't convinced that the 3.7% increase was justified. Committee member Jim Becket moved to reduce the increase to 3.2%. This

amendment passed and the tuition increase that was forwarded to the Board was for 3.2%. The Board voted for this. The University governance system forced admin to reduce a 5.7% increase to 3.2% because admin couldn't justify that the increase was necessary.

In the summer of 2001, admin presented then-President Chris Samuel with a 7% increase. Chris did some budget analysis and was able to negotiate the increase down to 3.65% through the Budget Advisory Committee. This was because Chris was able to point out waste in the budget. Admin knew that Chris would be able to force the Board to reduce the tuition increase again if admin didn't make the increase reasonable. As well, the Minister of Learning told admin that he would not be "comfortable" if the increase was greater than 4%. Admin referred to that as a virtual tuition cap and kept the increase below the 4% figure. Here both pressure from the University governance system and the Provincial government forced admin to keep the tuition increase down.

If the University gets more money, it will be difficult for admin to justify maximum tuition increases. And as the Provincial election approaches, the Provincial government will be much less willing to see admin raise tuition by large amounts. If we sign onto maximum tuition increases, however, there will be no pressure to lower the increase because all admin will have to say is, "but the students voted in favour of these maximum increases." Moreover, once the maximum increase has passed, there'll be no decision, and therefore no pressure from APC, BPF, or the Minister since there'll be no decision to influence.

Agreeing to multi-year tuition won't prevent us from getting a lower tuition increase. In fact, it will negate the pressures that force admin to give lower increases.

Myth #2: If the financial situation of the University improves, it will be because the Provincial government will have given the University money, money that we'll get a piece of for the purpose of lowering tuition.

This betrays a lack of understanding of the University's budget. The University's budget isn't variable on just the level of government funding and the level of tuition. There's many more variables that come into play. In fact, I count 33 variables spanning 9 pages in the "University of Alberta Budget Planning Document 2003/2004." A change in any one of these 33 variables will affect the University's financial situation. One of these 33 variables is Provincial government

funding. The tuition level is another. That leaves 31 budget variables that haven't been addressed by the proposal under consideration.

And these other variables are important. In the fall of 2001, admin justified the tuition increase on the grounds that investment income had dropped because of low interest rates. In the fall of 2002, admin justified the tuition increase in part because of high utilities costs. This year (fall 2003) they're justifying the tuition increase because of low government funding. Note how there's a different reason every year.

The point is that if interest rates shoot up, the University will have more money. If utilities costs drop, the University will have more money. If inflation drops, the University will have more money. And if government funding increase, the University will have more money. We've worked out a formula to get money back if the funding situation improves. We haven't built in formulae to get money back for the other 31 relevant budget variables. This means that the University's budget situation could improve to the point that it could afford a lower tuition increase and to the point where APC, BPEC, and the Board would not be convinced of the need to increase tuition. But if we've signed off to maximum tuition increases, we'll be bound in to higher increases than the University needs.

Myth #3: If the government increases funding to the University, we'll get a lower tuition increase.

Not quite. The proposal reads, "if the increase in base funding allocation." That means that only if there is a base funding increase will we get a lower tuition increase. If the Provincial government increases funding, it likely won't be in base funding.

The reason that the University's funding situation has become desperate is because the Provincial government killed the Access Fund, the utilities rebate, and it reduced the performance envelope. The Access Fund used to fund increases in enrollment from the time the student was admitted to the time the student finished his/her degree. Now, any enrollment increases are funded by the University's core budget. Worse, student positions in the University that were previously Access-funded become core budget-funded as students graduate. So unless the University starts to scale back positions (something the Minister feels is unacceptable), the University is taking on significant additional costs each year. This is why the budget crisis has occurred.

Why'd all this spending get cut Because post-September 11, the Provincial government decided to scale back their spending and these were some of the casualties.

