

CASA's 2021 Pre-Budget Submission



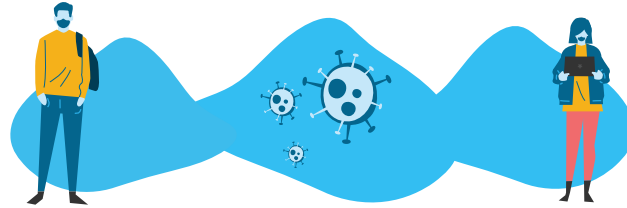
**SUPPORTING
POST-SECONDARY STUDENTS
IN THE AGE OF COVID-19**



CASA | ACAE

Canadian Alliance of Student Associations
Alliance canadienne des associations étudiantes

Introduction



The Canadian Alliance of Student Associations (CASA) is a national, not-for-profit, non-partisan student organization composed of 23 student associations across Canada representing undergraduate, graduate, college, and polytechnic students. Including CASA's partnership with the Quebec Student Union, CASA represents a total of 365,000 students across the country and acts as a national voice for post-secondary students. CASA advocates for a post-secondary system that is accessible, affordable, innovative, and of the highest quality.

During this unprecedented time, supporting students and recent graduates is more important than ever. At a uniquely vulnerable point in their lives, students have been blindsided by lost income, online classes, a summer of isolation, and bleak job prospects following graduation. While the Canadian post-secondary system is strong, students in Canada remain worried about their studies and financial stability moving forward. In

light of this, the Canadian Alliance of Student Associations has sought to bring forward a suite of recommendations that aim to alleviate student anxiety through additional financial support and enhanced access to technology and broadband necessary for online learning.

Summary of recommendations:

- » **Maintain the 2020-2021 funding levels to Canada Student Grants under the Canada Student Loans Program in response to COVID-19, thus doubling grant maximums for eligible students from \$3,000 to \$6,000 per academic year going forward.**
- » **Take immediate steps to accelerate investment into rural high-speed Internet access across Canada.**
- » **Commit additional funding to provide appropriate digital technology to any low-income post-secondary student who needs it.**
- » **Using existing resources, build better financial literacy tools within the Canada Student Loans Program portal in consultation with student stakeholders.**

Maintaining the Increase to Canada Student Grants



Canadian students are currently in the midst of coping with extraordinary levels of financial stress due to the COVID-19 pandemic. As they plan their return to school this September, students are realizing the full impact that COVID-19-related income loss will have on their ability to afford tuition, textbooks, rent, and groceries. According to data collected by CASA and Abacus Data, two thirds of students have seen the pandemic have a negative impact on their finances, as well as on the finances of their family.¹ This financial difficulty has caused many students to re-evaluate how they will be paying for post-secondary education, with 43% of students estimating that they will be relying more on government student aid than they have in the past.²

“75% of students say that the pandemic will have a lasting impact on their financial situation beyond 2020.”

— CASA-Abacus Data Report

Thankfully, the Government of Canada has recognized this elevated need by enhancing the existing Canada Student Loans Program (CSLP) for this academic year with an infusion of \$1.93

billion.³ This funding includes the doubling of Canada Student Grants for all eligible full-time students, as well as for students with disabilities or dependents. Broadly speaking, this investment will substantially aid students in financially precarious situations due to the COVID-19 pandemic for the 2020-21 academic year.

That being said, many students do not see an end to their financial hardship in the near future, with 75% revealing that the pandemic will have a lasting impact on their financial situation beyond this year.⁴ This means that many post-secondary students will need considerable financial assistance beyond this academic year if they are to complete their studies. Knowing this, and given the proven ability of Canada Student Grants to provide meaningful financial aid to low- and medium-income students across the country, **CASA recommends that the federal government maintain the 2020-2021 funding levels of Canada Student Grants under the Canada Student Loans Program, thus doubling grant maximums for eligible students from \$3,000 to \$6,000 per academic year at an estimated additional cost of \$985.6 million annually.**

1 “Students Are Still Worried: COVID-19 and Post-Secondary Education,” Canadian Alliance of Student Associations, Abacus Data, June 2020, pp. 7, accessed online: https://www.casa-acae.com/students_are_still_worried_covid19.

