



canada student grants and loans

CASFAA conference 2019

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canada student loans program

overview

- ✓ evolution.... since 1964
- ✓ recent changes
- ✓ delivery
- ✓ partners and stakeholders



but first...

- canada student loans program (CSLP) provides:



- nearly 600,000 get direct support from the CSLP, many of whom would otherwise be unable to afford PSE
- grants and loans delivered in partnership with 10 PTs. Quebec, Nunavut, and Northwest Territories do not participate; receive alternative payments



evolution of CSLP: key milestones

1964

- canada student loans program established;
- banks to provide **guaranteed** loans;
- maximum CSL **\$1,000** (lifetime maximum **\$5,000**)

1983

- **interest relief (IR)** to help borrowers in repayment

1987

- loans for **part-time students**

1995

- **canada study grants** for students with permanent disabilities, high-need part-time students, students with dependants, and female students in selected doctoral programs;
- federal need assessment policy introduced
- banks to provide **risk-shared** loans



evolution of CSLP: key milestones

1997

- debt reduction in repayment (DRR)

2000

- direct loans;
- national student loan service center (NSLSC)

2004

- **canada access grants** for first-year students from low-income families

2009

- **canada student grants** (consolidating and expanding Canada Study Grants Canada Access Grants)
- **repayment assistance plan** (consolidating and expanding IR and DRR).

evolution of CSLP: key milestones

2011

- **canada student loan forgiveness for doctors and nurses**

2014

- **canada apprentice loans**



recent changes

✓ Budget 2016

- 50% increase and expanded eligibility for CSG-FT
- expanded eligibility for RAP
- fixed contribution

✓ Budget 2017: *skills boost*

- top-up grants for adult learners
- expanded eligibility for CSG for students with dependants and part-time students

✓ Budget 2019

- interest-free grace period, and lower interest rate
- medical/parental leave; improved rehabilitation; enhancements for students with disabilities



Budget 2019



lowering the interest rates: variable rate will be reduced to prime (from prime plus 2.5 percent), and the fixed rate to prime plus two percent (from prime plus five percent). From November 2019

0%

eliminating interest during the six-month non-repayment period after a student loan borrower leaves school. From November 2019



expanding eligibility for the **severe permanent disability benefit** so that more student borrowers with severe permanent disabilities can qualify for loan forgiveness. From August 2019



removing restrictions on borrowers who have used RAP-PD (RAP for borrowers with a permanent disability) so that they can access further funding. From August 2020



Budget 2019



increasing the cap on the Canada student grant for services and equipment for students with permanent disabilities from \$8,000 to \$20,000. From August 2019



allowing interest capitalization for loan rehabilitation so that borrowers in default can access supports such as CSG/CSL/RAP. From January 2020

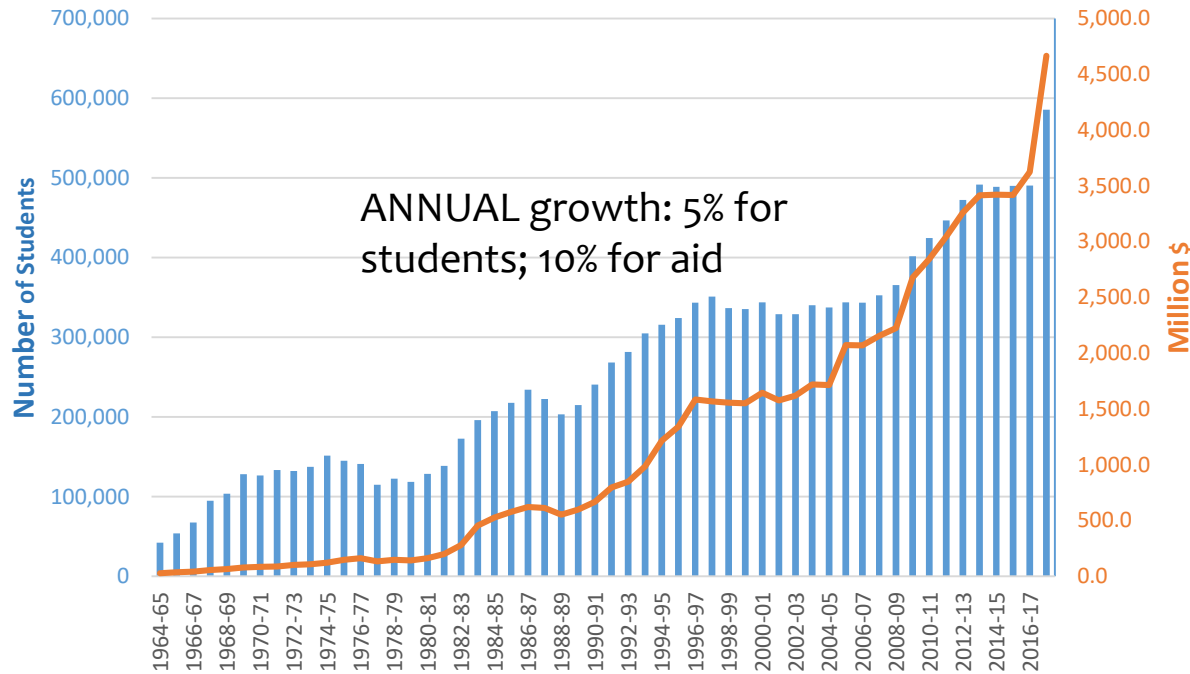


interest- and payment-free leave for a maximum of 18 months for borrowers taking temporary leave from their studies for medical or parental reasons. From August 2020



trend since 1964...