Now, when you cut spending because you don't have enough money, as soon as you get more money, the first thing you do is to start spending on those things you had to cut back on. You had clearly decided that these were your top priorities that didn't make the cut. As such, if the government decides to increase funding, it holds to reason that they'll first reinstate the Access Fund, the utilities rebate, and the performance envelope before even considering new base funding. Indeed, the "University of Alberta 2003-2004 Budget" says that the most likely source of new funding from the Provincial government is an increase in the performance envelope. And since these are all forms of restricted funding, students won't get a dime in reduced tuition. Unless the Provincial government feels like giving back greater than \$10 million in funding (equivalent to a 4.5% increase in funding beyond the 2%, or a 6.5% increase total), we won't see any reduction in tuition. And even then, there's no reason why the Provincial government will give a base funding increase over some sort of restricted funding; there's only the chance that they might.

Myth #4: If the University gets a funding increase, the tuition increase will be lowered.

Apart from the performance envelope, the other likely source of new funding according to the "University of Alberta Budget 2003-2004" is an increase in indirect costs of research funding from the Federal government. Currently the University receives about \$12 million in indirect costs from the Federal government. The Prime Minister's Advisory Council on Science and Technology has recommended that indirect cost funding be increased from its current \$180 million to over \$500 million. That would translate (proportionally) to the UofA getting \$30 million, or a total of \$18 million more! And many believe that the UofA would likely get closer to \$40 million since economies of scale currently give smaller institutions a greater proportion of funding that they'd normally be entitled to. Paul Martin has said that he'd like to increase indirect costs of research funding, so getting this money seems to be rather likely.

But this isn't Provincial base funding! If it comes through, the University will be able to wipe out its deficits and get its financial house in order. But because we'll have already bound ourselves to two

year's or maximum tuition increases, we won't get any tuition decrease.

Myth #5: If the University of Alberta gets an increase in base funding, there's a good chance that students could get a tuition freeze or even a tuition roll back.

If the maximum tuition increase is passed this year, the University will increase tuition revenue by \$8.14 million (University of Alberta 2003–2004 Budget). In order to get a tuition freeze, we need \$8.14 million to be reduced from the tuition increase. Doing the math, if the UofA got a base funding increase of 10%, we'd get \$3.0 million reduced from the tuition increase. That means that we'd get a 4.6% increase instead of a 7.2% increase (7.2% is an estimate; I'm not sure what the actual number is). And any base funding past 10% doesn't give us a reduction in the tuition increase. After 10%, admin gets 100% of the funding increase.

So *even if* we got a 10% or greater increase in base funding, we'd still get a 4.6% tuition *increase* once we factor in the reduction of the increase. It is *impossible* for us to get a tuition freeze, much less a roll-back, under the proposed multi-year tuition deal. The multi-year deal offered to us ensures that admin will get at least 4.6% tuition increase out of us.

Myth #6: If the University gets a base funding increase, quality of education will be increased because some of that funding is guaranteed to go to "learning enhancement."

Time for some history.

In the summer of 2001 when Chris Samuel was able to negotiate the tuition increase down to 3.65%, admin decided to do something sneaky. Knowing that Chris was big on increasing classroom funding, they repackaged the 3.65% increase into a 2.90% increase with an additional 0.75% increase to fund "learning enhancement." Chris wasn't fooled. At Budget Advisory Committee he hammered away at the 0.75% and tried to get it killed. Unfortunately, this was a tactical error. Doug Ooram saw that Chris was going to offer to the Board that he'd like to accept a worse learning environment and that the Board should drop the 0.75% increase. Ooram repackaged the increase as a simple 3.65% increase in order to save that 0.75% and the 3.65% passed through the governance system.

Why was Ooram so caught up by the 0.75%? In 2001, the University launched a process to make a four year budget cycle as well as a four year strategic business plan. Part of this plan called for Key Strategic Initiatives (KSIs). Something Doug Ooram and Rod Fraser are very worried about is the declining quality of education at the UofA. They never say anything about it because they don't want the Edmonton Journal to run a headline the next day that reads "University President says Education of Poor Quality." But I have it on several reliable sources as well as one written account that they feel this way. In recognition of this, Rod and Doug decided to make quality of learning a key priority in the KSIs. As such, KSI #1 is about quality of learning. That it is the first one speaks to its importance. Learning enhancement is also plastered all over the 2001 tuition, budget, and strategic planning documents. Admin was taking it very seriously that year.

So when Chris threatened to kill some money that they could use for learning enhancement, admin wouldn't stand for it. It was too important to lose. In fact, Ooram said that the reason why the 0.75% "learning enhancement" component was folded back into the tuition increase was that "learning enhancement is too important not to do."

