



2016

# ADVOCAN

LARGEST CANADIAN UNIVERSITIES  
BIGGEST STUDENT ISSUES

## WHO ARE WE?

We are a group of student leaders representing undergraduate students from some of Canada's largest, research intensive universities. United we represent the interests of over 240,000 students across the country. Pooling our resources and perspectives, we've come together to bring attention to issues facing undergraduate students in Canada – issues that fall within federal jurisdiction. If the sitting government hopes to create a new generation of thinkers and innovators, it's time they begin investing in this future. In our future.

## CANADA STUDENT LOAN PROGRAM

The Canada Student Loans Program (CSLP) promotes accessibility to post-secondary education for students who require financial support to undertake their studies. Through the provision of loans and grants, the CSLP reduces financial barriers and enables Canadian students to gain the knowledge, skills, and qualifications required for successful participation in the economy and society. [1]

### RECOMMENDATIONS

- *Increase the CSLP borrowing limit to \$15,500 to stay in line with the low income cut-off of living in a mid-to-large size Canadian city.*
- *Increase the CSLP borrowing limit by inflation annually. This will ensure we do not continue to see a significant disconnect between the amount students are offered through the CSLP and the cost of living in a university town.*

- *Adjust the repayment threshold for CSLP loans. Currently repayment begins when a student files an income tax return showing earnings of at least \$20,000 dollars a year. We believe the government should begin repayment at no less than \$25,000 dollars.*
- *Expand access to the CSLP for part-time students by eliminating the cap of \$10,000 and implementing a system where a student is eligible for a lifetime maximum expressed in months, and set a limit of 80 months of aid through CSLP.*
- *Expand access to grants as part of the CSLP by allowing more students to apply as well as extending this grant amount of \$3,000 to the entire period of a student's study to recognize the increase in costs over a student's degree.*

The CSLP made significant changes in the late 1990s and early 2000s when access was expanded for students with financial needs. The Federal Budget in 2004 resulted in a number of changes to the CSLP, effective August 2005. The weekly loan limit was increased to \$210, and parental contributions expected from middle-income families were reduced.

A new grant of up to \$3,000 is now available to first-year students from low-income families to assist with tuition costs, and the Canada Study Grant for students with permanent disabilities was replaced by a similarly named Canada Access Grant. Income thresholds for interest relief rose by 5 percent and the Debt Reduction in Repayment Measure now allows borrowers to have up to \$26,000 of their loan forgiven. [2]

The Budget in 2015 made some improvements to the CSLP and other federal loan programs, notably to the parental contribution expectations and the removal of factors affecting assessment. However the program still fails to capture of the costs of today.

The loan limit, for instance, hasn't increased since 2004. At just over \$12,000, this amount is not parallel with the actual costs of living, paying for tuition and other school expenses. The average cost of undergraduate tuition for Canadian students in 2004 was \$4,172[3] while the average cost of tuition now is \$5,959.[4] This forces students to cover the unmet costs with private loans, credits cards or working to the point of impacting their studies. In order to address this, the Canadian government should make a significant one-time adjustment to the loan maximum to bring it in line with the low income cut-off of living in a mid-to-large size Canadian city (around \$15,500) and commit to a plan to raise the maximum loan by at least inflation annually to avoid future discrepancies.



To keep pace with increasing costs and general inflation, the government should also adjust the threshold at which a graduate begins loan repayment. Currently repayment begins when a student files an income tax return showing earnings of at least \$20,000 a year. We believe the government should begin repayment at no less than \$25,000 so that the repayment burden will less significantly impact the quality of life.

The CSLP is open to part-time students and, where some provincial aid programs are not, the Canadian government deserves to be recognized for providing support to this growing group. However, part-time student loans through the CSLP are capped at a \$10,000. The government should treat-part time students similarly to full-time students and implement a system in which a student is eligible for a lifetime maximum expressed in months, set a limit of 80 months of aid through CSLP.

Finally, Canada has less impactful grant programs when compared to many of its provincial partners, yet provides a larger overall proportion of a student's financial assistance - approximately 60% of a student's total aid package.[5] The government should expand eligibility for low-income grants to recognize both the increasing burdens on families and the widening definition of "low-income."

Further, the government should commit to extending this grant to \$3,000 for the entire period of a student's study as opposed to the \$2,000 that very low-income students get after their first year and the \$800 that low-middle income students are eligible for. This will recognize that costs rarely decrease (and more often increase) over the course of a degree.

#### Sources:

- [1] [http://www.esdc.gc.ca/en/reports/cslp\\_cesp/cslp\\_2013.page](http://www.esdc.gc.ca/en/reports/cslp_cesp/cslp_2013.page)
- [2] <http://www.parl.gc.ca/content/LOP/ResearchPublications/prb0343-e.htm#fn3>
- [3] <http://www.statcan.gc.ca/daily-quotidien/040902/dq040902a-eng.htm>
- [4] <http://www.statcan.gc.ca/tables-tableaux/sum-som/101/cst01/educ50a-eng.htm>
- [5] [http://www.esdc.gc.ca/en/reports/cslp\\_cesp/cslp\\_2013.page](http://www.esdc.gc.ca/en/reports/cslp_cesp/cslp_2013.page)

## INTERNATIONAL STUDENTS

International students signify an opportunity for Canada's national development. The country has an interest in attracting global talent pools through world-class institutions. As Canada shifts towards a knowledge-based economy, innovators from beyond our borders will be essential in ensuring Canada's continued position as a global leader. International students will also further contribute to Canada's globally celebrated cultural diversity.

