

Policy Position Brief

Key highlights for Legislative and
Executive government branches

2017-2018



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Canadian Association of Student Financial Aid Administrators (CASFAA) Policy Positions for 2017/18

CASFAA applauds the 2016 Federal Budget for the impactful measures to the Canada Student Loan Program including the introduction of the Canada Student Grant for Full-time students and relief in loan repayment. While we gratefully acknowledge that some of our long-standing policy positions were reflected in the 2016 Budget, substantial challenges remain for post-secondary education students who rely on student financial assistance to access and persist in their studies:

CASFAA believes that the following recommendations will improve student success, access and experience of the Canada Student Loan Program, ensuring that all Canadians have the option of contributing to national prosperity by completing post-secondary education.

The summary below is followed by more detailed explanations.

Recommendation 1	Extend federal government need-based assistance to establish a National Student Work Study Program.
Recommendation 2	Exempt awards from the Canada Student Loans Program assessment.
Recommendation 3	Encourage CSLP to review its policies relating to experiential learning.
Recommendation 4	Reinstate the Interest-Free Status 6 (six) months after graduation.
Recommendation 5	Develop a Canada Student Grant Program for Indigenous Students within the CSLP Program.

Student Self-Help

The introduction of a fixed student contribution in 2017-18 is a positive change towards removing the inherent penalty on students who must work to fill their unmet need gap. We also recognize the fixed student contribution exemptions for former youth in care, students with disabilities, indigenous learners and students with dependents under up to the age of 18 as beneficial to these underrepresented groups in PSE.

CASFAA is concerned, however, that a fixed contribution may create a negative bias for the most vulnerable students who, for a variety of reasons, cannot generate any pre-study or in-study income. Examples include students who must contribute time to the care of family members or complete a mandatory stage without pay but with full-time effort. The neediest students have to forgo experiential learning opportunities such as an exchange or unpaid internships if they must work, reducing their competitive edge in their field of studies.

Recommendation 1

Extend federal government need-based assistance to establish a National Student Work Study Program, for which a detailed proposal is appended to this document.

Enhancing self-help opportunities on campuses would increase the chances for vulnerable students to raise earnings required for their expected contribution, fill unmet need and increase their employability upon graduation through career-related work.

A National Work Study program, specifically targeting students from under-represented groups such as low-income, indigenous and those with permanent disabilities, is highly beneficial in that it provides students with an important source of income in a convenient environment dedicated to student success.

Institutional Needs-Based Awards

Educational Institutions often participate in helping students address unmet need (after considering maximum government aid and other resources) in the form of merit-based scholarships and need-based bursaries. Currently, the CSLP considers all merit and need-based awards over and above \$1,800.00 as student resources. This creates a disincentive for schools to invest more in financial assistance as exceeding this threshold means their funds may replace rather than supplement government aid.

Recommendation 2

We urge the government to exempt awards and institutional need-based bursaries from the Canada Student Loans Program assessment so that students with extraordinary need can be supported through educational institutions' own supplemental access programs.

Experiential Learning Opportunities Outside the Classroom

High quality mobility and work experiences contribute to successful student transition to the workforce. Educational Institutions are striving to expand opportunities for students to participate in these enriched educational opportunities. Recent federal announcements regarding student work experience, in particular co-op, have increased opportunities for students to gain valuable experience. Current CSLP policies on experiential learning prevent many students from accessing funds while participating in these opportunities and/or prevent entire programs from being eligible for student loan funding.

Recommendation 3

Encourage CSLP to review its policies relating to experiential learning given the current academic and trends in post- secondary education program development.

Reinstatement of Interest-free Status after Graduation

An issue bearing further investigation is the reinstatement of Interest-free status 6 (six) months after graduation on the federal loan program. The reinstatement of federal interest-free (as opposed to grace period) would provide students with the opportunity to establish stability in their earnings in the infancy of their career before they begin the regime of student loan repayment.

Recommendation 4

Reinstate the Interest-Free Status 6 (six) months after graduation.

Indigenous Student Resources

CASFAA recognizes that First Nations, Inuit, and Métis students are supported through Aboriginal Affairs and Northern Development Canada's Post-secondary Student Support Program (PSSSP). The

2011 report of the Auditor General of Canada indicates that the PSSSP does not provide eligible students with equitable access to PSE funding.

Although the introduction of the Fixed Student Contribution and the contribution exemption for self-identified Aboriginal learners are positive steps toward addressing the inequity, concerns related to successful completion of PSE and later, employment are seen as deterrents to taking out a student loan (IKOS Research Associates Inc. 2005b). Further, past credit history, unfamiliarity with or distrust of the student loan system and/or the administrative complexities of the application process may affect their ability to obtain student loans. Providing educational and technological grants would enable Indigenous learners to succeed with their chosen PSE program and would demonstrate more responsiveness to the distinct characteristics of Indigenous learners, leading to sustainable employment and an investment in a strong future. Supporting the Truth and Reconciliation Commission of Canada: Calls to Action (specifically numbers 7, 10i and 10ii), there needs to be a commitment to raising the educational attainment rates of First Nations, Inuit, and Métis people to national averages .

Recommendation 5

Develop a Canada Student Grant Program for Indigenous Students within the CSLP. This Canada Student Grant will help to provide additional non-repayable financial support to address access, retention and successful completion of Indigenous students in post-secondary studies and reduce the educational gaps between Indigenous and non-Indigenous Canadians.

Please also see Recommendation about how a National Work Study Program would benefit under-represented groups such as indigenous students.

On behalf of the CASFAA Board and our members representing PSE institutions from every region across the country, we thank you in advance for your consideration.

Respectfully submitted,



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