

**POLICY PAPER**

---

***Student Financial Aid***

*Spring 2022*

*Prepared by:*

*Nathan R. G. Barnett, Vice President of University Affairs  
Trent Durham Student Association, Trent University Durham GTA*

*Aaryan Chaudhury, Government Affairs Manager  
Alma Mater Society, Queen's University*

*Emma Coppins, Policy Analyst  
Trent Durham Student Association, Trent University Durham GTA*

*Mia Sunner, Academic Affairs Manager  
Alma Mater Society, Queen's University*

*With files from:*

*Eddy Avila, Executive Director  
Ontario Undergraduate Student Alliance*

*Britney De Costa, Research & Policy Analyst  
Ontario Undergraduate Student Alliance*

*Malika Dhanani, Research & Policy Analyst  
Ontario Undergraduate Student Alliance*

---

## ABOUT OUSA

---

OUSA represents the interests of 150,000 professional and undergraduate, full-time and part-time university students at eight student associations across Ontario. Our vision is for an accessible, affordable, accountable, and high quality post-secondary education in Ontario. To achieve this vision we've come together to develop solutions to challenges facing higher education, build broad consensus for our policy options, and lobby the government to implement them.

The member institutions and home office of the Ontario Undergraduate Student Alliance operate on the ancestral and traditional territories of the Attawandaron (Neutral), Haudenosaunee, Huron-Wendat, Leni-Lunaape, Anishinaabek, and Mississauga Peoples.

This Student Financial Aid Policy Paper by the Ontario Undergraduate Student Alliance is licensed under a [Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License](https://creativecommons.org/licenses/by-nc-nd/4.0/).

### ***Suggested citation:***

**Barnett, Nathan R. G., Aaryan Chaudhury, Emma Coppins, and Mia Sunner, *Policy Paper: Student Financial Aid*. Toronto: Ontario Undergraduate Student Alliance, 2022.**

## **ACKNOWLEDGEMENTS**

---

OUSA policy papers are written by students to articulate student concerns and offer student-driven solutions for accessible, affordable, accountable, and high quality post-secondary education in the province.

To support our policies and ensure that we are effectively representing undergraduate and professional students at Ontario's universities, students and student groups from each of our eight member institutions were consulted to provide guidance and feedback on the principles, concerns, and recommendations contained herein.

OUSA would like to thank students and student groups from Brock University, Laurentian University, McMaster University, Queen's University, Trent University Durham GTA, the University of Waterloo, Western University, and Wilfrid Laurier University for their valuable contributions to this policy paper.

## TABLE OF CONTENTS

---

<b>GLOSSARY .....</b>	<b>4</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>5</b>
<b>INTRODUCTION .....</b>	<b>11</b>
<b>LOANS &amp; GRANTS.....</b>	<b>13</b>
TARGETED FREE TUITION .....	13
GRANTS & LOANS.....	15
LOAN PAYBACK, INTEREST, & DEBT .....	17
NET BILLING .....	20
TUITION SET-ASIDE .....	21
<b>ELIGIBILITY .....</b>	<b>23</b>
TARGETED FUNDING.....	23
INDEPENDENT & DEPENDENT STUDENTS .....	25
EQUITABLE FUNDING FOR PART-TIME & FULL-TIME STUDENTS .....	29
CO-OP & PROFESSIONAL STUDENTS .....	30
<b>PREDICTABILITY &amp; TRANSPARENCY .....</b>	<b>32</b>
<b>DATA COLLECTION .....</b>	<b>34</b>
DEMOGRAPHICS.....	34
USE OF PROCESSES, FORMS, ETC.....	36
<b>ACCESS TO INFORMATION .....</b>	<b>38</b>
EARLY OUTREACH .....	38
MARKETING & INFORMATION .....	38
<b>APPEALS.....</b>	<b>39</b>
<b>OSAP ACADEMIC PROBATION .....</b>	<b>41</b>
<b>POLICY STATEMENT .....</b>	<b>43</b>

## GLOSSARY

---

**1st-entry and 2nd-entry programs:** 1st-entry programs refers to programs that do not require previous university education to participate in. On the other hand, 2nd-entry programs require some level of university education before being eligible to participate in, for example graduate studies and most professional programs like medicine, dentistry, pharmacy, etc.

**Low-, medium-, and high-income students:** Although OSAP doesn't have formal classification of low-, medium-, and high-income students, this policy paper will use the income thresholds used in the Auditor General's 2018 report to define low-, medium-, and high-income students:<sup>1</sup>

- **Low-income student:** Independent or mature students <\$30,000 per year; dependent students <\$50,000 per year
- **Medium-income student:** Independent or mature students \$30,000 to <\$70,000 per year; dependent students \$50,000 to <\$90,000 per year
- **High-income student:** Independent or mature students >\$70,000 per year; dependent students >\$90,000 per year

**Means-tested:** A term used to describe an entitlement program that considers a variety of factors to determine if an individual is eligible for government assistance. These factors usually include the individual's income and is also based on the individual's means to manage without the assistance.

**Professional students:** Professional programs lead to professions that are governed by a mandatory regulatory body and require credentials be kept current through membership and/or additional education. Typical examples include medicine, dentistry, pharmacy, rehabilitation sciences, nursing, teacher education, optometry, law, etc. While some professional programs are 2nd-entry programs, not all are. Common 1st-entry professional programs include engineering, social work, and nursing.

**Qualified student:** A student who demonstrates academic potential and a willingness to excel in post-secondary.

---

<sup>1</sup> Office of the Auditor General, *Annual Report 2018* (Toronto, ON: Queen's Printer for Ontario, 2018), Volume 1, chap. 3, section 3.10, accessed March 25, 2019, [http://www.auditor.on.ca/en/content/annualreports/arreports/en18/v1\\_310en18.pdf](http://www.auditor.on.ca/en/content/annualreports/arreports/en18/v1_310en18.pdf).

## EXECUTIVE SUMMARY

---

Student financial aid, particularly the Ontario Student Assistance Program (OSAP), is a critical factor in the accessibility and affordability of post-secondary education in the province. The cost of education has consistently been a barrier and worry for students wishing to pursue post-secondary, and years of consecutive changes to OSAP has made the process increasingly confusing, frustrating, and inaccessible. As tuition and the cost of living continue to rise, students require and deserve a comprehensive, needs-based financial aid framework that equitably and adequately addresses their concerns. This includes developing a system that actively reduces students' present and anticipated financial burden, and one that is more transparent and clear in its calculations and processes. In doing so, the province can better support and retain students who are eager to participate in post-secondary.

### THE PROBLEM

#### ***An Inequitable and Unclear Funding Distribution System***

Students are worried about the changes to OSAP in January 2019, which continue to reduce total support to low-income families. A part of these changes was the elimination of the targeted free tuition program; while beneficial, it did not account for more expensive degree programs, such as professional programs, leaving students in professional programs without targeted free tuition. In addition, students from diverse/intersectional backgrounds, specifically Indigenous, racialized, and mature students, experience more systemic barriers when accessing financial aid and are already at risk of not being able to access post-secondary due to financial status.

Some dependent students may not have financial support from their families to help fund their education, and recent graduates are often responsible for paying off substantial debt when they may not have stable sources of income. Large amounts of debt and high interest loans can have a long-term impact on a graduate's ability to reach financial milestones, a concern made more problematic given the changes to OSAP in 2019 which reduced the total amount of grants and placed a heavier reliance on loans.

Students are concerned about meeting minimum student loan payments due to factors out of their control. Prior to the COVID-19 pandemic, students were unrealistically expected to begin paying their student loans with interest immediately after graduating, regardless of their career outlooks and/or income, and the provincial government is not transparent about where the interest from student loans goes. The COVID-19 pandemic has impacted, and continues to impact, recent graduates' ability to find a financially stable career in their field, resulting in more concerns regarding loan repayment. Furthermore, marginalized students often come from lower-socioeconomic backgrounds and therefore often need more financial aid support, both in attending post-secondary and in paying back any potential loans.

Depending on time of payment, OSAP's net billing program may leave students without the financial ability to pay rent or adequately finance other living expenses at the beginning of their academic term. Although well-intentioned, the net-billing process often leads to students not understanding that OSAP grants and institutional financial aid is being used to pay off tuition fees on their behalf, instead of the students receiving the aid directly. Concerningly, a lack of transparency and communication means students often don't know when and if they will be receiving the remainder of their OSAP funding. Furthermore, when OSAP funding is deposited directly to the institution and students do not use the entire sum for tuition, some financial aid offices do not reimburse students directly and instead, students may lose this difference in funding.

The annual Student Access Guarantee (SAG) guidelines are not readily accessible, which causes a lack of transparency and accountability. Additionally, the Ministry of Colleges and Universities (MCU) does not require reports on tuition set-aside expenditures from institutions. Students are also worried that the new changes to the SAG program negatively impact undergraduate students by removing the first-entry program guarantee and creating an inadequate 30 percent allotment minimum.

#### ***Restrictive Eligibility Criteria for Diverse Student Groups***

While many students from equity-deserving groups often face increased financial barriers, they do not receive adequate nor equitable government funding to address these barriers, and despite international and domestic students both being susceptible to unexpected financial hardships, international students currently do not have adequate access to financial support to help them complete their studies. They also have fewer scholarship and bursary opportunities, even though they pay significantly higher tuition fees which discourages and/or prevents qualified students from studying in Ontario. In addition, OSAP does not provide targeted funding for racialized students from low-socioeconomic backgrounds who may face increased financial constraints not considered by standard OSAP calculations. Two Spirit and LGBTQ+ students may also face greater financial barriers and receive minimal targeted government and institutional financial support.

OSAP's expected financial contributions assumes dependent students always receive financial assistance from their parent(s), guardian(s), spouses, etc., even though this may not be the case. The program also does not consider parental or spousal debt or assets as a factor in OSAP calculations for dependent students. Further, recent changes to independent student qualifications regarding years out of high school can negatively impact mature students' ability to pursue post-secondary education, and an unclear definition of a full-time working week that excludes full-time students can leave students confused as to if they qualify as an independent or dependent student. OSAP does not take into account whether or not a student is living away from home and paying rent when calculating a student's fixed contribution, and are assumed to be living at home if their post-secondary institution is within 30 kilometers of their parent(s)/guardian(s)/spouse place of residence, regardless of whether or not they select the living away from home option. Lastly, dependent students who are living at home and paying rent, are unable to request a review of their living situation.

Part-time students have disproportionately lower levels of OSAP funding compared to full-time students, despite that studies show they are often the most in need of financial aid as a result of a disability, issues related to COVID-19, financial barriers, increased caretaking roles, or other factors that may prevent them from studying full-time. Students are also worried that OSAP only provides part-time students with a maximum allotment of \$500 in grants per year, and that at some institutions, the marginal cost per additional course decreases, resulting in part-time students paying a higher average cost per course than full-time students. OSAP currently lacks a standardized definition of "part-time" student that is used consistently across all institutions and they have different metrics used to determine what makes a student part-time versus full-time, which can be inconsistent compared to OSAP's definition.

Students are concerned that professional students in similar economic situations to those in non-professional programs are expected to contribute more to their degree. While some co-op programs do provide a paid opportunity, unpaid co-op and placements can negatively impact a student's financial situation by raising their cost of education and/or limiting their ability to work. In addition to this, students enrolled in a co-op work term have to take on additional administrative work to apply for interest-free status even though they are still students. Students are also worried about the tuition and ancillary fee cap for professional students, since the actual tuition and ancillary fee costs are not taken into consideration which can negatively impact a student's OSAP funding.

### ***Minimal Predictability and Transparency Regarding OSAP Disbursement***

Concerningly, actual OSAP funding is sometimes inconsistent with estimates resulting in students being unable to appropriately fund their education, and funding changes announced in the middle of academic terms, including but not limited to changes in the proportion of loans to grants, can result in financial uncertainty for students. General or basic information, while helpful as a guide, can be confusing when trying to understand various aspects of OSAP, such as expected contributions, and how each aspect impacts a student's funding. Students are also worried that quick changes to OSAP, particularly ones affecting student eligibility and funding, can confuse and negatively impact a student's ability to complete or begin their post-secondary education.

### ***Limited and Confusing Data Collection Processes***

A lack of information detailing the demographic make-up of students accessing OSAP can negatively

impact students and other stakeholders' ability to advocate for necessary changes to OSAP. Notably, demographic data has historically not been ethically collected and has been used to harm marginalized communities. Further, relying solely on enrollment numbers to determine the success of OSAP ignores other benefits for students, particularly those already involved in post-secondary such as being able to work less hours and focus on school, having less financial related stress, etc.

Students have expressed concern about having to look for forms and information on various websites, which can often be confusing and stressful. Additionally, institutions are responsible for submitting student documents to OSAP, resulting in possible delays or other submission issues that penalize students for something that is outside of their control. Students are often confused and overwhelmed about how to find or apply for institutional and private grants and bursaries, resulting in lost opportunities for financial aid.

### ***Lack of Access to Information for Prospective Students***

High school students and their guardian(s) have a lack of access to information from the provincial government when deciding whether to enter post-secondary education, and no direct line of information exists between Ontario's student financial aid system and Ontario high schools, resulting in a significant lack of knowledge for high school students.

Another area of concern is students' lack of access to information about Ontario's student financial aid system; some institutions have better access to information than others, and this consequently deters students from attending post-secondary education.

### ***Inadequate Appeals Processes***

Students are unaware or have an insufficient understanding of the appeals process, which is worrisome given that COVID-19 has placed additional barriers for students financing their education that are not considered in OSAP's current funding calculations. The current appeals process does not adequately address barriers that prevent students from receiving financial support from their parent(s)/guardian(s). There is no publicly available and comprehensive data on the status of appeals, and the current structure does not allow students to appeal refusals of financial support from parent(s) or guardian(s), resulting in students having insufficient funds for their education. Students who appeal OSAP decisions may not see an increase in their financial aid as a result of the provincial government lowering their portion of funding.

### ***Punitive Academic Probation Practices***

Students are worried that removing access to financial aid through OSAP's academic probation can create barriers to academic success, and many are unaware that OSAP academic probation exists as it is not appropriately marketed on the website. Students are placed on OSAP academic probation for dropping/being unable to complete the number of courses initially indicated on their application, among a multitude of other inconsistent reasons, including interruptions in their education, taking a fifth year, multiple program/institution changes, plus more. OSAP academic probation penalizations are inconsistent and lack a standard system for all students who receive OSAP. Finally, if students are on OSAP academic probation for two consecutive years, they are penalized by then being placed on OSAP academic restriction, resulting in losing eligibility to receive OSAP for the following two years and hindering post-secondary affordability.

## **RECOMMENDATIONS**

### ***Reconfiguring and Clearly Articulating OSAP Distribution Structures***

The provincial government should restore the targeted free tuition program implemented in 2016, doing so for all students from families in the first six income deciles, and should ensure that the program reflects the actual program-specific cost of tuition incurred by each student, with particular attention paid to students in professional programs. The provincial government should also ensure OSAP calculations



include indirect costs of accessing post-secondary education, particularly accounting for diverse backgrounds and the effects of systemic oppression, when distributing funding.

The provincial government should prioritize OSAP grants, not loans, when distributing OSAP funding to students, and should ensure that, in efforts to increase student access to grants, the overall eligibility criteria for OSAP are not changed in a way that decreases individual access to overall financial aid amounts. Further, the provincial government should provide financial aid in the form of grants for low-income students, grants for medium-income students, and a combination of grants and loans for high-income students, with the majority of financial aid being grants.

The provincial government should remove interest on all student loans, including past students who still owe provincial student loans. While waiting on the removal of interest on student loans, the provincial government should set the rate of interest accrual on OSAP loans to the government's borrowing rate, the prime interest rate, or an average inflationary adjustment, whichever is lowest. Additionally, the provincial government should extend its grace period for the provincial portion of OSAP to a minimum of two years to ensure that students are in the financial position to cover the cost of repayments. Until the aforementioned recommendation on removing loan-based interest is achieved, the provincial government should establish, for the provincial portion of OSAP, that no interest accrues during the repayment grace period, and that any interest and/or profit made from OSAP repayments should be transparently re-integrated back into the OSAP fund. Regarding OSAP's Repayment Assistance Plan (RAP), the provincial government should remove the need to re-apply for OSAP every 6 months (alternatively having applications be re-confirmed every 12 months), automatically enrol eligible recent graduates in RAP, and expand RAP in order to support more graduates.

The provincial government should ensure that information regarding net billing and when students can expect to receive OSAP payments is clearly and transparently provided. In addition, the provincial government should ensure that students who apply to OSAP prior to the start of the academic school year are provided OSAP funding by mid-September to allow for the payment of tuition, living expenses and necessities. The provincial government should also permit students to choose how to receive their OSAP disbursement, either by traditional direct deposit or by net tuition billing.

The provincial government should make the SAG guidelines easily accessible from the MCU website, and should mandate and make public reports on spending of tuition fee set-aside reports. Furthermore, the provincial government should mandate in its Tuition Fee Framework and Ancillary Fee Guidelines that any excess funds from the tuition set-aside program at each university should be directed to roll over to the following year. The provincial government should also return to the prior SAG program guidelines, such as maintaining a distinction between students in first- and second-entry programs and removing the 30 percent allotment.

### ***Expanding Eligibility and Equitable Funding for Diverse Student Groups***

The provincial government should establish, in its tuition protocol, an international tuition set-aside at the same 10 percent rate of the domestic set-aside, with funds raised directed specifically to needs-based financial aid for international students. Additionally, the MCU should work with the federal government, more specifically the Ministry of Immigration, Refugees, and Citizenship, to develop a need-based grant program for international students, with the caveat that they stay in Canada for a minimum of the length of their degree after graduation. The provincial government should also increase allocated OSAP funding for underrepresented students to create a new targeted funding stream for self-identified racialized students from low-socioeconomic backgrounds, and should provide grant funding to post-secondary institutions to incentivize the expansion of financial aid for Two Spirit and LGBTQ+ students. To further support this, the provincial government should provide accessible provincial-wide financial aid information sessions targeted at marginalized students from low socio-economic backgrounds, and ensure they are adequately promoted to all students and their guardian(s) or supports.

