



Survey of In-Study Canada Student Loan Borrowers'

FINAL REPORT

Submitted to:

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EXECUTIVE SUMMARY

Context and Methodology

The Canada Student Loans Program (CSLP) was established in 1964 under the *Canada Student Loans Act* and revised in 1995 under the *Canada Student Financial Assistance Act*. Its objective is to promote accessibility to post-secondary education (PSE) for those with demonstrated financial need by addressing financial barriers to advanced education (including barriers stemming from socio-economic status and geography) through the provision of loans and grants. The current research project was designed to better understand the funding needs of CSLP borrowers who are in study. In particular, the study examined: the needs assessment process (extent to which existing grants address needs, mix of loans and grants for those in need, unrecognized costs in the needs assessment process); and delivery criteria (including the maximum loan limit - \$210/week since August 2005, maximum weeks of assistance – 340 weeks). The study also examined students' general financial situation (their borrowing practices, expected final debt load), the impact of debt on educational decisions, and use of non-repayable sources/students' earned income to finance education.

The survey was designed largely as a self-completed survey to be administered over the Internet to CSLP borrowers who are in study. The population for the survey was all public and private college and university students enrolled full-time as of December 2005, who had borrowed at some point during their post-secondary education. This population frame included 418,999 entries from which to sample. The sample was stratified to ensure that sufficient cases were collected in the smaller provinces, muting the proportion collected in Ontario. All students in the data base were eligible to participate in the study, including those who were studying part-time at the time of the survey (although they were only included in the frame if they were studying on a full-time basis in December 2005), as well as those who were not enrolled in a program at the time of the survey (either because they graduated, dropped out or were taking a break). Of the 5,922 students successfully invited via email, 4,002 completed the survey, producing a final response rate of 67.6 per cent. This final sample yields a level of precision of +/-1.5 per cent for the sample overall at a 95 per cent confidence interval (i.e., 19 times out of 20).

Summary of Findings

Profile of Borrowers, Educational Pathways and Financing

Results of the survey are based on a sample of borrowers in which almost three-quarters are currently attending school, with seven in ten of those not in school having graduated from their program. After completing their current program, close to half intend to pursue another degree or program (typically a Master's or Bachelor's degree). Almost half moved to a new community to attend school, with most moving more than 80 kilometres away for their post-secondary education.

By far, students' most important source of financial support over the course of their PSE has been from federal or provincial government student loans: students estimate that over half of the support they have received during their studies has been from this source. Employment income is identified as a distant second, followed by parental support, grants and private loans. Most students who have borrowed from the CSLP expect to end their schooling with considerable debt, with government loans at the top of the list. The overall total debt is expected to be in the range of \$37,320 (among all students in the study).

Needs Assessment Process

A majority of students support linking loan amounts to student financial need (without a ceiling limit), putting students in the position of judging for themselves how much debt they can handle. Among those preferring a ceiling, there is a tendency to prefer a limit based on number of years of schooling rather than on total amount of loans, with the average years set at just over five.

Most students view the current weekly maximum loan limit to be somewhat adequate or adequate (only one in five feel it is insufficient.) Most students believe that the cost of the program they are enrolled in should be the most important criteria in determining the maximum amount of government financial assistance available to them, followed by the demonstrated financial need of the student.

Many students incur expenses during the course of their PSE that are not recognized by the current student loan assessment process: over half have incurred or expect to incur expenses related to tools or equipment to be used in classes and a similar proportion have or will incur medical expenses (e.g., not covered by an insurance plan such as eye care or prescription drugs). Four in ten students also expect to incur costs related to a vehicle (purchase, repairs, or car insurance).

The majority of students feel that expenses related to family care (e.g., child care) should be considered in students' assessment of financial need and the calculation of assistance amounts, and half believe that moving expenses should be considered in the assessment process.

Most students say that federal and provincial government assistance for students is moderately adequate to meet their financial needs. For a minority – 14 per cent – government loans are currently *not* adequate to meet their financial needs (and the average additional amount needed is estimated by respondents to be \$6,388 each year). For students who require additional assistance, these funds would reportedly be used most often to cover books and other education material and food and other basic living expenses. A substantial portion of students also indicate they would use the extra funds to pay for rent/accommodation, transportation and tuition.

The segment of students currently experiencing a shortfall in support typically deals with this shortage by working more than they wanted/intended, putting off purchases and using their credit card. A substantial portion seeks other sources of borrowing such as from family or friends or from a bank or line of credit. One in three economizes by sharing accommodation and one in four are using their savings or investments to cover the shortfall. A shortfall situation is often attributed to higher than expected expenses

(tuition/other education expenses and transportation, in particular) and, in some cases, lower than expected income, from government student loans in particular.

Adequacy of Grants to Address Needs

Three in ten students report having received educational institutional grants and scholarships, or Canada Millennium Scholarship Foundation (CMSF) grants or scholarships. Two in ten have received provincial grants or bursaries, and one in ten received federal grants over the course of their post-secondary education. Considering all grants, two in three borrowers have obtained a grant of some type. On average, students have received the largest amount from federal grants (recipients of federal grants received \$6,665 on average), followed by recipients of provincial grants or bursaries (who report receiving \$4,191 on average), while recipients of CMSF grants or scholarships, institutional grants and scholarships, and other scholarships or bursaries typically received less.

Most students initially had moderate or little confidence that they would actually receive a government grant and opinions varied about whether they received more, less or about the amount they expected. Grants played a role in the decision to pursue the chosen program of studies for some post-secondary students; a slight majority of students indicate that there is little or only a moderate likelihood that they would have pursued their current program of study without funding from government grants. Grant funds are most apt to enable students to work less during the school year (cited as an impact by half of recipients), followed by the ability to complete studies uninterrupted, and attending school full-time rather than part-time. Most students believe that grants would have to represent between one-quarter and one-half of their total government (federal and provincial) assistance in order to have a significant impact on education-related or financing decisions for their post-secondary studies.

For most grant recipients, the timing of finding out about their grant has not been problematic or interfered with their education-related decisions: roughly half indicate that finding out about their grant earlier would have had little impact on their school-related decisions, and a minority indicate it would have had a high impact. Those recipients who would have made different decisions if they knew about the grant earlier say that they would have worked less during the school year, or would not have sought alternative financing sources.

Naturally most students say that receiving 100 per cent of all student financing in the form of grants (without any loans) would have a significant impact on the education-related decisions. Most students indicate that the main impact of receiving all student financing in the form of grants would be to reduce the need to work during the school year or to find alternate sources of financing, followed by making it easier to complete their program on time. The timing of receiving a grant (i.e., at the beginning or middle of their program) has significance for fewer students in terms of education-related decisions, as only three in ten say that receiving a grant only at the beginning or the middle of their program would have a significant impact.

A majority of borrowers believe that all students should be considered equally for government student grants, although a sizeable proportion of students (roughly three in ten) believe that specific groups

of students should be given priority for financial grants. In the latter case, low income families are most often identified as a priority group, followed by students who are single parents, students with high financial need, students with permanent disabilities, and students with children.

Expectations of Parental, Individual and Government Contribution

Just under half of students surveyed believe that the ability of a student's parents to financially support their child during post-secondary education should be of moderate importance or consideration in determining the total amount of government loans and grants that a student is eligible to receive. Students clearly consider parental household income to be a key factor in assessing parental financial responsibility for their children's PSE (for those 22 years and younger), and the proportion of PSE costs respondents believe parents should bear increases significantly with the household income of the parent. In instances where parental household income is low, government (not students themselves) is identified as bearing a correspondingly greater portion of the costs of post-secondary education. Students themselves are allocated a stable share of the cost of education by respondents, regardless of the income of their parents – representing about a fifth.

While parent household income is a key factor in determining the extent of the parental contribution to supporting children during PSE, students also indicate a number of other important issues in assessing parental responsibility. At the top of the list is the number of children in the parental household, followed by whether the student has moved away to go to school, whether the student is receiving a government loan and whether the student is working during the school year. In allocating financial responsibility to government, students place the type of program in which the student is enrolled at the top of the list, followed by whether the student is working part-time, and conditions in the parental household – income and number of children.