2 Ibid, pp. 13.

3 “Economic and Fiscal Snapshot,” Finance Canada, July 8 2020, pp. 133, accessed online: <https://www.canada.ca/en/department-finance/services/publications/economic-fiscal-snapshot.html>

4 “Students Are Still Worried: COVID-19 and Post-Secondary Education,” Canadian Alliance of Student Associations, Abacus Data, June 2020, pp. 16, accessed online: https://www.casa-acae.com/students_are_still_worried_covid19.

Expanding High-Speed Internet Access for Rural Students



Access to reliable, affordable, and high-speed Internet has become an integral part of the post-secondary student experience in Canada. For many students, the Internet is a foundational tool and service that helps them navigate daily life, whether that means banking online, doing digital research for school, or virtually communicating with out-of-town family members. In addition, the Internet has also grown to become a hub for the Canadian post-secondary experience, as

“I have to sit in my car, outside a coffee shop to get working wifi to do my classes because my area does not have the best [broadband access].”

— Julie, Alberta, University of Calgary

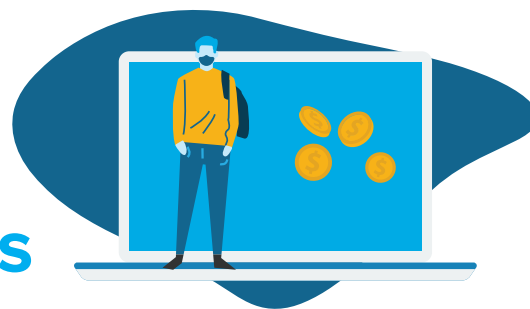
things like course registration, digitized lectures, course syllabi, assignment submission portals, and digital educational services are all accessed online. Indeed, the Internet has become even more indispensable for post-secondary students since the beginning of the COVID-19 pandemic, as a majority of lectures, seminars, and class examinations have now all moved online in the name of adhering to physical distancing regulations. This makes accessible, reliable, and high-speed Internet access all the more necessary for students across Canada, as many are being

asked to attend classes virtually from home, with the burden of access being placed solely on post-secondary students.

Unfortunately, Canada has a long way to go in ensuring that all Canadian students have sufficient access to high-speed Internet. While many urban-dwelling Canadians are privileged with fast and abundant broadband availability, many rural Canadians and on-reserve Indigenous residents are not as fortunate. According to the Canadian Radio-television and Telecommunications Commission, only 68% of rural residents in Canada have access to broadband Internet fast enough to sustainably access the kind of videoconferencing applications used for online learning, compared to 100% of urban residents.⁵ Recognizing this need, the federal government has promised to ensure that every Canadian will have access to high-speed internet by 2030. While this goal is laudable, it does not come soon enough for thousands of rural post-secondary students who need high-speed Internet to access their classes this school year. Accordingly, **CASA recommends that the federal government take immediate steps to accelerate investment into rural high-speed Internet access across Canada.**

⁵ “Communications Monitoring Report 2019,” Canadian Radio-television and Telecommunications Commission, January 21 2020, accessed online: <https://crtc.gc.ca/eng/publications/reports/policymonitoring/2019/cmr2.htm>.

Improving Access to Digital Technology for Low-Income Students



The COVID-19 pandemic has presented unique and unforeseen challenges for post-secondary students across Canada. Chief among these concerns are the difficulties many post-secondary students are facing when transitioning to a digital-only model of educational delivery. In that, many low-income students have seen their access to library-based digital resources such as free Internet access and

“47% of post-secondary students in Canada are concerned about having the technology they need.”

— **CASA-Abacus Data Report**

computer space disappear. This is problematic, as many low-income post-secondary students across Canada rely on these library-based digital resources to complete their coursework.

