

# Students battle to stay above financial high water mark

by: Sandra Tapfer

Money makes the world go around. To people pursuing post-secondary education, this seems especially true. Unless one is fortunate enough to have a well-paying job or parents who are financially supportive during schooling, the search for funding begins.

The most common source of income for students is supplied through the Student Finance Board (SFB).

Recipients of SFB loans and grants receive varying set amounts of money to sustain their "reasonable needs." According to Laurie Laderocite (SFB) and Chris Dean (Welfare), reasonable needs include: rent, food, clothes, transportation costs, a personal allowance, and childcare expenses (if applicable). In other words, items constituting our survival. Both systems (welfare and SFB) put maximum prices on our survival needs. How realistic are these set limits?

First, shelter. We all need to live somewhere. The SFB shelter allowance, including all utilities, for a single person, is \$235, which is more than the \$225 (\$215 + \$11 phone) allowed by Welfare. But is it enough? The Edmonton Rental Market Survey by Canada Mortgage and Housing Corporation states the average cost (excluding water and power) for a bachelor suite is \$316; for one bedroom \$388. Obviously, neither \$388 nor \$316 equals \$235 and the monthly deficit of approximately \$100 becomes the student's problem. Why is there such a discrepancy between SFB shelter allowance and ERMS rent costs? Jean Sprague says the Board conducts its own survey using U of A and U of C housing statistics, off-campus housing numbers, other available publications, and information from their students.

"Appeal statistics tell us throughout the year if the allowance figure is supportive enough," says Sprague.



Scene at Edmonton Food Bank

file photo

Sharing accommodations is an alternative for students to pursue. Sprague suspects most students share rent accommodations "due to the added emotional support a student may find among peers." There is little doubt, however, that many students share accommodations in order to cut down on the rent load.

What of the single parent and family? The number of children a single parent has is the key to which system, welfare or SFB, is more supportive. A single parent with one or two children on a student loan is allowed \$170, whereas welfare allows \$430 (one child) and \$460 (two children).

Unfortunately, the rental allowances are, again, underrated. Two bedroom apartments average \$471 per month, and three bedrooms average \$512. If a family is lucky (or unlucky, depending on your viewpoint) and lives in one of the low rental areas they could survive on this allowance. The demand for such low cost housing exists, not only from single parent students, but from all sorts of sources — resulting in a fluctuating vacancy rate. As can be seen in the rental allowances, Welfare has a sliding scale that depends on the children's age and sex, whereas SFB doesn't. This is true not only for rent but also for food, clothing, etc. According to Sprague, the SFB "uses general guidelines for a general category. For specifics one can appeal."

If one is a single student or a single parent student with a young family, on the surface the SFB seems to be more generous on a monthly basis. Whereas, although welfare may be a little less per month, it also offers medical coverage (including all prescriptions), a recreational allowance of \$20 per child per year, and other incentives. But remember, as Sprague points out, "we (SFB) deal with expenses incurred during the period of study; they (Welfare) deal with a lifetime."

The SFB food allowance (which is greater than welfare's) should be adequate in most cases, depending on family composition (See chart). Ferne Putnam from the Edmonton Board of Health helped sift through the nutritional needs of various persons. It all looks great on paper. Yet students are still turning to agencies such as the Edmonton Food Bank.

Brian Bechtel, director of the Edmonton Food Bank, is "surprised how many students we see." He says, "we do see a large number of students, especially when administration problems with student loans occur, or others that can't make it on their student loans."

of students, especially when administration problems with student loans occur, or others that can't make it on their student loans." The amount of students serviced through

the food bank seems greatest "in late summer and early spring, before they receive SFB cheques and income tax returns." Bechtel also pointed out that most students using this service were "single, possibly previously out of town dwellers, and who are now in town with no significant support system."

This means that other students, whether singles or single parents, may have the same difficulties but are fortunate to have family and friends to turn to instead of going to the agency for help. Student Finance is also willing to help. Sprague did persist with the idea of using the available appeal process for reasonable requests.

"What merits an appeal is any exceptional expense that is not covered. Often a person or single parent does not have such a need. If the need exists, they can appeal," she says.

An appeal does not guarantee more cash. However, Sprague reassured me that "any reasonable request would be considered." Many needs, such as food, need to be fulfilled immediately, often by such agencies as the food bank. But because SFB uses appeal stats as a base line for their living allowances, it is important for students dissatisfied with their loan to appeal.

Doubtless, without SFB many students wouldn't be at university at all. But if everyone appealed, SFB likely would change their standards to a more liveable level.

## students... can't make it on their student loans

Also, the SFB deals with students all over Alberta, not just Edmonton. As Sprague says, "we need stats of Alberta because we sponsor students all over Alberta." The end result is that Edmonton students in areas with low rent rates are within SFB budget; those with average rent rates are in trouble.

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