

Grant program spreads money around
Shonith Rajendran
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The Conservative government unveiled on June 22 its standardized national system of grants, originally announced in the 2008 federal budget.

Under the new Canada Student Grants Program, individual awards will be reduced from \$3,000 to \$2,000 in order to increase the number of students qualifying for grants from 125,000 to 245,000. Student lobby groups praised the announcement, though they say it's only a first step.

"The new grants program is very exciting because the government is acknowledging that there is a part of my financial contribution to my education which I don't have to repay," said Arati Sharma, national director of the Canadian Alliance of Student Associations. Katherine Giroux-Bougard, national chairperson of the Canadian Federation of Students, said the CFS welcomed the national grant system.

The CSGP will replace the Millennium Scholarship Foundation, which expires later this year. It will not replace the 3,000 merit-based scholarships awarded by the MSF. The MSF had been criticized by both student groups and the Auditor-General for its low standards of financial transparency when compared to government-run programs. Under the CSGP, the administration of MSF grants will move to the Ministry of Human Resources and Skills Development.

"In our opinion the new system of grants is a much more transparent, accountable system of grants. It's there for the long-run," said Giroux-Bougard.

In addition, the newly-established Repayment Assistance Plan will help low-income borrowers pay back federal student loans.

"RAP is a great program because if you start to miss your payments or if you know that you're going to miss your payments, then you can apply to RAP and they'll assess you based on what your income threshold is right now and how much you can actually pay back," Sharma said.

In a statement to the Globe and Mail, Alex Usher, a consultant with the Educational Policy Institute, criticized the new measures as overtly political. Critics point out that instead of putting in new money, the programs are simply redistributing available funds to cover more students.

"I suspect that it will not have the effect on access that they think it will, but spreading money around more is likely to be politically popular," said Usher. Immediately before joining the Educational Policy Institute, Usher was the lead researcher for the MSF's research project.

Sharma disagreed with Usher's assessment. "I think it's less political [and] more the fact that Millennium was phasing out [in 2009] and they needed to replace Millennium with something," she said.

The new programs will be made available in August.