The provincial government should ensure that students who are not receiving support from their parent(s) and/or spouse are not overly burdened when providing evidence of their lack of support. Notably, the provincial government should use actual parental and spousal contributions in OSAP

calculations, as opposed to expected contributions, to provide aid to students who are not financially supported by parent(s)/guardian(s) and/or a spouse, while maintaining a need-based financial aid system. Until this can be accomplished, the provincial government should include parental and spousal debt and assets as a factor in OSAP calculations for dependent students. Additionally, the provincial government should revert the independent student status to 4 or more years out of high school, as opposed to the current 6 or more years, and should clarify the definition of “worked full-time” in OSAP definitions to constitute as an average 30-hours per week, regardless of if they were a full-time student at the same time. The provincial government should remove the student fixed contribution, and instead develop a sliding scale that accounts for a student’s debt, income, cost of living, and other potential impacts on their finances to create a reasonable and affordable contribution. The provincial government should also advertise on the OSAP application form how to apply to change the automatic “at home” living allowance for students whose parent(s)/guardian(s) live within 30 kilometres of the institution/campus they are attending but who are not living at home. Lastly, the provincial government should allow single dependent students to apply for a review of their living allowance if they are living at home but paying room and board to parent(s)/guardian(s).

OSAP should remove the \$500 cap in grants for part-time students, and instead determine the amount of financial aid granted using the total cost of tuition based on the number of credits a student is taking. Furthermore, the provincial government should modify the funding formula for part-time students to mirror the funding formula used for full-time students, and OSAP should develop categories of part-time students based on the percent of a full-time course load they are enrolled in.

The provincial government should ensure that the OSAP funding formula accounts for the cost of co-op program fees and provides adequate financial aid for co-op students, such as removing the fixed contribution for students enrolled in co-op. In addition, the provincial government should work with university registrar offices to automatically confirm when students are enrolled in co-op work terms so they do not have to manually submit an interest-free status form. The provincial government should also remove the tuition and recognized compulsory ancillary fee cap for professional students and instead use the actual tuition and recognized compulsory ancillary fees.

### ***Increasing Predictability and Transparency***

The provincial government should ensure that the OSAP aid estimator provides an accurate funding estimate at least 6 months prior to the first day of classes, and should release the breakdown of calculations for applicant’s review when they release their OSAP funding summary calculations. The provincial government should also provide the annual full-time and part-time OSAP technical manuals online to be accessible to the public, in order to allow transparency and additional understanding of OSAP calculations. Further to this, the provincial government should create an easily digestible and transparent public resource that clearly outlines the funding structure for OSAP that is marketed to all students in post-secondary. The provincial government should guarantee a consistent amount of funding between grants and loans for a student throughout the course of their degree, if their financial circumstances remain consistent, and similarly, OSAP should have a program length guaranteed minimum for eligibility for students, if their financial circumstances remain consistent.

### ***Enhancing OSAP Data Collection and Application Accessibility***

The provincial government should develop optional demographic questions in accordance with the Ontario Human Right Code to better understand the demographic make-up of students accessing OSAP, and include information about how the data will be used on both the survey and website and publish annual reports to ensure transparency to students and the public. The provincial government should also ensure that all data collected on student financial aid should be stored within Canada. Additionally, the provincial government should, through OSAP and in conjunction with the Higher Education Quality Council of Ontario, develop satisfaction surveys for all OSAP recipients during and after their post-secondary education to evaluate OSAP’s success through various measures, rather than solely relying on enrollment numbers.

The provincial government should make all OSAP forms easily accessible and in relevant locations like the

OSAP account home page and make associated initiatives, such as RAP, easily accessible in relevant locations within individuals' OSAP accounts, such as the funding summary page. Furthermore, the provincial government should make commitments to not penalize students if institutions miss financial aid deadlines. The provincial government in collaboration with the Council of Ontario Universities should develop a matching system and search function that allows students to easily determine their eligibility and apply for institutional and private grants and bursaries through the OSAP application process and website. The provincial government should also develop a mandatory OSAP information module for applicants to complete when they apply for OSAP to include information on how OSAP works, what information OSAP requires and why, related OSAP programs such as RAP, where to find forms, and other important information.

### ***Easier Access to Information for Secondary School Students***

The provincial government should create a direct line of information between provincial high schools and Ontario's student financial aid system in order to create workshops and information sessions to equip students with all information pertaining to financial aid. In addition, the provincial government should mandate that all Ontario high schools should incorporate financial planning, including the functionality of OSAP into the high school curriculum.

The provincial government should work in conjunction with university student financial aid offices with resources to share with high school students regarding financial aid in an accessible and digestible manner. The provincial government should also work with institutions on developing a strategic plan to disseminate financial aid information at both the time of application and during the course of a student's degree, and create mandatory standards for information that must be shared about the Ontario student financial aid system, and within admission packages to all students.

### ***Raising Awareness on OSAP Appeals Processes***

The provincial government should ensure that OSAP publicly publish comprehensive data on the status of appeals, and specifically, the MCU should better promote the current OSAP appeals processes on the OSAP website and when communicating to students about their OSAP estimates. Further, the OSAP appeal process should be directly through the OSAP application portal instead of through individual institutions websites. The MCU should modify the OSAP appeals process to allow dependent students who are not receiving financial aid from their parent(s)/guardian(s) to alter their parental contribution due to barriers such as estrangement, lack of contact, intra-family conflict, etc. The MCU should also effectively market all OSAP appeal processes and forms at the beginning of OSAP applications and to post-secondary financial offices, specifically highlighting appeal forms in relation to COVID-19. The provincial government should commit to, in the case of an appeal, not lowering the amount of financial aid as a result of a federal increase in financial aid. Additionally, the MCU should include and promote assessments relating to the effectiveness of OSAP appeal processes on the OSAP website when communicating to students about OSAP appeals.

### ***Eliminating OSAP Academic Probation***

The MCU should remove the OSAP academic probation program entirely as a consideration for financial aid within OSAP, and should include and promote assessments relating to the effectiveness of OSAP appeal processes on the OSAP website when communicating to students about OSAP appeals.

## INTRODUCTION

---

For several years, students have been increasingly worried about the affordability of post-secondary education in Ontario. The costs of post-secondary can quickly add up between tuition, learning materials, ancillary and incidental fees, housing, food, and transportation. Students consistently struggle to finance their education and rely on financial aid to help mitigate these concerns. As this continues to be a top priority for students, the provincial government has an opportunity to increase affordability and accessibility to post-secondary education through a comprehensive, needs-based financial aid system. In particular, the rising rates of tuition, increased cost of living, and high debt loads pose major affordability concerns for students and consequently, the government must implement measures to subsidize the effects of these barriers.

The Ontario Student Assistance Program, more widely known as OSAP, is a provincially and federally funded program that provides domestic Ontario students with financial aid to support the many costs of their education. Individual financial need is calculated by subtracting expected financial contributions (from parental, spousal, and personal income and/or assets) from allowable educational costs and allowances, which aside from academic-related costs, also include living expenses, childcare, and transportation, among others. As a jointly funded program, the province provides 40 percent of OSAP funding while the federal government provides 60 percent, both contingent on the students' assessed need and up to the maximum amounts set by each government. Notably, OSAP is an entitlement program which means that there is no cap set on the number of students who qualify for funding, however the amount received by each student depends on their financial needs assessment. OSAP distributes funding in the form of grants and loans; grants are non-repayable funding whereas loans must be repaid with interest, which begins accumulating once a student completes their studies. Federal and provincial portions of OSAP each have different parameters with regards to interest accrual and loan repayment, which makes it even harder to understand OSAP loan repayment.

OSAP has undergone several changes over the past few years, and this instability and uncertainty has left students frustrated with regards to accessing adequate financial aid. In 2017, the program went through a large transformation that covered tuition for low-income students through grants, reduced expected parental and spousal contributions, and increased weekly allowances. While not perfect, these initiatives were shown to increase access to financial aid, particularly for low-income students, and thus facilitate their participation and retention in post-secondary education. However in 2019, OSAP once again went through significant changes that reduced the number of students eligible for grants and distributed more funding through loans. The definition of an "independent student" was also expanded such that a student is now considered a dependent for a longer period of time; this means OSAP has a longer time to use expected personal and parental income contributions as a factor in their needs assessment, ultimately leading to less funding. These expected contribution amounts were also increased as a part of the 2019 changes, and the interest-free grace period was eliminated. Overall, these cuts to OSAP have flagged serious concern for student affordability and in a time where students are facing increased education and living costs, adequate financial aid is important now more than ever.

This became particularly salient with the onset of the COVID-19 pandemic. Student finances entered a state of turbulence as they faced job losses and income disruptions. Governments mobilized to provide financial relief to students through additional aid, tuition freezes, repayment moratoriums, and extended interest-free grace periods. These moves were only implemented on a temporary basis and as society returns to a new understanding of "normal," many of these relief measures have now ended. Additionally, in 2020-21, the federal government committed to a 2 year timeline of increased investments into financial aid for OSAP, and in response, the provincial government clawed back their own OSAP funding as a cost-savings mechanism, ultimately minimizing the benefits students would have received from higher federal contributions. Given the joint nature of the program, coordination between the two levels of government is critical to ensure that students receive the intended benefit of increased financial aid spending, especially as students recover from the economic impacts of the pandemic.

This policy paper is intended to articulate students' concerns and provide their vision for Ontario's student financial aid system. All recommendations are directed at the provincial government and are based on research conducted by experts, academics, and government agencies, as well as the experiences of undergraduate students. Except where otherwise noted, discussion primarily focuses on financial assistance available to full-time undergraduate students enrolled in public post-secondary institutions. Examples tend to reflect single students in two-term, first-entry programs that live either at home with family or away from home in the communities where their universities are located.

Needless to say, the student financial aid framework in Ontario is complex and in its current state, does not offer sufficient support to equitably meet student needs. They deserve a strong, needs-based approach to student financial aid that is reliable, easy to access, and trusted by students in Ontario. Affordability is a cornerstone of OUSA's advocacy and improving the financial aid system to target the needs of all students will ensure that they can not only access and graduate from post-secondary, but also attain sustainable livelihoods with reduced financial burden.

## LOANS & GRANTS

---

### TARGETED FREE TUITION

**Principle:** High-quality post-secondary education should be accessible to all qualified Ontarians, including those from diverse socioeconomic, racialized, gender, age, etc. backgrounds.

**Principle:** Public funding programs such as student financial aid should be designed to promote access by gearing support through means testing.

**Principle:** The provincial government has a responsibility to develop equitable access to post-secondary institutions for those from low-income backgrounds.

**Concern:** The changes to OSAP in January 2019 continue to reduce total support to low-income families.

**Concern:** The targeted free tuition program did not account for more expensive degree programs, such as professional programs, leaving students in professional programs without targeted free tuition.

**Concern:** Students from diverse/intersectional backgrounds, specifically Indigenous and racialized students and mature students, experience more systemic barriers when accessing financial aid and are already at risk of not being able to access post-secondary due to financial status.

**Recommendation:** The provincial government should restore the targeted free tuition program implemented in 2016, doing so for all students from families in the first six income deciles.

**Recommendation:** The provincial government should ensure that the targeted free tuition program reflects the actual program-specific cost of tuition incurred by each student, with particular attention paid to students in professional programs.

**Recommendation:** The provincial government should ensure OSAP calculations include indirect costs of accessing post-secondary education, particularly accounting for diverse backgrounds and the effects of systemic oppression, when distributing funding.

While only implemented for two academic years in 2017-19, the targeted free tuition program had already begun to greatly benefit students across Ontario, particularly those from marginalized backgrounds by increasing the accessibility and affordability of post-secondary education, while reducing the debt incurred by students. While demographic information regarding who accesses OSAP remains limited, we do know that 2017 saw a 32 percent increase in applications from mature students, and a 35 percent increase from Indigenous students, both groups that have a well-documented history of experiencing financial hardships and limited access to post-secondary.<sup>2</sup> Overall, there were a variety of improvements seen with the targeted free tuition program, including (but not limited to) over 75 percent of grants going to low-income students, lower loan default costs, and reducing programs needing administration.<sup>3</sup>

One reported criticism of the targeted free tuition program was the increased spending, going from \$1,346,939 in 2016-17, to \$1,614,297 in 2017-18 for total program costs.<sup>4</sup> In 2019, when the provincial government removed the targeted free tuition program and implemented a 10 percent tuition cut and freeze, it was argued that the tuition cut and freeze would make post-secondary more affordable and save

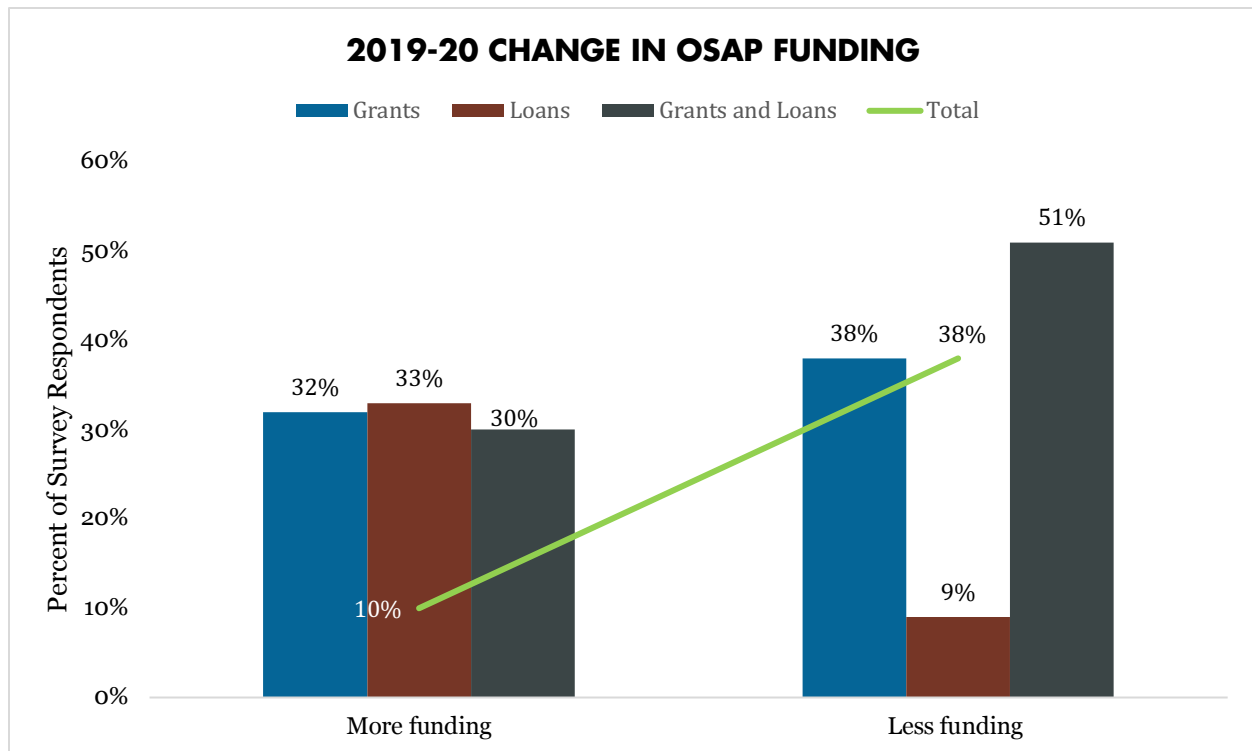
---

<sup>2</sup> Ministry of Advanced Education and Skills Development, "OSAP Transformation: Student Support Service Providers," *Government of Ontario*, February 2018; Mackenzie Claggett, *Financing Fees: The Inequitable Burden of University Costs*. Toronto: Ontario Undergraduate Student Alliance, 2018, [https://www.ousa.ca/report\\_financing\\_fees](https://www.ousa.ca/report_financing_fees)

<sup>3</sup> Office of the Auditor General, *Annual Report 2018*

<sup>4</sup> Ibid.

students money.<sup>5</sup> However, this has remained untrue. The average cost of tuition in Ontario as of 2022 is sitting at \$7,938; assuming a student is dependent, lives at home, and has no dependents, most income levels see a financial loss.<sup>6</sup> This was also noted by students in OUSA's 2020 Ontario Undergraduate Student Survey (OUSS), with one respondent stating, "Between first and second year my OSAP got cut in half but tuition only dropped by \$1000ish [sic]."<sup>7</sup> The graph below also shows the differences in levels and types of fundings that students in OUSA's survey received for the 2019-20 academic year, with 38 percent reporting they received less grant funding than the previous year.<sup>8</sup> Therefore, changes to the tuition framework must be coupled with increased financial assistance in order for students to truly feel and reap the benefits of these measures.



Regardless of governmental cost, OSAP is a necessary program not only for individual students, but the economy as a whole. Up-front, needs based grants allow students from diverse backgrounds to attend post-secondary, increasing their chances of a better, more stable, and more enjoyable future that benefits individuals and the economy. As a result, the Ontario government should restore the targeted free tuition program implemented in 2016, doing so for all students from families in the first six income deciles.

Programs are divided into either professional or non-professional. Professional programs lead to jobs that are governed by a mandatory regulatory body and require credentials be kept current through membership and/or additional education.<sup>9</sup> Typical examples of professional programs include medicine, dentistry, pharmacy, rehabilitation sciences, nursing, teacher education, optometry, and law, among others.<sup>10</sup> While some professional programs are second-entry programs, not all are. Common first-entry

<sup>5</sup> Government of Ontario, "Government for the People to Lower Student Tuition Burden by 10 per cent," *Ontario Newsroom*, January 17, 2019, <https://news.ontario.ca/en/release/50954/government-for-the-people-to-lower-student-tuition-burden-by-10-per-cent>

<sup>6</sup> Statistics Canada, "Table 37-10-0045-01 Canadian and international tuition fees by level of study," *Government of Canada*, September 8, 2021, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710004501>

<sup>7</sup> Quote retrieved from unpublished data from OUSA's 2020 Ontario Undergraduate Student Survey.

