# Standing Committee on Finance (FINA)

**Pre-budget consultations 2012** 

# **Athabasca University Graduate Students' Association**

## Responses

## 1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

In an increasingly complex and globalized world we need university graduates who are trained to research the social and scientific innovations necessary to advance Canadian industry and create sustained economic growth. Research and innovation can make a tremendous difference to Canada's society and economy. Successful university research transforms into the products and ideas that are needed in the international marketplace. The Government of Canada can support sustained economic recovery and create enhanced economic growth by continuing to invest in Canadian post-secondary research. The Athabasca University Graduate Students' Association (AUGSA) recommends: • that the Government of Canada continue to invest in the critical programs funded by Canada's three granting agencies (SSHRC, NSERC, and CIHR) to reflect the vital role that research and innovation play in Canada's prosperity.

# 2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

In order for graduates to fully integrate and participate in the economy, they must be able to eliminate their student debt as quickly as possible. The expansion of the federal student loan debt relief program will allow recent graduates to take on the risk of being entrepreneurial and to invent new products, technologies, and services. Because entrepreneurs and small businesses are major drivers of Canada's economy, a debt relief program for recent graduates will ultimately lead to job creation. The Athabasca University Graduate Students' Association (AUGSA) recommends: • that the Government of Canada implement a more robust debt relief program for college and university graduates; and • expand the eligibility requirements for existing repayment assistance options within the Canada Student Loans Program.

#### 3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

An educated workforce is vital to addressing the challenges associated with skills shortages among Canadian workers. By ensuring that post-secondary education is accessible, particularly to mature learners returning to university or college to upgrade their skills or acquire new training, we can address skills shortages in the workforce and ensure that aging Canadians—many of whom are choosing to delay retirement until later in life—remain productive members of the workforce. Currently, nearly all Canadians who work full time are ineligible for part-time student loans. Mature learners attending post-secondary institutions on a part-time basis often struggle financially despite earning an income above the student loan eligibility threshold. These students often have mortgages, car payments, children and

adult dependants. Adding the cost of an advanced education means that many mature, life-long learners must make significant sacrifices in order to pay for their education. The Athabasca University Graduate Students' Association (AUGSA) recommends: • that the Government of Canada increase income eligibility limits for part-time student loans, particularly for graduate students with high financial need.

# 4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

By supporting open access to publicly-funded data, the Government of Canada can spur rapid innovation which will result in increased workplace productivity, economic growth from new technologies and enterprises, and increased employment opportunities for Canadians. The Athabasca University Graduate Students' Association (AUGSA) recommends: • that the Government of Canada enact legislation that requires tri-agency funded research to be published in an open access format.

## 5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

The current global economic situation has resulted in an increase of mature, part-time learners enrolling in university to advance their education and improve their long-term economic success. Unfortunately, many mature learners have difficulty accessing the post-secondary education system. Mature learners often have children and are expected to contribute to their education, creating hardships for older adults wishing to return to university themselves. These same learners are more likely than traditional students to require a vehicle for their day-to-day lives (i.e., getting to work, taking their children to school and/or daycare, etc.). Mature learners also require higher income thresholds for borrowing under the Canada Student Loans Program (CLSP). Current income thresholds may be adequate for a nineteen-year-old student who is still living at home, but an annual income of \$40,000 is not a lot when paying a mortgage, providing for children and adult dependants, and attempting to gain a postsecondary education. Many mature learners are simply unable to afford post-secondary education without a loan. The Athabasca University Graduate Students' Association (AUGSA) recommends: • that the Government of Canada increase income thresholds for borrowing under the Canada Student Loans Program (CLSP); • eliminate parental contribution requirements from the CSLP; • eliminate the onevehicle assessment from the CSLP; and • strengthen and invest further in a universal post-secondary education tax credit system as a way of continuing to provide universal financial support to all postsecondary students.