

Canadian Association of Student Financial Aid Administrators (CASFAA)

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?

The Canadian Association of Student Financial Aid Administrators (CASFAA) thanks the House Standing Committee on Finance for this opportunity to contribute to the pre-budget consultation process. CASFAA is the national professional association representing financial aid administrators at Canada's colleges and universities. Our members administer a large spectrum of student financial aid programs at all levels. This includes government sponsored student aid programs such as the Canada Student Loan Program, various provincial student assistance programs, institutional scholarships and bursaries, and work study programs. In this particular consultation process, CASFAA's presentation will centre on how to create quality sustainable jobs through a Federal Work-Study Program administered through participating postsecondary institutions across Canada.

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?

Canada's continued prosperity in an increasingly competitive and integrated global economy rests on its ability to maintain an advantage in terms of the skills, flexibility and innovativeness of its labour force. Since 1980, the earnings of those with a post-secondary education have grown, while the wages of those with a high school diploma or less have not. New research from Statistics Canada (Youth in Transition) and Canada Millennium Scholarship Foundation (The Price of Knowledge) confirm that participation rates from students with relatively advantaged backgrounds are strong. We need to make gains in the average participation rates of students from under-represented groups (students from low-income families, students with no history of post-secondary education in their families, Aboriginal students and students with disabilities). However, Canadians need adequate training and education to meet current and future innovative workforce requirements. As such, CASFAA is recommending a Federal Work-Study Program. Through program participation, students will gain the skills, knowledge and confidence to effectively utilize their own potential and capabilities to transition from post-secondary education to full-time employment. Federal Work-Study Programs objectives are to:

- Compensate for students' lack of resources not available through parental/family contributions, bank/student loans, line-of-credits, etc.
- Provide financial incentives to "needy" students to continue their academic career, despite lack of resources.
- provide work opportunities to students who may not have prior work experience and, therefore, may find it harder to gain career-related employment.

A federal Work-Study Program will enhance career development, employability skills and opportunities for university students, especially from underrepresented groups. This will be achieved through: i. Work-based learning opportunities; ii. Mentoring and; iii. Evaluation.

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?

Statistics Canada predicts a labour shortage of 1.5 million within the next decade. There is no debate; individuals will need post-secondary education to enter the current labour market. Federal statistics quote that 70% of current employment opportunities require post-secondary education. This figure will increase—we need to be prepared to meet the growing demands. We also need to ensure equitable access to employment. Students from under-represented groups often face a variety of barriers to accessing higher education. The complexity of the issues each group face can differ to varying degrees. Historically, the categories consist of financial, informational and motivational. Financial barriers include a lack of funds to attend a post-secondary institution, debt aversion in a primarily loan-based student aid system, and high sensitivity to increases in the cost of attending post-secondary education. Informational barriers refer to a lack of information about financial aid and various post-secondary pathways, particularly misconceptions about their costs and benefits to career opportunities. Under-represented students often face motivational barriers such as a lack of confidence, the absence of parental interest, support and engagement, and an unsupportive primary or secondary school environment. There are many other barriers, such as institutional, geographic and academic barriers, but each is closely related to at least one of the three broad barriers identified. By addressing these barriers, a more knowledgeable and skilled labour force will be available to effectively meet the upcoming needs of the aging work force.

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?

A Federal Work-Study program provides students with an employment history to gain successful employment upon graduation. Administered by their educational institution of choice, this program would offer students the opportunity to build employer connections and obtain much-needed resources to retain their access to PSE. This could be a cost sharing measure between the federal government, the educational institution and public/private sector employers.

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?

Aboriginals, persons with disabilities, low-income earners, first generation post-secondary learners, young males and youth from rural communities, continue to remain under-represented in universities and colleges across Canada. Improving access to higher education for these groups is widely acknowledged as essential to building a more equitable society and to competing in the increasingly knowledge based economy. Once again, the Canadian Association of Student Financial Aid Administrators appreciates the opportunity to contribute to the House of Commons Pre-budget consultations and hope that we can share our ideas with the Pre-Budget Consultation Committee as a whole. We look forward to hearing from you in the near future Phyllis Bosnick President, CASFAA Phyllis.bosnick@lakeheadu.ca Shelley Clayton Past President, CASFAA clayton@unb.ca