2017-18: 586K students
\$ 4.7 Billion in CSG/CSL (avg: \$8,000)

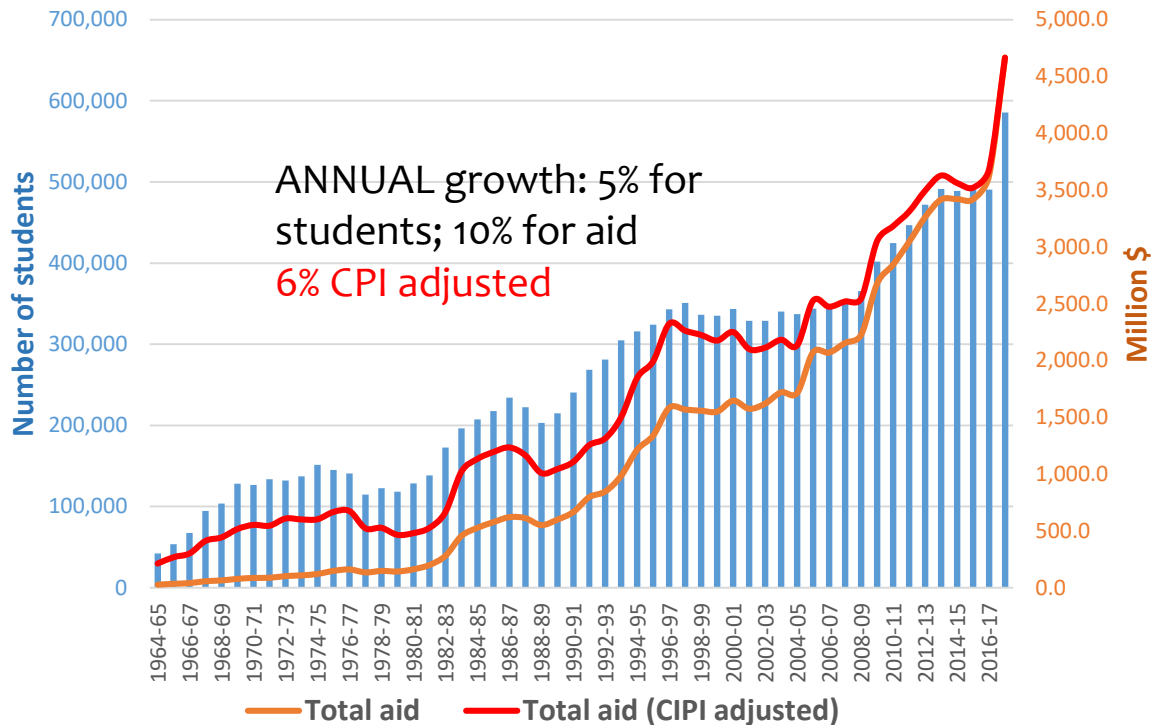


1964- 65: 42K students
\$27M in CSL (avg: \$ 635)



adjusted for inflation...

2017-18: 586K students
\$4.7 Billion in CSG/CSL (avg: \$ 8,000)

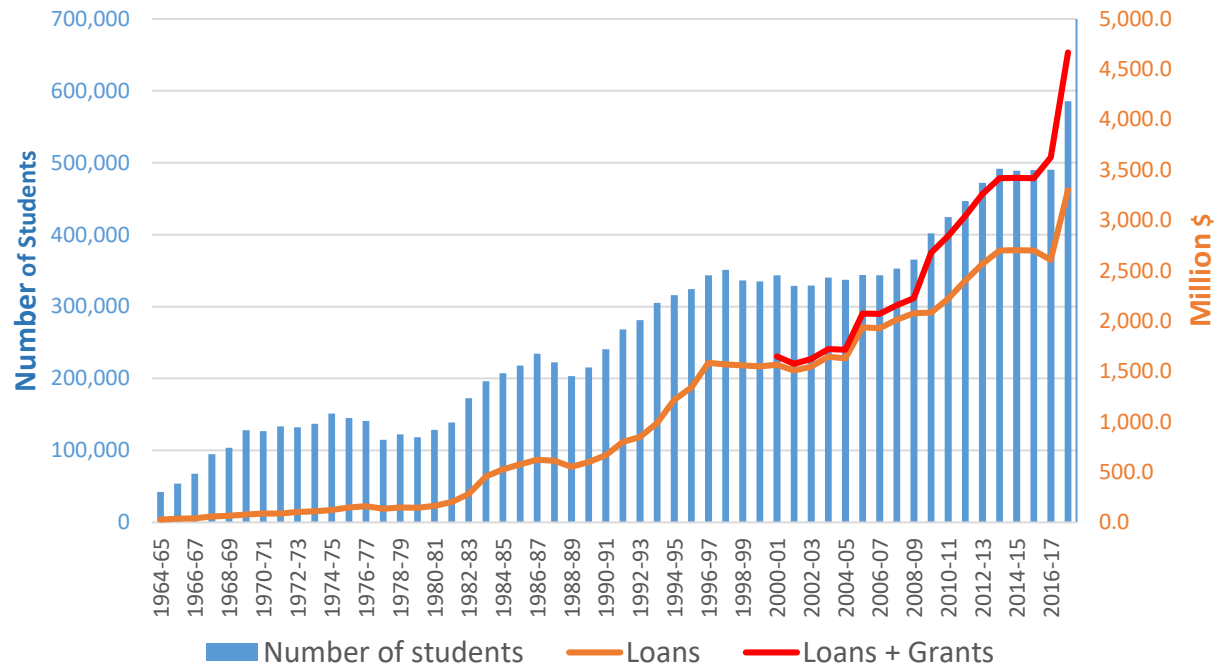


1964- 65: 42K students
\$27M in CSL (avg: \$ 635)
\$213M in CSL (avg: \$ 5,050)



