

MODERNIZING AID FOR TODAY'S STUDENTS



CASA | ACAE
Canadian Alliance of Student Associations
Alliance canadienne des associations étudiantes

FAIRNESS FOR WORKING STUDENTS

ELIMINATING THE INCOME EXEMPTION LIMIT WHILE STUDYING

Nobody in Canada should be punished for earning an income, especially those trying to attain an education. However, every year thousands of Canadian students, supporting themselves by holding down a part-time job or by participating in a paid co-op, are having their loans clawed back. This not only hurts students, but also employers and Canada's economic future.

Students increasingly need to work to cover the rapidly rising costs of tuition, housing and academic materials. Nearly 60% of students work an average of 18 hours per week while attending school¹. Yet a current Canada Student Loans Program (CSLP) policy claws back every dollar earned over \$100 per week. This results in the average student—who is working 18 hours a week at \$10 an hour—missing out on \$2,720 of aid over a year.

Students who have a job while in school are more likely to obtain a job after they graduate. Two-thirds of employed graduates began their job while studying². Paid employment clearly ensures students can successfully repay their loans. Conversely, a lack of income and unemployment are the main causes of failure to repay loans.³

Students should be allowed to decide how much they would like to earn while studying. Forcing students to choose between work and their financial aid helps no one and clearly hurts all Canadians.

 IN 2012,
70,125
STUDENT AID RECIPIENTS LOST AN AVERAGE OF
A YEAR IN AID BECAUSE THEY **HAD A JOB WHILE STUDYING**⁴

\$1,156.⁰⁰



THE CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA) RECOMMENDS THE FEDERAL GOVERNMENT ELIMINATE THE CANADA STUDENT LOANS PROGRAM IN-STUDY INCOME ASSESSMENT. CASA ESTIMATES THIS WOULD COST THE GOVERNMENT APPROXIMATELY \$26.9 MILLION A YEAR.

1. p. iii, Canadian University Survey Consortium, 2012 Graduating Student Survey, 2012. Accessed Online: http://www.cusc-ccreu.ca/publications/CUSC_2012_Graduating_Student_Survey_MasterReport.pdf

2. p.71, Canadian University Survey Consortium, 2012 Graduating Student Survey, 2012. Accessed Online: http://www.cusc-ccreu.ca/publications/CUSC_2012_Graduating_Student_Survey_MasterReport.pdf

3. Lochner, Lance, Et. Al. Analysis of the CSLP Student Loan Defaulter Survey and Client Satisfaction Surveys, May 2013, London ON

4. Based on CASA correspondence with CSLP representatives, 2013.

5. Statistics Canada, Undergraduate Tuition Fees for full time Canadian students, by discipline, by province, October 2012, Retrieved from: <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/educ50a-eng.htm>

6. Statistics Canada, Consumer Price Index, 2011 basket Annual, Table 326-0021, Jan 2014

7. Abacus Data, Parental Views on Post-Secondary Education, May 2014, Ottawa

8. Ibid

9. p.8, Parkin, Andrew et al, Persistence in Post-Secondary Education in Canada: The Latest Research, Millennium Scholarship Foundation, 2009, www.yorku.ca/pathways/literature/Aspirations/090212_Persistence_EN.pdf

10. Shek-wai Hui, Taylor, et. Al. Predicting Student Loan Delinquency and Default: Final Report, March 2013, CSLP and HRSDC, Social Research and Demonstration Corporation, Ottawa

11. Canadian Alliance of Student Associations, A Roadmap for Action on Student Mental Health, Accessed Online: <http://www.casa-acae.com/wp/wp-content/uploads/2014/07/>

CASA-A-Roadmap-for-Federal-Action-on-Student-Mental-Health.pdf

BALANCING THE BURDEN OF HIGHER EDUCATION COSTS INCREASING AND EXPANDING STUDENT GRANTS TO REFLECT THE TRUE COST OF AN EDUCATION

All Canadians deserve an opportunity to better themselves, no matter their background or financial situation. Higher education continues to be one of the clearest paths to prosperity for millions; and making sure it remains accessible to all Canadians is one of CASA's founding principles.

Needs-based grants are one of the most successful mechanisms for making sure that all Canadians can access post-secondary education. The Canada Student Grants Program (CSGP), introduced in 2009, offers \$250 per month to students from low-income households and \$100 per month to students from middle-income households. The CSGP has proven to be an extremely effective tool for promoting accessibility and reducing debt levels. CASA believes that more can be done in two specific areas: ensuring that grants keep up with the costs of an education and expanding grant access to graduate and doctoral students.