Concerns About and Impact of Debt

Most borrowers are very concerned about the level of debt they expect to accumulate by the time they graduate from their post-secondary studies. Furthermore, the vast majority indicate that concerns regarding this debt have had some type of impact on their decisions regarding their education. Students make many decisions to minimize the total education debt they incur, the most common being an increase in the amount they work during the school year. Most students say that they try to avoid incurring debt whenever possible, and four in ten would rather work to pay for their education now rather than repay a debt later. Despite this, four in ten wish that they could borrow more money during the school year.

Students expect to be employed in their field of study within an average of 10 months after graduation. The starting salaries students expect to earn in their first position or job after graduation varies significantly: 42 per cent expect to earn less than \$40,000 as a starting salary, one-quarter expect to earn between \$40,000 and \$59,999, and seven per cent expect to earn \$60,000 or more. The length of time students believe they will need to repay their government student debt following graduation also varies a great deal (being strongly related to expected salary). Almost half believe that they will repay their debt in

five years or less after graduation, almost one in three expect that it will take them between six and ten years, while one in ten expect that they will need more than ten years to repay their government student debt.

Interest in Information

Most students express interest in attending an information session concerning their student loan and its repayment while at school. Roughly one in three believe that the most appropriate time to have this information session would be when you receive your first loan, while an almost equal proportion would argue that the best time for such an information session would be during the last year of study. A smaller proportion of respondents say it should be offered within six months after graduation or at the end of study. Classroom seminars were the preferred method of providing this information in a useful way, followed by the Internet.

Typology of Borrowers

In addition to the basic analyses, a typology of borrowers was created to illustrate the manner in which attitudes about incurring debt and borrowing behaviours intersect among in-study borrowers.

Debt-Averse: As one of the largest segments of the student population at 29 per cent, the Debt-Averse are the least willing to accumulate debt, most apt to avoid debt whenever possible, and prefer the “pay as you go” approach. They typically have (and expect to accumulate) less debt than average. They believe that student support from federal and provincial government is adequate and typically attribute more financial responsibility to governments for students’ PSE costs. Members of this group tend to receive fewer and smaller grants or bursaries, but report the highest employment income and lower than average assistance from private loans, lines of credit and credit cards. Many have already completed a degree or certificate prior to their current program and are attending school on a part-time basis.

Open-Content: This segment also represents 29 per cent of borrowers and is generally the group that is in least financial need. They are most positive about the adequacy of government loans available and express lower than average desire to borrow more money, in spite of the fact that they are open to (and not overly concerned about) the idea of borrowing. In fact, they are less apt than others to avoid incurring debt and strongly disagree that they would rather be paying for their education now than to be paying it off later. This group reports average amounts of federal and provincial loans but expect to accumulate lower than average debt from all major sources. When allocating financial responsibility for supporting students during PSE, they tend to attribute a higher responsibility to government, particularly if parental household income is lower than \$80,000. They are more likely to receive government grants and other scholarships and bursaries and report larger contribution from these sources. They also report lower employment income and higher than average federal and provincial loans. Members of this segment are typically younger than 21 years of age.

Pinched-Concerned: This segment represents the smallest proportion of the student population surveyed at 18 per cent, and is characterised by a conflict between financial need and reservations about

accumulating debt. They are less apt to view the available amount of government loans as adequate and are the most willing (by far) to borrow. On the other hand, they also tend to say that they try to avoid incurring debt whenever possible and that they would rather be paying for their education as they go (rather than later). Their federal and provincial debt levels are considerably lower than the average, although they tend to tap more private loans, lines of credit, and credit cards. They express the highest level of concern about their debt and are most likely to say that this affects decisions they make about school. This group typically attributes more financial responsibility for funding of PSE to students and less responsibility to parents. They report higher employment income, smaller contributions from parents and smaller contributions from all types of grants and scholarships. Members of this group have fewer years of completed post-secondary education and believe they will pursue subsequent degrees in the future.

Open and Needy: This segment comprises 24 per cent of borrowers and is characterized by the highest degree of financial need and willingness to borrow. They are the most likely to say that the available amount of government loans is not adequate, that there should be no limit to government assistance and that they would borrow more if they had access to it. They are also less likely to avoid incurring debt or to prefer paying for their education as they go. They typically report the largest debt from all sources and have been incurring debt for a greater number of years. Members of this group expect to accumulate significantly higher than the average amount of debt from all sources; yet, they express only average concern about it. They also typically attribute more of the responsibility for financing of PSE to government and believe that little consideration should be given to parents' ability to finance their children's PSE. Although members of this group receive less federal grants, they are more likely to receive other types of grants and scholarships and in larger amounts. This group reports the lowest employment income and significantly higher contributions from private loans, lines of credit, and credit cards. They are typically older students with more years of post-secondary education, with many having already completed a degree or certificate prior to their current program. They attend school on full-time basis and are more likely than average to be enrolled in Medicine and Dentistry.

Summary and Conclusions

Perhaps it is not surprising to find that there is broad based support among student borrowers for the provision of government student loans on the basis of need (with students making the final judgment about what they can handle in terms of debt load), rather than on a pre-set limit. Certainly results seem to indicate that student borrowers are already well aware of the debt load they are accumulating and make many school and other types of decisions on the basis of this awareness. To the extent that there is support from borrowers for limits on loans, there is also evidence that students would like to see these limits increased in the number of years they can borrow for and in the weekly or monthly amounts allocated. Although different factors are considered important in determining the degree of expected support from parents, the cost of the program and financial need of the student are considered key drivers in determining the support available from government.

Particular unrecognized needs centre around the cost associated with tools and equipment needed for school, as well as medical expenses, and costs not already covered for transportation (including

insurance, repairs and purchase of a vehicle). There is support for extending the calculation of financial need to include family care and relocation costs. The current limits are considered to be moderately adequate, but few borrowers believe them to be completely sufficient to cover all expenses that they are required to cover (in conjunction with the money available to them from other sources). The requirement is, on average, for an additional \$6,400 per year (also reflected in the support for a monthly limit of between \$1,500 and \$1,600 - which is roughly \$500 more than is currently available). This would be used to cover basic expenses such as rent, living expenses, education-related expenses and transportation costs that are higher than expected. Many borrowers seem to be experiencing shortfalls in the money that they need each month, and are often working more, putting off purchases and using other forms of credit to make ends meet.

At the same time, most student borrowers are already expressing a great deal of worry about the amount of student debt that they are accumulating, expecting to face on average, a \$37,000 debt (mostly from government sources). This concern spurs many of their decisions to work more than they would ideally like while attending school and to tap into other sources of financing (typically from private sources). Although most expect to obtain good jobs within six to 12 months of graduating, they also expect to face an average of seven to ten years of student debt after graduation.

In spite of the need for greater income to meet monthly obligations and worry about debt accumulation, students believe that parents have a variable role in terms of financial support. Overall, student borrowers advocate that students themselves hold about 20 per cent of the responsibility, while parents hold between 11 and 44 per cent of it, with governments picking up the largest share of the responsibility. This sliding scale for parental responsibility is largely driven by the income available to parents, as well as the number of children that parents have to support. Naturally, this share of the responsibility also shrinks with the age of the student, shifting an increasingly greater share to government as students get older.

Grants are another piece of the financial puzzle that shape the decisions students make to cover need, but mitigate debt. Currently grants are quite pervasive; almost three in four borrowers have received at least one at some time in their post-secondary career, with grants averaging between \$4,000 and \$7,500. Students are generally not very confident, however, that they will receive a grant in advance of the award and often the decision comes too late to mitigate some of the decisions that have already been made (e.g., school interruption, extended work hours, part-time attendance, etc.).