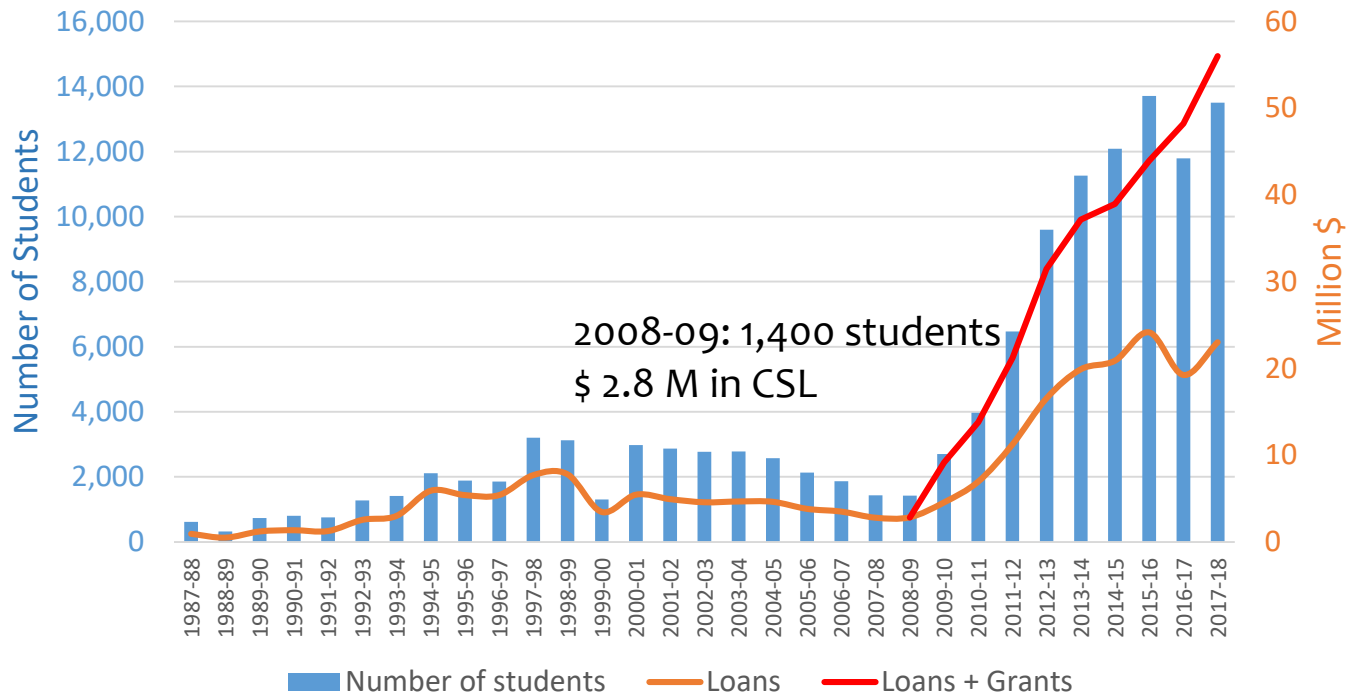
more loans, but also grants...

Loans: \$3.3 Billion
Grants: \$1.4 Billion



support for part-time students

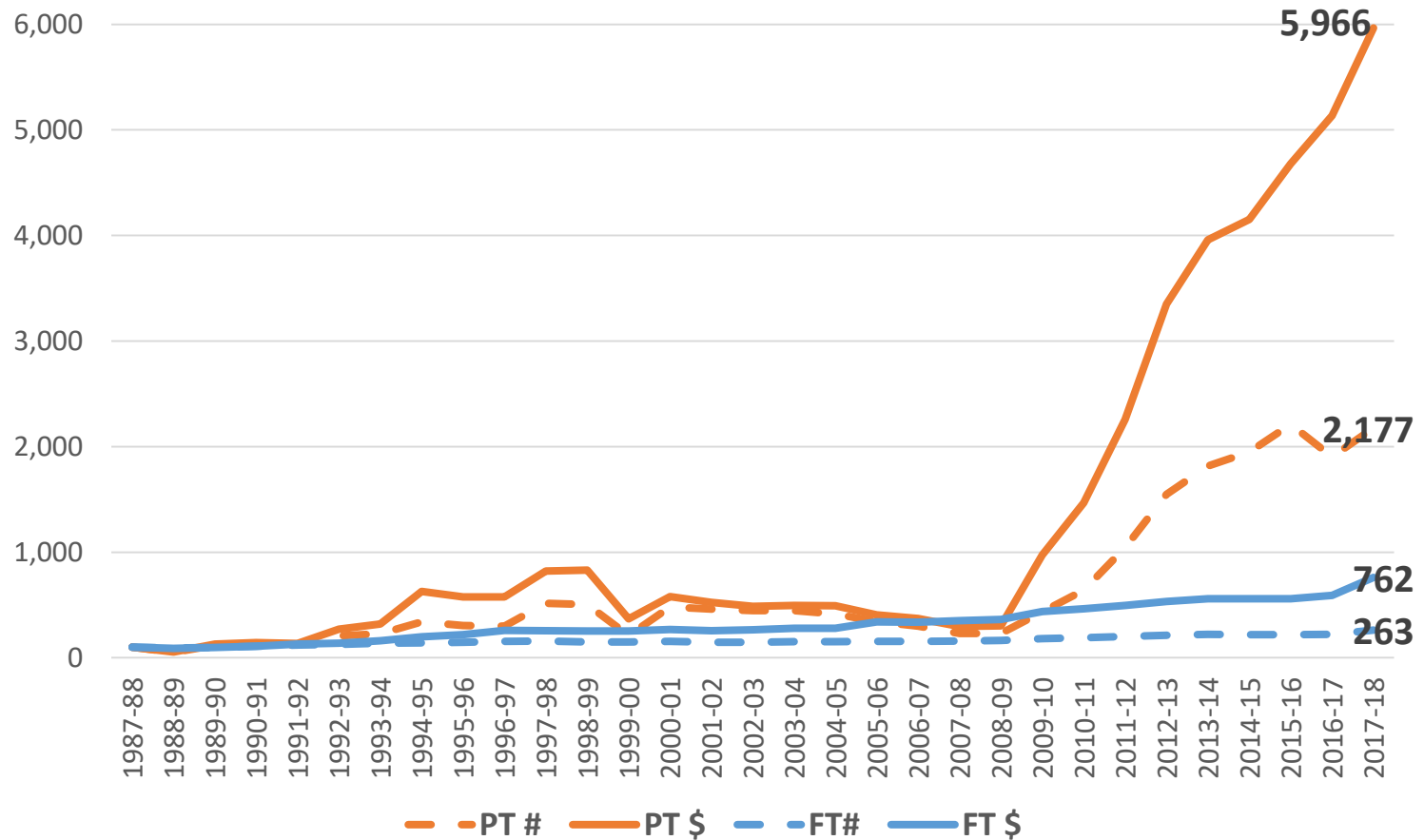
2017-18: 13,500 students
 \$ 56 M in CSL + CSG (\$23 M + \$33 M)