ENSURING GRANTS HAVE AN IMPACT

Since the CSGP was introduced in 2009, the average cost of undergraduate tuition in Canada has increased by over \$1,200.⁵ Moreover, students have seen their rent, food, and transport bills creep ever higher, rising nearly 20% over the past 10 years.⁶ While costs have increased dramatically for students over this time, there has been absolutely no increase in grant funding.

As grant amounts have not kept up with costs, Canadian students are now being forced to turn to other sources to fund their education. Particularly worrying is the financial sacrifice parents and families are being forced to make in order to support their child's education. One third of Canadian families with a post-secondary student reported taking funds out of their retirement savings in order to support their child's education.⁷ Another 14% go so far as to remortgage their home.⁸ The high costs of education and student debt are no longer just student issues; they are issues that impact Canada's families as well.



WHAT DO GRANTS DO?⁹

LOWER DEBT 

INCREASE COMPLETION 

INCREASE REPAYMENT¹⁰ 

INCREASE ACCESSIBILITY 

INCREASE MENTAL WELLNESS¹¹ 

CASA RECOMMENDS THE FEDERAL GOVERNMENT INCREASE THE VALUE OF GRANT DISPERSALS BY 25%, AT AN ESTIMATED COST OF \$173 MILLION.

GRANT SUPPORT FOR GRADUATE STUDENTS

Though the CSGP has helped ease debt burdens for many undergraduate and college students, debt levels have been steadily increasing for graduate students. From 2009-2013, since the CSGP was introduced for undergraduate students, the average doctorate debt levels have increased from \$23,791 to \$27,502 and master's debt levels have increased from \$18,870 to \$20,112.¹² The rising debt level is particularly worrisome, as insufficient funding for graduate studies has long been identified as a key factor in high drop out rates.¹³

Graduate studies are becoming increasingly necessary in a competitive global labour market. More and more Canadians are turning to graduate studies to further their own careers, but compared to other developed countries, Canada is falling behind in producing masters and PhD graduates.¹⁴ These degrees continue to pay off for Canadian students – unemployment levels for graduates of post-grad programs are lower than any other category of education level and lifetime earnings are higher.¹⁵ Excluding these students from the CSGP only hinders those with high need from accessing a host of opportunities, or forces them to turn to riskier private debt.

CASA RECOMMENDS THE FEDERAL GOVERNMENT MAKE GRADUATE AND DOCTORAL STUDENTS ELIGIBLE FOR THE CANADA STUDENT GRANTS PROGRAM, AT A COST OF \$31 MILLION AT PRESENT SUPPORT LEVELS.

12. Employment and Social Development Canada, Canada Student Loans Program: Statistical Review, 2012-2013, Accessed online: http://www.esdc.gc.ca/en/reports/cslp_cesp/cslp_stats_2013.page?

13. University Affairs, Rosanna Tamburri, The PhD is in need of revision, Accessed online: <http://www.universityaffairs.ca/the-phd-is-in-need-of-revision.aspx>

14. Conference Board of Canada, International Ranking: PhD Graduates, March 2013, Retrieved from: <http://www.conferenceboard.ca/hcp/details/education/phd-graduates.aspx>

15. Berger, Joseph, "The Price of Knowledge", The Value of a Degree: Education, Employment and Earnings in Canada, 2009, Retrieved from: http://www.chs.ca/sites/default/files/uploads/value_of_education_with_degree.pdf



STUDENT MENTAL HEALTH SHIFTING MINDS, TACKLING STIGMA

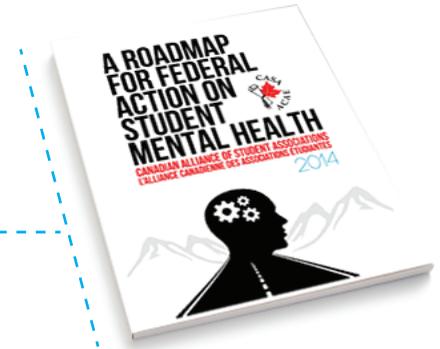


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Mental illness and mental well-being are increasingly important issues on campuses across Canada. Stress and anxiety are running at all time highs as students face academic pressures, financial constraints and concerns over their future careers. For many Canadians, the mental illness they suffer from today manifested while they were in post-secondary education, and away from friends and family for the first time. If left untreated, mental illness will profoundly impact students throughout their academic careers and beyond.

