

New PSE grants could exclude Quebec students

Province may sacrifice student grants to maintain autonomy

By Jennifer Freitas, with files from Ben Ngai, *The Concordian* (Concordia University)

MONTREAL (CUP) -- As the Millennium Scholarship Foundation expires at the end of 2009, the Conservative government's new permanent grants program will leap into action, but Quebec students could find themselves out in the cold.

According to the Educational Policy Institute (EPI), a non-profit research center, the Quebec has historically opted out of such federal programs and chosen to create its own programs in their place.

"We must be mindful that the province of Quebec may choose to apply their envelope of funding for this program differently as they have done with the Millennium funding," said Laura Stanbra, Concordia University's director of financial aids and awards.

According to the EPI, though, the new system will only transfer funds to provinces with comparable grant and bursaries programs. Thus, whether or not Quebec students will benefit from \$80 million worth of available funding will depend on the province's willingness to switch to the new model of deciding who gets funding.

It could also depend on the province's willingness to cede some provincial power to the federal government.

"The biggest potential loser of this proposal in financial terms . . . is Quebec," argued the study, which predicts that the province will refuse to accept federal standards in order to maintain provincial jurisdiction.

The Millennium Scholarship Foundation (MSF) was a \$2.5 billion fund established under the Chrétien Liberals in 1998. Since 2000, it has distributed more than a half million bursaries and scholarships, worth about \$2.2 billion.

The Canada Student Grants Program will overshadow its predecessor in annual spending at \$1.6 billion over four years.

Also, unlike the MSF, which was limited to 10 years in duration, the CSGP is a permanent fixture in the federal budget.

Under the Millennium Scholarship Program, qualifying students received between \$1,000 and \$4,500 in annual bursaries. The new program provides for more students to receive less money, totaling \$2,000 per year, to be paid in monthly installments of \$100 to \$250.

Despite the ambiguous status of Quebec students vis-à-vis the new program, Concordia's student union president, Angelica Novoa, said that the end of the MSF bodes well for students.

"[Now] we're going to see more investments into helping students in post-secondary education," she said. "The most positive feature of this [new] program is that all the money will be allocated

to the students as opposed to being used for bureaucratic and PR objectives like the MSF used to do."

Brent Farrington, deputy national chairperson at the Canadian Federation of Students, echoed Novoa's criticisms of the MSF.

"We've been advocating for a changeover to a needs-based system for a long-time now. Under the [MSF] there was no accountability — no way to track where the funding was going through the organization. At the same time, they were trying to work towards a merit-based system of grants, which was totally unacceptable."

Under the needs-based formula used by the MSF, students' eligibility was calculated based on both their income and that of their guardians. The new grants, by comparison, will take only the students' income into account when assessing need.

But not all student groups are in favour of the new system, and the changeover concerns Zach Churchill, National Director for The Canadian Alliance of Student Associations (CASA), which had lobbied in favour of renewing the MSF.

"Low income students will definitely receive less money from this new program than they did from [the MSF] because its target audience is bigger," he said.

As pointed out by the EPI, however, a more pertinent problem with the new system may be that the shift to income-contingent bursaries leaves it open to uncontrolled cost increases.

The Institute's analysis concluded that the Canada Student Loans Program, which will administer the new program, may have to accommodate up to 500,000 students — more than twice the government's projected number.

"Since all independent students are effectively 'low-income,' presumably all independent students will be eligible," wrote the authors, who noted that the switch could "blow an enormous hole in the budget, [with annual costs inflating to] well over \$1 billion".