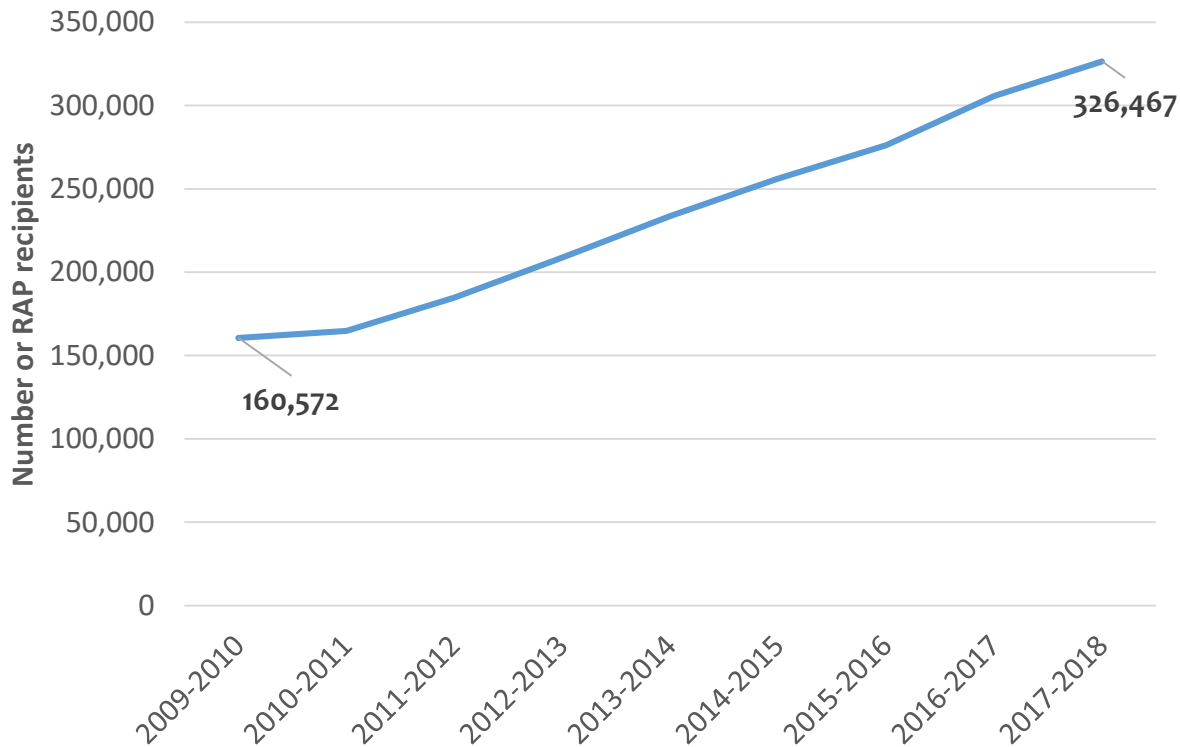
1987-88: 620 Students
 \$ 0.9 M in CSL



full-time vs part-time growth



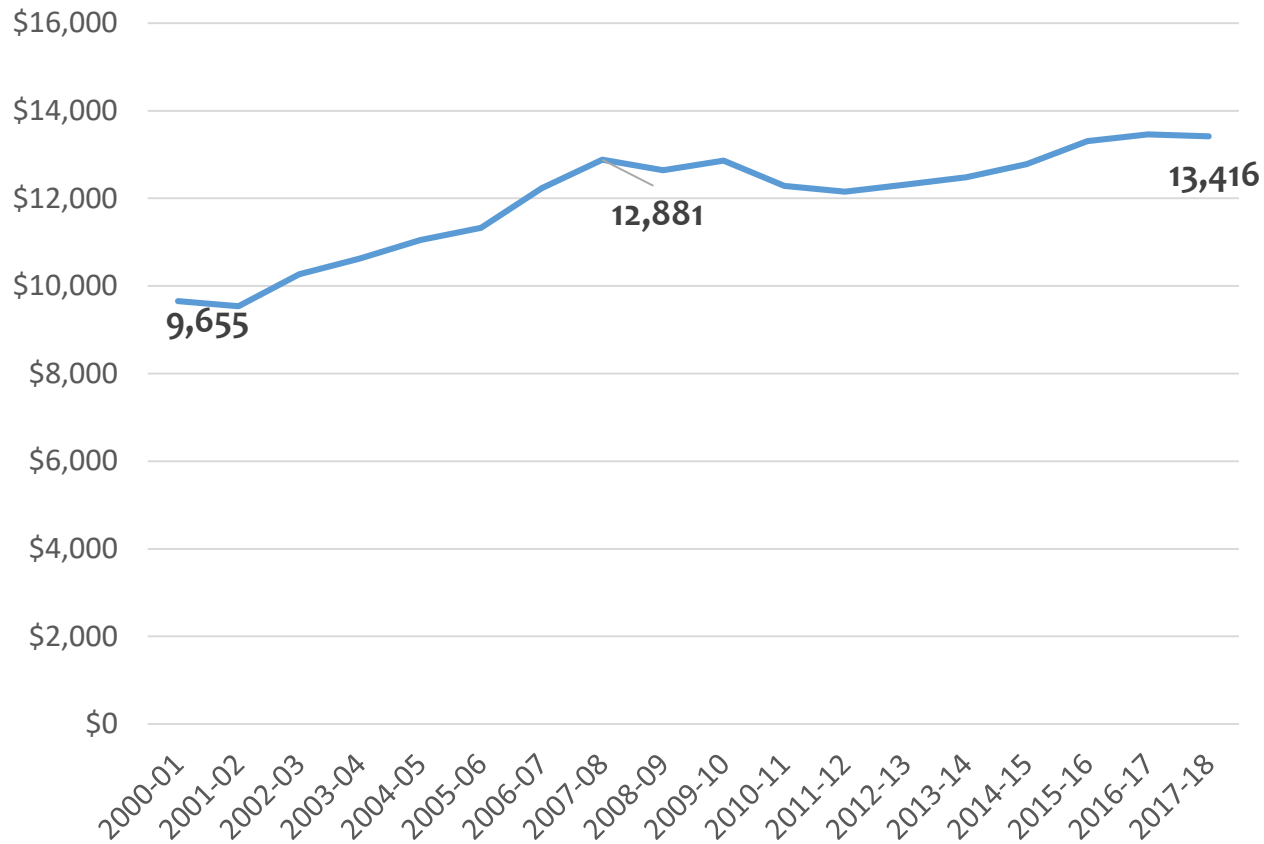