<sup>8</sup> Britney De Costa and Malika Dhanani, *Affordability: Results from the 2020 Ontario Undergraduate Student Survey*. Research Report. (Toronto: Ontario Undergraduate Student Alliance), 2021, [https://www.ousa.ca/reports\\_ouss\\_2020\\_affordability](https://www.ousa.ca/reports_ouss_2020_affordability)

<sup>9</sup> Ontario Universities' Info, "Professional Program," *Ontario Universities' Info*, 2022, <https://www.ontariouniversitiesinfo.ca/glossary/professional-program>

<sup>10</sup> Ibid.

professional programs include engineering, social work, and nursing. Non-professional programs include everything else, such as arts, business, and basic sciences. Currently, funding for non-professional programs is means-tested; however, this is not the case for professional programs. In order to promote accessibility, public funding programs should gear their support through means-testing for all programs, regardless of their status as professional or non-professional. The targeted free tuition program does not account for more expensive degree programs, such as professional undergraduate programs, leaving students in these types of programs without targeted free tuition. This disadvantages students in professional programs compared to students in non-professional programs as the range of tuition prices for professional students is not taken into consideration for their financial aid calculations. To resolve this concern, the provincial government should ensure that the targeted free tuition program reflects the actual program-specific cost of tuition incurred by each student, with particular attention paid to students in professional programs. This will benefit students in professional programs by providing them with adequate funding under the targeted free tuition program. In addition to this change, the provincial government should ensure that professional students who are eligible for targeted free tuition are not disadvantaged relative to non-professional students for the purposes of awarding grants. This will also benefit students in professional programs by ensuring those who are eligible for targeted free tuition will receive it.

Students entering post-secondary who come from lower-income backgrounds are more likely to require financial aid from the provincial government, who are responsible for equalizing access to post-secondary for them. Students from diverse backgrounds, including Indigenous, racialized, and mature students, experience more systemic barriers when accessing financial aid and are already at risk of not being able to access post-secondary due to financial status. This is concerning when looking at the historical representation of these marginalized groups in post-secondary education; it is clear that they are underrepresented. Students with low-income backgrounds or those who are the first generation to attend post-secondary institutions are heavily influenced by their situations.<sup>11</sup> The government must remove any barriers, such as financial, cultural, and/or systemic, for students and create total access for students from marginalized groups. To do this, the provincial government should ensure OSAP calculations include indirect costs of accessing post-secondary education, particularly accounting for diverse backgrounds, when distributing funding. This will provide students from diverse backgrounds with the adequate funding needed to access post-secondary education without barriers.

## GRANTS & LOANS

**Principle:** All willing and qualified students should be able to access education in Ontario.

**Principle:** All eligible students in Ontario should receive an adequate amount of financial aid to allow them to afford post-secondary education.

**Principle:** Students should not be burdened by high amounts of debt in order to access post-secondary education in Ontario.

**Principle:** Low-income students should receive a higher proportion of grants to loans than high-income students.

**Principle:** OSAP should provide a combination of grants and loans to high-income students to ensure they receive some level of financial aid.

**Concern:** Some dependent students may not have financial support from their families to help fund their education.

**Concern:** Recent graduates are often responsible for paying off substantial debt when they may not have

<sup>11</sup> Karen Robson, Reana Maier, Paul Anisef, and Robert S. Brown, *High School Success and Access to Postsecondary Education*, (Toronto, ON: Higher Education Quality Council of Ontario, 2019), <https://heqco.ca/pub/high-school-success-and-access-to-postsecondary-education/>



stable sources of income.

**Concern:** Large amounts of debt and high interest loans can have a long-term impact on a graduate's ability to reach financial milestones.

**Concern:** Changes to OSAP in 2019 reduced the total amount of grants, with a heavier reliance on loans.

**Recommendation:** The provincial government should prioritize OSAP grants, not loans, when distributing OSAP funding to students.

**Recommendation:** The provincial government should ensure that, in efforts to increase student access to grants, the overall eligibility criteria for OSAP are not changed in a way that decreases individual access to overall financial aid amounts.

**Recommendation:** The provincial government should provide financial aid in the form of grants for low-income students, grants for medium-income students, and a combination of grants and loans for high-income students, with the majority of financial aid being grants.

Non-repayable financial aid, in the form of grants, is very important in making higher education more affordable and accessible for students. OSAP should prioritize providing grants over loans when distributing financial aid to students to ensure that they receive the necessary amount of support to finance their post-secondary education. The student financial aid framework in Ontario should cater to students' ability to finance their education without having to take on unmanageable debt loads. Specifically, including more grants that are "needs-based aid/assistance" alleviates the financial stress placed on communities such as equity-deserving populations. For example, Indigenous students, despite the perception of receiving slightly greater levels of government assistance, are still more likely to accumulate debt in comparison to non-Indigenous students.<sup>12</sup> This increased likelihood of debt accumulation suggests that current specific grants targeted to Indigenous students do not fully ameliorate the financial burden between Indigenous and non-Indigenous students or that there are barriers that prevent Indigenous students from accessing the full amount of financial aid. This shows the importance of students from equity-deserving communities, like low-income and/or marginalized students, having access to a higher proportion of grants to loans than higher income students.

Additionally, the availability of non-repayable grants for students can have a huge impact on making post-secondary more affordable and increasing access for underrepresented groups of students. As seen in 2017, the Ontario government's OSAP transformation and introduction of targeted free tuition resulted in a 32 percent increase in mature students and 35 percent increase of Indigenous students applying to OSAP.<sup>13</sup> Not only do non-repayable grants support accessibility of post-secondary education, this comprehensive financial aid also helps change the demographic make-up of who participates in post-secondary education. Moreover, repaying high debt loans can prevent students from achieving key milestones after graduation, such as purchasing a home. In addition, lower to no student loans greatly benefits not only individuals' students, but the overall economy as well. Through the macroeconomic perspective, individuals with debt (like student loans) are less willing to spend money and borrowers have less money to access.<sup>14</sup> This further exemplifies why the provincial government should prioritize distributing grants over loans through OSAP funding to students.

It is also important to highlight that every student who requires some level of financial assistance has a unique financial circumstance, even if they are classified within the same income bracket. There are many factors that might contribute to further financial complications outside of familial income, including living in a single parent household, living in a city with a high cost of living, or dependent students not having access to the assumed parental contribution. Prioritizing grants over loans ensures that students in low-

---

<sup>12</sup> Claggett, *Financing Fees: The Inequitable Burden of University Costs*.

<sup>13</sup> Ministry of Advanced Education and Skills Development, "OSAP Transformation: Student Support Service Providers," *Government of Ontario*, February 2018; Claggett, *Financing Fees: The Inequitable Burden of University Costs*.

<sup>14</sup> Anna E. Huffman, "Forgive and Forget? An Analysis of Student Loan Forgiveness Plans," *North Carolina Banking Institute* 24, no.1, 455, <https://scholarship.law.unc.edu/cgi/viewcontent.cgi?article=1512&context=nchi>

and medium-income are better supported, especially if they are in even tougher financial situations. All of these considerations should be done in a manner that does not reduce any individual's total access to financial aid (for example, ensuring that high-income students still have access to financial aid through a combination of grants and loans). Although OUSA understands that low- and medium-income students should have more access to grants than high-income students, we acknowledge that some high-income students do not receive any financial support from their parents. As one student noted in OUSA's 2020 OUSS, "Mak[e] it easier for students in higher income families to get OSAP or other grants/loans. Just because some families are bringing in a decent amount of money doesn't mean they have that money available to spend or choose to spend it on their kids school."<sup>15</sup> Thus, it is important to ensure they still have access to financial assistance, even if it is only in the form of loans.

## LOAN PAYBACK, INTEREST, & DEBT

**Principle:** The provincial government should not profit from student loan repayment through interest.

**Principle:** Provincial financial aid programs should remain sustainable, however they should not rely on student loan interest payments.

**Principle:** Recent graduates should have time after graduation to find a financially stable career in their field before paying back their student loans.

**Principle:** Students deserve transparency from the provincial government and to know where the interest from their student loans is going.

**Principle:** Students and recent graduates should have access to a wide variety of government financial supports, including the Repayment Assistance Plan.

**Principle:** Accessible and publicly-funded education is an avenue through which historically marginalized students are often able to seek better opportunities.

**Concern:** Many students do not expect to be able to meet minimum student loan payments due to factors out of their control.

**Concern:** Prior to the COVID-19 pandemic, students were unrealistically expected to begin paying their student loans with interest immediately after graduating, regardless of their career outlooks and/or income.

**Concern:** The provincial government is not transparent about where the interest from student loans goes.

**Concern:** COVID-19 has impacted, and continues to impact, recent graduates' ability to find a financially stable career in their field, resulting in more concerns regarding loan repayment.

**Concern:** Marginalized students often come from lower-socioeconomic backgrounds and therefore often need more financial aid support, both in attending post-secondary and in paying back any potential loans.

**Recommendation:** The provincial government should remove interest on all student loans, including past students who still owe provincial student loans.

**Recommendation:** While waiting on the removal of interest on student loans, the provincial government should set the rate of interest accrual on OSAP loans to the government's borrowing rate, the prime interest rate, or an average inflationary adjustment, whichever is lowest.

**Recommendation:** The provincial government should extend its grace period for the provincial portion

<sup>15</sup> Quote retrieved from unpublished data from OUSA's 2020 Ontario Undergraduate Student Survey.

of OSAP to a minimum of two years to ensure that students are in the financial position to cover the cost of repayments.

**Recommendation:** While waiting on the removal of interest on student loans, the provincial government should establish, for the provincial portion of OSAP, that no interest accrues during the repayment grace period.

**Recommendation:** While waiting on the removal of interest on student loans, any interest and/or profit made from OSAP repayments should be transparently re-integrated back into the OSAP fund.

**Recommendation:** The provincial government should remove the need to re-apply for OSAP Repayment Assistance Plan every 6 months and instead, have applications be re-confirmed every 12 months.

**Recommendation:** The provincial government should automatically enrol eligible recent graduates in the OSAP Repayment Assistance Plan.

**Recommendation:** The provincial government should expand the OSAP Repayment Assistance Plan program in order to support more graduates.

OUSA believes in a sustainable, needs-based approach to financial aid, that's reflective and responsive to students', prospective students', and graduates' needs. Students receiving OSAP are expected to pay back the amount they received through loans. However, depending on the length of time it takes students to pay back their loans, they are charged interest. Increasing students' loan repayment amounts by charging them interest makes it more difficult for graduates to pay off their loans. This creates a cycle of increased interest and a longer repayment period. During the COVID-19 pandemic, Canada announced that between April 1, 2021 and March 31, 2023, the federal portion of any OSAP loan would not be charged interest.<sup>16</sup> While this is a step in the right direction, the federal government has yet to fully eliminate interest on federal portions of loans and the provincial government continues to charge interest on the provincial portion of OSAP. To reduce additional financial burdens for graduates, the provincial government should permanently remove interest on student loans. Removing interest will provide graduates with a more attainable repayment plan and eliminate any unnecessary profits that OSAP is creating. Overall, fewer student loans, more grants, and less student debt greatly benefits not only individual students, but the overall economy as well, for reasons mentioned in the previous section. While students wait for interest rates to be removed, the provincial government should set the rate of interest accrual on OSAP loans to the government's borrowing rate, the prime interest rate, or an average inflationary adjustment, whichever is lowest. This will ensure that student's interest rates remain as low as possible while awaiting the elimination of interest on student loans completely.

Prior to temporary changes due to the COVID-19 pandemic, students were expected to begin repaying their loans immediately after graduating. Students who have recently graduated are not all guaranteed to find a stable income as soon as they graduate and it is unrealistic to expect that they would. In fact, the 2020-21 Ontario University Graduate Survey (OUGS) found that among respondents with paid employment 2 years after graduation, only 69 percent of these positions were permanent, while 29 percent were temporary/contract, and 2 percent were seasonal.<sup>17</sup> Thus, job stability is not guaranteed for all students even 2 years post-graduation. The provincial government should advocate for new graduates and support them while they seek employment with a stable income. Students who have received loans from OSAP are not expecting to pay them back prior to interest rates increasing to detrimental amounts. OSAP states that the average length of time it takes students to pay back their loans is 9 and a half years.<sup>18</sup> OSAP currently offers a 6 month grace period before repayments must begin, but given that students are more likely to acquire a job 2 years after graduation rather than 6 months, it would be more financially

<sup>16</sup> "Pay back OSAP," *Government of Ontario*, last updated October 22, 2021, <https://www.ontario.ca/page/pay-back-osap>

<sup>17</sup> Ministry of Colleges and Universities, "2020-21 Ontario University Graduate Survey," *Government of Ontario*, accessed online: May 6, 2022, <https://www.iaccess.gov.on.ca/OsapRatesWeb/enterapp/overview.xhtml>

<sup>18</sup> "Pay back OSAP," *Government of Ontario*.

feasible for students to begin repaying their loans 2 years after graduation.<sup>19</sup> One student in OUSA's 2020 student survey noted, "Although OSAP is available, we have to start to pay back the loans 6 months after we finish our studies. We are not guaranteed to get a job right after we finish our studies and some students may not have parents or other[s] to help them pay off these funds."<sup>20</sup> Therefore, OUSA believes that the provincial government should lengthen the grace period to be a minimum of two years after graduation. This will provide students with an opportunity to seek employment with a stable income, setting them up to successfully repay their loans back without a financial burden.

Since students are currently expected to pay interest on their loans, they deserve to know where this additional money is going and yet, this is unclear. Ideally, if OSAP chooses to continue incurring interest on student financial aid, any interest profits the government receives should go back into student financial aid funds; however, there is no information released by OSAP on where these profits go. OUSA's end goal is for OSAP to no longer charge interest, but until that takes effect, any interest or profits received by OSAP should be re-integrated back into OSAP funds. This reintegration must be done transparently with the public to ensure that OSAP is held accountable.

OSAP's Repayment Assistance Plan (RAP) provides many students with aid towards their student loan payments through interest relief and debt reduction. However, it can be cumbersome and confusing, partially due to the lack of knowledge of the program and that recent graduates are forced to re-apply every 6 months. Having to constantly re-apply can disproportionately impact particular groups, such as those who must work more jobs/hours due to their low-income; this re-application can add an additional, unnecessary stressor and consume limited free time. As a result, the provincial government should remove the need to re-apply every 6 months for RAP, and instead opt to have an automatic enrollment for eligible students.

In addition to removing the re-application process, the provincial government should expand RAP in order to support more recent graduates. Due to the COVID-19 pandemic, student and recent graduate unemployment hit an all time high at over 27 percent in the early months of 2020.<sup>21</sup> While this number is decreasing, many recent graduates continue to have a difficult time finding meaningful and financially stable employment in their fields. Like many things, these disparities do not fall equally, and the rates of unemployment for women, racialized individuals, people with disabilities, and LGBTQ+ people continue to be higher than that of white, able-bodied, cisgender, heterosexual men. For example, Statistics Canada found that Black youth experience unemployment almost twice the rate of non-visible minority youth (30.6 percent of Black youth unemployed compared to 15.6 percent).<sup>22</sup> Programs like OSAP's RAP then become particularly important not just to the recovery of Ontario as a whole, but for marginalized communities who often experience the worst aspects of all systems with little support. When looking at the utilization of RAP in 2020, over 27 percent of OSAP recipients used the program;<sup>23</sup> however this data is based on 2017-18 OSAP recipients and would not reflect the impacts that the COVID-19 pandemic had on the economy and graduates' finances. Considering the pandemic has had a detrimental effect on a graduate's ability to find meaningful and financially stable employment in their field, it would be no surprise if many more graduates began to access RAP. The program calculates an "affordable monthly payment" based on gross family income and number of family members, and compares this figure to the individual's "required monthly payment" based on the total amount of government loan; if the former is less than the latter, a student can apply for RAP and depending on this calculation, can pay either \$0 monthly or up to 20 percent of their family income.<sup>24</sup> The income thresholds set per family size are extremely low and only apply to a handful of students. For example, a 1 person household would need to have a monthly income of \$2,083 to qualify for a \$0 affordable monthly payment through RAP.<sup>25</sup> The

<sup>19</sup> Ministry of Colleges and Universities, "2020-21 Ontario University Graduate Survey,"

<sup>20</sup> Quote retrieved from unpublished data from OUSA's 2020 Ontario Undergraduate Student Survey.

<sup>21</sup> Statistics Canada, "Study: Youth employment in Canada," *Government of Canada*, July 26, 2021, <https://www150.statcan.gc.ca/n1/daily-quotidien/210726/dq210726b-eng.htm>

<sup>22</sup> Statistics Canada, "Study: A labour market snapshot of Black Canadians during the pandemic," *Government of Canada*, February 24, 2021, <https://www150.statcan.gc.ca/n1/daily-quotidien/210224/dq210224b-eng.htm>

<sup>23</sup> Ministry of Colleges and Universities, "OSAP Repayment Assistance Plan Usage," *Government of Ontario* (data catalogue), last updated January 31, 2022, <https://data.ontario.ca/dataset/osap-repayment-assistance-plan-usage>

<sup>24</sup> Ontario Student Assistance Program, "Repayment Assistance Plan (RAP)," *Government of Ontario*, accessed online: May 6, 2022, <https://osap.gov.on.ca/OSAPPortal/en/A-ZListofAid/PRDR020879.html>

<sup>25</sup> Ibid.