Two in three student borrowers said that finding out earlier would have at least some impact on the decisions that they make, but that this would mean finding out either before applying for the program or at least within a few months of applying (but presumably, before they begin their program). Further to this, many students are disappointed with the amounts that they receive in grants, causing them additional shortfalls in their planning, so finding out earlier would help in the planning process. Borrowers indicate that at least half of loans would have to be non-repayable grants in order to have a major impact on these types of decisions. Naturally, the largest impact on decisions would come from a scenario where all repayable

loans become non-repayable, with the greatest impacts being felt around school interruption and attending on a part-time basis.

Fuelled by a shortfall in resources but also considerable concern for accumulating debt, it is not surprising to see a fairly high degree of interest in an information session designed to inform students about the implications and potential decisions that can be made regarding student loans and debt. Most students are at least moderately interested in a session of this type, with two different time periods in mind: when the loan is first issued and in the last year of study. Perhaps two different sessions could be tailored to meet borrowers' needs: a shorter, Internet-based session at the time of the first loan and a longer, more interactive session in a classroom setting in the last year of the program.

1. BACKGROUND

The Canada Student Loan Program (CSLP) was established in 1964 under the *Canada Student Loans Act* and revised in 1995 under the *Canada Student Financial Assistance Act*. The objective of the CSLP is to promote accessibility to post-secondary education for those with demonstrated financial need by lowering financial barriers (including barriers stemming from socio-economic status and geography) through the provision of loans and grants, and to ensure Canadians have an opportunity to develop the knowledge and skills to participate in the economy and society. The Program assists students in financial need in two integral ways: 1) it provides students with access to capital to meet the costs of post-secondary education they may not otherwise have been able to secure from financial institutions; and 2) it subsidizes the cost of interest on the capital while they are studying full-time. Since 1995, the Government of Canada has also provided Canada Study Grants (formerly called Special Opportunities Grants) for students with special needs who are eligible for Canada Student Loans (i.e., students with disabilities, high-need part-time students, women in certain doctoral programs, and full and part-time students with dependants). In 2000, the *Canada Student Financial Assistance Act* was amended to allow for directly financed loans. The Act allowed for guaranteed student loans to be governed pursuant to the *Canada Student Loans Act* while risk-shared and directly financed student loans to be governed pursuant to the *Canada Student Financial Assistance Act*.

The specific revisions to the CSLP, including those that support the new direct financing scheme, are aimed at achieving four main objectives:

- maintaining the government's commitment to accessibility;
- making the loan experience a positive one;
- increasing awareness; and
- ensuring performance, integrity and accountability.

National Student Loans Service Centres are responsible for the administration of the program, though provincial and territorial student assistance offices are responsible for reviewing applications, confirming eligibility and determining need/loan amounts. Since 2001, two provinces – Ontario and Saskatchewan – have integrated federal-provincial student loan programs. Subsequently, on April 1st, 2004 Newfoundland and Labrador signed an integration agreement, with New Brunswick offering integrated loans as of May 1st, 2005.

Since 1964, the CSLP has provided more than \$26 billion in loans to over 3.8 million students. In 2002-03, 42 per cent of post-secondary students in provinces covered by the CSLP received a Canada Student Loan.

a) Study Objectives and Issues

This research project focuses specifically on borrowers who are currently in study (according to the 2002-2003 Annual Report, these loans accounted for 38 per cent of the total CSL portfolio).¹ The stated purpose of the project is “to better understand the funding needs of those who are in study with a view to possible changes to the way the program is delivered”. At issue are borrowers’ opinions on a number of aspects of the program:

- The needs assessment process (extent to which existing grants address needs, mix of loans and grants for those in need, unrecognized costs in the needs assessment process);
- Delivery criteria (including the maximum loan limit - \$210/week since August 2005, maximum weeks of assistance — 340 weeks²); and
- Loan repayment (such as level of borrower support for options related to interest charges and repayment, incentives, loan rates and conditions).

The study also examines students’ general financial situation (their borrowing practices, expected final debt load), the impact of debt on educational decisions, and use of non-repayable sources/students’ earned income to finance education. Students’ demographic characteristics and aspects of their education program and history are also captured.

To address these issues and in accordance with the Statement of Work, EKOS conducted a survey of 3,600 CSL borrowers who were in-study as of December 2005. The methodology uses a 20-minute survey, in a hybrid telephone-online survey approach.

b) Methodology

The survey was designed largely as a self-administer survey to be administered over the Internet to Canada Student Loan Program (CSLP) borrowers who are in study. The population for the survey was all public and private college and university students enrolled as of December 2005, who had borrowed at some point during their post-secondary education. This population frame included 418,999 entries from which to sample.

In order to increase the efficiency and flexibility of the data collection for the student borrowers’ survey, the questionnaire was programmed and made available online, including a brief introduction to the survey, as well as instructions on how to complete the survey form online. Students were first contacted and recruited by trained, bilingual interviewers over the telephone. Where a student expressed a preference for

¹ The program has several other client groups – potential borrowers, loan applicant, recipients who have completed their studies and are in loan repayment and recipients who have defaulted – however, these groups are not included within the scope of this study.

² The maximum number of weeks of assistance is 400 weeks for graduate students.

completing the survey immediately with the interviewer, the interviewer logged onto the survey case and completed it with the student. In most cases, however, students were told about the nature of the survey and asked for their e-mail address. An invitation was then sent to them the next day, with more detailed background information about the study. They were also given the secure website address that housed the survey, as well as their own unique access code. EKOS employed a rigorous follow-up process in cases where a student agreed to participate but did not log on and complete the questionnaire. A few days after the first e-mail invitation, students were sent another e-mail reminding them about the survey, followed by a second reminder a few days after that. If, within a week or so of the second reminder, they had not completed the survey online, they were re-contacted to complete the survey by telephone. Students were also given a 1-800 telephone number, as well as an e-mail address, if they had any difficulties in completing the survey form online.

Based on a randomly drawn sample of in-study students, 6,014 students were recruited by telephone to participate in the online survey³. The sample was only stratified to ensure that sufficient cases were collected in the smaller provinces, muting the proportion collected in Ontario. All students in the data base were eligible to participate in the study, including those who were studying part-time at the time of the survey (although they were only included in the frame if they were studying on a full-time basis in December 2005), as well as those who were not enrolled in a program at the time of the survey (either because they graduated, dropped out or were taking a break).

Each day a certain number of email addresses provided by respondents bounced. These cases were returned to the telephone recruit centre to be re-contacted to correct the email address, and the invitation would then be included in a later wave to be re-sent using the corrected email address. By the end of the process, it was not possible to confirm 92 of the email addresses provided by respondents as valid, dropping the actual sample of contacted respondents to 5,922. Recruitment was conducted over a two-week period overlapping with the online collection itself.

Of the 5,922 students successfully invited via email, 4,002 completed the survey, producing a final response rate of 67.6 per cent. Of these 4,002 respondents, 3,549 completed the survey independently, and the other 453 completed as a result of the telephone follow-up. This final sample of 4,002 cases yields a level of precision of +/-1.5 per cent for the sample overall at a 95 per cent confidence interval (i.e., 19 times out of 20). This sample size permits profiling of sub-group results and differences based on a number of characteristics (e.g., region, institution type, size of loan, independent student status (see tables 1 to 4). All data were statistically weighted in order to ensure the sample's regional, institution type, student status (dependent, independent) and age composition were reflective of the actual population of Student Borrowers in Canada.

³ A total of 14,451 entries were drawn for the recruitment process. 12,042 of these proved to be valid telephone numbers (i.e., a live line, not connected to a business). The recruitment of 6,014 cases achieved a 50 per cent response rate. Of the remaining 50 per cent, two in three were entries not reached with full follow-up or the ending of the recruitment period. Only 12 per cent were actual refusals. The response rate would likely have been closer to 55 to 60 per cent without the time restrictions placed on the data collection.