repayment assistance plan (RAP)... introduced in 2009



✓ close to 90% are not required to make any payment



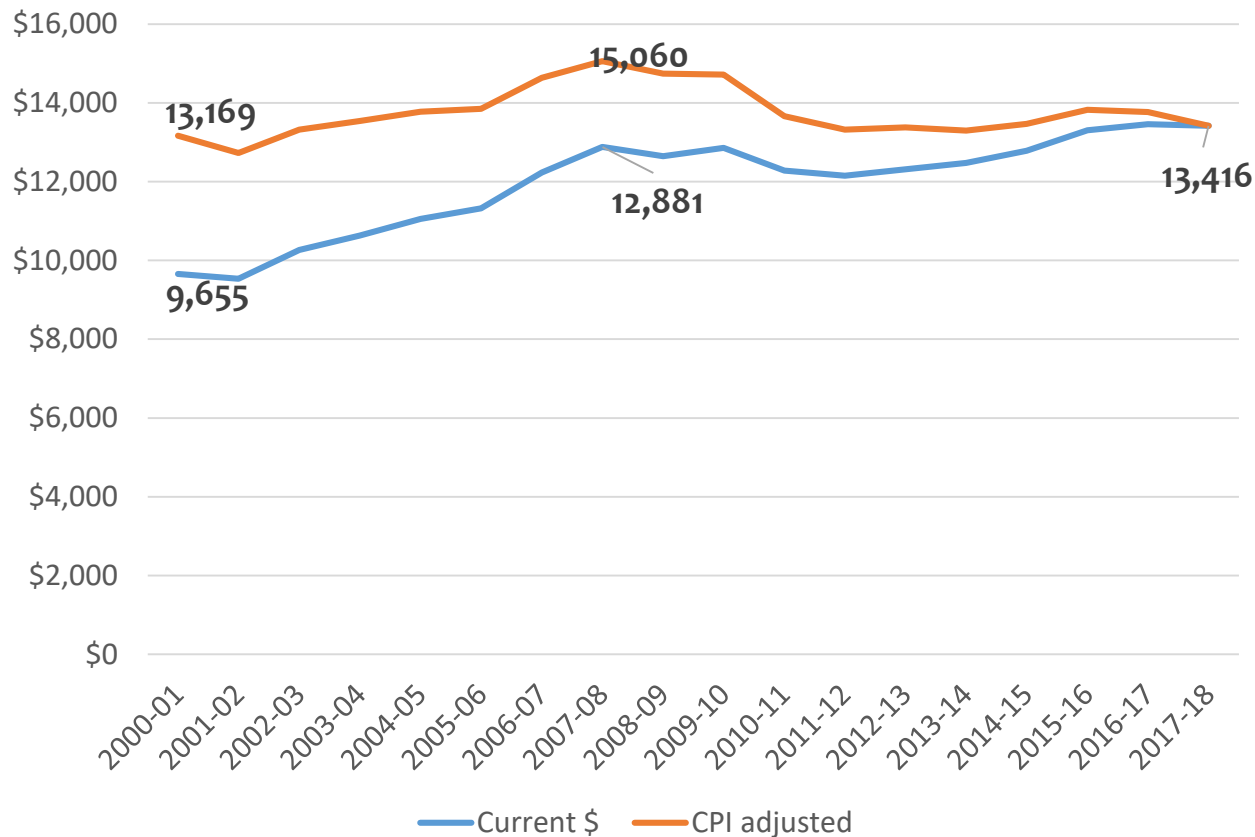
csi debt remains steady...