OUGS found that 6 months after graduation, 4 percent of students earned between \$0-\$5,000.<sup>26</sup> This means there is a high likelihood of a student earning more than the thresholds set by RAP and thus, even under RAP, a graduate living on their own as a 1 person household would still have to make a sizable contribution to repay their student loan despite having several expenses (like rent, transport, household bills, etc.) that would make this repayment significantly difficult. Expanding RAP then becomes a necessity, in order to best support a wider number of recent graduates and allow them to focus on finding a career and other important milestones rather than paying off increasing levels of student debt.<sup>27</sup>

## NET BILLING

**Principle:** Every student enters post-secondary in a unique financial situation and as such, should be given individual consideration and choice when receiving financial support.

**Principle:** Financing post-secondary education using government and institutional financial aid should be accessible, transparent, and easy to understand.

**Principle:** Net billing should streamline the tuition-payment process using financial aid, not complicate it.

**Concern:** Depending on time of payment, the OSAP net billing program may leave students without the financial ability to pay rent or adequately finance other living expenses at the beginning of their academic term.

**Concern:** Although well-intentioned, the net-billing process often leads to students not understanding that OSAP grants and institutional financial aid is being used to pay off tuition fees on their behalf, instead of the students receiving the aid directly.

**Concern:** Due to lack of transparency and communication, students often don't know when and if they will be receiving the remainder of their OSAP funding.

**Concern:** When OSAP funding is deposited directly to the institution and students do not use the entire sum for tuition, some financial aid offices do not reimburse students directly and instead, students may lose this difference in funding.

**Recommendation:** The provincial government should ensure that information regarding net billing and when students can expect to receive OSAP payments is clearly and transparently provided.

**Recommendation:** The provincial government should ensure that students who apply to OSAP prior to the start of the academic school year are provided OSAP funding by mid-September to allow for the payment of tuition, living expenses and necessities.

**Recommendation:** The provincial government should permit students to choose how to receive their OSAP disbursement, either by traditional direct deposit or by net tuition billing.

Each student who receives OSAP has unique needs and comes from diverse socio-economic backgrounds. It is essential that students understand and know the full picture of how much financial assistance they will receive from the provincial government. Students deserve transparent information about all OSAP policies, including net tuition billing. Since the introduction of net tuition billing in 2018, the government has released OSAP funding directly to the university, instead of depositing OSAP into the students' accounts with financial institutions. The intention of this policy was to show students how much financial aid has been applied against their accounts and to only make them pay the difference of what is owed to

<sup>26</sup> Ministry of Colleges and Universities, "2020-21 Ontario University Graduate Survey,"

<sup>27</sup> Statistics Canada, "Table 37-10-0036-01 Student debt from all sources, by province of study and level of study," *Government of Canada*, November 5, 2019, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3710003601>

their institutions after financial aid has been applied.<sup>28</sup> Essentially, students would only be required to pay the net tuition amount instead of the gross tuition or “sticker price.” However, since students do not have access to their full OSAP funding amount, they do not have full discretion on how to finance non-tuition expenses like rent and other living expenses.

In cases where the total amount of financial aid exceeds the total cost of tuition, institutions are required to return the remaining amount of financial aid back to students. However, students have shared concerns about not knowing when they will receive this excess financial aid from their institution’s financial aid offices and in certain cases, the financial aid payments back to the students themselves being significantly delayed. One student in OUSA’s 2020 survey commented, “With respect to financial assistance, I had to wait nearly two months for [my institution] to confirm my enrolment for OSAP; I was mere days away from being in jeopardy of paying interest on my tuition costs.”<sup>29</sup>

OSAP policies need to address these challenges associated with the lack of understanding of net tuition billing and put in safeguards against delayed payments of remaining OSAP to students who need funds to pay for other living expenses like rent and groceries. There should be additional communication explaining the net tuition amount (what students are required to pay for tuition), any leftover financial aid available if applicable, and when this financial aid will be distributed back to the student. As such, OUSA recommends that the provincial government ensure that information regarding net billing and when students can expect to receive OSAP payments is clearly and transparently provided. Additionally, to ensure students have choice given their own circumstances, the provincial government should permit students to choose how to receive their OSAP disbursement, either by traditional direct deposit or by net tuition billing.

Lastly, it is important that the provincial government acknowledge that different institutions currently have different dates regarding net billing. OUSA recommends that the provincial government ensures all institutions provide students who applied for OSAP prior to the start of the academic year with their OSAP funding by at least mid-September, to ensure they have funding to finance expenses like tuition, rent, and other living expenses. Students who apply for OSAP later should also be provided their OSAP amounts within a reasonable timeframe to ensure they do not run into cash flow issues either.

## TUITION SET-ASIDE

**Principle:** As students are the primary benefactor to institutions, students should have easy access to a breakdown and guideline of how student financial aid funds are allocated, spent, and rolled over.

**Principle:** The Student Access Guarantee program should be equally accessible to all post-secondary students who have demonstrated financial need that is not being adequately covered by OSAP.

**Concern:** The annual Student Access Guarantee guidelines are not readily accessible, which causes a lack of transparency and accountability.

**Concern:** The Ministry of Colleges and Universities does not require reports on tuition set-aside expenditures from institutions.

**Concern:** The new changes to the Student Access Guarantee program negatively impact undergraduate students by removing the first-entry program guarantee and creating an inadequate 30 percent allotment minimum.

**Recommendation:** The provincial government should make the Student Access Guarantee guidelines easily accessible from the Ministry of Colleges and Universities website.

<sup>28</sup> Office of the Registrar, “Net tuition,” *McMaster University*, accessed online: May 9, 2022, <https://registrar.mcmaster.ca/aid-awards/net-tuition/>

<sup>29</sup> Quote retrieved from unpublished data from OUSA’s 2020 Ontario Undergraduate Student Survey.



**Recommendation:** The provincial government should mandate and make public reports on spending of tuition fee set-aside reports.

**Recommendation:** The provincial government should mandate in its Tuition Fee Framework and Ancillary Fee Guidelines that any excess funds from the tuition set-aside program at each university should be directed to roll over to the following year.

**Recommendation:** The provincial government should return to the prior Student Access Guarantee program guidelines, such as maintaining a distinction between students in first- and second-entry programs and removing the 30 percent allotment.

Through tuition and fees, students are providing institutions with most of the financial means to operate; therefore, it is crucial that they are given a breakdown of how funds are allocated, spent, and rolled over in an easily accessible way that ensures transparency. Part of the revenue generated from tuition is put towards the tuition set-aside policy, which ensures that every institution dedicates a portion of their tuition revenue to provide students with institutional financial aid, through the Student Access Guarantee (SAG) or other financial aid. SAG is an annual partnership program between the Ministry of Colleges and Universities (MCU) and Ontario's public colleges and universities.<sup>30</sup> SAG is intended to act as supplementary aid to a student's OSAP, meaning students are automatically eligible for SAG if they receive OSAP funding. Despite it being a financial aid mechanism to increase affordability for students, this program's guidelines are not accessible to students making them unfamiliar with SAG and adding a barrier for students wishing to take advantage of it. To address this concern, the provincial government should make SAG guidelines easily accessible from the MCU website. This will allow for students who require additional funding to easily access this program.

Given that students are the primary benefactors to institutions, they should be provided with information regarding institutional expenditures. Institutions have tuition set-aside to fund bursaries, scholarships, work-study programs and work between academic terms.<sup>31</sup> Currently, the MCU does not require a report on tuition set-aside expenditures from institutions. This is concerning for students as they are unaware of the amount of funding dedicated to institutional financial aid being set-aside each year. The MCU shows the calculations of tuition set-aside; however, institutions are not reporting the specific numbers in these calculations. Consequently, there is no mandate for institutions to display their tuition set-aside, which does not allow for them to be held accountable. To address this, the provincial government should mandate and publish public reports on spending of tuition fee set-aside, allowing institutions to be held accountable for their distribution of the tuition set-aside. In addition to the lack of reporting from institutions, there are no guidelines for institutions to follow in regards to excess funds from the tuition set-aside program. To specify what the expectations are for institutions, the provincial government should mandate in its Tuition Fee Framework and Ancillary Fee Guidelines that any excess funds from the tuition set-aside program at each university should be directed to roll over to the following year. This will ensure that institutions are provided with guidelines, rather than giving them the opportunity to distribute excess funds to non-student related funding.

SAG ensures that no student should be prevented from attending post-secondary institutions because of a lack of financial aid. Tuition set-aside funds are the largest resource for participation in SAG, which is where institutions are expected to draw the funds from. New changes to SAG now require institutions to spend an amount equivalent to 30 percent of all prior year tuition/book shortfalls on SAG.<sup>32</sup> This is a significant decrease in the overall amount of funding institutions are expected to contribute to SAG and therefore, less funding students will receive in institutional financial aid. This is allowing institutions to provide a bare minimum to students, regardless of whether or not they have the funds for 100 percent. The institutions have also been given full flexibility to determine which students may receive SAG, which

<sup>30</sup> "How to apply for OSAP: Student Access Guarantee," Government of Ontario, last updated October 26, 2021, <https://www.ontario.ca/page/how-apply-osap#section-2>

<sup>31</sup> Ministry of Training, Colleges and Universities, *Tuition Fee Framework and Ancillary Fee Guidelines: Publicly-Assisted Universities, 2019-20 and 2020-21* (Government of Ontario, March 2019), <http://www.tcu.gov.on.ca/pepg/mtcu-university-tuition-framework-guidelines-mar2019-en.pdf>

<sup>32</sup> Information received from an unpublished Ministry memo sent to OUSA in May 2021.

is concerning since there is now no distinction between students in first- and second-entry programs.<sup>33</sup> Although this change gives institutions more choice, it provides more uncertainty for undergraduate students as this change eliminates students in first-entry programs from being entitled to automatic SAG. To address this concern, the provincial government should return to the prior SAG guidelines, which will allow for a distinction between students in first- and second-entry programs. This will remove the disadvantage for students in first-entry programs and will bring back the automatic SAG for undergraduate students.

## ELIGIBILITY

---

### TARGETED FUNDING

**Principle:** Students from equity-deserving groups should have access to financial aid that equitably meets their needs and covers disproportionate gaps in funding.

**Principle:** Financial constraints arising from historic and current systemic barriers should not impede students' access to and participation in post-secondary education.

**Principle:** Students from marginalized groups specifically racialized, Two Spirit and LGBTQ+ students, should have access to targeted government financial aid that sustainably, holistically, and equitably meets their needs.

**Principle:** International students should have access to suitable financial aid programs.

**Principle:** Once international students have begun studying in Ontario, institutions have a responsibility to support them when encountering unexpected financial barriers.

**Concern:** While many students from equity-deserving groups often face increased financial barriers, they do not receive adequate nor equitable government funding to address these barriers.

**Concern:** OSAP does not provide targeted funding for racialized students from low-socioeconomic backgrounds who may face increased financial constraints not considered by standard OSAP calculations.

**Concern:** Two Spirit and LGBTQ+ students may face greater financial barriers and receive minimal targeted government and institutional financial support.

**Concern:** Despite international and domestic students both being susceptible to unexpected financial hardships, international students currently do not have adequate access to financial support to help them complete their studies.

**Concern:** International students have fewer scholarship and bursary opportunities, despite paying significantly higher tuition fees, discouraging and/or preventing qualified students from studying in Ontario.

**Recommendation:** The provincial government should increase allocated OSAP funding for underrepresented students to create a new targeted funding stream for self-identified racialized students from low-socioeconomic backgrounds.

**Recommendation:** The provincial government should provide grant funding to post-secondary institutions to incentivize the expansion of financial aid for Two Spirit and LGBTQ+ students.

---

<sup>33</sup> Ibid.



**Recommendation:** The provincial government should provide accessible provincial-wide financial aid information sessions targeted at marginalized students from low socio-economic backgrounds, and ensure they are adequately promoted to all students and their guardian(s) or supports.

**Recommendation:** The provincial government should establish, in its tuition protocol, an international tuition set-aside at the same 10 percent rate of the domestic set-aside, with funds raised directed specifically to needs-based financial aid for international students.

**Recommendation:** The Ministry of Colleges and Universities should work with the federal government, more specifically the Ministry of Immigration, Refugees, and Citizenship, to develop a need-based grant program for international students, with the caveat that they stay in Canada for a minimum of the length of their degree after graduation.

Students from equity-deserving groups often face additional barriers to attending post-secondary education and accessing adequate financial aid to meet their needs. For example, according to 2016 census data, “racialized individuals are more likely to be in families in the bottom half of the income distribution (60%) than non-racialized individuals are (47%).”<sup>34</sup> Additionally, unemployment rates are the highest in racialized populations and there continues to be an earnings disparity within racialized populations compared to non-racialized populations.<sup>35</sup> Two Spirit and LGBTQ+ individuals also face financial precarity, with bisexual and trans individuals being more likely to be low-income and the reality that some Two Spirit and LGBTQ+ youth lose financial support from their parents after disclosing their gender or sexual orientation.<sup>36</sup>

Unfortunately, the current OSAP eligibility requirements and calculation has a limited number of considerations that do not lead to targeted funding for racialized and/or Two Spirit and LGBTQ+ students from low-socioeconomic backgrounds.<sup>37</sup> Our recommendations put particular emphasis on racialized and Two Spirit and LGBTQ+ students because compared to other underrepresented student populations, they do not have any targeted funding for needs-based financial aid. Although we acknowledge that students with disabilities and Indigenous students also face distinct financial and social barriers, there are some existing programs like the Indigenous Student Bursary and Bursary for Students with Disabilities that provide some level of non-repayable financial aid.<sup>38</sup>

Therefore, we recommend that the provincial government provide a new targeted funding stream through OSAP that supports self-identified racialized students from low-socioeconomic backgrounds. Additionally, the provincial government should provide grant funding to institutions to incentivize the expansions of institutional financial aid for Two Spirit and LGBTQ+ students. To ensure that these underrepresented students are aware of the financial aid options available to them, the provincial government should provide province-wide sessions focused on outreach to marginalized students and families from low socioeconomic backgrounds.

International students are an important part of the student community and the post-secondary sector. Although international students pay significantly higher tuition fees, they have few scholarship and bursary opportunities and are not eligible to receive financial aid through OSAP. International students

---

<sup>34</sup> Sheila Block, Grace-Edward Galabuzi, Ricardo Tranjan, “Canada’s Colour Coded Income Inequality,” *Canadian Centre for Policy Alternatives*, December 2019, 4-5, <https://policvalternatives.ca/sites/default/files/uploads/publications/National%20Office/2019/12/Canada%27s%20Colour%20Coded%20Income%20Inequality.pdf>

<sup>35</sup> Ibid.

<sup>36</sup> Claggett, *Financing Fees: The Inequitable Burden of University Costs*; Linda Cabral, *Sexual and Gender Diversity in Post-Secondary education: LGBTQ+ Students Interview Series*. Toronto: Ontario Undergraduate Student Alliance, 2019, [https://www.ousa.ca/reports\\_lgbtq\\_students\\_interview\\_series\\_report](https://www.ousa.ca/reports_lgbtq_students_interview_series_report)

<sup>37</sup> “Maximum amounts of aid,” *Government of Ontario*, last updated August 27, 2021, <https://www.ontario.ca/page/maximum-amounts-aid>

<sup>38</sup> Ontario Student Assistance Program, “Indigenous Student Bursary,” *Government of Ontario*, accessed online: May 9, 2022, <https://osap.gov.on.ca/OSAPPortal/en/A-ZListofAid/PRDR019231.html>; Ontario Student Assistance Program, “Bursary for Students with Disabilities (BSWD) and Canada Student Grant for Services and Equipment for Students with Permanent Disabilities,” *Government of Ontario*, accessed online: May 9, 2022, <https://osap.gov.on.ca/OSAPPortal/en/A-ZListofAid/PRDR019233.html>

face a variety of financial challenges, including unregulated tuition costs, high living expenses, and high levels of debt accumulation.<sup>39</sup>

Since publicly-funded programs like OSAP are less likely to provide needs-based financial aid to international students, institutions have a responsibility to support international students through institutional financial aid. The provincial government should establish an international tuition set-aside program, through the tuition fee framework, that would fund institutional, needs-based financial aid for international students. Similar to the current domestic tuition set-aside program, this international tuition set-aside program should use the following formula:

*The sum of*

- *a) The prior year's tuition fee set-aside multiplied by the percent change in international enrollment and;*
- *b) The difference between the current and previous year's average international tuition fee multiplied by prior year's enrollment. This product would then be multiplied by 10 percent.*

This would ensure that institutions have dedicated funds to support international students through non-repayable financial aid.

Lastly, the provincial government should work with the federal government, specifically the Ministry of Immigration, Refugees, and Citizenship, to develop a needs-based grant program for international students with the caveat that they stay in Canada for a minimum of at least the length of their degree. The purpose of the grant would be to financially support international students through an agreement that they would give back to the Canadian economy and society in a meaningful way. International students would apply for this grant and successful applicants would be selected on an application and needs basis. After the completion of their degrees, awardees would be required to: independently and successfully gain legal status, remain in Canada and acquire employment for at least the length of their degree after graduating, and file and pay annual taxes. In the case that an awardee does not complete their degree or fails to comply with any of the stipulations, the awardees would be required to repay a portion or full amount of the grant funding they received.

## INDEPENDENT & DEPENDENT STUDENTS

**Principle:** Post-secondary education funding, such as OSAP, should not be influenced by expected financial contributions from others, such as parent(s), guardian(s), spouse, etc. as they may be precarious or non-existent.

**Principle:** If expected financial parental and spousal contributions must be taken into account, OSAP should consider a more comprehensive picture of dependent students' resources by considering additional factors such as parental debts and assets while considering parental income during OSAP calculations.

**Principle:** Students should not be negatively impacted by differences between provincial and federal definitions.

**Principle:** OSAP should have an accessible definition for students to determine if their number of working hours is considered part-time or full-time that does not depend on their enrollment as a student.