In 2002–2003, admin spent \$3.2 million on initiatives directly related to quality of teaching. One of the highlights included "course delivery improvements" which was used for more seminars, TAs, field trips, better teacher training at University Teaching Services etc. However, for 2004–2005, the funding of this has been greatly reduced. Compare these faculties (University of Alberta Budget 2003–2004):

	2002–2003	2004–2005
AgFor	\$50,000	\$25,000
Arts	\$250,000	\$100,000
PhysEd	\$75,000	\$25,000
Science	\$250,000	\$100,000

UTS

\$25,000

\$0

Sadly, the University has had to scale back this investment into education quality. Clearly, if admin got some more money, it would bring its spending on areas that have been cut back to their pre-cut levels. This would be such an area that would get reinvestment as soon as there was money available. Quality education is just too important to the University. They'll invest in learning enhancement the minute they have money to do so again.

In 2001, admin tried to use "learning enhancement" as a way to sell a larger tuition increase to the SU. But admin was going to invest in it anyway. In 2003, when I see part of the tuition increase being used for "learning enhancement" I see admin trying to sell the SU a larger tuition increase by promising to do something they'd do anyway.

Myth #7: We're damned if we do and we're damned if we don't. At least if we do, we'll get a few guarantees and we'll lose nothing.

As I've already shown, if we sign onto multi-year tuition we'll likely end up in a worse spot than we were before. At best we'll get a 4.6% tuition increase instead of a 7.2% increase. At worst, the University will get new restricted funding (performance envelope, access fund), or indirect cost of research funding, or one of the 31 variables that drive the budget will make the University's financial position better, and despite this, we'll have locked ourselves into a maximum tuition increase. We won't be able to get the University governance system of the Minister to bear pressure on the University.

But beyond the fact that we'll put ourselves in a precarious position, we'll also lose our moral authority and we'll have given up the tuition fight.

If we say we'll support tuition increases, we're saying that students can handle the additional hardship of a tuition increase. We're saying that students can absorb two years of maximum increases and that this is a price worth paying to get new funding. We know that there are students who cannot afford tuition currently. If we agree to these increases, we send the wrong message to the University, the

government, and the public. We can't afford to compromise our moral authority in this way. It undermines everything we do to fight tuition from lobbying to media campaigns.

Currently, the only time we're sure we get media coverage is during the tuition fight. Whether you're President Chris Samuel or President Mike Hudema, the media comes to talk to you during the tuition battle. If we agree to multi-year tuition, we give up the one period of time when we know we can get media coverage.

Can we replace it? Maybe. Maybe not. If we can, great. We'll acquire the chance of getting a 4.6% tuition increase and locking ourselves out of lower tuition if the University gets restricted funding, indirect costs funding, a better financial picture due to external factors, or pressure from the governance system and the Minister.

But if we can't replace the tuition fight period, we'll still get lock ourselves out of lower tuition for the aforementioned reasons *and* we'll have sacrificed the single most valuable asset we have: free exposure to the public.

This isn't a risk we can afford to take.

Giving up our moral authority and risking our most valuable asset in raising awareness to high tuition are not negotiating chips. They're the only things we have in our quest for accessible education.

I – Background

The suggestion of Multi-Year Tuition (MYT) – that is to say, the suggestion that the University Board of Governors should set tuition rates for several years at a time – has been around for a number of years. The rationale put forward by its proponents is that an annual tuition decision results in a fight between students and administrators, and that this fight results in a division of the campus community and a loss of credibility when the Students' Union and the administration seek more funding from the provincial government.

The present incarnation of MYT seems to have its origins in the desire of both Students' Union President Mat Brechtel and University Vice President (Academic) and Provost Carl Anrheim to find a new, more co-operative way to approach the issue of insufficient public funding. At the Students' Council meeting of October 7, 2003, Anrheim made a presentation outlining his initial offer. Essentially, this offer was that the Students' Union should consent to two consecutive years of maximum tuition increases, in exchange for which the University would work co-operatively with the Students' Union to seek additional provincial funding and allow the Students' Union President to sit in on the budgeting meetings of the University's Executive Planning Committee (EPC). After a number of questions, most of which were critical of this offer, Anrheim made it clear that he was prepared to negotiate, and suggested that Students' Council authorize Brechtel to work out the specific terms with him.