Table 1: Region of study

	Frequency	Unweighted %	Weighted %
Other	1	0.0	--
Atlantic	640	16.0	12.3
Ontario	1,430	35.7	52.2
Prairies	485	12.1	6.7
Alberta	702	17.5	12.4
BC	744	18.6	16.4
Total	4,002	100.0	100.0

Table 2: Type of Institution of Study

	Frequency	Unweighted %	Weighted %
College	1,213	30.3	32.1
University	2,453	61.3	57.2
Private institution	336	8.4	10.7
Total	4,002	100.0	100.0

Table 3: Size of Current Loan

	Frequency	Unweighted %	Weighted %
No disbursement in current year	1,597	39.9	34.0
Low (under \$5,000)	1,215	30.4	36.0
Med \$5,000-\$7,140	947	23.7	23.0
High above \$7,140	243	6.1	7.0
Total	4,002	100.0	100.0

Table 4: Student Category

	Frequency	Unweighted %	Weighted %
No data	1,276	31.9	39.0
Dependent	1,517	37.9	37.4
Independent with children	233	5.8	4.1
Independent no children	976	24.4	19.5
Total	4,002	100.0	100.0

The final survey instrument was developed in close consultation with CSLP representatives. Relevant items used in previous surveys were used to cover issues of interest in the current survey where they existed. Key administrative pieces of information from the CSLP database were also carried with the survey data for analysis.

The questionnaire was designed to be administered in either French or English based on the preference of each individual respondent. The final questionnaire was designed first in English and then translated to French and consisted of approximately 100 items (demographic characteristics). When administered by an interviewer over the telephone the interview took roughly 25 minutes to complete.

Once the questionnaire was finalized, it was tested in English and French with 25 student borrowers on the Internet, and over the telephone (using the online programming). Based on this test, and in close consultation with CSLP representatives, final changes were made to the questionnaire.

EKOS trained interviewers from our pool of experienced survey interviewers to conduct the recruitment, as well as the telephone follow-up. Study objectives and sampling, as well as the meaning and intent of specific items in the interview, were thoroughly covered with the interviewers. Practice interviews among the trainees and the survey supervisors also took place. Interviewers were supervised at all times to ensure professional conduct and data quality. EKOS' dual audio and visual monitoring system was also in place to verify 10 per cent of the data collected throughout the survey.

During the survey collection it was emphasized in the invitation to students that all responses would be completely confidential and that no responses would be linked to individual names in the delivery of the database or reporting of the results.

c) Reporting

Survey results are presented in the remaining sections of this report. In each section, top-line results are provided, following by statistically significant variations in findings based on background variables (in bullet form and, in some cases in tables). Where the variations did not seem to be substantively significant (e.g., less than a five percentage point gap) some statistically significant variations were not reported (although they appear in the detailed tables in the technical appendix). Tests of statistical differences noted in the text and tables are based on χ^2 , when using proportions of the student sample, and t-test, when using averages (e.g., average amounts of expected salary). In the case of both types of data and tests, the .05 level was used to establish significance.

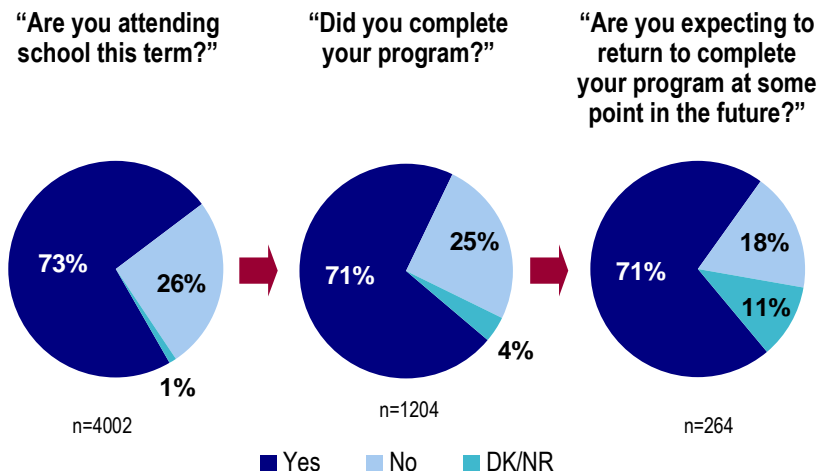
2. PROFILE OF STUDENTS: EDUCATION PATHWAY AND FINANCING

The following chapter, first, describes the routes that post-secondary students take in getting through their education, including any breaks between high school and post-secondary, progression from college to university and back again, first and subsequent degrees, as well as expectations for staying in the same program area or changing to other disciplines from the current degree. Requirements to relocate in order to pursue post-secondary are also explored. Second, the chapter profiles students' arrangements for financing their education (sources of financial support, expected debt levels).

2.1 EDUCATION PATHWAY

Almost three-quarters of students are attending school this term. Of those who are not currently in school, seven in ten have graduated from their program. Of those who did not complete their program, seven in ten are expecting to return to complete their program at some point in the future, although two in ten do not expect to do so.

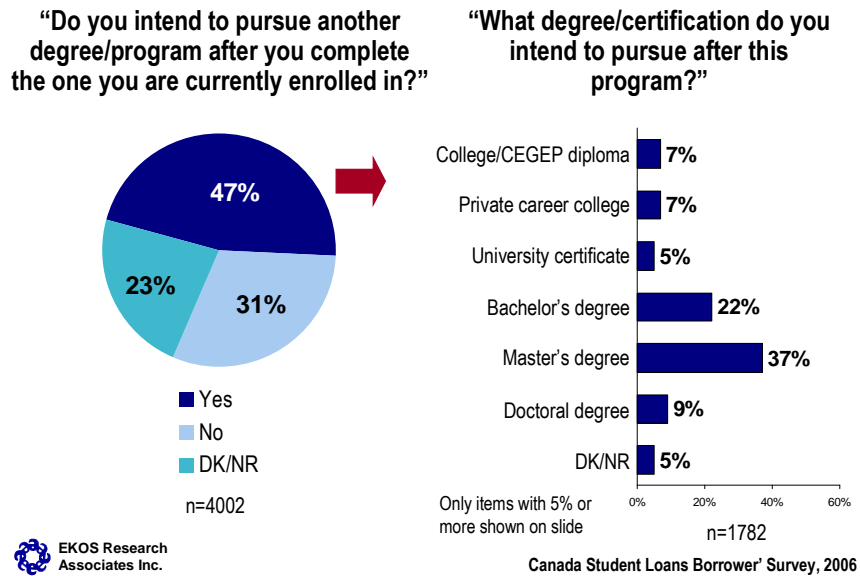
Interruption of Studies



- Older students, and those in British Columbia, Alberta, and New Brunswick are less likely than others to be attending school this term, while younger students and those in Ontario are more likely to be doing so.
- Those less likely to be attending school this term include higher proportions of independent students (with or without children), community or private college students, students studying in a Fine Arts program, and those who have received government financial support for at least four years are less likely than others to be. This also includes higher numbers of those who have borrowed less than three thousand dollars this year, those whose total debt is less than \$20,000, individuals who believe that their student loan debt will take at least ten years to pay off, those in their second or third degree, students who are in their fourth year of their program or later and students who intend to pursue additional post-secondary education after their current degree.
- Among those who are not currently in school this term, women and older students are more likely than men or younger students to have completed their program. Independent students with and without children, private college students, and those studying in Education, Law or Medicine are also more likely than others to have completed their program. Finally, this is also more likely to be the situation for those who have received at least four years of government financial support, those awarded grants, students studying toward their second or third degree, those who are in their fourth year or more of their studies, and individuals who intend to pursue more post-secondary education after the completion of their current degree.
- Finally, of those who are not currently in school this term and have not completed their program, those who attended university are more likely than others to say they expect to return to complete their program at some point in the future. Those who have received between two and three years of government financial support, whose total debt is \$45,000 or more, and who identify as a visible minority are also more likely than others to say that they expect to return to complete their program in the future. Meanwhile, those who were in community college, who had not received grants, whose total debt is less than \$20,000, or who did not have to move to attend a post-secondary institution were more less likely to predict that they would return to complete their studies.