In a physically distanced and online environment, access to this digital technology will be severely curtailed, as many students will not be physically present on campus throughout

the semester. As a result, many low-income students may be unable to access the resources they would usually rely on. Indeed, according to a recent CASA poll conducted with Abacus Data, it was found that 47% of post-secondary students are concerned about having the technology they need to sufficiently participate in digital learning this Fall.⁶ These students are worried that they are being pushed out of post-secondary education because they simply cannot afford a personal laptop or satisfactory wifi. Because of this, **CASA recommends that the federal government commit additional funding to provide appropriate digital technology to any low-income student who needs it at the cost of \$159.9 million. This can be achieved through applying the Canada Student Loans Program’s existing method to identify low-income students eligible for the Canada Student Grant. CASA believes that any student eligible for the Canada Student Grant should also be eligible for a post-secondary student digital resources grant.**

⁶ “Students Are Still Worried: COVID-19 and Post-Secondary Education,” Canadian Alliance of Student Associations, Abacus Data, June 2020, pp. 22, accessed online: https://www.casa-acae.com/students_are_still_worried_covid19.

Building Better Financial Literacy Tools for Students



The Canada Student Loans Program is the main mechanism by which the federal government distributes financial aid to post-secondary students. In 2016-2017, the program financially supported over 627,000 post-secondary students through either grants, loans, or in-study interest subsidies.⁷ This equates to over \$2.6 billion in

“Only 44% of student borrowers understood that their loans would begin ‘to accumulate from the time their studies ended.’”

— Auditor General of Canada, July 8 2020

loans, and \$1.0 billion in non-repayable grants, being paid out to students to help them cover and afford their education.⁸ This assistance is integral to making Canadian post-secondary education more affordable and accessible, but it also leaves many students financially vulnerable well after graduation.

While the Government of Canada introduced the Repayment Assistance Plan in 2008 to support student loan borrowers who have difficulty paying back their loans, the average yearly default rate for Canada Student Loans still hovers around

9%.⁹ In addition, more and more students have begun to rely on the Repayment Assistance Plan to relieve themselves of overburdensome student loan payments.¹⁰

Indeed, the persistent difficulty students face when repaying their student loans may, in part, be a symptom of misunderstanding their obligations when accepting a loan. According to the Auditor General of Canada, only 44% of student borrowers knew that their loans would begin “to accumulate from the time their studies ended.”¹¹ In addition, only 35% “knew that interest would start to accumulate from the time they changed their status from full- to part-time student.”¹² Moreover, CASA has heard anecdotally from students, confusion regarding the Canada Emergency Student Benefit and what a taxable benefit is. Thus, CASA knows there is more the government can do to ensure that students and student borrowers are better informed about their finances and obligations when accepting government financial support. Therefore, **CASA recommends that the government, within existing resources, build better financial literacy tools within the Canada Student Loans Program portal in consultation with student stakeholders.**

7 “Canada Student Loans Program Annual Report 2016-2017,” Employment and Social Development Canada, 2018, pp. 9, accessed online: <https://www.canada.ca/en/employment-social-development/programs/canada-student-loans-grants/reports/cslp-annual-2016-2017.html>.

8 Ibid.

9 Ibid, pp. 29.

10 “2020 Spring Reports of the Auditor General of Canada to the Parliament of Canada: Report 2 -- Student Financial Assistance,” Office of the Auditor General of Canada, July 8 2020, accessed online: https://www.oag-bvg.gc.ca/internet/English/parl_oag_202007_02_e_43573.html.

11 Ibid.

12 Ibid.

Our Members



About CASA

Established in 1995, the Canadian Alliance of Student Associations (CASA) is a non-partisan, not-for-profit, student organization composed of 23 student associations, representing 275,000 post-secondary students from coast to coast. Through its partnership with the Quebec Students Union (QSU), CASA presents a national student voice to the federal government. CASA advocates for a Canadian post-secondary education system that is accessible, affordable, innovative and of the highest quality.



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130 Slater Street, Suite 410, Ottawa ON, K1P 6E2



casa-acae.ca



613.236.3457



info@casa.ca



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