During the next weeks, the Tuition Undertakings, Planning, and Action Committee (TUPAC) held a number of meetings during which it produced a list of things the Students' Union should seek from any MYT deal. This list eventually ran to twenty-seven points.

On October 21, Brechtel asked Students' Council to approve an entrance to negotiations with the twenty-seven points generated by TUPAC to be used, loosely, as the Students' Union's negotiating position. A motion by Science Councilor Shawna Pandya to require the results of any such negotiation to be brought back to Students' Council for approval was carried overwhelmingly, but the main motion was postponed for a week due to the assembly having slipped into such a small attendance that those present were no longer sure that they were representative of Council as a whole. On October 28, the motion as amended was carried by a vote of twenty-two to thirteen.

Negotiations were ongoing until immediately before the November 18 meeting of Students' Council, at which Anrheim again presented to Council, this time on his final offer. This offer still required the Students' Union to consent to two consecutive years of maximum tuition increases, but included a number of additional incentives. First of all, Anrheim stipulated that the "maximum tuition increases" in question would be the maximum increases under current provincial law, and that even if Bill 43 (the government's proposed Post-Secondary Learning Act) granted the University power to seek higher increases, they would not be sought. In addition, Anrheim introduced a provision by which a portion of any increased government funding would be applied

directly against tuition increases. The specific amount that would be applied is equal to zero percent of any increase less than or equal to two percent, twenty percent of any increase greater than two but less than or equal to five percent, and ten percent of any increase greater than five percent.

This proposal was initially outside of the Students' Union's legal capacity to accept, since it had a political policy identifying a tuition freeze as the goal that it should be pursuing, and since consenting to two consecutive maximum tuition increases was not in line with this policy. To rectify this, Council passed a motion, by a vote of twenty-one to ten, to amend the policy such that instead of calling for a tuition freeze for the 2004-2005 academic year, it instead called for "the lowest plausible tuition" for both the 2004-2005 year and the 2005-2006 years.

II – The Costs and Benefits of Multi-Year Tuition (Generalized)

If it is accepted that it ought to be aim of the Students' Union in the long-term to either decrease tuition or mitigate its increases, the next step must be an analysis of strategy. Since the University does not have the money to provide a long-term solution to the tuition question, lobbying at the University level – whether in an adversarial fashion or a more collegial one – cannot be seriously considered as an option in this long-term goal. The goal of the Students' Union's long-term tuition strategy must be to secure more funding from the provincial government.

Elected governments generally behave in such a way as that they govern first and foremost to remain in power. This is true whether a government is right-wing or left-wing, populist or elitist. Any government that does not govern in this way soon ceases to be a government. Governing in this way means that they must ensure that any major areas of public discontent are addressed, or are at least seen to be addressed. It also means that any individual or group which supplies the governing party with large amounts of money or votes is sufficiently satisfied to continue to contribute this money or these votes (this is why governments are often accused of being beholden to business/union interests). This means that the only way for the Students' Union to successfully obtain more government funding is to give the government some kind of reason to provide this funding, either by convincing the public to make an issue out of post-secondary under funding or by becoming an important contributor to the Progressive Conservative Party (the so-called "Jones Doctrine," after its most relentless and nasal proponent, Christopher D. Jones).

The major flaw in the Jones Doctrine is that it presupposes that there are no donors to the Progressive Conservative Party with vested interests that run against the Students' Union's. That is to say, it is assumed that the government starts from a position of neutrality on the issue, and that any action on the part of the Students' Union will push the government against from this position of neutrality. In fact, government is the art of prioritizing, and post-secondary education has a long way to go before it is a priority in the same order as health care (which is a priority by reason of the extensive attention granted to it by the public and media) and tax cuts (which are a priority by reason of both

strong public support and the support of many significant donors to the P.C. Party). There are also those who consider it unethical for the Students' Union to donate money to a political party.