**Principle:** Students' fixed contributions should take into account their cost of living.

**Principle:** Students should easily be able to appeal inaccurate assumptions made through the OSAP process.

<sup>39</sup> De Costa & Dhanani, *Affordability: Results from the 2020 Ontario Undergraduate Student Survey*; Britney De Costa, Malika Dhanani, and Shemar Hackett, *Quality: Results from the 2020 Ontario Undergraduate Student Survey*. Research Report. (Toronto: Ontario Undergraduate Student Alliance), 2021, [https://www.ousa.ca/reports\\_ouss\\_2020\\_quality](https://www.ousa.ca/reports_ouss_2020_quality)

**Concern:** Expected financial contributions assumes dependent students always receive financial assistance from their parent(s), guardian(s), spouses, etc.

**Concern:** OSAP does not consider parental or spousal debt or assets as a factor in OSAP calculations for dependent students.

**Concern:** Recent changes to independent student qualifications regarding years out of high school can negatively impact mature students' ability to pursue post-secondary education.

**Concern:** An unclear definition of a full-time working week that excludes full-time students can leave students confused as to if they qualify as an independent or dependent student.

**Concern:** OSAP does not take into account whether or not a student is living away from home and paying rent when calculating a student's fixed contribution.

**Concern:** Students are assumed to be living at home if they are within 30 kilometers from their parent(s)/guardian(s)/spouse/etc., regardless of whether or not they select the living away from home option.

**Concern:** Dependent students who are living at home and paying rent, are unable to request a review of their living situation.

**Recommendation:** The provincial government should ensure that students who are not receiving support from their parent(s) and/or spouse are not overly burdened when providing evidence of their lack of support.

**Recommendation:** The provincial government should use actual parental and spousal contributions in OSAP calculations, as opposed to expected contributions, to provide aid to students who are not financially supported by parent(s)/guardian(s) and/or a spouse, while maintaining a need-based financial aid system.

**Recommendation:** Until the use of actual parental and spousal contributions in the OSAP loan calculations, the provincial government should include parental and spousal debt and assets as a factor in OSAP calculations for dependent students.

**Recommendation:** The provincial government should revert the independent student status to 4 or more years out of high school, as opposed to the current 6 or more years.

**Recommendation:** The provincial government should clarify the definition of "worked full-time" in OSAP definitions to constitute as an average 30-hours per week, regardless of if they were a full-time student at the same time.

**Recommendation:** The provincial government should remove the student fixed contribution, and instead develop a sliding scale that accounts for a student's debt, income, cost of living, and other potential impacts on their finances to create a reasonable and affordable contribution.

**Recommendation:** The provincial government should advertise on the OSAP application form how to apply to change the automatic "at home" living allowance for students whose parent(s)/guardian(s) live within 30 kilometres of the institution/campus they are attending but who are not living at home.

**Recommendation:** The provincial government should allow single dependent students to apply for a review of their living allowance if they are living at home but paying room and board to parent(s)/guardian(s).

Expected financial contributions are currently considered when calculating a student's OSAP funding. Although some students may be receiving financial assistance from parent(s), guardian(s), or a spouse, there are some "dependent" students who are not. According to OSAP's definitions, a dependent student is a full-time student who is an individual who meets all of the following criteria: (a) is not married or in a common-law relationship; (b) is not separated, divorced or widowed; (c) is not a sole-support parent; (d) has not worked full-time for at least 24 months in a row; and (e) has been out of high school for less than 6 years (for provincial funding) or less than 4 years (for federal funding).<sup>40</sup> A full-time student is considered independent if they are not married or in a common-law relationship, do not have dependent children, and if one of the following are true: (a) they have been out of high school for 6 or more years for the provincial portion, or 4 or more years for the federal portion; (b) they have worked full-time for at least 24 months in a row; (c) both of their parents are deceased; (d) they are currently a child in Extended Society Care; or (e) they are currently receiving a Continued Care and Support for Youth program allowance.<sup>41</sup> Students who fall under the dependent student definition are required to provide their parent's income to calculate the amount of OSAP they will receive, which is also used to calculate the expected parental contributions. However, this does not accommodate situations where students are not supported financially by their parent(s)/guardian(s). This was a recurring thematic concern in OUSA's 2020 OUSS, where several students noted that OSAP's consideration of parental income was an unfair and inaccurate assessment of a student's financial situation. As one student wrote, "OSAP needs to stop assuming parents are helping or able to help students. Many live alone and pay rent on their own but OSAP considers their household income including their parents" while another stated, "Many students don't qualify for OSAP due to parental income but they do not have their financial support. It forces many people to pick up jobs to cover the costs of tuition or living."<sup>42</sup> By requiring students to disclose parental income, OSAP is not only assuming that their parent(s)/guardian(s) are providing financial support, but also how much support they are providing, which is not the reality of all dependent students. Therefore, the provincial government should focus on using "actual" contributions from parent(s)/guardian(s)/spouse, through a verifiable measure, to develop a more accurate funding calculation for applicants. Dependent students who are not being financially supported by their parents would be required to submit additional documentation explaining their situation through an essay or application. The intent would be to ensure that dependent students who are not receiving financial support do not fall through the cracks, and that other dependent students who are not in this situation would not take advantage of this policy. This change will positively affect students who are not considered independent and who are not receiving (or are receiving less than the expected) financial assistance from their parent(s)/guardian(s) and/or spouse. Removing this requirement will allow for dependent students to receive adequate and accurate financial aid from OSAP, while still ensuring the financial aid system is needs-based.

Until OSAP accurately accounts for parental/spousal contributions in financial aid eligibility, it is important to focus on the current issues with requiring this information. OSAP is currently expecting parent(s)/guardian(s) to contribute to dependent student's tuition, as stated under the expected financial contributions definition: "*OSAP expects that you and your family have planned for your full-time postsecondary education. The purpose of OSAP is to supplement, not replace your resources.*"<sup>43</sup> The presence of this statement and OSAP's expectations are unrealistic and do not account for unforeseen circumstances that students and their families may face. One financial barrier that can affect a student and their family to afford post-secondary education is existing debt. Debt is experienced by many individuals and many families; however, OSAP does not take this into consideration when calculating the parental financial support. This is a large concern for students and their families because OSAP is calculating financial aid based on expected parental income, while ignoring any debt the parent(s)/guardian(s) may also be paying. We understand that in order to accurately address these concerns, OSAP should consider both debt and assets to get a better, holistic picture of a family's finances. OSAP should focus on big ticket items that are easy to verify, like existing student loans, mortgages and property, when considering debt and assets. Without including debt and assets as a factor, OSAP's

<sup>40</sup> "OSAP Definitions," *Government of Ontario*, last updated September 13, 2021, <https://www.ontario.ca/page/osap-definitions>

<sup>41</sup> Ibid.

<sup>42</sup> Quotes retrieved from unpublished data from OUSA's 2020 Ontario Undergraduate Student Survey.

<sup>43</sup> "OSAP Definitions," *Government of Ontario*.

calculations will be inaccurate. The solution to this concern is for the provincial government to include parental and spousal debt and assets as a factor in OSAP calculations for dependent students.

Included in the 2019 changes to OSAP was the change in independent student status on the provincial portion of the loan from being 4 or more years out of high school to 6 or more years.<sup>44</sup> This change expanded the definition to require a longer time period from when the student exited high school, mostly affecting mature students. Students are now considered dependent for a longer period of time, requiring them to include their parent's income when calculating their OSAP funding. OSAP requiring a dependent student's amount of funding to be based on their parent's income rather than their personal income is unrealistic and can be detrimental to students not receiving financial support from their parent(s)/guardian(s). The provincial government should reduce the classification requirement of an independent student from being 6 or more years out of high school to 4 or more years, allowing for more accurate information to be considered when determining a student's amount of OSAP funding.

While the OSAP application defines a full-time working week as 30 or more hours while not in full-time studies, the OSAP definitions do not specify the number of hours nor that the hours must be completed while not in school full-time.<sup>45</sup> Instead, this information is only found when applying to OSAP or through the OSAP aid estimator by expanding the full definition of "working full-time." This can leave students confused and can lead to errors when financially planning for post-secondary. Additionally, having the "full-time working" definition exclude full-time students limits the amount of students who can qualify as independent students. As a result, they are more likely to not qualify for vital funding that can support their studies. Therefore, the provincial government should update the OSAP definition of "full-time" work to clearly state 30-hours per week and remove the stipulation that the student not be enrolled in full-time studies.

By definition, the student fixed contribution is a singular amount that all students, with a few noted exceptions (such as if they are a parent, or have been on Ontario Works or the Ontario Disability Support Program), are expected to contribute to their post-secondary costs. Currently, all students are expected to contribute \$1,800 per term, to a maximum of \$3,600 per academic year.<sup>46</sup> However, this fixed contribution fails to account for students' cost of living. For example in Table 1, using the University of Toronto's budget calculator, a student in an undergraduate program in arts or sciences, living off campus with roommates and taking public transit will spend over \$21,000 in the 2021-22 academic year, with approximately \$2,600 in recurring monthly costs. For most students working minimum wage jobs, full-time during the summer and part-time during the school year, they will only make a little over \$14,000. Evidently, there is a \$7,000 disparity between what a student makes and what their expected costs of living are during an academic year. Thus, by also expecting students to be able to contribute \$3,600 an academic year is not only unrealistic, but also negatively impacts the amount of funding students need in order to afford the cost of living as well as the cost of being a student. As such, the provincial government should remove the student fixed contribution, and instead develop a sliding scale of expected contributions for students, that accounts for a student's income, debt, cost of living, and other potential impacts to a student's finances.

**Table 1: Estimated Monthly Student Expenses, 2021-22**

Monthly Expenses	Amount (\$)
Monthly Tuition & Fees*	962.5
Monthly Housing & Utilities	795
Monthly Food	280
Monthly Textbooks & Course Supplies*	125
Monthly Transportation	143

<sup>44</sup> Ryan Tishcoff, "What's the Deal with the 2019 Changes to OSAP?," *Ontario Undergraduate Student Alliance* (blog), September 17, 2019, [https://www.ousa.ca/blog\\_osap\\_changes](https://www.ousa.ca/blog_osap_changes)

<sup>45</sup> "OSAP Definitions," *Government of Ontario*.

<sup>46</sup> "OSAP Definitions: Expected financial contributions," *Government of Ontario*, last updated September 13, 2021, <https://www.ontario.ca/page/osap-definitions#section-15>

Monthly Phone Bill	60
Monthly Health & Personal Care	120
Monthly Entertainment & Other Expenses	150
<b>Total Monthly</b>	<b>2,635.5</b>
<b>Total Annual (8 months) Expenses</b>	<b>21,084</b>

\*Based on annual tuition and fees costs of \$7,700, and annual textbook course and supplies cost of \$1,000.

OSAP policies do not cover every possible situation that students may be experiencing, which can lead to inaccurate funding provided. For example, if a student's parents live within 30 kilometers of their institution or campus, regardless of if the student is living at home or not, OSAP assumes that the student is living at home and decides funding based on this assumption.<sup>47</sup> While applicants can appeal this assumption, many do not know that they have to, particularly if they have notified OSAP through their application that they will not be living at home. As such, the provincial government should advertise, within the OSAP application form, how to apply for an appeal to the automatic "at-home" living allowance for students whose parent(s)/guardian(s) live within 30 kilometres of the institution/campus they are attending but who are not living at home. This can be done by providing a hyperlink with information on the question asking about whether or not a student plans to live at home during their attendance at their institution. In addition to appealing the automatic "at-home" living allowance for these students, the provincial government should also expand the review of living allowance for dependent students who are living at home but are paying rent and board to their parent(s) or guardian(s). This will allow single dependent students to have their living allowance accurately calculated, rather than basing financial aid on assumptions that cannot always be true. This request acknowledges that independent students living at home do receive this review; however, it should be offered to dependent students living at home as well.<sup>48</sup>

## EQUITABLE FUNDING FOR PART-TIME & FULL-TIME STUDENTS

**Principle:** Both part-time and full-time students should receive equitable levels of OSAP funding.

**Concern:** Part-time students have disproportionately lower levels of OSAP funding compared to full-time students.

**Concern:** Studies show that part-time students are often in the most in need of financial aid as a result of a disability, issues related to COVID-19, financial barriers, increased caretaking roles, or other factors that may prevent them from studying full-time.

**Concern:** OSAP only provides part-time students with a maximum allotment of \$500 in grants per year.

**Concern:** At some institutions, the marginal cost per additional course decreases, resulting in part-time students paying a higher average cost per course than full-time students.

**Concern:** OSAP currently lacks a standardized definition of "part-time" student that is used consistently across all institutions.

**Concern:** Institutions have different metrics used to determine what makes a student part-time versus full-time, and can be inconsistent compared to OSAP's definition.

**Recommendation:** OSAP should remove the \$500 cap in grants for part-time students, and instead determine the amount of financial aid granted using the total cost of tuition based on the number of credits a student is taking.

<sup>47</sup> Student Financial Assistance Branch, "Ontario Student Assistance Program: Full-Time OSAP Policy Manual 2020-21," *Ministry of Colleges and Universities*, Version 2.1, October 2020, 136 (unpublished).

<sup>48</sup> Ministry of Colleges and Universities, "2021-22 Request for Review: Adjust Living Allowance," *Government of Ontario*, <https://osap.gov.on.ca/prodconsumption/groups/forms/documents/forms/prdro21999.pdf>



**Recommendation:** The provincial government should modify the funding formula for part-time students to mirror the funding formula used for full-time students.

**Recommendation:** OSAP should develop categories of part-time students based on the percent of a full-time course load they are enrolled in.

The current funding model for OSAP eligibility is inconsistent and provides considerably less funding for part-time students. As one student respondent wrote in OUSA's 2020 OUSS, "OSAP needs to be improved on what is considered a *[sic]* full-time and part-time. [I] had lots of issues this year of being given information that was inaccurate or didn't reach me in time."<sup>49</sup> Despite receiving considerably less funding than full-time students, part-time students are often the ones in most need of financial aid. Many of these students are pursuing part-time education due to barriers that prevent them from pursuing full-time studies. The barriers include, but are not limited to having a disability, being a caretaker, working, or having a short-term illness. These issues have been further exacerbated by the COVID-19 pandemic, with students facing additional barriers preventing them from pursuing full-time studies. OSAP currently caps part-time students with a maximum of \$500 in grants per year.<sup>50</sup> With the marginal cost per course often decreasing, part-time students often end up paying more than full-time students. In 2019, approximately 20 percent of students in Canadian universities were part-time students, with this number being exacerbated by the COVID-19 pandemic.<sup>51</sup> OUSA's data from the 2017 Ontario Post-Secondary Student Survey (OPSSS) shows that part-time students were more likely to be: (1) mature students; (2) managing a disability; (3) coming from rural areas; or (4) coming from lower-income families.<sup>52</sup> Many students are forced to take additional courses that they do not need or cannot complete in order to qualify for adequate funding. The OSAP funding formula should take a more comprehensive approach when calculating funding for part-time students, similar to the funding formula for full-time students. This modified formula should account for living costs, travel costs, additional learning materials and tuition. This comprehensive formula will ensure that the funding gap is bridged between students in part-time and full-time studies.

## CO-OP & PROFESSIONAL STUDENTS

**Principle:** Students should not be deterred from pursuing second-entry/professional programs due to a fear of unmanageable debt.

**Principle:** OSAP should provide students with an equitable amount of assistance regardless of their choice in program.

**Principle:** OSAP should provide co-op students with adequate financial assistance.

**Principle:** Students enrolled in co-op work terms should not have to manually submit an interest-free status form.

**Principle:** All OSAP calculations should be based on actual tuition fees.

**Concern:** Professional students in similar economic situations to those in non-professional programs are expected to contribute more to their degree.

**Concern:** While some co-op programs do provide a paid opportunity, unpaid co-op and placements can negatively impact a student's financial situation by raising their cost of education and/or limiting their ability to work.

<sup>49</sup> Quote retrieved from unpublished data from OUSA's 2020 Ontario Undergraduate Student Survey.

<sup>50</sup> "Maximum amounts of aid," *Government of Ontario*.

<sup>51</sup> "Facts and Stats," *Universities Canada*, last modified December 30, 2019, <https://www.univcan.ca/universities/facts-and-stats/>

<sup>52</sup> Britney De Costa and Martyna Siekanowicz. *Accessibility: Results from the 2017 Ontario Post-Secondary Student Survey*. Research Report. Toronto: Ontario Undergraduate Student Alliance, 2019, [https://www.ousa.ca/reports\\_accessibility](https://www.ousa.ca/reports_accessibility)

**Concern:** Students enrolled in a co-op work term have to take on additional administrative work to apply for interest-free status even though they are still students.

**Concern:** By having a tuition and ancillary fee cap for professional students, the actual tuition and ancillary fee costs are not taken into consideration, which can negatively impact a student's OSAP funding.

**Recommendation:** The provincial government should ensure that the OSAP funding formula accounts for the cost of co-op program fees and provides adequate financial aid for co-op students, such as removing the fixed contribution for students enrolled in co-op.

**Recommendation:** The provincial government should work with university registrar offices to automatically confirm when students are enrolled in co-op work terms so they do not have to manually submit an interest-free status form.

**Recommendation:** The provincial government should remove the tuition and recognized compulsory ancillary fee cap for professional students and instead use the actual tuition and recognized compulsory ancillary fees.

Professional programs consist of advanced learning that directs students towards an occupation that is governed by a mandatory regulatory body. Members of the specific profession are required to complete a licensing examination prior to actively practicing. They must also keep their credentials updated, which is done through additional education mandated by the regulatory body. Some examples of professional programs include teacher education, dentistry, optometry, medicine, law, pharmacy, nursing, and rehabilitation sciences, among others.<sup>53</sup> Students who decide to pursue professional programs are being faced with financial requirements that are greater than students in programs such as the arts and sciences. To demonstrate this, Table 2 displays the predicted OSAP funding (using the online aid estimator) a student at the University of Waterloo would receive in a non-professional program (anthropology) and a professional program (optometry). In both cases, the student is entering their first of a 4 year program, is not living at home, and has a combined parental income of \$60,000. This chart shows that despite the significantly higher costs of tuition in the optometry program, this student would not only receive less grant funding, but also less OSAP funding overall. The provincial government should ensure that the ratio of financial aid to expected education costs is equitable for professional and non-professional programs. This is to provide students with consistency throughout programs, removing any hesitancy or financial barriers for students wanting to pursue professional programs.

