

Annex V-A

Student Assistance

The Task Force was impressed by the briefs and evidence from student groups respecting the need for changes to ensure more realistic, more equitable and more portable aid programs. Most of the student aid problems raised by students and representatives of post-secondary institutions have been intensively examined by a federal-provincial task force on student assistance. The report of that task force examines existing student aid programs and their shortcomings in relation to a set of agreed objectives and principles—objectives and principles that should continue, the report suggests, to guide student assistance programs. The objectives, which are also favoured by the parliamentary Task Force, include:

1. *Student Well-being Objectives*: to allow all qualified, financially needy students to engage in post-secondary education...
2. *Equal Opportunity Objective*: to improve access to post-secondary education by reducing geographic, socio-economic and other constraints on participation.
3. *Participation Objectives*: to encourage participation in post-secondary education of all with the potential to benefit, regardless of financial capacity.

The student aid task force concludes with fairly detailed descriptions of five alternatives for the continuation, modification or replacement of existing programs of assistance for both full and part-time students. (Quebec does not participate in the Canada Student Loan program—that province operates a separate program involving loans and grants. An observer from Quebec participated in the work of the Task Force on Student Assistance.)

The alternative plans referred to above include:

1. Continuation Plan

This plan would allow students in different provinces to receive different mixes of aid as at present, but the criteria to determine eligibility and need would be applied consistently in all provinces. The forms of aid would be those now available—guaranteed loans with varying degrees of interest subsidy, and grants.

2. The Loan-First Plan

The criteria for determining need, etc., would be the same as in 1., and a student with the same need would receive the same mix of loans and grants in all provinces. As intimated by its title, a loan would be provided to a first level of need, a grant to a second, and a mix of 50 per cent loan and 50 per cent grant thereafter to a maximum.

3. Aid Mix Related to Year of Study Plan

This is the same as 2. above, but to encourage lower income students, more grant money would be given to students in the early years of their post-secondary studies.

4. Income Contingent Repayment Plan

All or most aid in this plan would be repayable. Payments would be determined by income after graduation; an income tax surcharge might be the vehicle of collection.

5. All-Grant Plan

The title is self-explanatory.

The Income Contingent Repayment Plan is seen by some members of the parliamentary Task Force as being fairer, overall, than other student aid regimes based largely on grants. Such a plan