After completing their current program, forty-seven per cent say that they subsequently intend to pursue another degree or program, while three in ten have no intention of doing so. Almost one-quarter do not know. Of those who intend to continue their post-secondary education after their current degree or certificate, just over one in three (37 per cent) would pursue a Master's degree, and 22 per cent would pursue a Bachelor's degree. Fewer than ten per cent are interested in pursuing either a Doctoral degree, a college or CEGEP diploma, a private career college, or a university certificate, and even fewer would consider going to Law school.

Continuation of Education (I)



- Those from Saskatchewan are less likely than those in other regions to express interest in pursuing another degree or program after they finish their current studies.
- Women, and younger students are more likely than others to plan on pursuing another degree or program after their current program is completed. This is also more likely to be true of dependents, those who are or who have attended university, who are studying the Humanities, Science or Social Science, and those who have already completed a previous degree. In addition, those who have \$45,000 or more debt from post-secondary education, who are currently attending a post-secondary institution, who are returning students, who are in their fourth year or more of their program, and who identify as visible minorities are also more likely to express interest in more post-secondary education after their current studies are completed.
- Students in Ontario, community college students, those who have had less than two years of government financial support, and who have not received any grants are more likely than others to want to pursue a college or CEGEP diploma after they have finished their current studies. This is also more likely to be the case among those whose total debts from post-

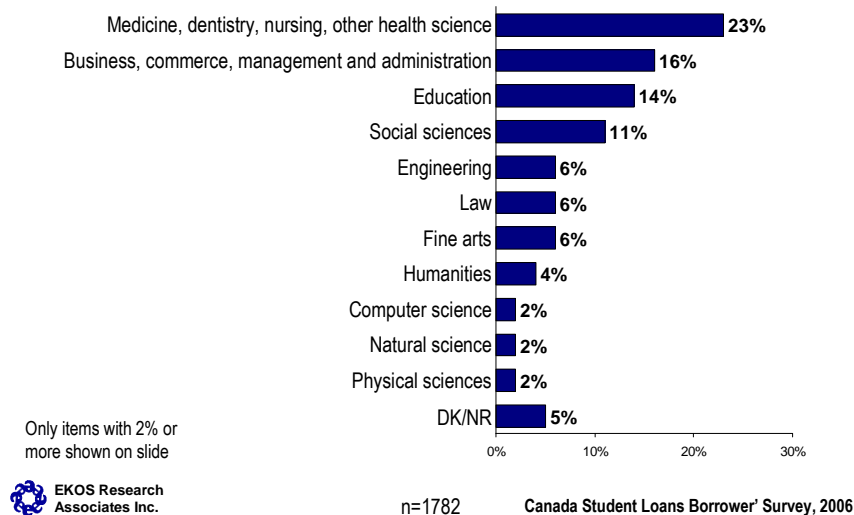
secondary education are less than \$20,000, students who are not currently attending college or CEGEP, those in their first year of their studies, as well as Aboriginal students.

- Private career college students, those whose total debt is less than \$20,000, and who are currently not attending a post-secondary institution are more likely than others to be considering attending a private career college for subsequent post-secondary education.
- Students interested in pursuing a university certificate after their current studies are more often from Ontario, community college students, Business students, currently attending a post-secondary institution, or Aboriginal students than their counterparts.
- Students from Nova Scotia and community college students are more likely than others to be drawn to getting a Bachelor's degree after they have completed their current studies.
- Those between the ages of 27 and 29, dependent students or independent students with no children, university students, and Social Science students are more likely than others to be thinking about pursuing a Master's degree in the future. This degree is also more likely to be attractive to those who have had more years of government financial support, students who have received at least one grant, those who are currently enrolled in a post-secondary institution, or who are in their third year or more of their current studies.
- Doctoral degrees as the next step of a person's post-secondary education are overrepresented by dependent students and independent students with no children, university students, those studying Law, Medicine, or Science, students with four or more years of government support, those whose total debt is \$45,000 or more, and those who are currently studying towards their second or third degree. In addition, those currently attending a post-secondary institution, and visible minorities are also more likely than others to express interest in obtaining doctoral degrees once they complete their current studies.
- Law school is more often the next step for those who are in Social Science programs now than for those in other disciplines.
- Finally, private college students, Fine Arts students, those who have not received any grants, and whose total debt from post-secondary education is less than \$20,000 are more likely than others to not have given an answer to this question.

When asked specifically about what type of program is of interest after current studies are completed, almost one-quarter express interest in Medicine or Dentistry programs, while 16 per cent prefer Business or Commerce. Fourteen per cent intend to enrol in an education program, and one in ten want to study in the Social Sciences. Even smaller proportions are interested in Fine Arts, Engineering, Humanities, Computer Science, Natural Science or Physical Sciences.

Continuation of Education (II)

“What type of program will you enroll in after your current program?”



- Those who are interested in pursuing a Fine Arts program after their current program is complete are more likely than others to be attending or have attended private college, and to be currently studying in a Fine Arts program now.
- Those who attend or who have attended community college, who are currently in a Business program, whose total debt is less than \$20,000, who expect their student loans to be paid off in less than three years, and who identify as visible minorities are more likely than others to say they intend to further their post-secondary education and pursue a Business or Commerce program after they complete their current studies.
- People interested in enrolling in Computer Science after they complete their current degree are more likely to be male or currently studying Computer Science or Engineering.
- Students in Nova Scotia, New Brunswick, and Manitoba are more likely than those from other regions to be interested in doing a subsequent program in Education. This view is also more likely to be shared by women, by those who attend or who have attended university, who are studying currently in Education, or to a lesser extent, the Humanities or Fine Arts, who have received at least four years of government financial support, who expect their loans to take at

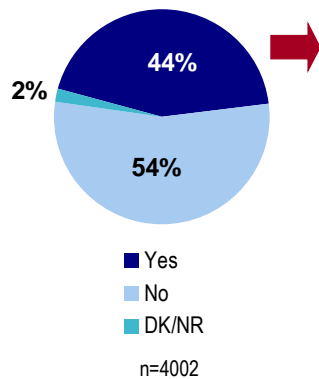
least ten years to repay and students who are in at least the fourth year of their current program than it is to be shared by their counterparts.

- Men are more likely than women to be interested in pursuing an Engineering program after their current studies. This choice is also more likely among those who attend or who have attended community college, who are studying Computer Science or Engineering currently, and who have received financial support from the government for less than two years.
- Those between the ages of 25 and 26, and Humanities students are more likely than others to express a desire to continue their education with a Humanities program after their current degree is complete.
- University students and those in a Social Science program are more likely than others to want to enrol in a Law program after their current studies are finished.
- Those thinking about entering a future program in Medicine or Dentistry are more likely to be female, to be currently enrolled in a Law or Medicine program or a Science program, to have a total student loan debt of \$45,000 or more, and are also more likely to identify as a visible minority than others.
- Naturally, those enrolled in a Science program now are more interested than others in pursuing additional post-secondary education in either a Natural Science or a Physical Science program (or to a lesser extent, an interdisciplinary Science program).
- Women are more likely than men to express interest in pursuing a Social Science program after the completion of their current program. This is also more likely to be the view of independent students with no children, those who attend or who have attended university, those currently attending a post-secondary institution or those enrolled in a Social Science program, and those who believe their student loan debts will take ten years or more to pay off.

Results show that many students move to a new community to pursue their post-secondary education. While just over half (54 per cent) did not move to a new community to attend the school they are currently studying at, a substantial minority did indeed relocate (44 per cent). Regarding those who did have to move, over three-quarters moved more than 80 kilometres away for their post-secondary education. Two in ten say they only had to move between 20 and 80 kilometres away from their previous residence, and four per cent relocated less than 20 kilometres away.