**THE COST OF MENTAL ILLNESS TO CANADA'S ECONOMY IS ESTIMATED AT
\$50 BILLION A YEAR¹**

CHECK OUT CASA'S ROADMAP ON MENTAL HEALTH TO LEARN MORE



In 2007, the Government of Canada demonstrated its commitment to addressing issues pertaining to mental health by creating the Mental Health Commission of Canada (MHCC). The MHCC's work in raising awareness, producing research, and creating programs has provided valuable tools and resources at a national level. It is why the Canadian Alliance of Student Association (CASA) is calling for a renewal of the MHCC's mandate in order to sustain the excellent work currently being done. CASA believes that with a renewed mandate, the MHCC is in an ideal position to target research and resources towards students and youth.

Nevertheless, the federal government, through the MHCC, has the opportunity to play a direct role in further supporting students on campuses across Canada. One of the greatest barriers to students seeking help is the stigma associated with mental illness. As Dr. Campbell, of Mount Allison University, has stated, "We have to de-stigmatize the issues and make it something we can talk about in the normal course of doing our business".² More can and must be done to address and eliminate stigma. CASA would like to see an investment by the federal government in a comprehensive and effective communications campaign directed towards students to reduce the stigma associated with mental illness.

CASA RECOMMENDS THAT THE FEDERAL GOVERNMENT RENEW THE MENTAL HEALTH COMMISSION OF CANADA'S MANDATE FOR ANOTHER TEN YEARS (2015-2025), ENSURING A FOCUS ON STUDENTS AND YOUTH AT A COST OF \$25 MILLION PER YEAR.

CASA RECOMMENDS THAT THE FEDERAL GOVERNMENT, THROUGH THE MHCC, ACTIVELY PURSUE CAMPAIGNS ON UNIVERSITY, COLLEGE AND POLYTECHNIC CAMPUSES ACROSS THE COUNTRY, AIMED AT DECREASING THE STIGMA ASSOCIATED WITH INDIVIDUALS SUFFERING FROM MENTAL HEALTH ISSUES, BY ALLOTING THE MHCC A DEDICATED FUNDING STREAM IN THE AMOUNT OF NO LESS THAN \$4.5 MILLION PER YEAR FOR THE REMAINDER OF THEIR MANDATE.

1. p.2, Mental Health Commission of Canada, Making the Case for Investing in Mental Health. March 2013., Accessed online: http://www.mentalhealthcommission.ca/English/system/files/private/document/Investing_in_Mental_Health_FINAL_Version_ENG.pdf

2. Tamburri, Rosanna, "Universities to examine their role in students' mental health", University Affairs, February 6th 2012, Accessed online: <http://www.universityaffairs.ca/universities-to-examine-their-role-in-students-mental-health.aspx>

TAKING ON CANADA'S COMMITMENT

REMOVING THE 2% CAP ON THE POST-SECONDARY STUDENT SUPPORT PROGRAM

Improving educational outcomes is essential for Aboriginal learners, their families, their communities and Canadian society as a whole. Thus far, the federal government has failed to meet both its moral and legal obligations to adequately fund all qualified Aboriginal learners interested in attending post-secondary education. There remains a persistent post-secondary attainment gap of nearly 20% amongst Aboriginal persons when compared with non-Aboriginal persons.¹ In the 21st century, this should be completely unacceptable in Canada. Obstacles to Aboriginal persons seeking funding to attend post-secondary education must be eliminated.

The program in place to support First Nations and Inuit learners is the Post-Secondary Student Support Program (PSSSP). Implemented with the intention of promoting access to post-secondary education, the program has proven successful for those students who are lucky enough to receive funding.

Regrettably, since 1996 there has been a 2% growth cap on the program, starving communities of badly needed funds to enable their members to attend post-secondary education. This 2% cap is particularly harmful because of the fact that education costs have been rising at an average of twice that rate,² and population growth rates amongst Aboriginal persons are more than four times the rate of the non-Aboriginal population.³ It is the federal government's explicit responsibility to support and enable Canada's Aboriginal population in accessing and succeeding in post-secondary education as laid out in the Charter.