- ✓ 4.2% annual increase between 2000-01 and 2007-08
- ✓ 0.4% annual increase for 10 years since



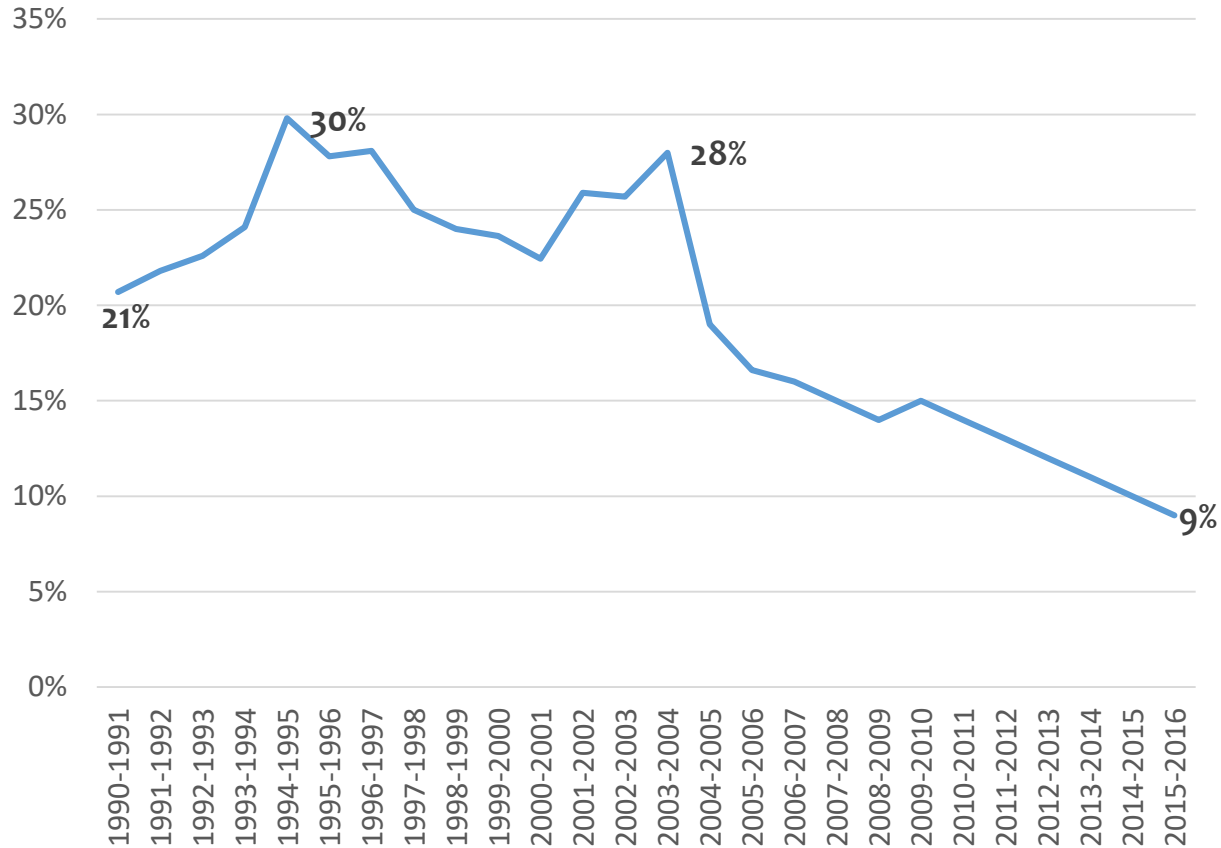
csi debt when adjusted for inflation...



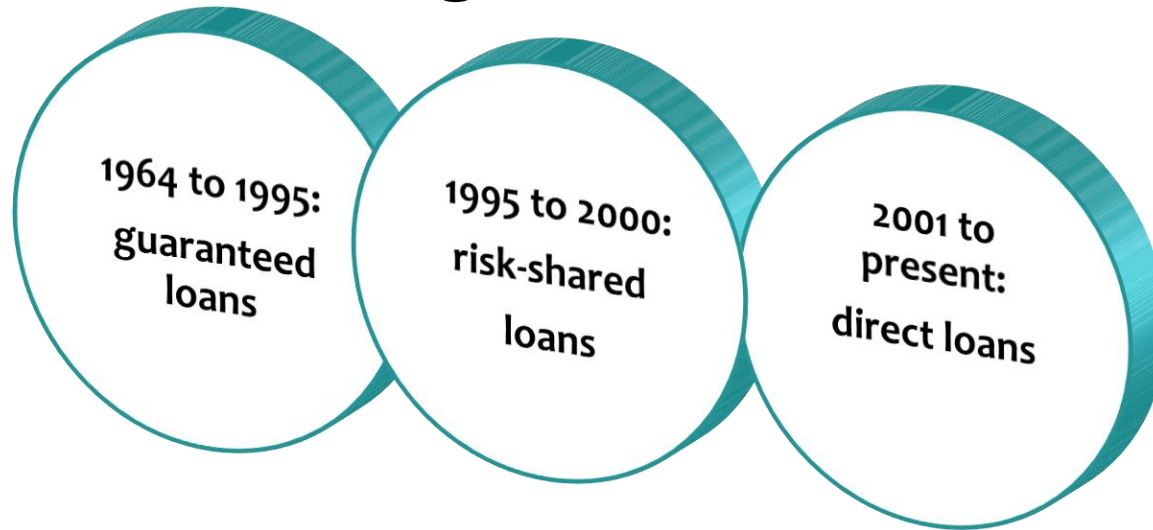
- ✓ 1.95% annual increase between 2000-01 and 2007-08
- ✓ 0.25% annual **decrease** for 10 years since