**Table 2: OSAP Distribution of Funding Between a Non-Professional and Professional Program, 2022-23**

	Tuition	OSAP Grants	OSAP Loans	Total Funding
Anthropology	\$6,128	\$9,900	\$6,200	\$16,100
Optometry	\$15,270	\$7,000	\$7,500	\$14,500

For many students, professional and regular alike, co-op programs often provide a unique and interesting advantage to their education, allowing them to receive workplace experience and networking opportunities while still in their studies. For example, OUSA's 2017 OPSSS found that over 86 percent of students felt their work-integrated learning experience was beneficial to their studies.<sup>54</sup> However, the cost of co-op can be a barrier to many students, as co-op programs typically have additional fees, such as orientation fees and professional fees, that students are expected to pay on top of their existing tuition

<sup>53</sup> Ontario Universities' Info, "Professional Program,"

<sup>54</sup> Eddy Avila, Britney De Costa, and Ryan Tishcoff, *Quality: Results from the 2017 Ontario Post-Secondary Student Survey*. Research Report. (Toronto: Ontario Undergraduate Student Alliance), 2019, [https://www.ousa.ca/reports\\_opsss\\_2017\\_quality](https://www.ousa.ca/reports_opsss_2017_quality)



fees.<sup>55</sup> This can be further problematic if the co-op or placement experience is unpaid, as programs are not required to compensate students and currently, the number of students enrolled in an unpaid co-op or placement is not tracked. If a co-op or placement program is unpaid, this can limit the ability to work for many students, as co-op and placement programs often consist of full working days. For example, Trent University's Social Work program includes a necessary placement program that requires students to go to placement 3 days a week, at 21 hours per week, while also enrolling in at least 3 additional courses in the other two workdays.<sup>56</sup> For many students, programs like this can create very limited opportunities for paid work and as a result many students may face financial barriers. As such, the provincial government should ensure that the OSAP funding formula accounts for the cost of co-op program fees and provides adequate financial aid for co-op students, such as removing the fixed contribution for students enrolled in co-op. By removing the student fixed contribution for co-op students, OSAP can help to ensure that the funding accurately reflects students' financial situations, particularly for those who have a limited ability to work due to their studies.

For students who are enrolled in co-op or placement programs, it is clear to them that they are still enrolled in school. However, if they are only completing co-op or placement that semester (that is, they are enrolled in no other "traditional" courses), OSAP processes these students as if they have graduated. As a result, many students either have to manually apply for interest-free status, even though they are still students, or, if they are unaware of the interest-free status, must begin their OSAP payments. Instead of placing this responsibility on current students, the provincial government should work with university registrar offices to automatically confirm when students are enrolled in co-op work terms, similar to how they confirm status for students enrolled in "traditional" courses.

In order for OSAP to most accurately support students, it must use actual tuition and recognized compulsory ancillary fees to calculate the funding individuals receive; this is how many students experience OSAP. However, for students enrolled in professional programs, there is a fee cap of "\$2,882 per term for non co-op programs [or] \$3,408 per term for co-op programs (\$2,882 for tuition and \$526 for co-op fees)."<sup>57</sup> This becomes further problematic when looking at the high, average cost of professional undergraduate programs, such as engineering which averages at just over \$8,000 per academic year.<sup>58</sup> By having a fee cap lower than the average cost of the program, OSAP is unable to accurately calculate the amount of support students in these programs actually need and therefore will often fall short of providing students in professional programs with necessary funding to continue their education. To address this concern, the provincial government should remove the tuition and recognized compulsory ancillary fee cap for professional undergraduate students and instead use the actual tuition and recognized compulsory ancillary fees.

## PREDICTABILITY & TRANSPARENCY

**Principle:** Students deserve to have predictable and financially sustainable funding.

**Principle:** OSAP funding estimates should be transparent and reliable when initially calculated, to ensure students are able to sustainably create financial plans for the entire year.

**Principle:** Students should have access to the rationale behind their OSAP calculations.

**Principle:** Students should have guarantees that their funding will not be negatively impacted without having adequate time to adjust to the changes.

**Concern:** Actual OSAP funding is sometimes inconsistent with estimates, resulting in students being

<sup>55</sup> "Co-op Program Fees," *Dalhousie University*, [https://www.dal.ca/faculty/site/for-students/student\\_eligibility\\_and\\_fees.html](https://www.dal.ca/faculty/site/for-students/student_eligibility_and_fees.html)

<sup>56</sup> "Field Placement," *Trent University*, <https://www.trentu.ca/socialwork/experience/field-placement>

<sup>57</sup> Student Financial Assistance Branch, "Ontario Student Assistance Program: Full-Time OSAP Policy Manual 2020-21,"

<sup>58</sup> Statistics Canada, "Tuition fees for degree programs, 2021/2022," *Government of Canada*, September 8, 2021, <https://www150.statcan.gc.ca/n1/daily-quotidien/210908/dq210908a-eng.htm>

unable to appropriately fund their education.

**Concern:** Announcement of OSAP funding changes in the middle of academic terms, including but not limited to changes in the proportion of loans to grants, can result in financial uncertainty for students in the middle of the school year.

**Concern:** General or basic information, while helpful as a guide, can be confusing when trying to understand various aspects of OSAP, such as expected contributions, and how each aspect impacts a student's funding.

**Concern:** Changes to OSAP, particularly ones affecting student eligibility and funding, done quickly can confuse and negatively impact a student's ability to complete or begin their post-secondary education.

**Recommendation:** The provincial government should ensure that the OSAP aid estimator provides an accurate funding estimate at least 6 months prior to the first day of classes.

**Recommendation:** The provincial government should release the breakdown of calculations for applicant's review when they release their OSAP funding summary calculations.

**Recommendation:** The provincial government should provide the annual full-time and part-time OSAP technical manuals online to be accessible to the public, in order to allow transparency and additional understanding of OSAP calculations.

**Recommendation:** The provincial government should create an easily digestible and transparent public resource that clearly outlines the funding structure for OSAP that is marketed to all students in post-secondary.

**Recommendation:** The provincial government should guarantee a consistent amount of funding between grants and loans for a student throughout the course of their degree, if their financial circumstances remain consistent.

**Recommendation:** OSAP should have a program length guaranteed minimum for eligibility for students, if their financial circumstances remain consistent.

Students in post-secondary education deserve to have predictable and financially sustainable funding. Students applying for OSAP have the opportunity to calculate their OSAP estimate, which gives them an indication of what they should expect to receive.<sup>59</sup> This is crucial for students to access in order for them to sustainably create financial plans for the entire year. The reality is that the actual OSAP funding is sometimes inconsistent with estimates. This is concerning as students are unable to appropriately fund their education when the estimate is not accurate. In addition to this inconsistency, OSAP funding also changes the proportion of loans to grants throughout the school year. One student noted that on top of tuition fees being "far too expensive," OSAP made changes "without telling me which left me with transferred grants to loans."<sup>60</sup> Another student mentioned that their OSAP funding was decreased by \$400 just two weeks before their tuition payment deadline.<sup>61</sup> This contributes to the uncertainty for students regarding how they plan to fund their education. To address these concerns, the provincial government should ensure that the OSAP aid calculator provides an accurate funding estimate at least 6 months prior to the first day of classes. This will provide students with adequate time and information to plan their funding for their education.

Once students are aware of the amount of funding they will receive from OSAP, it is crucial that they are able to access the rationale behind their OSAP calculations. Currently, OSAP provides students with basic or general information on the different aspects of OSAP, such as expected contributions, and how each

<sup>59</sup> Ontario Student Assistance Program, "Aid estimator," *Government of Ontario*, 2022, <https://osap.gov.on.ca/AidEstimator2223Web/enterapp/enter.xhtml>

<sup>60</sup> Quote retrieved from unpublished data from OUSA's 2020 Ontario Undergraduate Student Survey.

<sup>61</sup> Ibid.

aspect impacts a student's funding.<sup>62</sup> However, the rationale provided is not always clearly articulated and some students may not understand the calculations behind the amount of funding that they are receiving; this can lead to missed opportunities to appeal to any incorrect information or assumptions made by OSAP. To resolve this concern, the provincial government should release the breakdown of calculations for applicant's review when they release their OSAP funding summary calculations. This will allow for a transparent process and give students the means to continue with an appeal process if needed. In addition, the provincial government should also provide the annual OSAP technical manual online to be accessible to the public, in order to allow transparency and additional understanding of OSAP calculations. This will provide more contextual information to students, rather than only being able to access the general OSAP information. To allow for students to have full transparency, not only during the OSAP process but also when learning about it, the provincial government should create an easily digestible and transparent public resource that clearly outlines the funding structure for OSAP that is marketed to all students in post-secondary. This will ensure that students, along with the public receive full transparency regarding the OSAP process.

In 2019, when the provincial government announced changes to OSAP funding eligibility, students were immediately concerned about the ramifications these changes would have on their finances. Many students were already part way through their post-secondary education, with stories of students losing almost \$10,000 in financial aid.<sup>63</sup> Additionally, OUSA's 2020 student survey found that 61 percent of students were "somewhat" or "very" concerned about their ability to pay for their post-secondary education.<sup>64</sup> These worries were not equally shared across demographic lines, with low-income, first generation, and disabled students more likely than their counterparts to be "very" concerned about their ability to pay.<sup>65</sup> OSAP continues to be one of the most relied upon ways to pay for student's post-secondary education, behind only personal and familial contributions, with 52 percent of students receiving OSAP as a funding source; however this is down by 10 percent compared to 2017, and 33 percent of students received less funding in 2020-21.<sup>66</sup> Of the 61 percent of students who were concerned about their ability to pay for post-secondary, almost half (47 percent) said this concern was directly related to their OSAP funding.<sup>67</sup> The provincial government must recognize the impact OSAP has not only on a student's actual ability to pay for post-secondary, but to also feel comfortable that they can pay for it throughout their entire post-secondary career. As such, the provincial government should take two steps. First, the provincial government should guarantee a consistent amount of funding between grants and loans for a student through the course of their degree, assuming their financial circumstances remain consistent. Next, the provincial government should commit to a 4 year guaranteed minimum eligibility for OSAP for students, if their financial circumstances remain consistent. By making these guarantees, students are able to accurately plan for their entire post-secondary degree, without worrying that large amounts of their funding will change to loans or entirely disappear based on changing political tides. Students not only need, but deserve, the ability to financially plan their post-secondary degree accurately.

## DATA COLLECTION

### DEMOGRAPHICS

**Principle:** Access to demographic information on OSAP recipients, particularly those covered by the Ontario Human Rights Code, is vital for the continued improvement of OSAP.

**Principle:** Students should have clear and complete information about how data will be used and stored,

<sup>62</sup> "OSAP Definitions: Expected financial contributions,"

<sup>63</sup> Allison Jones, "Province's cuts to OSAP mean more debt, stress as students head back to school," *CBC News*, September 1, 2019, <https://www.cbc.ca/news/canada/toronto/osap-debt-stress-students-1.5267350>

<sup>64</sup> De Costa & Dhanani, *Affordability: Results from the 2020 Ontario Undergraduate Student Survey*.

<sup>65</sup> Ibid.

<sup>66</sup> Ibid.

<sup>67</sup> Ibid.

and about how information will be reported – particularly those from marginalized communities who have previously been targeted for data collection.

**Principle:** OSAP's success should be determined by a variety of measurements that take into account student's satisfaction with how OSAP has impacted their studies and life.

**Concern:** A lack of information detailing the demographic make-up of students accessing OSAP can negatively impact students and other stakeholders' ability to advocate for necessary changes to OSAP.

**Concern:** Demographic data has historically not been ethically collected and used to harm marginalized communities.

**Concern:** Relying solely on enrollment numbers to determine the success of OSAP ignores other benefits for students, particularly those already involved in post-secondary such as being able to work less hours and focus on school, having less financial related stress, etc.

**Recommendation:** The provincial government should develop optional demographic questions in accordance with the Ontario Human Right Code to better understand the demographic make-up of students accessing OSAP.

**Recommendation:** The provincial government should include information about how the data will be used on both the survey and website, and publish annual reports to ensure transparency to students and the public.

**Recommendation:** The provincial government should ensure that all data collected on student financial aid should be stored within Canada.

**Recommendation:** The provincial government should, through OSAP and in conjunction with the Higher Education Quality Council of Ontario, develop satisfaction surveys for all OSAP recipients during and after their post-secondary education to evaluate OSAP's success through various measures, rather than solely relying on enrollment numbers.

For OSAP to remain accountable for the success of their services, it is imperative that they make it a priority to collect data. Collecting data is a very general request and to make it more effective, it is crucial that the data collected includes information from individuals who come from different economic backgrounds, ethnicities, and more. Currently, OSAP releases data on the usage of repayment assistance plans; however, there is no transparency provided regarding the demographics of the data.<sup>68</sup> In order to hold OSAP accountable, they must include information on the demographics of their data collection. The provincial government should develop optional demographic questions in accordance with the Ontario Human Right Code to better understand the demographic make-up of the students accessing OSAP. As described previously in this policy paper, some equity-deserving student groups are more likely to be from lower socioeconomic backgrounds and thus, knowing how many of these students are or are not accessing and benefitting from OSAP will be critical in developing and improving targeted OSAP funding for these groups. Doing this will ensure that those viewing the data have access to the demographics of the data collected and allow for stakeholders to advocate for necessary OSAP changes.

OSAP's data collection consists of enrollment numbers, rather than level of satisfaction responses from OSAP recipients.<sup>69</sup> Once OSAP begins to collect data from students that include questions specific to the demographics of respondents, it is important that those who are included in the data are given transparency. This transparency must include information regarding how data will be used and stored, and about how information will be reported. This is especially important for those from marginalized communities who have, historically, been subjected to unethical data collection or have had this data used to harm their communities. To respect OSAP recipients involved in data collection, the provincial

<sup>68</sup> "OSAP Repayment Assistance Plan Usage," *Government of Ontario* (Data Catalogue), last validated January 31, 2022, <https://data.ontario.ca/dataset/osap-repayment-assistance-plan-usage>

<sup>69</sup> Ibid.

government should include information about how the data will be used on both the survey and website, and publish annual reports to ensure transparency to students and the public. This will build trust between OSAP and students, protecting the privacy of respondents and creating a transparent data collection process.

The results of OSAP's data collection should be used to determine the success of their operations; however currently, the success is primarily determined by OSAP default statistics. Defaults occur when OSAP recipients do not follow the repayment terms and conditions.<sup>70</sup> The concern with this method is that OSAP's success is based on the number of failures and enrollment numbers. Basing OSAP's success on these factors is ignoring the other benefits for students, particularly those already involved in post-secondary, such as being able to work less hours and focus on school, having less financial related stress, and generally better socio-emotional wellbeing. The current assessment also fails to capture important demographic information about "who" is applying to OSAP and how changes to OSAP could impact different types of communities in a positive way. To resolve this concern, the provincial government should, through OSAP and in conjunction with Higher Education Quality Council of Ontario (HEQCO), develop satisfaction surveys for all OSAP recipients during and after their post-secondary education to evaluate OSAP's success through various measures, rather than solely relying on enrollment numbers. Satisfaction surveys will require OSAP to base their success on personal feedback from students, including their feedback on estimate versus actual funding, the impact that OSAP had on their education each year, among others, rather than relying on unreliable enrollment statistics and failure rates. This survey should be offered after each year through the OSAP website, with an additional survey being offered once an OSAP recipient graduates and another one being offered 10 years after graduation.

#### USE OF PROCESSES, FORMS, ETC.

**Principle:** Information and forms needed for OSAP should be easily accessible for students.

**Principle:** Students should not be penalized if institutions are late submitting documentation to OSAP.

**Principle:** Students should be provided with clear steps on how to navigate the OSAP application process.

**Concern:** Having to look for forms and information on various websites can often be confusing and stressful for students.

**Concern:** Institutions are responsible for submitting student documents to OSAP, resulting in possible delays or other submission issues that penalize students for something that is outside of their control.

**Concern:** Students are often confused and overwhelmed about how to find or apply for institutional and private grants and bursaries, resulting in lost opportunities for financial aid.

**Recommendation:** The provincial government should make all OSAP forms easily accessible and in relevant locations like the OSAP account home page.

**Recommendation:** The provincial government should make information in regards to OSAP, such as OSAP's Repayment Assistance Plan program, easily accessible in relevant locations within individuals' OSAP accounts, such as the funding summary page.

**Recommendation:** The provincial government should make commitments to not penalize students if institutions miss financial aid deadlines.

---

<sup>70</sup> Ontario Student Assistance Program, "2019 OSAP Default Rates and Repayment Assistance Plan Usage Rates," *Government of Ontario*, <https://osap.gov.on.ca/OSAPPortal/en/PlanYourEducation/ChooseaCareerSchoolProgram/PRDR021348.html#:~:text=OSAP%20default%20rate%3A%206.5%25>



**Recommendation:** The provincial government in collaboration with the Council of Ontario Universities should develop a matching system and search function that allows students to easily determine their eligibility and apply for institutional and private grants and bursaries through the OSAP application process and website.

**Recommendation:** The provincial government should develop a mandatory OSAP information module for applicants to complete when they apply for OSAP to include information on how OSAP works, what information OSAP requires and why, related OSAP programs such as Repayment Assistance Plan, where to find forms, and other important information.