This leaves a concerted attempt to get post-secondary education on the public radar screen as the only realistic option for a long-term solution to the tuition question. The question then becomes by what media should this awareness be cultivated, and whether the Students' Union should rely on bought media, paid media, or a combination of both. The advantage of bought media is that it puts the Students' Union in control of its own media coverage; the S.U. has full control of the message, the medium, and the timing. The disadvantage is that it is quite cost-ineffective – an ad will be far less well-read than an article and a TV spot less well-watched than a story on the evening news. To run a truly effective campaign of bought media is prohibitively expensive. Earned media is far more cost-effective, but also far more difficult to control. It is entirely possible to run a fairly solid campaign, and get no media coverage.

The one time that the Students' Union is guaranteed media coverage – the time that the media comes out to cover what's going on without even having press releases issued to it – is the Board of Governors tuition decision. This event is considered newsworthy in and of itself, so it's up to the Students' Union what message it will send to the media at this time. Agreeing to any multi-year deal would remove this event, and would, in so doing, hurt the Students' Union's ability to achieve a long-term solution to the tuition question. This is not to say that the Students' Union should never enter into any multi-year agreement, just that the benefits of any such agreement must be measured against the not unsubstantial cost of losing the annual tuition decision as a centerpiece for a media campaign.

One benefit of any multi-year tuition agreement is that the voices of the University administration and of the students will no longer be directed at each other. At Anrheim's initial presentation to Council, he cited this as the deal's primary benefit of the package that he was proposing. While it is probably undeniable that this is a benefit, it is beneficial to engage in a logical analysis of how much of a benefit this is.

Are the chances of securing additional government funding harmed by the fact that the Students' Union and the University administration annually fight each other at the Board of Governors on the issue of the annual tuition increase? Anrheim's predecessor, Doug Owram, was fond of noting that there was a certain benefit to the different approaches taken by the administration and the Students' Union; while the administration would meet with government officials behind closed doors to expound on the benefits of increased targeted funding to research, and the Students' Union would take to the streets (to a degree that varied from year to year) to talk about the importance of accessibility. Owram characterized this as the Students' Union behaving in a way that the University administration could not be seen to behave, and that the government being subject to these varying but non-contradictory messages was of benefit in the overall lobbying scheme. In this case, Owram considered that there was benefit to dissonance.

We must also evaluate the merits of the proposed University-Students' Union coalition. One element of this is how able the two parties would be to develop consistent messaging. The Students' Union has traditionally focused on projecting a message of accessibility to the general public. The University administration has traditionally focused on projecting a message of world-class research and quality of education work to government. Unless one of these two parties is willing to alter its message or its medium, this "coalition" would be little more than a continuation of the status quo, in which separate parties lobby for separate priorities using separate media. In this case, the value of the coalition is negligible.

In conclusion, the cost to the Students' Union of surrendering the annual tuition campaign greatly exceeds the benefit of the lobbying coalition, especially if the coalition members continue to hold essentially separate conditions. The Students' Union should therefore not agree to any MYT deal unless there are additional "sweeteners" in place.

III – The Costs and Benefits of the Specific Multi-Year Tuition Deal Offered by the University Administration

The costs of the MYT deal offered by Anrheim are straightforward. There are two: the loss of the annual tuition decision, which is a cost of any MYT deal, and the inability of the Students' Union to publicly oppose maximum tuition increases as proposed by the administration. Several Student Councilors have expressed concern about the "optics" of being seen to sell students out by not opposing two consecutive years of maximum tuition increases, and this is a concern. Certainly, the Students' Union is at its most effective when its efforts enjoy the support of its constituents. However, even more importantly from a lobbying standpoint is the continuity of the Students' Union's public message. The Students' Union has for several years used the term "breaking point" to describe where tuition fees are going. The impression that has been given is that if tuition increases continue apace, we will very soon see the point at which academically qualified Albertans are unable to graduate even with huge debt, that they will be unable to graduate at all due to the barriers posed by tuition fees. If the Students' Union suddenly consents to maximum tuition increases, its public message – the message that must form the core of any ultimate solution to the tuition question – suddenly contradicts everything that has been said in previous years. The Students' Union must, at best, start again from square one, and it is likely that its cause would be pushed back further still – the next time the Students' Union threatened a breaking point, the public would have only to recall the Students' Union's consent to maximum increases after it had last declared that a breaking point was approaching.

In the above section, we established that no MYT deal is worth accepting unless there are additional sweeteners thrown in by the University administration. The Anrheim deal does include such additional sweeteners, and each of these shall be considered in turn.