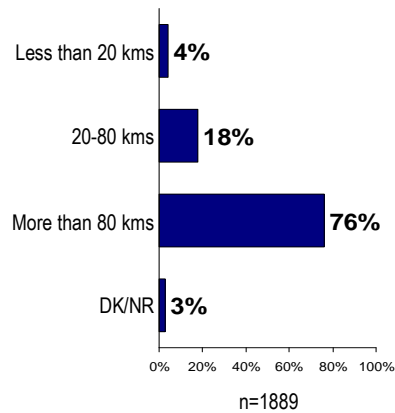
Move to Attend Program

“Did you move to a new community in order to attend the school you are currently studying at?”



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“How far did you move in order to attend school?”



Canada Student Loans Borrower Survey, 2006

Table 5: Factors Relating to Relocation for Post-Secondary Education

Did you move to a new community in order to attend the school you are currently studying at?	% Saying Yes
Overall	44
Province	
British Columbia	40
Alberta	43
Saskatchewan	62
Manitoba	43
Ontario	41
New Brunswick	55
Prince Edward Island	57
Nova Scotia	57
Newfoundland and Labrador	66
Age	
<21	38
21-22	45
23-24	50
25-26	51
27-29	49
30+	38
Status	
Dependent	44
Independent with child(ren)	27
Independent with no child(ren)	48
Type of Institution	
Community college	37
University	50
Private college	31
Type of Program	
Fine Arts	46
Business	36
Computer science/Engineering	42
Education	45
Humanities	46
Law/Medicine	44
Science	51
Social science	49

Did you move to a new community in order to attend the school you are currently studying at?	% Saying Yes
Years of Government Financial Support	
Less than 2 years	37
2-3 years	47
4 years or more	59
Amount of \$ Borrowed This Year	
Less than \$3,000	30
\$3,000-\$8,000	38
More than \$8,000	54
Received Grants	
Yes	48
No	33
Received Private Loans	
Yes	54
No	42
Total Debt From Loans	
<\$20,000	36
\$20,000-\$44,000	54
\$45,000 or more	31
Years Expected to Pay Off Debt	
Less than three	35
3-9 years	42
Ten years or more	57
First Degree	
Yes	47
No	43
Current Year of Program	
1	38
2	48
3	50
4 or more	53
Full-time Student	
Yes	46
No	33
Planning on More Education After Current Degree	
Yes	44
No	49
Employment Equity Groups	
Aboriginal person	50
Visible minority	31
Disabled person	44
None of the above	48

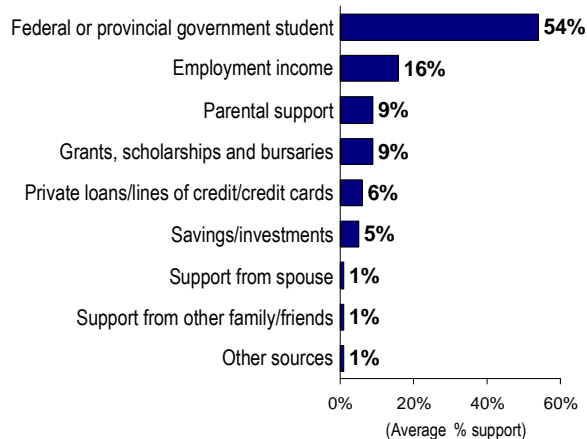
- Among those who moved to attend their current post-secondary institution, people from Saskatchewan are more likely than others to have moved more than 80 kilometres, while those in Ontario are more likely than others to have moved between 20 and 80 kilometres.
- Of those who moved, those 30 years old or over are more likely than others to have moved less than 20 kilometres to attend their current school, while students under the age of 21 are more likely than others to have moved between 20 and 80 kilometres. Those between the ages of 23-26 are more likely than others to have moved the furthest distance for their post-secondary education (80 kilometres or more).
- Independent students with children are more likely than others to have moved less than 20 kilometres away to attend their current post-secondary institution.
- University students are more likely than others to move the furthest distance (80 kilometres or more), while those in community college are more likely than others to move between 20 to 80 kilometres for school.
- Students studying in Business programs are more likely than others to have moved less than 20 kilometres to attend their current school.
- Those who have received government financial support for four or more years are more likely than others to have moved more than 80 kilometres away from their prior residence for their post-secondary education. This is also more likely to be true of those whose total debt is \$45,000 or more. Those with less than \$20,000 are more likely than others to have moved either between 20 to 80 kilometres away, or less than 20 kilometres away.
- Students who expect that their student loan debt will take at least ten years to pay off are more likely than others to have moved more than 80 kilometres away to attend their current post-secondary institution.
- Those studying towards their second or third degree, and visible minorities are more likely than others to have moved the least distance (less than 20 kilometres). Students in their fourth year or more of their program are more likely than others to have moved the furthest away (80 kilometres or more).

2.2 SOURCES OF SUPPORT

By far, students' most important source of financial support over the course of their PSE has been from federal or provincial government student loans: students estimate that over half (54 per cent) of the support they have received during their studies has been from this source. At a distant second, 16 per cent of students' support during their PSE is derived from employment income. Similar levels of support (representing about 10 per cent of total support received each) have been received from parents and grants and private loans. Private loan sources, savings, spousal support and assistance from other family or friends account for only a small proportion of students' overall support.

Sources of Support

"What proportion of the support that you have received over the course of your PSE was from...?"



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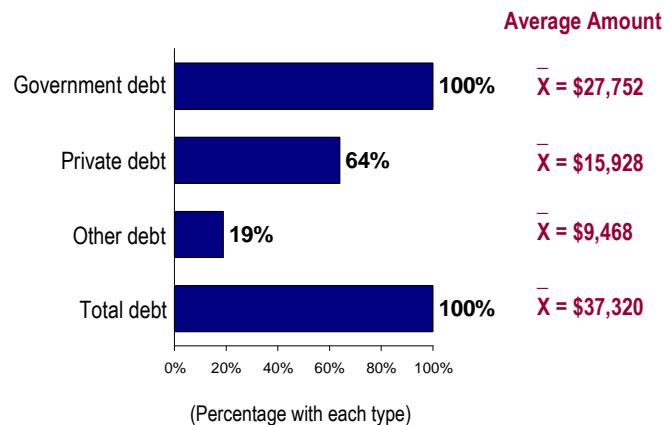
- By province, Newfoundland students tend to have the highest portion of support coming from government *loans*, whereas students in Alberta, Manitoba and Ontario have the lowest. The proportion of support from government loans decreases by age (with the exception of the 30 years and older group where there is a slight increase). Similarly, independent students without children report a lower portion of support from loans. The proportionate share of loans in relation to total support increases as the years and amount of government loans increases. University students indicate a somewhat lower portion of income from government loans.
- Share of total support from *employment income* increases with age (again, the exception being the 30 years and older age group where there is a slight dip). Men and independent students without children have a higher proportion of support coming from employment income. Students who have lower amounts of government loan debt also have a corresponding higher share from employment.
- Reliance on *private loan sources* increases by age of the student, peaking in the 27 to 29 year age group (factors related to age such as second degree and year of program show a similar pattern). Independent students without children and students who have moved to go to school also have a higher share of total support coming from private loan sources.
- Younger students, those studying at university and students with a disability cite a higher proportion of total support coming from *grants/bursaries or scholarships*. Younger and university students, together with dependent students, also report a higher proportion of support from *parents*. Parental support also represents a higher share of total support among students who have lower levels of government student loans.

2.3 EXPECTED DEBT LEVELS

Most students who have borrowed from the Canada Student Loans Program expect to end their schooling with considerable debt, with government loans at the top of the list. The average debt to government (both federal and provincial) is expected to be \$27,752, while debt to private sources will only be \$15,928 (and only among the 64 per cent with this type of debt). The average debt to other sources is \$9,468 (and expected for fewer students). The overall total debt is expected to be in the range of \$37,320 (among all students in the study).

Expected Debt Levels

“What do you expect your total loan debt to be for all of the post secondary education that you expect to pursue?”