In addition to fulfilling the federal government's moral and legal obligations, it is estimated that the closure of both the education and labour market gaps amongst Aboriginal persons would have led to a cumulative economic benefit of \$400.5 billion and \$115 billion in reduced government expenditures and increased tax revenues over the 2001-2026 period.⁴



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THE CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS RECOMMENDS REMOVING THE 2% FUNDING CAP ON POST-SECONDARY STUDENT SUPPORT PROGRAM AND FULLY FUNDING THE PROGRAM BACKLOG AT AN ESTIMATED COST OF \$424 MILLION.⁵

1. Statistics Canada, The Educational Attainment of Aboriginal People in Canada, National Household Survey, 2011.

2. Statistics Canada, Consumer Price Index, 2011 basket Annual, Table 326-0021, Jan 2014, <http://www5.statcan.gc.ca/cansim/a26>

3. Economic and Social Development Canada, Canadians in Context: Aboriginal Population, October 2014, Retrieved online: <http://www4.hrsdc.gc.ca/3ndic.1L4r@-eng.jsp?iid=36>

4. p. v Sharpe, Andrew G al. The Effect of Increasing Aboriginal Educational Attainment on the Labour Force, Output and the Fiscal Balance. Centre for the Study of Living Standards, Ottawa, May 2009. Accessed online: <http://www.csls.ca/reports/csls2009-3.pdf>.

5. Association of First Nations, Fact Sheet: First Nations Post-Secondary Education, 2008, Accessed online: <http://www.afn.ca/uploads/files/pse-fact-sheet.pdf>

UNLEASHING CANADA'S RESEARCH POTENTIAL

ADEQUATELY FUNDING THE INDIRECT COSTS OF RESEARCH



Creating an environment that supports and enables Canadians to conduct top tier research requires more than grant funding. More and more researchers rely on an array of supports to bring their innovations to the world. Whether that is securing the latest equipment, getting access to the most advanced research from around the world or ensuring that Canadian research can be brought to market, the Canadian government plays a critical role in supporting the indirect costs of research.

Indirect research costs are those costs that cannot be directly attributed to a specific research project, but are required for the conduct of research. These “hidden” expenses include the costs of administering and managing research activities ranging from upgrading a library computer network; to the expense of renovating laboratories and basic maintenance. In 2007-2008, the federal government provided \$332 million, representing approximately 21.5% of the total funding for the research councils¹. However, estimates have continued to place the indirect costs of research at between 50% and 65% of the direct costs of research, depending on the field of study.² This means that Canadian post-secondary institutions must continuously pull from other already strained budget lines to support the research they have received funding for.

More must be done to ensure that Canada does not fall behind other developed nations in enabling high-quality research. In the United States, the United Kingdom, the European Union and Australia, indirect costs are reimbursed at levels exceeding our own. The United States has been funding indirect research costs since 1947 and that funding currently averages about 52.3% of direct research costs³. In the European Union, the funding is between 40% and 60% of direct costs. It is over 50% in the United Kingdom⁴.

Though the federal government has made a significant investment, with an additional \$8 million being allocated in budget 2014, CASA is calling on the federal government to commit to expanding the indirect costs of research programs.

THE CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS RECOMMENDS THAT THE FEDERAL GOVERNMENT PROVIDE FUNDING FOR THE INDIRECT COSTS OF RESEARCH AT AN AVERAGE RATE OF 40% OF THE VALUE OF DIRECT RESEARCH COSTS BY USING THE FOLLOWING FORMULA OF FUNDING:

LEVEL	INDIRECT COSTS SUPPORT RATE
1ST BRACKET UP TO \$100,000	80%
2ND BRACKET, COSTS BETWEEN \$100,000 AND \$7,000,000	50%
ALL COSTS OVER \$7,000,000	37.5%

CASA BELIEVES THIS WILL COST THE GOVERNMENT \$287 MILLION.

1. Fédération étudiante universitaire du Québec, 2013. Study on the Indirect Costs Program.

2. Conférence des recteurs et des principaux des universités du Québec, 2011. Élections fédérales. Intervention de la CREPUQ : Le gouvernement fédéral doit poursuivre ses efforts pour le développement de la recherche universitaire.

3. Sylvain, Christian, Association of Universities and Colleges of Canada, Indirect Costs Reimbursement in the USA: Facts and Fiction; rate quoted is from 1997 but rates were very consistent throughout the 1990's.