It is crucial for students to have access to information about how to navigate and understand the OSAP process. Currently, OSAP information is displayed through a number of different links and websites. OSAP's website has a basic layout of the steps in the OSAP process on their homepage; however, other links for forms and additional information is found elsewhere.<sup>71</sup> To ensure that students are not placed at a disadvantage of being unable to locate relevant information, the provincial government should make all OSAP forms easily accessible and in relevant locations, such as the OSAP account home page. This will provide students with easy access to information regarding the OSAP process without placing barriers on retrieving important information. Individual's OSAP accounts are also a relevant location for information related to OSAP like RAP. As described earlier, RAP is intended to support eligible graduates' need to lower their monthly loan payments for a 6 month period, through interest relief and debt reduction.<sup>72</sup> For individuals who are collecting OSAP, it is important that they have access to repayment information, along with RAP. To ensure that this is achieved, the provincial government should make pertinent information about OSAP, such as RAP, easily accessible in relevant locations within an individual's OSAP account, such as the funding summary page.

Individuals who are looking into or are currently involved in the OSAP process should have a clear understanding of the different steps in the process. Currently, individuals have access to the steps of how to apply for OSAP; yet, there is very little information available on how to access additional financial aid, such as institutional and private grants and bursaries.<sup>73</sup> In order for individuals to enroll in post-secondary institutions, many rely on financial aid. If an individual's OSAP application does not provide them with an adequate amount of funding, they must turn to institutional and private grants and bursaries. With limited information provided to students on how to apply for additional funding, it can result in lost funding opportunities and ultimately prevent individuals from attending post-secondary institutions. To ensure that this does not happen, the provincial government in collaboration with the Council of Ontario's Universities should develop a matching system and search function that allows students to easily determine their eligibility and apply for institutional and private grants and bursaries through the OSAP application process and website. This will ensure that individuals have access to all financial aid available to them in a relevant location, rather than being expected to navigate through multiple websites. In addition to this proposed solution, the provincial government should also develop a mandatory OSAP information module for applicants to complete when they apply for OSAP. The current module, while a helpful tool, should include information on all aspects of OSAP that are pertinent for students to know including how OSAP works, what information OSAP requires and why, related OSAP programs such as RAP, where to find forms, and other important information. This will ensure that applicants are provided with the tools necessary to successfully navigate the OSAP process. This will also ensure that applicants have the necessary information to advocate for themselves and help them maximize the amount of financial support they are eligible for.

---

<sup>71</sup> "OSAP: Ontario Student Assistance Program," *Government of Ontario*, last updated October 29, 2021, <https://www.ontario.ca/page/osap-ontario-student-assistance-program>

<sup>72</sup> "Pay back OSAP," *Government of Ontario*.

<sup>73</sup> "How to apply for OSAP," *Government of Ontario*, last updated October 26, 2021, <https://www.ontario.ca/page/how-apply-osap>

## ACCESS TO INFORMATION

---

### EARLY OUTREACH

**Principle:** Students who are thinking about entering post-secondary education should have access to easily understandable information about Ontario's student financial aid system prior to entering.

**Concern:** High school students and their guardian(s) have a lack of access to information from the provincial government when deciding whether to enter post-secondary education.

**Concern:** No direct line of information exists between Ontario's student financial aid system and Ontario high schools, resulting in a significant lack of knowledge for high school students.

**Recommendation:** The provincial government should create a direct line of information between provincial high schools and Ontario's student financial aid system in order to create workshops and information sessions to equip students with all information pertaining to financial aid.

**Recommendation:** The provincial government should mandate that all Ontario high schools should incorporate financial planning, including the functionality of OSAP, into the high school curriculum.

Since the 1990's the cost of higher education has become increasingly unattainable, with Ontario's system becoming more regressive each year. As of 2018, the average total cost of a 4 year Canadian university education was approximately \$37,000 for students who live at home and approximately \$80,000 for students who move away.<sup>74</sup> Notably, Ontario consistently has one of the higher costs of average tuition compared to other provinces and the cost of living has continued to rise, meaning the actual cost of a 4 year Ontario university education would likely be even more.<sup>75</sup> These financial barriers often prevent students from pursuing higher education, and creates a socioeconomic divide between high-income and low-income families and students. For this reason, it is imperative that students and their families are well-informed about the financial resources they have to fund their education as early as possible.

Incorporating financial education into all levels of education ensures that students and their families have a comprehensive understanding of how to finance their education. Furthermore, early financial planning ensures that parent(s)/guardian(s) who are helping to finance a student's education are aware of all the associated costs. Currently, there is a lack of accessible direct information to students, and many are unaware or uninformed about the methods available to fund their higher education. A report by HEQCO emphasized and suggested that the K-12 system has a window of opportunity to prepare students and their families for post-secondary, thereby facilitating access to higher education early on.<sup>76</sup> Alleviating financial burden is critical to increasing the number of students from diverse socioeconomic backgrounds enrolling in post-secondary education. Accessible financial resources will ensure that students will be able to make informed decisions on which path is best for them, and reduce the likelihood of program changes/dropping out.

### MARKETING & INFORMATION

**Principle:** Information regarding Ontario's student financial aid system should be accessible and easily understandable for all applicants and current students in post-secondary.

**Concern:** Students have a lack of access to information about Ontario's student financial aid system,

---

<sup>74</sup> Mark Brown, "The cost of a Canadian university education in six charts," *Maclean's*, April 1, 2018, <https://www.macleans.ca/education/the-cost-of-a-canadian-university-education-in-six-charts/>

<sup>75</sup> Statistics Canada, "Table 37-10-0045-01 Canadian and international tuition fees by level of study,"

<sup>76</sup> Fiona Deller, Amy Kaufman, and Rosanna Tamburri, *Redefining Access to Postsecondary Education* (Toronto, ON: Higher Education Quality Council of Ontario, 2019), <https://heqco.ca/wp-content/uploads/2020/02/Formatted-Access-Paper.pdf>

with some institutions having better access to information than others.

**Concern:** A lack of access to information about student financial aid deters students from attending post-secondary education.

**Recommendation:** The provincial government should work in conjunction with university student financial aid offices with resources to share with high school students regarding financial aid in an accessible and digestible manner.

**Recommendation:** The provincial government should work with institutions on developing a strategic plan to disseminate financial aid information at both the time of application and during the course of a student's degree.

**Recommendation:** The provincial government should create mandatory standards for information that must be shared about the Ontario student financial aid system, and within admission packages to all students.

Students should have access to easily digestible information pertaining to financial aid and the complete cost of higher education. A financial literacy gap exists for many students which can prevent them from pursuing post-secondary education. The current structure for student loans and grants in Ontario is difficult to understand for students who need financial assistance. The Canadian Student Survey was a comprehensive assessment that revealed the financial literacy of students across Canada. The key findings show that 29 percent of students who did not take out loans or grants were unaware that grants for low-income students were available for non-loan recipients, 48 percent of students were unaware that funding was available for part-time students, and over 75 percent of students failed a basic financial literacy test.<sup>77</sup> Furthermore, the study found that for those that did receive financial aid, they were unaware about the process for loan repayment. The provincial government should work in conjunction with universities to bridge the gap that exists in financial literacy. Financial aid offices on campuses provide a direct line of information between students and have the ability to disseminate this information. The provincial government should create guidelines for universities to provide financial aid information to students and equip them with easily digestible resources. Furthermore, universities should ensure that all prospective students are provided with this information at the time of application. A comprehensive approach is necessary to ensure students have enough financial literacy to understand and appropriately utilize Ontario's financial assistance program.

## APPEALS

**Principle:** The OSAP appeal process should be accessible and advertised effectively to all students.

**Principle:** The appeals process should support students who are facing extenuating circumstances that hinder their ability to finance their education.

**Principle:** The provincial government should not be using additional federal funding meant for students as a cost-reduction mechanism.

**Concern:** Students are unaware or have an insufficient understanding of the appeals process.

**Concern:** COVID-19 has placed additional barriers for students financing their education that are not considered in OSAP's current funding calculations.

<sup>77</sup> Canadian Alliance of Student Associations, *The Illiteracy of the Literate: The Lack of Financial Aid Knowledge among Canadian University Students* (Ottawa, ON: Canadian Alliance of Student Associations, 2010), 2, [https://www.casa-acae.com/the\\_illiteracy\\_of\\_the\\_literate\\_the\\_lack\\_of\\_financial\\_aid\\_knowledge\\_among\\_canadian\\_university\\_students](https://www.casa-acae.com/the_illiteracy_of_the_literate_the_lack_of_financial_aid_knowledge_among_canadian_university_students)



**Concern:** The current appeals process does not adequately address barriers that prevent students from receiving financial support from their parent(s)/guardian(s).

**Concern:** No publicly available and comprehensive data exists on the status of appeals.

**Concern:** The current appeal structure does not allow students to appeal refusals of financial support from parent(s) or guardians, resulting in students having insufficient funds for their education.

**Concern:** Students who appeal OSAP decisions may not see an increase in their financial aid as a result of the provincial government lowering their portion of funding.

**Recommendation:** The provincial government should ensure that OSAP publicly publish comprehensive data on the status of appeals.

**Recommendation:** The Ministry of Colleges and Universities should better promote the current OSAP appeals processes on the OSAP website and when communicating to students about their OSAP estimates.

**Recommendation:** The OSAP appeal process should be directly through the OSAP application portal instead of through individual institutions websites.

**Recommendation:** The Ministry of Colleges and Universities should modify the OSAP appeals process to allow dependent students who are not receiving financial aid from their parent(s)/guardian(s) to alter their parental contribution due to barriers such as estrangement, lack of contact, intra-family conflict, etc.

**Recommendation:** The Ministry of Colleges and Universities should effectively market all OSAP appeal processes and forms at the beginning of OSAP applications and to post-secondary financial offices, specifically highlighting appeal forms in relation to COVID-19.

**Recommendation:** The provincial government should commit to, in the case of an appeal, not lowering the amount of financial aid as a result of a federal increase in financial aid.

**Recommendation:** The Ministry of Colleges and Universities should include and promote assessments relating to the effectiveness of OSAP appeal processes on the OSAP website when communicating to students about OSAP appeals.

OSAP allows students to apply for appeals for extenuating circumstances to ensure all students have accurate funding. Students can appeal on issues related to loss of income, additional expenses, family breakdown, and additional caretaker responsibilities. Despite this, the current appeals process is inaccessible and not clearly advertised to students. At the time of application and on the OSAP home page, there is no indication that students have the ability to make an appeal, and the form cannot be found through the search feature.<sup>78</sup> The forms are hidden on university websites or can be found through an extensive search process outside of the OSAP portal. Despite the entire application process for OSAP being through one portal, the extenuating circumstances form is through each individual institution. This decentralized design and lack of transparency and accessibility leads many students to simply accept the limited to no funding they receive. Moreover, the COVID-19 pandemic has exacerbated the need for a clear appeals process, with many students facing additional extenuating circumstances. In fact, after the onset of the pandemic, 88 percent of students across the country anticipated making changes to their educational funding plans;<sup>79</sup> as a result, the likelihood of students needing to appeal their OSAP funding decision could increase as students continue to grapple with the financial impacts of the pandemic.

The OSAP appeals process should be directly linked in the initial application process to ensure that it is centralized and accessible. Additionally, the MCU should ensure that the process is transparent and

<sup>78</sup> "OSAP Calculator," Government of Ontario, accessed February 6, 2022, [https://www.ontario.ca/page/osap-ontario-studentassistance-program?\\_ga=2.196391212.1050231859.1549500468-260786113.1549164883](https://www.ontario.ca/page/osap-ontario-studentassistance-program?_ga=2.196391212.1050231859.1549500468-260786113.1549164883).

<sup>79</sup> Canadian Alliance of Student Associations, *Students Are Still Worried: COVID-19 and Post-Secondary Education* (Ottawa, ON: Canadian Alliance of Student Associations, 2020), [https://www.casa-acae.com/students\\_are\\_still\\_worried\\_covid19](https://www.casa-acae.com/students_are_still_worried_covid19)

promoted effectively at both the time of application and on the homepage of the website. One of the largest issues that affects the current funding structure for OSAP is family breakdown. The current structure takes into account parental income, despite many students having no financial support from their parent(s)/guardian(s). Some parent(s)/guardian(s) do not financially support their children for many reasons, including: differences in personal beliefs, estranged relationships, additional caretaker requirements, and more. The appeals process is essential for these students who have no other source of additional support/income. The current family breakdown appeal only considers students estranged from their parent(s) under extreme circumstances, such as drug addictions or abuse.<sup>80</sup> The MCU should work to modify the current appeals process to ensure that students in exceptional circumstances, beyond being estranged from parent(s)/guardian(s), are also considered. These changes will increase the accessibility of post-secondary education and ensure that all students receive fair and appropriate funding.

## OSAP ACADEMIC PROBATION

---

**Principle:** Students should be supported by OSAP throughout their entire degree program and empowered to modify their course load, retake classes, and pursue employment opportunities without fear of academic probation.

**Principle:** Students receiving OSAP should not be financially penalized for reducing course loads due to extenuating or personal circumstances.

**Principle:** Students receiving OSAP should not be financially penalized for not being able to pass a certain amount of courses while facing extenuating circumstances.

**Concern:** Removing a student's access to financial aid can create barriers to academic success (ex. necessity of a part-time job, increased stress)

**Concern:** Students are unaware that OSAP academic probation exists and it is not appropriately marketed on the website.

**Concern:** Students are placed on OSAP academic probation for dropping/being unable to complete the number of courses initially indicated on their application.

**Concern:** Students can be put on OSAP academic probation for a multitude of inconsistent reasons, including interruptions in their education, taking a fifth year, multiple program/institution changes, etc.

**Concern:** OSAP academic probation penalizations are inconsistent and lack a standard system for all students who receive OSAP.

**Concern:** If students are on OSAP academic probation for two consecutive years, they are penalized by then being placed on OSAP academic restriction, resulting in losing eligibility to receive OSAP for the following two years.

**Recommendation:** The Ministry of Colleges and Universities should remove the OSAP academic probation program entirely as a consideration for financial aid within OSAP.

**Recommendation:** The Ministry of Colleges and Universities should include and promote assessments relating to the effectiveness of OSAP appeal processes on the OSAP website when communicating to students about OSAP appeals.

---

<sup>80</sup> Student Awards & Financial Aid, "2018-2019 OSAP Review Family Breakdown," *University of Waterloo* (form), accessed February 3, 2019, [https://uwaterloo.ca/student-awards-financial-aid/sites/ca.student-awards-financialaid/files/uploads/files/2018-19\\_family\\_breakdown.pdf](https://uwaterloo.ca/student-awards-financial-aid/sites/ca.student-awards-financialaid/files/uploads/files/2018-19_family_breakdown.pdf).

Students who are recipients of OSAP are required to maintain “successful academic progress” throughout the entirety of their degree.<sup>81</sup> If students are unable to maintain this level of progress, they are penalized by the OSAP system. Currently, on the OSAP homepage there is no accessible information on what OSAP academic probation is or that it is a form of penalty that students can face. Additionally, the current guidelines for OSAP academic probation are inconsistent and differ between part-time and full-time students.

There are two main reasons that a full-time student can be placed on OSAP academic probation. Firstly, students must maintain and successfully complete a full-time course load. If students receive OSAP for one term, they must complete and pass three courses, or two if they have a permanent disability. If students are receiving OSAP for two terms, students must complete and pass six courses or four courses if they have a permanent disability.<sup>82</sup> If a student is receiving OSAP for three terms, students must complete and pass nine courses, or six courses if they have permanent disability. Secondly, a student may be placed on OSAP academic probation if they face interruptions during their degree. This can include, but is not limited to multiple program/institutional changes, dropping to a part-time course load, withdrawing from a program, failing courses, or taking additional years to complete a program (like enrolling in a fifth year for a four year program). For full-time students, upon the first instance of failing to maintain “satisfactory academic progress,” they are placed on OSAP academic probation for a minimum of 12 months from the date they are deemed to have incomplete academic progress. Once a student is placed on OSAP academic probation, they are still eligible to apply for part-time or full-time OSAP but to be considered the following year while on academic probation, students must submit an OSAP acknowledgement or academic probation form with their application. In order to be removed from academic probation, students must pass a full-time course load in the following academic year, with no interruptions to their studies. If students are unable to meet satisfactory OSAP academic progress for two years, OSAP academic probation changes to OSAP academic restriction. On OSAP academic restriction, students lose eligibility for both part-time and full-time OSAP for a minimum of 12 months. During this period, students must maintain previous loans and full-time students must submit a “Continuation of Free Status” form at the beginning of the school year. For those that are no longer full-time, they must begin paying back their student loans or apply for repayment assistance.<sup>83</sup> For part-time students, if you drop/fail one or more courses during a term that you have OSAP funding, you will be placed on part-time OSAP academic probation. This means that you must self-fund for the next semester where you apply for part-time OSAP, in addition to passing all the courses you take that semester.

The OSAP academic probation system is inconsistent, punitive, and unfair for students. A majority of students are unaware that the academic probation system exists within OSAP. Students that are facing personal, familial, or financial hardships have more barriers to succeeding academically. By penalizing students for their academic performance, the academic probation system is harming those in most need of support. Moreover, losing funding for failing or being unable to complete a course is disruptive to a student's education. For students that fail courses, they must still pay for the full amount of the course, in addition to the cost of retaking the course. Furthermore, the probation system does not consider students with extenuating circumstances, such as having to work throughout the course of their degree. For example, students who have co-ops or full-time jobs often take a reduced course load during the year of their employment, and are considered to have dropped from a full-time to a part-time course load. These students are being unfairly penalized for their financial circumstances and degree plans. Despite this, the OSAP academic probation system is inconsistently applied across students who receive OSAP. For many students, OSAP does not designate academic probation status upon them despite being unable to maintain “successful academic progress.” Furthermore, information about the penalization system is not marketed effectively on the website or at the time of application. Moreover, the federal government currently has non-punitive metrics in place to ensure students are on track during their post-secondary education and are reaching the appropriate milestones in a timely manner.<sup>84</sup> Given the inconsistency and flaws in the system, the entire OSAP academic probation system should be eliminated.

