

**Written Submission for the Pre-Budget Consultations in
Advance of the Upcoming Federal Budget**

By: Thompson Rivers University Students' Union

- **Recommendation 1:** Extend the doubling of the Canada Student Grants program until 2022/23
- **Recommendation 2:** Continue to expand the Canada Summer Jobs program
- **Recommendation 3:** Revise the federal international student plan

Introduction

This year has been an unusually challenging time for Canadians on many levels. COVID-19 has disrupted the economy on a global level and we are facing new health and social challenges in unprecedented ways. Creating a plan across a wide variety of sectors to restart the Canadian economy while maintaining safety for Canadians will be of the utmost importance in the coming months.

The post-secondary sector has a key role in this recovery process as there will be a significant portion of the population seeking retraining, as well as current students who are looking to complete their education during these times of economic uncertainty. Of note, many students have already had their studies disrupted, lost jobs and/or job prospects, and face new hurdles to afford to complete their studies in a timely fashion. Statistics Canada released new data in May 2020 based on a survey of over 100,000 students showing that students are facing a wide array of concerns. Of students who initially reported having a job lined up for the summer, 31% lost that job and 40% had the start date of their job delayed. Over half of post-secondary students had their academic life disrupted in a significant way with courses delayed, postponed, or cancelled, leading to 11% of students being unable to complete their degree or other designation as planned.ⁱ

The federal government has already put in place a range of measures to help students over the summer and in the coming months. These measures are appreciated by our members as well as students across the country and will help students and the post-secondary sector significantly in the short term. Our recommendations are geared towards ensuring that Canadians continue to be able to universally access post-secondary education in the longer term as economic fallout from the COVID-19 pandemic continues to be felt.

Recommendation 1: Extend the doubling of the Canada Student Grants program until 2022/23

The Thompson Rivers University Students' Union has long supported need-based grants as the most efficient and impactful form of student financial aid. A need-based grants program is effective at increasing participation rates because it is transparent and provides students with financial assistance up-front, before costs are incurred. A student can be sure of the amount they are eligible for and the criteria for receiving a grant before starting their education. This helps low income and debt-averse students be sure of their financial resources, increasing participation rates in post-secondary education.ⁱⁱ

On April 22, 2020 the Federal Government announced that the Canada Student Grants program will be doubled for the 2020/21 academic year to support students further during the COVID-19 pandemic. This provides up to \$6000 in non-repayable financial aid to students across the country. On behalf of students at Thompson Rivers University, we thank the federal government for the increased levels of support and investing in students during these challenging times. Ensuring that post-secondary education continues to be accessible to

students who are both part way through their education as well as new prospective students who are out of the work force is a vital part of restarting the Canadian economy in the coming years.

To this end, we are recommending that the federal government extend the doubling of the Canada Student Grant program for two additional years until 2022/23. This will provide students with three years in total of increased levels of support. We are making this recommendation because the economic impacts of the COVID-19 pandemic are likely to continue to play out over the next few years and students and young people tend to be particularly vulnerable to economic instability. In Statistics Canada's survey of post-secondary students between April 19 and May 1, 2020, 51% of respondents indicated that they were very or extremely concerned about paying for the next term's tuition.ⁱⁱⁱ Doubling the Canada Student Grants program for the next three years will ensure that any Canadian who is interested in post-secondary education has that option available to them. This will help our economy remain adaptable to new challenges in the years ahead.

Recommendation 2: Continue to expand the Canada Summer Jobs program

The Canada Summer Jobs program has been a longstanding federal program to provide students with paid work experience. Specifically, the program aims to "Provide quality work experiences for youth, respond to national and local priorities to improve access to labour market for youth who face unique barriers, and provide opportunities for youth to develop and improve their skills." In 2019 the program shifted to be open to all Canadian youth, but it still primarily provides student jobs.