4. Association of Universities and Colleges of Canada, 2009. Funding of the Institutional Costs of Research : An International Perspective., Accessed online: <http://www.aucc.ca/wp-content/uploads/2011/07/institutional-costs-international-2009-05-e.pdf>



CLEAR CHOICES FOR CANADA'S FUTURE

ENHANCING CANADA'S LABOUR MARKET INFORMATION AVAILABILITY

The Canadian Alliance of Student Associations (CASA) believes that Canadian students deserve the best information possible when making choices about what and where to study. Canadian students invest hundreds of hours and thousands of dollars at colleges, polytechnics and universities in order to get the knowledge and skills they've been told they need to succeed in this economic landscape. However, it is clear that Canada lacks the ability to provide its citizens with the kind of clear, reliable Labour Market Information (LMI) necessary for making informed choices about their classes, programs and jobs in a rapidly evolving economy.

CASA believes the federal government must take a leadership role in developing consistent national measures for LMI. Canada remains one of the only developed countries without a comprehensive set of LMI indicators that are delivered in a timely and regular fashion¹. These measures would include information about program enrolment numbers, employment outcomes, and labour market supply and demand. Though the government has taken steps to improve the information available, more needs to be done. Organizations ranging from the Canadian Chamber of Commerce², to Polytechnics Canada³ and the Association of Universities and Colleges of Canada⁴ have all called on the government to commit new funding to help achieve this end.

The federal government is the only organization that can bring together the provinces and other stakeholders to produce new LMI measures. This could be accomplished through either expanded funding for Statistics Canada, or through the development of an independent labour market information agency. In either case, it would be vital that both labour supply and demand statistics be produced in a consistent fashion with information from the provinces, post-secondary institutions, and other industry stakeholders.

CASA would also encourage the government to make all information available in Open Data format so that citizens and businesses could take advantage of the information.

CASA believes that comprehensive LMI is imperative to building a robust and sustainable economy, helping students to choose programs that fit their talents and the needs of the economy as a whole, and that is why it is calling on government to act.

CASA RECOMMENDS THE GOVERNMENT ADOPT THE RECOMMENDATIONS OF THE ADVISORY PANEL ON LABOUR MARKET INFORMATION AND INVEST \$15 MILLION IN ESTABLISHING A NEW SET OF LMI MEASUREMENTS.

1. Drummond, Don Wanted: Good Canadian Labour Market Information, June 2014, Accessed Online: <http://irpp.org/wp-content/uploads/2014/06/insight-no6.pdf>

2. Roy, Stacey, A Battle We Can't Afford to Lose: Getting Young People from Education to Employment, Canadian Chamber of Commerce: Chamber Blog, October 2014, Accessed online: <http://www.chamber.ca/media/blog/141014-a-battle-we-cant-afford-to-lose-getting-young-canadians-from-education-to-employment/>

3. Doyle, Ken, Action Needed on Skills and Innovation: Polytechnics Canada's Budget 2014 Recommendations, Polytechnics Canada, Ottawa, November 2014, Accessed online: <http://www.polytechnicscanada.ca/news/action-needed-skills-and-innovation-2013-nov-08>

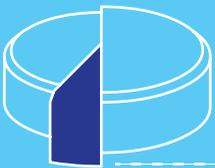
4. AUCC Submission to the House of Commons Standing Committee on Finance, Priorities: 2015 Federal Budget, August 2014, Accessed online: <http://www.aucc.ca/wp-content/uploads/2014/08/aucc-2015-prebudget-submission-to-finance-committee-august-2014-.pdf>

QUICK FACTS

ON POST-SECONDARY EDUCATION IN CANADA



The average cost of tuition has increased by **21%** since 2009²



Close to **2 million** young Canadians were enrolled in Canadian universities and colleges in 2011 / 2012¹

Full-time undergraduate students paid **\$5,959**
 Full-time graduate students paid **\$6,210**

