

Group wants Ottawa to ease student debt

By TOBI COHEN

The Canadian Press

Wed. Mar 25

MONTREAL — With just a few "flicks of the pen," Ottawa could improve access to post-secondary education and alleviate the debt burden many graduates face, a consortium of student unions from across Canada said Tuesday.

The Canadian Alliance of Student Associations says the average student will complete a four-year undergraduate degree more than \$24,000 in debt. While a problem for many young academics, it is particularly daunting for the class of 2009, which faces repayment at a time of mass unemployment, the group said.

National director Zach Churchill said the government has several options that would not require "breaking the bank."

"We have some ideas that we're presenting this week that really, all government has to do is make a few flicks of the pen and some very good things can happen," he said two days into talks with senators and political leaders from all parties.

"We want students to be able to pursue higher education and we also want them to be able to complete it with a limited amount of debt."

The group is calling on Ottawa to target grant money allocated in the 2008 budget toward reducing costs for those facing undue hardships.

Rather than focusing on income, the new Canada Student Grant program should focus, for example, on aboriginal students with dependents or rural Nova Scotians who wish to pursue their studies in pricey downtown Toronto, Churchill said. The grants currently provide \$250 a month to students from low-income families and \$100 a month to students from middle-income families.

While some applaud the Conservatives for introducing a new Repayment Assistance Plan that takes effect in August and will replace the oft-criticized interest relief and debt reduction in repayment programs, others have their doubts.

Under the plan, students won't be required to put more than 20 per cent of their income toward their loans, while those with very low incomes will not be required to make any payments. It also states that no borrower will have a repayment period of more than 15 years.

Mike Savage, the Liberal critic for Human Resources and Skills Development Canada, which manages the student loan program, fears the new grant system won't make it easier for marginalized students like aboriginals and those with disabilities.

"It gives less money to more people," the Dartmouth MP said. "I think we have to target our assistance first and foremost to those who need it the most."