### RECOMMENDATIONS

- *Remove the hourly restriction on working off campus during the duration of study.*
- *Remove the requirement to be enrolled as an FTE student in order to work without a work permit. The only restriction should be that these international students are working towards a degree.*

- *Introduce bonus points for graduates of Canadian institutions towards their applications for permanent residency status.*
- *Exempt Canadian-trained international students in the Post-Graduation Work Permit Program from the cap of the Canadian Experience Class.*
- *Simplify the requirements for employers to use the Express Entry Program for international students.*

The Federal Government in 2014 simplified work permits for international students by allowing them, if enrolled full-time towards a degree, to work on campus without restrictions and off campus for a maximum of 20 hours per week. This has improved financial stability and certainty for international students on campus.

However, students – international or otherwise – are increasingly taking non-traditional pathways towards program completion. This often takes the form of enrolling in lighter course loads to simultaneously work part-time or participate in broader learning experiences, such as internships and co-ops. This option isn't open to international students with current permit specifications. Non-Canadian students who engage in student government roles, for example, are prevented from taking reduced course-loads and are forced to juggle multiple commitments – a reality that domestic students don't have to face.

In 2014, the Government introduced the Post-Graduation Work Permit Program allowing international students to work in Canada without restriction after graduating from a Canadian post-secondary institution. This exempts international students from the previous requirement to obtain Labour Market Assessments before getting a job, which was a positive move. In order to gain permanent residency international students need to gain Canadian work experience, so facilitating such opportunities is crucial.



The government does this to an extent, with the Canadian Experience Class targeting highly skilled talent who manage to obtain managerial jobs. However, there is currently a cap of 8,000 individuals per year for the Canadian Experience Class, a number that international students are included in. Similarly, the Express Entry Program requires an invitation to participate and employers need to conduct labour market assessments before they are allowed to hire. According to the Canadian Chamber of Commerce, the compliance costs for obtaining a labour market assessment deters employers from using the Express Entry Program. [1] For these reasons, there are not enough opportunities being created for international students wanting to work and stay in Canada after graduation.

**Sources:**

[1] <http://www.chamber.ca/media/blog/160114-immigration-for-a-competitive-canada/>

## YOUTH UNEMPLOYMENT

The employability of youth is one of the biggest issues facing Canadian students. According to Statistics Canada, in June 2015 the youth unemployment rate was 12.9 percent – twice the national unemployment rate. [1] Further, youth unemployment is becoming systemic problem in the labour market. Due to dubious work prospects, students are forced to accept unpaid internship or low-paying employment. As a result, students are working longer hours, but gaining little meaningful work experience or compensation in return.

### RECOMMENDATIONS

- *Promote youth hiring in Canada, with the goal of addressing the skills gap, unemployment and underemployment of youth through the use of grants, tax credits, and wage subsidies for businesses that hire Canadians aged 18 to 30.*
- *Creating grants for post-secondary institutions to expand their co-operative work opportunities in underrepresented disciplines such as social sciences and humanities.*



Youth unemployment and underemployment have a devastating effect on the quality of the workforce. Certified General Accountants Association of Canada states youth unemployment will erode skills and knowledge gained through the education. [2] This erosion of skills will significantly hinder Canadian businesses ability to expand and compete globally. Underemployment has a similar effect, preventing the development of essential professional skills.

The benefits of experiential education for students and for the economy are vast. Ontario's Ministry of Training, Colleges, and Universities in 2013 revealed that 74 percent of graduates who completed co-op earned over \$40,000 within 6 months compared to 39 percent who did not complete co-op. Furthermore, two years after graduation, 48 percent of those who completed co-op earned over \$60,000, compared to 21 percent who did not complete co-op.[3]

We are pleased to see the government's effort to create more co-op placements for students in science, technology, engineering, and mathematics (or STEM) programs. However, students in social science and humanities have far fewer co-op opportunities. Expanding cooperative initiatives to include social science and humanities will improve employment outcomes for all students and recent graduates. We must ensure that youth have meaningful work experience and more opportunity to earn a wage while completing their studies.

Canadian youth should have greater confidence in their economic and social future. In order to foster that heightened sense of optimism, policymakers need to recognize the importance of investing in youth employment.

**Sources:**

- [1] <http://www.statcan.gc.ca/daily-quotidien/150710/dq150710a-eng.htm>
- [2] [http://www.cga-canada.org/en-ca/researchreports/ca\\_rep\\_2012-10\\_youthunemployment.pdf](http://www.cga-canada.org/en-ca/researchreports/ca_rep_2012-10_youthunemployment.pdf)
- [3] <http://www.iaccess.gov.on.ca/OSAPRatesWeb/en/index.html>

## PARTICIPATING STUDENT ORGANIZATIONS, 2016



**Alma Mater Society**  
*University of British Columbia*  
Vancouver, British Columbia



**University of Saskatchewan Students' Union**  
*University of Saskatchewan*  
Saskatoon, Saskatchewan



**University Students' Council**  
*Western University*  
London, Ontario



**Alma Mater Society**  
*Queen's University*  
Kingston, Ontario



**University of Toronto Students' Union**  
*University of Toronto*  
Toronto, Ontario



**Federation of Students**  
*University of Waterloo*  
Waterloo, Ontario



**McMaster Students' Union**  
*McMaster University*  
Hamilton, Ontario

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