<sup>81</sup> “OSAP Academic Probation and Restriction, Ryerson University, accessed February 6, 2022, <https://www.ryerson.ca/student-financial-assistance/osap/probation-restriction/>

<sup>82</sup> Ibid.

<sup>83</sup> Ibid.

<sup>84</sup> Harvey P. Weingarten et al., *Postsecondary Education Metrics for the 21st Century* (Toronto, ON: Higher Education Quality Council of Ontario, 2019), [https://heqco.ca/wp-content/uploads/2020/02/Formatted-Metrics-for-the-21st-Century\\_FINAL.pdf](https://heqco.ca/wp-content/uploads/2020/02/Formatted-Metrics-for-the-21st-Century_FINAL.pdf)

## POLICY STATEMENT

---

**Whereas:** High-quality post-secondary education should be accessible to all qualified Ontarians, including those from diverse socioeconomic, racialized, gender, age, etc. backgrounds.

**Whereas:** Public funding programs such as student financial aid should be designed to promote access by gearing support through means testing.

**Whereas:** The provincial government has a responsibility to develop equitable access to post-secondary institutions for those from low-income backgrounds.

**Whereas:** All willing and qualified students should be able to access education in Ontario.

**Whereas:** All eligible students in Ontario should receive an adequate amount of financial aid to allow them to afford post-secondary education.

**Whereas:** Students should not be burdened by high amounts of debt in order to access post-secondary education in Ontario.

**Whereas:** Low-income students should receive a higher proportion of grants to loans than high-income students.

**Whereas:** OSAP should provide a combination of grants and loans to high-income students to ensure they receive some level of financial aid

**Whereas:** The provincial government should not profit from student loan repayment through interest.

**Whereas:** Provincial financial aid programs should remain sustainable, however they should not rely on student loan interest payments.

**Whereas:** Recent graduates should have time after graduation to find a financially stable career in their field before paying back their student loans.

**Whereas:** Students deserve transparency from the provincial government and to know where the interest from their student loans are going.

**Whereas:** Students and recent graduates should have access to a wide variety of government financial supports, including the Repayment Assistance Plan.

**Whereas:** Accessible and publicly-funded education is an avenue through which historically marginalized students are often able to seek better opportunities.

**Whereas:** Every student enters post-secondary in a unique financial situation and as such, should be given individual consideration and choice when receiving financial support.

**Whereas:** Financing post-secondary education using government and institutional financial aid should be accessible, transparent, and easy to understand

**Whereas:** Net billing should streamline the tuition-payment process using financial aid, not complicate it.

**Whereas:** As students are the primary benefactor to institutions, students should have easy access to a breakdown and guideline of how student financial aid funds are allocated, spent, and rolled over.

**Whereas:** The Student Access Guarantee program should be equally accessible to all post-secondary students who have demonstrated financial need that is not being adequately covered by OSAP.

**Whereas:** Students from equity-deserving groups should have access to financial aid that equitably meets their needs and covers disproportionate gaps in funding.

**Whereas:** Financial constraints arising from historic and current systemic barriers should not impede students' access to and participation in post-secondary education.

**Whereas:** International students should have access to suitable financial aid programs.

**Whereas:** Once international students have begun studying in Ontario, institutions have a responsibility to support them when encountering unexpected financial barriers.

**Whereas:** Students from marginalized groups specifically racialized, Two Spirit and LGBTQ+ students - should have access to targeted government financial aid that sustainably, holistically, and equitably meets their needs.

**Whereas:** Post-secondary education funding, such as OSAP, should not be influenced by expected financial contributions from others, such as parent(s), guardian(s), spouse, etc. as they may be precarious or non-existent.

**Whereas:** Both part-time and full-time students should receive equitable levels of OSAP funding.

**Whereas:** If expected financial parental and spousal contributions must be taken into account, OSAP should consider a more comprehensive picture of dependent students' resources by considering additional factors such as parental debts and assets while considering parental income during OSAP calculations.

**Whereas:** Students should not be negatively impacted by differences between provincial and federal definitions.

**Whereas:** OSAP should have an accessible definition for students to determine if their number of working hours is considered part-time or full-time that does not depend on their enrollment as a student.

**Whereas:** Students' fixed contributions should take into account their cost of living.

**Whereas:** Students should easily be able to appeal inaccurate assumptions made through the OSAP process.

**Whereas:** Students should not be deterred from pursuing second-entry/professional programs due to a fear of unmanageable debt.

**Whereas:** OSAP should provide students with an equitable amount of assistance regardless of their choice in program.

**Whereas:** OSAP should provide co-op students with adequate financial assistance.

**Whereas:** Students enrolled in co-op work terms should not have to manually submit an interest-free status form.

**Whereas:** All OSAP calculations should be based on actual tuition fees.

**Whereas:** Students deserve to have predictable and financially sustainable funding.

**Whereas:** OSAP funding estimates should be transparent and reliable when initially calculated, to ensure students are able to sustainably create financial plans for the entire year.

**Whereas:** Students should have access to the rationale behind their OSAP calculations.

**Whereas:** Students should have guarantees that their funding will not be negatively impacted without having adequate time to adjust to the changes.

**Whereas:** Access to demographic information on OSAP recipients, particularly those covered by the Ontario Human Rights Code, is vital for the continued improvement of OSAP.

**Whereas:** Students should have clear and complete information about how data will be used and stored, and about how information will be reported – particularly those from marginalized communities who have previously been targeted for data collection.

**Whereas:** OSAP's success should be determined by a variety of measurements that take into account student's satisfaction with how OSAP has impacted their studies and life.

**Whereas:** Information and forms needed for OSAP should be easily accessible for students.

**Whereas:** Students should not be penalized if institutions are late submitting documentation to OSAP.

**Whereas:** Students should be provided with clear steps on how to navigate the OSAP application process.

**Whereas:** Students who are thinking about entering post-secondary education should have access to easily understandable information about Ontario's student financial aid system prior to entering.

**Whereas:** Information regarding Ontario's student financial aid system should be accessible and easily understandable for all applicants and current students in post-secondary.

**Whereas:** The OSAP appeal process should be accessible and advertised effectively to all students.

**Whereas:** The appeals process should support students who are facing extenuating circumstances that hinder their ability to finance their education.

**Whereas:** The provincial government should not be using additional federal funding meant for students as a cost-reduction mechanism.

**Whereas:** Students should be supported by OSAP throughout their entire degree program and empowered to modify their course load, retake classes, and pursue employment opportunities without fear of academic probation.

**Whereas:** Students receiving OSAP should not be financially penalized for reducing course loads due to extenuating or personal circumstances.

**Whereas:** Students receiving OSAP should not be financially penalized for not being able to pass a certain amount of courses while facing extenuating circumstances.

**Be it resolved that:** The provincial government should restore the targeted free tuition program implemented in 2016, doing so for all students from families in the first six income deciles.

**Be it further resolved that (BIFRT):** The provincial government should ensure that the targeted free tuition program reflects the actual program-specific cost of tuition incurred by each student, with particular attention paid to students in professional programs.

**BIFRT:** The provincial government should ensure OSAP calculations include indirect costs of accessing post-secondary education, particularly accounting for diverse backgrounds and the effects of systemic oppression, when distributing funding.

**BIFRT:** The provincial government should prioritize OSAP grants, not loans, when distributing OSAP funding to students.

**BIFRT:** The provincial government should ensure that, in efforts to increase student access to grants, the overall eligibility criteria for OSAP are not changed in a way that decreases individual access to overall financial aid amounts.

**BIFRT:** The provincial government should provide financial aid in the form of grants for low-income students, grants for medium-income students, and a combination of grants and loans for high-income students, with the majority of financial aid being grants.

**BIFRT:** The provincial government should remove interest on all student loans, including past students who still owe provincial student loans.

**BIFRT:** While waiting on the removal of interest on student loans, the provincial government should set the rate of interest accrual on OSAP loans to the government's borrowing rate, the prime interest rate, or an average inflationary adjustment, whichever is lowest.

**BIFRT:** The provincial government should extend its grace period for the provincial portion of OSAP to a minimum of two years to ensure that students are in the financial position to cover the cost of repayments.

**BIFRT:** While waiting on the removal of interest on student loans, the provincial government should establish, for the provincial portion of OSAP, that no interest accrues during the repayment grace period.

**BIFRT:** While waiting on the removal of interest on student loans, any interest and/or profit made from OSAP repayments should be transparently re-integrated back into the OSAP fund.

**BIFRT:** The provincial government should remove the need to re-apply for OSAP Repayment Assistance Plan every 6 months and instead, have applications be re-confirmed every 12 months.

**BIFRT:** The provincial government should automatically enrol eligible recent graduates in the OSAP Repayment Assistance Plan.

**BIFRT:** The provincial government should expand the OSAP Repayment Assistance Plan program in order to support more graduates.

**BIFRT:** The provincial government should ensure that information regarding net-billing and when students can expect to receive OSAP payments is clearly and transparently provided.

**BIFRT:** Students who apply to OSAP prior to the start of the academic school year should be provided OSAP funding by mid-September to allow for the payment of tuition, living expenses and necessities.

**BIFRT:** The provincial government should permit students to choose how to receive their OSAP disbursement, either by traditional direct deposit or by net tuition billing.

**BIFRT:** The provincial government should make the Student Access Guarantee guidelines easily accessible from the Ministry of Colleges and Universities website.

**BIFRT:** The provincial government should mandate and make public reports on spending of tuition fee set-aside reports.

**BIFRT:** The provincial government should mandate in its Tuition Fee Framework and Ancillary Fee Guidelines that any excess funds from the tuition set-aside program at each university should be directed to roll over to the following year.



**BIFRT:** The provincial government should return to the prior Student Access Guarantee program guidelines, such as maintaining a distinction between students in first- and second-entry programs and removing the 30 percent allotment.

**BIFRT:** The provincial government should establish, in its tuition protocol, an international tuition set-aside at the same 10 percent rate of the domestic set-aside, with funds raised directed specifically to needs-based financial aid for international students.

**BIFRT:** The Ministry of Colleges and Universities should work with the federal government, more specifically the Ministry of Immigration, Refugees, and Citizenship, to develop a need-based grant program for international students, with the caveat that they stay in Canada for a minimum of the length of their degree after graduation.

**BIFRT:** The provincial government should increase allocated OSAP funding for underrepresented students to create a new targeted funding stream for self-identified racialized students from low-socioeconomic backgrounds.

**BIFRT:** The provincial government should provide grant funding to post-secondary institutions to incentivize the expansion of financial aid for Two Spirit and LGBTQ+ students.

**BIFRT:** The provincial government should provide accessible provincial-wide financial aid information sessions targeted at marginalized students from low socio-economic backgrounds, and ensure they are adequately promoted to all students and their guardian(s) or supports.

**BIFRT:** The provincial government should ensure that students who are not receiving support from their parent(s) and/or spouse are not overly burdened when providing evidence of their lack of support.

**BIFRT:** The provincial government should use actual parental and spousal contributions in OSAP calculations, as opposed to expected contributions, to provide aid to students who are not financially supported by parent(s)/guardian(s) and/or a spouse, while maintaining a need-based financial aid system.

**BIFRT:** Until the use of actual parental and spousal contributions in the OSAP loan calculations, the provincial government should include parental and spousal debt and assets as a factor in OSAP calculations for dependent students.

**BIFRT:** The provincial government should revert the independent student status to 4 or more years out of high school, as opposed to the current 6 or more years.

**BIFRT:** The provincial government should clarify the definition of “worked full-time” in OSAP definitions to constitute as an average 30-hours per week, regardless of if they were a full-time student at the same time.

**BIFRT:** The provincial government should remove the student fixed contribution, and instead develop a sliding scale that accounts for a student’s debt, income, cost of living, and other potential impacts on their finances to create a reasonable and affordable contribution.

**BIFRT:** The provincial government should advertise on the OSAP application form how to apply to change the automatic “at home” living allowance for students whose parent(s)/guardian(s) live within 30 kilometres of the institution/campus they are attending but who are not living at home.

**BIFRT:** The provincial government should allow single dependent students to apply for a review of their living allowance if they are living at home but paying room and board to parent(s)/guardian(s).

**BIFRT:** OSAP should remove the \$500 cap in grants for part-time students, and instead determine the amount of financial aid granted using the total cost of tuition based on the number of credits a student is taking.

**BIFRT:** The provincial government should modify the funding formula for part-time students to mirror the funding formula used for full-time students.

**BIFRT:** OSAP should develop categories of part-time students based on the percent of a full-time course load they are enrolled in.

**BIFRT:** The provincial government should ensure that the OSAP funding formula accounts for the cost of co-op program fees and provides adequate financial aid for co-op students, such as removing the fixed contribution for students enrolled in co-op.

**BIFRT:** The provincial government should work with university registrar offices to automatically confirm when students are enrolled in co-op work terms so they do not have to manually submit an interest-free status form.

**BIFRT:** The provincial government should remove the tuition and recognized compulsory ancillary fee cap for professional students and instead use the actual tuition and recognized compulsory ancillary fees.

**BIFRT:** The provincial government should ensure that the OSAP aid estimator provides an accurate funding estimate at least 6 months prior to the first day of classes.

**BIFRT:** The provincial government should release the breakdown of calculations for applicant's review when they release their OSAP funding summary calculations.

**BIFRT:** The provincial government should provide the annual full-time and part-time OSAP technical manuals online to be accessible to the public, in order to allow transparency and additional understanding of OSAP calculations.

**BIFRT:** The provincial government should create an easily digestible and transparent public resource that clearly outlines the funding structure for OSAP that is marketed to all students in post-secondary.

**BIFRT:** The provincial government should guarantee a consistent amount of funding between grants and loans for a student throughout the course of their degree, if their financial circumstances remain consistent.

**BIFRT:** OSAP should have a program length guaranteed minimum for eligibility for students, if their financial circumstances remain consistent.

**BIFRT:** The provincial government should develop optional demographic questions in accordance with the Ontario Human Right Code to better understand the demographic make-up of students accessing OSAP.

**BIFRT:** The provincial government should include information about how the data will be used on both the survey and website, and publish annual reports to ensure transparency to students and the public

**BIFRT:** The provincial government should ensure that all data collected on student financial aid should be stored within Canada.

**BIFRT:** The provincial government should, through OSAP and in conjunction with Higher Education Quality Council of Ontario, develop satisfaction surveys for all OSAP recipients during and after their post-secondary education to evaluate OSAP's success through various measures, rather than solely relying on enrollment numbers.

**BIFRT:** The provincial government should make all OSAP forms easily accessible and in relevant locations like the OSAP account home page.

**BIFRT:** The provincial government should make information in regards to OSAP, such as OSAP's Repayment Assistance Plan program, easily accessible in relevant locations within individuals' OSAP accounts, such as the funding summary page.

**BIFRT:** The provincial government should make commitments to not penalize students if institutions miss financial aid deadlines.

**BIFRT:** The provincial government in collaboration with the Council of Ontario Universities should develop a matching system and search function that allows students to easily determine their eligibility and apply for institutional and private grants and bursaries through the OSAP application process and website.

**BIFRT:** The provincial government should develop a mandatory OSAP information module for applicants to complete when they apply for OSAP to include information on how OSAP works, what information OSAP requires and why, related OSAP programs such as Repayment Assistance Plan, where to find forms, and other important information.

**BIFRT:** The provincial government should create a direct line of information between provincial high schools and Ontario's student financial aid system in order to create workshops and information sessions to equip students with all information pertaining to financial aid.

**BIFRT:** The provincial government should mandate that all Ontario high schools should incorporate financial planning, including the functionality of OSAP into the high school curriculum.

**BIFRT:** The provincial government should work in conjunction with university student financial aid offices with resources to share with high school students regarding financial aid in an accessible and digestible manner.

**BIFRT:** The provincial government should work with institutions on developing a strategic plan to disseminate financial aid information at both the time of application and during the course of a student's degree.

**BIFRT:** The provincial government should create mandatory standards for information that must be shared about the Ontario student financial aid system, and within admission packages to all students.

**BIFRT:** The provincial government should ensure that OSAP publicly publish comprehensive data on the status of appeals.

**BIFRT:** The Ministry of Colleges and Universities should better promote the current OSAP appeals processes on the OSAP website and when communicating to students about their OSAP estimates.

**BIFRT:** The OSAP appeal process should be directly through the OSAP application portal instead of through individual institutions websites.

**BIFRT:** The Ministry of Colleges and Universities should modify the OSAP appeals process to allow dependent students who are not receiving financial aid from their parent(s)/guardian(s) to alter their parental contribution due to barriers such as estrangement, lack of contact, intra-family conflict, etc.

**BIFRT:** The Ministry of Colleges and Universities should effectively market all OSAP appeal processes and forms at the beginning of OSAP applications and to post-secondary financial offices, specifically highlighting appeal forms in relation to COVID-19.

**BIFRT:** The provincial government should commit to, in the case of an appeal, not lowering the amount of financial aid as a result of a federal increase in financial aid.

**BIFRT:** The Ministry of Colleges and Universities should include and promote assessments relating to the effectiveness of OSAP appeal processes on the OSAP website when communicating to students about OSAP appeals.

**BIFRT:** The OSAP academic probation program should be entirely removed as a consideration for financial aid within OSAP.

**BIFRT:** The Ministry of Colleges and Universities should include and promote assessments relating to the effectiveness of OSAP appeal processes on the OSAP website when communicating to students about OSAP appeals.

**BIFRT:** The Ministry of Colleges and Universities should remove the OSAP academic probation program entirely as a consideration for financial aid within OSAP.

**BIFRT:** The Ministry of Colleges and Universities should include and promote assessments relating to the effectiveness of OSAP appeal processes on the OSAP website when communicating to students about OSAP appeals.