- Students in Ontario, Manitoba and Alberta expect to incur less government debt than students in other provinces. Students in Nova Scotia expect to incur the most debt from private sources, followed by those from Ontario. Students from Nova Scotia and Newfoundland expect to incur the highest total debt.
- Men expect to incur greater debt from private sources than women.
- Students aged 25 and older expect to incur more government debt than their younger counterparts. Total expected government debt also increases other variables associated with age, such as the number of years students have received government support, the number of years of studies completed, the total debt they expect to accumulate and the number of years required to repay this debt.
- Naturally, the amount of private debt and total debt students expect to incur tends to increase with age, total debt, number of years of studies completed and years expected to repay the debt.
- The amount of debt from other sources fluctuates with age, and is highest among the youngest and oldest students.
- The amount of private and total debt is, however, higher among students pursuing their second or third degree.
- Not surprisingly, various debt and financing sources appear to go hand in hand: students who have received grants or private loans also tend to report higher government debt, and students with higher levels of private debt also report higher government debt.
- Independent students with children expect to incur the most debt from each source and the most in total debt overall, followed by independent students without children, whereas dependent students expect to incur lower levels of government and private debt.
- Naturally, university students expect to incur higher levels of debt from each source than public or private college students. Among university students, graduate students expect to complete their studies with higher levels of government loan debt and private debt than do undergraduate students.
- Students enrolled in Sciences, Social Sciences and Law or Medicine expect to incur more government loan debt and total debt than students enrolled in other programs of study. Students enrolled in Law or Medicine also expect to incur substantially higher levels of private debt, followed by Science students.
- Students who have moved for their studies expect to incur higher levels of government, private and total debt than students who have not.
- Visible minorities and students with disabilities expect to incur higher levels of government loan debt than do other students.

- While controlling for the effect of various explanatory variables in a multivariate regression model⁴ that examines the expected total debt, the degree of concern for debt is found to be the primary predictor. Higher levels of concern are linked to the expectations of the larger debt. The type of school is the second key driver - students attending colleges and private institutions expect smaller debt. The next predictor is the perceived adequacy of government loan limit – the less adequate the limit is perceived to be, the bigger the expected total debt is. Expected debt from all sources is linked to the program type - those enrolled in medicine or dentistry believe they will accrue larger debt. The next significant factor is the level of financial responsibility assigned to government those with greater reliance on government support anticipate bigger amounts of total debt. Similarly, those reporting multiple sources of debt anticipate bigger debt. The more a student tries to work in order to avoid debt during education, the smaller the expected total debt is. Receiving federal or provincial grants or Millennium scholarships is associated with the increase in the expected total student debt. Age is again a factor, older students expect to accrue more debt. Students' attitudes also play a significant role. Students who say they wish to borrow more during the school year and those who believe that government grants should be given to specific groups of students anticipate larger total debt. Receiving assistance from family members is linked to the expectations of smaller debt, whereas men, students born in Canada, and those living in BC and Atlantic regions expect to accrue more debt. Lastly, the more parents' ability to assist in financing PSE is a consideration, the larger the expected total debt is. On the other hand, the expected total debt decreases with the larger degree of responsibility assigned to parents.

Table 6: Average Debt by Source and Total Debt by Background Variables

	Average Government Debt \$	Average Private Debt \$	Average Debt from Other Sources \$	Average Total Debt from All Sources \$
Overall	27,752	15,928	9,468	37,320
Province				
BC	31,930	15,572	11,236	41,046
Alberta	26,022	12,985	6,725	34,401
Saskatchewan	30,417	15,858	7,847	41,916
Manitoba	23,385	15,585	9,162	33,635
Ontario	25,566	16,870	9,786	35,269
New Brunswick	32,641	14,633	8,707	41,178
PEI	31,442	10,809	3,851	36,691
Nova Scotia	34,650	19,782	5,420	46,157
Newfoundland	32,786	15,475	13,898	44,634

⁴ See technical appendix.

	Average Government Debt \$	Average Private Debt \$	Average Debt from Other Sources \$	Average Total Debt from All Sources \$
Age Group				
<21	27,348	14,544	11,016	33,457
21-22	26,036	12,222	8,762	32,911
23-24	25,673	15,259	6,758	35,543
25-26	29,031	18,516	8,343	42,054
27-29	31,007	19,432	9,873	46,259
30+	31,248	17,787	12,138	44,677
Status				
Dependent	26,941	13,651	9,053	33,910
Independent with Child(ren)	32,262	16,753	12,893	43,080
Independent without Child(ren)	28,196	18,549	9,277	42,289
Type of Institution				
College	22,480	11,337	8,434	29,701
University	31,106	18,151	10,557	42,003
Private	23,994	16,591	8,236	33,168
Program				
Fine Arts	24,920	14,331	6,798	32,957
Business	22,945	11,745	8,616	30,336
Computers/Engineering	24,782	12,604	7,699	32,057
Education	27,000	14,310	11,637	36,930
Humanities	29,270	10,869	9,542	35,982
Law/Medicine	31,060	22,479	8,540	45,974
Science	32,029	19,360	16,447	43,344
Social Science	33,198	15,141	11,354	42,081
Years of Government Support				
<2	22,553	16,153	7,806	30,615
2-3	28,414	15,645	8,587	37,760
4+	38,862	16,707	9,378	51,712
Grants				
Yes	28,615	16,314	9,708	38,480
No	25,096	14,867	8,713	33,819
Total Debt				
<\$20,000	9,863	4,358	3,122	11,133
\$20,000 to \$44,999	24,832	9,747	6,600	30,464
\$45,000+	48,670	27,050	16,263	72,807
Years to pay it off				
<3	14,446	11,815	6,740	19,565
3-9	26,196	15,145	8,654	34,921
10+	37,152	18,122	11,660	51,651

	Average Government Debt \$	Average Private Debt \$	Average Debt from Other Sources \$	Average Total Debt from All Sources \$
Moved				
Yes	31,436	19,267	10,777	44,608
No	25,680	13,445	8,796	33,208
Employment Equity Group				
Aboriginal	25,831	13,136	7,806	35,599
Visible Minorities	30,171	16,656	12,221	40,376
Disabilities	32,283	11,625	11,527	41,070
None	26,896	16,209	8,398	36,406

2.4 CHAPTER SUMMARY

Almost three-quarters of students surveyed are attending school this term. Of those who are not currently in school, seven in ten have graduated from their program. Of those who did not complete their program, seven in ten are expecting to return to complete their program at some point in the future, although two in ten do not expect to do so.

After completing their current program, close to half intend to pursue another degree or program (most often a Master's or Bachelor's degree), while three in ten have no intention of doing so. When asked specifically about what type of program is of interest after current studies are completed, almost one-quarter express interest in Medicine or Dentistry programs, while over one in ten prefer Business or Commerce, education, or Social Sciences.

Results show that many students move to a new community to pursue their post-secondary education. While just over half did not move to a new community to attend the school they are currently studying at, a substantial minority did indeed relocate (44 per cent). Of those students who did move, over three-quarters moved more than 80 kilometres away for their post-secondary education.

By far, students' most important source of financial support over the course of their PSE has been from federal or provincial government student loans: students estimate that over half of the support they have received during their studies has been from this source. Employment income is identified as a distant second, followed by parental support, grants and private loans.

Most students who have borrowed from the Canada Student Loans Program expect to end their schooling with considerable debt, with government loans at the top of the list. The overall total debt is expected to be in the range of \$37,320 (among all students in the study).