Further differentiated fees under the current definition could only be introduced for 2006-07. While this is positive, there has not been any indication that the University administration had any intention of supporting additional differential fees before the

beginning of the next three-year budget cycle in 2006-2007, with or without the deal. This “benefit” is largely phantasmal.

Student government Presidents would be at the EPC table for the discussion of values in Budget allocations. It is noted that “values in Budget allocations,” or “budget principles” as they are more commonly known, are set not by EPC, but by the University Board of Governors. The Students’ Union has representation on the Board of Governors, and this representation is in a voting capacity (unlike the representation on EPC, which would be non-voting). Still, the Board of Governors invariably approves the administration’s recommendations on budget principles. EPC would not only be even more prone to accept the administration’s recommendations, it actually is the administration. This benefit effectively only allows the Students’ Union President to witness things happening in exactly the same way as they always have.

The “maximum tuition increases” referred to would be the maximum allowable under current law, and would not reflect any increase to the maximum allowable in the event the Post-Secondary Learning Act, as passed, included such increases. The only tuition changes contemplated by the Act are for institutions that have reach the thirty percent cap. The University of Alberta has not yet reached this cap, and there would therefore be no increase its maximum allowable increase for the foreseeable future.

A portion of any increase to the University’s base operating grant would be applied directly against tuition increases. This has, rightly, been the centerpiece of most discussion surrounding the MYT proposal, as it is the portion with the greatest potential of benefiting students in a tangible way. Before we proceed with any discussion on the likelihood of the government providing an increase in the base operating grant, it is instructive to look at an analysis performed by Students’ Union Vice President (External) Chris Samuel and Students’ Union Engineering Councilor James Crossman. The relevant assumptions in this analysis are that the approximate student population of the University of Alberta is 33 000, and that the base operating grant currently stands at \$281.3 million.

Increase in Grant (%)	Increase in Grant (\$)	Amount applied against tuition	Benefit per Student
0%	\$ 0 million	\$ 0	\$ 0.00
1%	\$ 2.813 million	\$ 0	\$ 0.00
2%	\$ 5.626 million	\$ 0	\$ 0.00
3%	\$ 8.439 million	\$ 506 340	\$ 15.34
4%	\$ 11.252 million	\$ 1 068 940	\$ 32.39
5%	\$ 14.065 million	\$ 1 631 540	\$ 49.44
6%	\$ 16.878 million	\$ 1 912 840	\$ 57.96
7%	\$ 19.691 million	\$ 2 194 140	\$ 66.49
8%	\$ 22.504 million	\$ 2 475 440	\$ 75.01
9%	\$ 25.317 million	\$ 2 756 740	\$ 83.54
10%	\$ 28.130 million	\$ 3 038 040	\$ 92.06

This analysis demonstrates that even if the provincial government increases the base operating grant by 10% – a situation whose likelihood is roughly zero – the average student will see his/her tuition increase decreased by under one hundred dollars, which suggests that many proponents of MYT have overestimated the benefit of this sweetener.

However, to be able to intelligently apply these data, we need to know the approximate likelihood of any of the scenarios in the table occurring. There is almost certainly going to be an increase to the base operating grant of at least two percent, as the provincial government has all but committed it. Beyond that, any speculation is just that – speculation.

One school of thought holds that with an election year approaching, the government is likely to open the coffers to placate voters and retain their majority. Under this school of thought, an increase in the order of four to five percent is not unlikely, which could mean up to fifty dollars for each student. However, most credible analysts expect that any funding resulting from the government's election year largess will not come in the form of increases to the base operating grant, but rather as one-time "enveloped" funding, funding which is exempt from Amrhein's commitment to apply a portion of any new money against tuition increases. The rationale behind this move, from the government's perspective, is that it does not lock them in in the longer-term as an increase to the base operating grant would, and that it can be used simply as election year largesse rather than as any kind of commitment which might bind them after the election.

IV – Conclusion

The specific MYT deal offered by Amrhein does contain benefits that are not automatically a part of any MYT deal, but it also includes a major additional cost. On balance, this deal is not one that the Students' Union should accept if its traditional aim of fighting tuition increases is to be preserved.