We believe this recommendation is important because the COVID-19 pandemic is proving particularly challenging for young people and new graduates. On June 5, 2020 Statistics Canada released data showing that BC workers between the ages of 15 and 24 are the hardest hit from COVID-19 with a 29% unemployment rate. Of students who reported having firm employment plans or were continuing with the job they held in the beginning of March, 21% had lost their job entirely and 34% had been laid off by the beginning of May. A further 26% were still working but with fewer hours and only 24% were continuing to work as planned.^{iv}

This shows the vulnerability that students and young people are facing. As stated by Prime Minister Justin Trudeau, "In this economic climate it is hard for people of all ages to find work, but young people are especially vulnerable. They are new to the workforce so they don't have a lot of money set aside for this kind of situation. At the same time, they need work experience to secure their next job and money to cover their living expenses and help with tuition for the rest of their year."^v

Part of the changes to the Canada Summer Jobs program in response to COVID were to add funding for 70,000 new jobs across the country. The program also moved from subsidizing up to

50% of a student's wage for public and private sector jobs to subsidizing 100% for this year. Part time employment is also now eligible and placements may be extended into the fall and early winter.^{vi}

Some of these changes, such as the subsidy percentage and length of placement, will need to be evaluated following this year to determine if they are beneficial to move forward into future years as the economy is recovering. But the expansion of this program to provide 70,000 additional placements for young Canadians to find employment is undoubtedly positive as it is also supporting non-profits, businesses, and the public sector across the country. This program to help young Canadians this summer and could be further expanded to become a key part of the federal government's strategy to restart the Canadian economy in the coming years.

Recommendation 3: Revise the Federal international student plan

The international education sector has been a rapidly growing part of the Canadian economy over the past decade. As of 2018 there were over 700,000 international students studying across the country, representing an increase of 68% since 2014.^{vii} This has pushed Canada to being ranked 3rd globally in the number of international students we attract, behind only the United States and Australia.^{viii}

The estimated economic impact of international students studying in Canada was \$21.6 billion in 2018 alone. In addition to this, international education helps to sustain an estimated 170,000 jobs across the country, which is particularly important in our current global context.^{ix} This represents a significant part of the Canadian economy and, within the post-secondary sector, a very important revenue source.

The future of international student enrolment is increasingly uncertain though in the context of COVID-19. Post-secondary institutions across the country are nervously looking ahead to the fall semester and beyond with uncertainty about how travel restrictions and an unstable global economic situation may impact enrolment – and perhaps even more importantly, how it may impact revenue.

There are no easy answers for how to move forward for post-secondary institutions and for international students themselves. Some international students have expressed concern with being able to afford to continue to study as they have lost jobs that they relied on while studying here or in some cases family back home are facing new financial challenges. On the other hand, institutions face increased costs of supplying online education this fall with uncertain enrolment and so in many cases cannot afford to reduce fee costs for students.^x

The federal government has recognized the growing importance of this sector through releasing a five-year international student strategy in 2019 that will carry through to 2024. This

strategy is almost entirely growth focused though, and lacks critical details that could help the post-secondary sector respond and make reforms in the face of the COVID-19 pandemic. We believe that the federal government should start the process of revising the existing international education strategy to account for the new reality and challenges that are being faced in this sector. It is unlikely that international education will see the same level of mobility that the existing strategy is based on and both students and institutions need reassurance about how the federal government plans to move forward in the coming years.

ⁱ Statistics Canada. May 2020. *Impacts of the COVID-19 Pandemic on Postsecondary Students*. <https://www150.statcan.gc.ca/n1/daily-quotidien/200512/dq200512a-eng.htm?HPA=1>

ⁱⁱ Benjamin L. Castleman and Bridget Terry Long. [2016] Looking beyond Enrollment: The Causal Effect of Need-Based Grants on College Access, Persistence, and Graduation. *Journal of Labor Economics* 34, no. 4

ⁱⁱⁱ Statistics Canada. *Impacts of the COVID-19 Pandemic on Postsecondary Students*.

^{iv} Statistics Canada. *Impacts of the COVID-19 Pandemic on Postsecondary Students*.

^v The Gateway. April 2020. *Prime Minister amends Canada Summer Jobs Program to employ more students*. <https://thegatewayonline.ca/2020/04/prime-minister-amends-canada-summer-jobs-program-to-employ-more-students/>

^{vi} The Gateway. *Prime Minister amends Canada Summer Jobs Program to employ more students*.

^{vii} Government of Canada. 2019. *Building on Success: International Education Strategy (2019-2024)*. <https://www.international.gc.ca/education/strategy-2019-2024-strategie.aspx?lang=eng>

^{viii} Canada Immigration Newsletter. February 2020 <https://www.cicnews.com/2020/02/642000-international-students-canada-now-ranks-3rd-globally-in-foreign-student-attraction-0213763.html>

^{ix} Government of Canada. 2019. *Building on Success*

^x CBC. May 7, 2020. *As international students struggle to make ends meet, universities face crippling drop in enrolment* <https://www.cbc.ca/news/canada/british-columbia/international-students-bc-covid-19-1.5557286>