default rate continues to decline

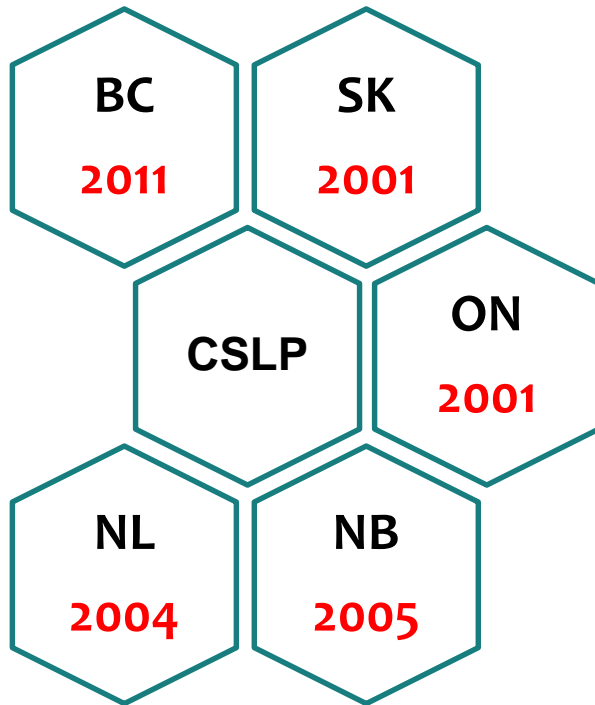


delivery: loan regimes



guaranteed loans	risk-shared loans	direct loans
<ul style="list-style-type: none"> administered by financial institutions (FIs) 	<ul style="list-style-type: none"> administered by FIs 	<ul style="list-style-type: none"> administered by a third party private sector service provider (SP)
<ul style="list-style-type: none"> GoC compensates FIs of any losses due to default 	<ul style="list-style-type: none"> GoC paid FIs a 5% risk premium for each disbursement 	<ul style="list-style-type: none"> GoC directly finances student loans. The SP operates the National Student Loans Service Centre (NSLSC)
		<ul style="list-style-type: none"> SP also administers provincial loans for integrated provinces

integrated delivery: improved service to students



- integration means streamlining of services offered by federal and provincial governments
- students in integrated provinces benefit from a single, integrated loan. The NSLSC is their one point of contact for this integrated loan
- students in five integrated provinces comprise more than **80%** of CSG/CSL recipients



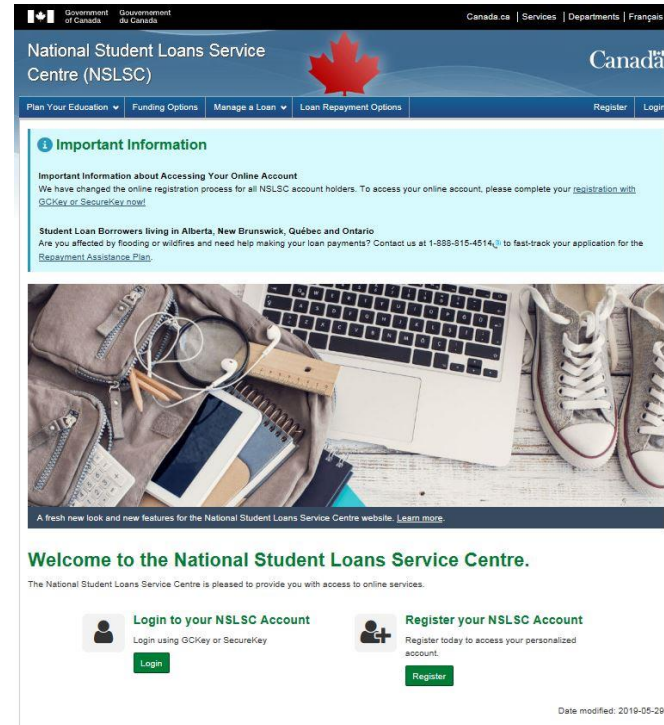
digital delivery: improved service to students

phase I: april 2018

- new full-time students can have their identity validated and submit their loan agreements online rather than visit designated Canada Post Outlets
- over 270,000 or 99% of new full-time students have taken advantage of this online service

phase II: june 10, 2019

- further enhancements to the online portal extending this service to part-time students, making the website mobile-friendly, and providing more self-service options



The screenshot shows the NSLSC website interface. At the top, there is a navigation bar with the Government of Canada logo and the text "Government of Canada / Gouvernement du Canada". The main header features the "National Student Loans Service Centre (NSLSC)" logo and a red maple leaf. Below the header, there are navigation tabs: "Plan Your Education", "Funding Options", "Manage a Loan", and "Loan Repayment Options". On the right side of the header, there are links for "Register" and "Login".

The main content area is titled "Important Information" and contains two sections:

- Important Information about Accessing Your Online Account:** "We have changed the online registration process for all NSLSC account holders. To access your online account, please complete your [registration with GCKey or SecureKey now!](#)"
- Student Loan Borrowers living in Alberta, New Brunswick, Québec and Ontario:** "Are you affected by flooding or wildfires and need help making your loan payments? Contact us at 1-888-815-4514 to fast-track your application for the [Repayment Assistance Plan](#)."

Below the text is a photograph of a student's desk with a laptop, a backpack, and a pair of sneakers. A small text overlay at the bottom of the photo reads: "A fresh new look and new features for the National Student Loans Service Centre website. [Learn more.](#)"

The main heading for the lower section is "Welcome to the National Student Loans Service Centre." followed by the subtext: "The National Student Loans Service Centre is pleased to provide you with access to online services."

There are two main action buttons:

- Login to your NSLSC Account:** "Login using GCKey or SecureKey" with a "Login" button.
- Register your NSLSC Account:** "Register today to access your personalized account." with a "Register" button.