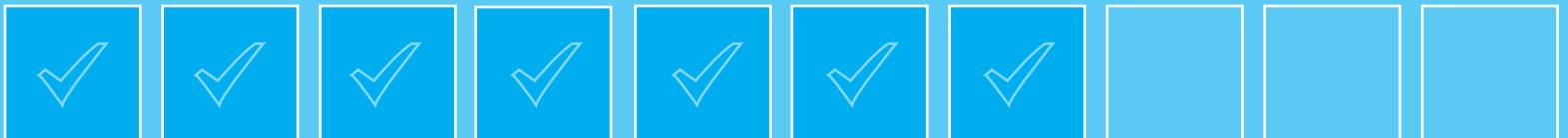
} **average tuition**³

STUDENT DEBT

- The weekly loan limit of the Canada Student Loans Program has **not increased** since the 2004 Federal Budget
- Right now, **67,000** students benefiting from a Canada Student Loan also have to take out private loans to cover the costs of their education⁴
- One in three students will graduate with over **\$20,000** of debt⁵
- Students who receive grants as a portion of their financial assistance are more likely to stay in school and complete their studies
- Students who take on more debt are more likely to drop out than students who do not take on debt



INDIGENOUS EDUCATION



7 in 10 First Nations youth aspire to complete post-secondary education, but only 3 in 10 are given a chance to do so



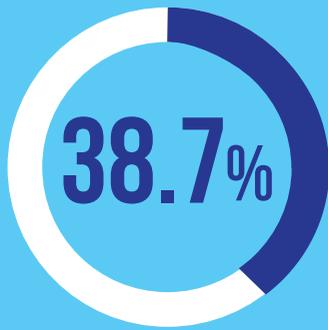
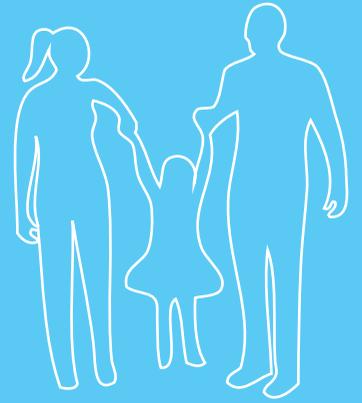
Aboriginal youth are the fastest growing population segment in Canada



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PARENTAL INCOME / CANADIAN FAMILIES



of parents have not saved any amount for their children's education⁶



A third of parents are borrowing more, going back to work, or dipping into their retirement savings to support their children's post-secondary education⁷



81%

of parents support the removal of parental income level qualification, and open financial aid to any student who can't access help from home⁸



MENTAL HEALTH

Approximately **20%** of Canadians will experience a mental illness in their lifetime⁹



Suicide is among the leading causes of death in 15-24 year old Canadians, second only to accidents; 4000 people die prematurely each year by suicide¹⁰

Counselling services on Canadian campuses are increasingly overwhelmed with students that suffer from suicidal behaviours, self-injury, eating disorders, and sexual traumas or assaults¹¹

The need for campus mental health services is on the rise, but service providers on campus are having difficulty meeting the demand. North American data shows there is currently a ratio of one counsellor for every 1,600 students¹²

1 Statistics Canada, Back to school...by the numbers, www.statcan.gc.ca/dai-quo/smr08/2014/smr08_190_2014-eng.htm, 2014.

2 Statistics Canada, University tuition fees, 2014/2015, www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/educ50a-eng.html, 2014.

3 Statistics Canada, University tuition fees, 2014/2015, www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/educ50a-eng.html, 2014.

4 Canadian Alliance of Student Associations, et al. Canadian Student Survey: Next Steps: Upper-Year Canadian PSE Students' Future Plans and Debt. March, 2010.

5 Statistics Canada, Study: The financial impact of student loans, www.statcan.gc.ca/daily-quotidien/100129/dq100129c-eng.htm, 2010.

6 Abacus Data Polling Information, National PSE Parent Survey, May 2014.

7 Abacus Data Polling Information, National PSE Parent Survey, May 2014.

8 Abacus Data Polling Information, National PSE Parent Survey, May 2014.

9 Mental Health Commission of Canada. Making the Case for Investing in Mental Health in Canada. 2013. http://strategy.mentalhealthcommission.ca/wp-content/uploads/2013/03/Case_for_Investment_Mar2013_ENG.pdf, p.2.

10 Canadian Mental Health Association, Fast Facts about Mental Illness, www.cmha.ca/media/fast-facts-about-mental-illness/#.VFD9MovF8jg, 2014.

11 Gallagher, R.P. Op.Cit, note 13, p.3.

12 Gruttadaro, D. College Students Speak: A Survey Results on Mental Health. National Alliance on Mental Illness. Arlington, VA, 2012. http://www.nami.org/Content/NavigationMenu/Find_Support/NAMI_on_Campus1/collegereport.pdf, p.8.



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