At the bottom right, it says "Date modified: 2019-05-29".

students are now benefitting from an easier, more convenient and secure online process



improved service for existing and new part-time clients

- **part-time students** will no longer need to mail in their **Certificates of Eligibility** and **part-time student loan agreement**
 - the certificate is now electronic and the new multi-year part-time loan agreement is now online!
- part-time students will have their **identity authenticated online** (no more Canada Post visits!)
- all **existing clients** will be able to use the new secure online authentication process

Government of Canada | Gouvernement du Canada Canada.ca | Services | Departments | Français

National Student Loans Service Centre (NSLSC)

Plan Your Education | Funding Options | Manage a Loan | Loan Repayment Options | Logout

- 1 Personal Information
- 2 Communication Preferences
- 3 Financial Institution Information
- 4 Review
- 5 Terms and Conditions

Terms and Conditions

These are the terms of your Master Student Financial Assistance Agreement.

Please read and accept the following Terms and Conditions of your Master Student Financial Assistance Agreement. Once you have submitted your MSFAA a copy of the accepted terms and conditions will be available in your inbox.

MSFAA Number: 0308849778
Province of Issue: Prince Edward Island

Notice of collection of personal information

The personal information is collected and used for the administration of the Canada Student Loans Program (CSLP) under the authority of the Canada Student Financial Assistance Act (CSFAA) and the Canada Student Loans Act (CSLA), and in accordance with the Privacy Act and Part 4 of the Department of Employment and Social Development Act.

Administration and enforcement of the CSLP means development and operation of the program, including investigations into allegations of wrongdoing, audits, and policy analysis, research and evaluation. The information you provide may also be disclosed to Statistics Canada for statistical and research purposes. These activities may involve the matching of various sources of data that are under control of the Government of Canada.

Your Social Insurance Number (SIN) is collected by the Minister of Employment and Social Development under the express authority of the CSFAA and in accordance with the Treasury Board Secretariat Directive on Social Insurance Number. The SIN will be used for the administration of the CSLP under the CSFAA. The SIN will be used as a file identifier and, along with the other information you provide, it will also be used to validate your application, and to

I understand and accept the Terms and Conditions of this Master Student Financial Assistance Agreement (MSFAA). I certify that the information given in this MSFAA and in my application for Financial Assistance is correct and complete. (required)

Date modified: 2015-04-03

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E.g. How can I make payments? Ask

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old vs new... for new part-time clients

Step	Previous Process	New Process (as of June 10, 2019)
1	part-time student applies via their Province/Territory. P/T performs needs assessment.	SAME
2	student receives paper student loan agreement (for each disbursement) and certificate of eligibility from the P/T.	Student receives welcome email from NSLSC indicating they can now complete their new online MSFAA.
3	If P/T does not have their own electronic process, student obtains signature from their educational institution confirming their enrolment.	educational institute confirms the student's part-time enrolment either directly with the P/T or using the NSLSC's Electronic Confirmation of Enrolment Portal.
4	student mails to the NSLSC a photocopy of two pieces of ID and their signed student loan agreement and Certificate of Eligibility.	student creates an online account with NSLSC using their banking credentials or GCKey, has their identify verified online , completes their profile information and banking information, and signs their financial assistance agreement online.
5	part-time canada student grants/loans are disbursed directly to the student.	SAME



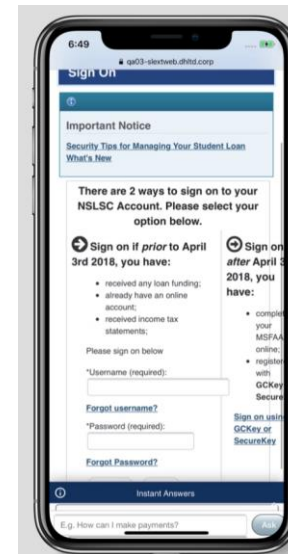
students are now able to have their identity verified and sign their student assistance documents online.



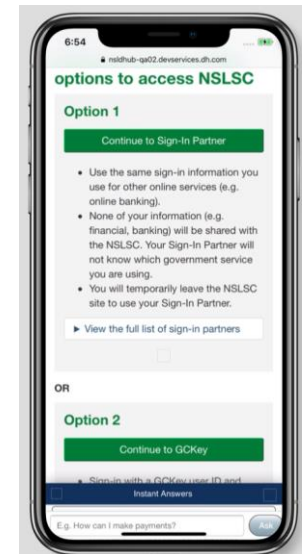
new features: june 2019

- ✓ ability for **Educational Institutions** to confirm part-time enrolment online either via their Provincial/Territorial process or the NSLSC **Electronic Confirmation of Enrolment portal**
- ✓ **clients can modify profile information, update banking information online** and link to Financial Institution websites to **make a payment**; and
- ✓ **mobile friendly** pages and overall improvement across the NSLSC website and student hub experience

before



after



partners and stakeholders

- provinces and territories, service provider, CRA, PSPC
- national advisory group on student financial assistance (NAGSFA)
 - to hear stakeholders views on our policies and practices
 - membership includes student groups, university/college organizations, student financial aid administrators, and federal/provincial representative
 - current co-chairs: CASFAA and CSLP
- CSLP also attends stakeholder conferences and meetings
 - CASFAA board meeting, CASFAA conference, provincial SFAA meetings



to recap... in 53 years

	1964-65	2017-18
students supported	42,000	586,000
loans	\$ 27 M	\$ 3,300 M
grants		\$ 1,365 M
grants + loans	\$ 27 M	\$ 4,665 M
average aid	\$ 635	\$ 8,000
repayment assistance		326,000

- ✓ since 1964, over 6 million students have received \$57B in loans and \$8B in grants



thank you!