3. NEEDS ASSESSMENT PROCESS: LOAN LIMITS, UNRECOGNIZED COSTS AND ADEQUACY OF COVERAGE

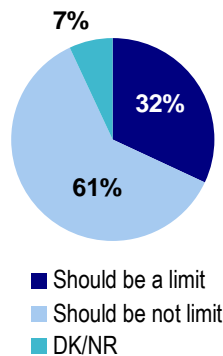
The following chapter explores students' views about aspects of the CSLP needs assessment process. Currently in the CSLP need assessment, the costs of PSE include both education (tuition, books) and living costs. Ceilings have been established for some costs and standard allowances have been established for other costs. This study canvassed student opinions on current loan limits, the extent to which students incur expenses during the course of their PSE that are not recognized by the current student loan assessment process and support for extending the needs assessment criteria to cover various types of expenses.. To the extent that students find the current levels of available government loans to be inadequate, the amount of shortfall and types of expenses that are not covered is also explored, along with how students are currently coping with a financial shortfall.

3.1 LOAN LIMITS

The majority of students support linking government student loan amounts with students' demonstrated financial need (without a ceiling limit) by a factor of two to one. This view favours having students judge for themselves how much debt they can handle. On the other hand, one-third of current students believe there should be a limit on the amount of government loans available to students to ensure that students do not become overburdened with debt. Among the students advocating a limit, the average suggested limit is \$1,566 per month (and virtually all suggested amounts in the \$1,000 to \$2,000 range as a monthly limit).

Support for Loan Limits

“Which of the following is closer to your point of view: There should be a limit on the amount of government loans available to students to make sure that students don’t graduate with an unmanageable debt or Students should be given as much government loans as they have demonstrated financial needs for, they will judge for themselves how much debt they can handle?”



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n=3965

Canada Student Loans Borrower Survey, 2006

- Students who are 30 years old or older are less likely than younger students to favour basing government loans only on demonstrated need, and not limiting the amount of government loans available. This is also true of those who attend or have attended college, students who expect their total debt will be less than \$20,000, those who are not currently enrolled in an educational institution⁵, and individuals who did not move for their post-secondary education. In terms of actual amount of the limit (for those advocating a limit), younger students typically suggest a lower limit, which increases with age (although there is only a statistically significant difference among those under 21 – who suggest an average of \$1,109 per month).
- Students who attend or have attended university, who have private loans, and who are dependents are more likely than others to believe that need should determine the amount of a government loan available to a student. Students who expect their debt to be \$45,000 or more, as well as those who say their loan will take ten or more years to pay off are also more likely to share this view.
- Students who did not move to another community for post-secondary education, and who expect to have their loans paid off in less than three years are more apt than others to worry about unmanageable debt after graduation, and to say that limits should exist on accessing government student loans.

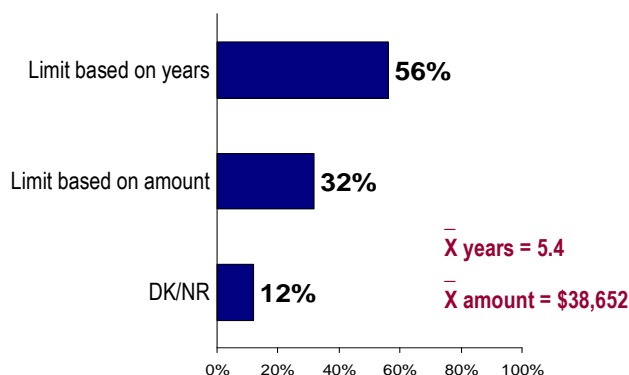
⁵ While the study targets students who are in study, the sample was drawn at a fixed point in time (December 2005), which was a few months after the data were collected for the study, at which point some students had just recently ended their study (either at graduation or from early withdrawal).

- Students who attend or have attended college, who are not currently studying are more likely than others to favour limiting the amount of government loans available to students, to avoid unmanageable debt after graduation. This is also true of current students who plan to continue their education beyond their current program.

Assuming a limit on total available government loans, a slight majority of students would prefer to see the limit based on number of years. One-third indicates that the limit should be based on the amount of total debt accumulated. Among those advocating a dollar limit, the average suggested ceiling was \$38,652. Among those advocating that the loan limit be based on number of years, the average number of years suggested was 5.4 years.

Support for Definition of Maximum Loan Available

“In determining the maximum amount of total government loans available to borrowers, which of the following statements do you agree with more?”



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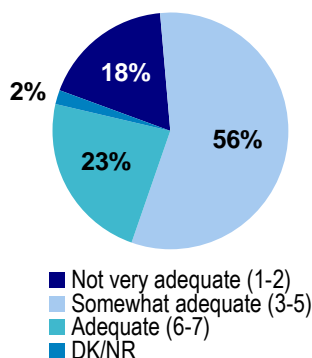
- Students in Saskatchewan are less likely than those in other regions to believe that the maximum amount of total government loans available to borrowers should be based on years, and are more likely to believe it should be based on the total amount of debt accumulated.
- Younger students (under the age of 21), those in their fourth year or more of their program, and students who plan to continue their education past their current program are more likely than others to believe the limit should be based on years. Those who attend or who have attended private colleges, third year students, and those who do not plan to continue their education past their current program are less likely than others to share this view.
- Students studying in Law, Medicine or Science are less likely than others to favour limits on government loans based on the total amount of debt accumulated.

- Those currently enrolled in educational institutions are also less likely to favour limits based on the amount of debt accumulated than those who are no longer students.
- There are few differences in the pattern of suggested number of years (for those students advocating a limit based on years), however, women typically suggest a longer time period, as do university students (compared with community college students in particular). Students of Engineering and Computer science/technology advocate a shorter timeframe, while those in Social Science are particularly likely to suggest a long timeframe (6.37 years). Students with private loans are also more apt than those without them to suggest a longer time limit.
- In terms of specific dollar amounts (for those suggesting a limit amount) independent students advocated higher amounts than dependent students, and university students suggested higher amounts than community college students. Those with more years of government assistance, individuals who have received grants and those with higher expected debt levels all advocate higher limits than their counterparts do. This is also the case with students who have moved to go to school (and therefore have higher expenses).

When asked specifically about the adequacy of the maximum amount of government loan that is available on a weekly basis (\$350 per week of study, or \$11,900 for the full school year), almost two in ten believe this amount to be too little, a slight majority believe it is somewhat adequate, and about one in four say it is adequate.

Adequacy of Limit

“How adequate do you think that this weekly maximum limit is to cover most students’ education and living expenses?”



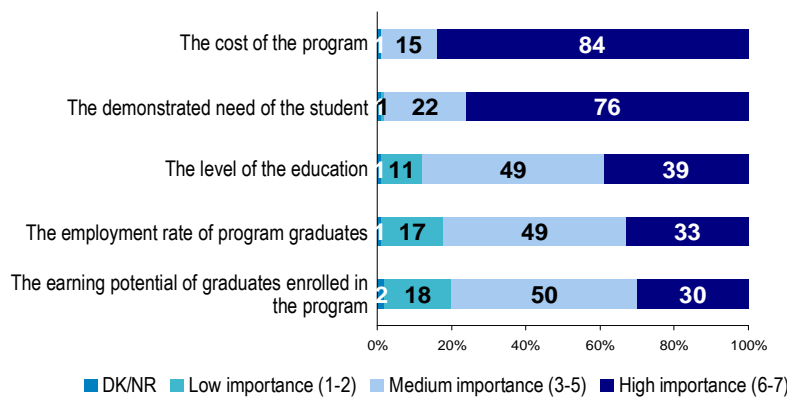
- Students in British Columbia are more likely than those in other regions to say that the maximum government loan available on a weekly basis is insufficient, while those in Ontario are the most satisfied among the regions with the amount of the maximum government loan (although it is still only one in four who say it is adequate in this province).
- Students who are or who have attended private colleges, and those studying Law or Medicine are less likely than those who have or are attending university or community college or those studying other disciplines to feel that current government loan limits are sufficient.
- Those under the age of 21 are more likely than their older counterparts to feel that the current loan limits are satisfactory; disagreement with this view increases steadily with age.
- Dependents and those working towards their first degree are more likely than others to believe that current government loan levels are adequate. Those who have independent status with one or more children at home and those who have already completed at least one degree are much less likely to share this view.
- Closely linked to age, those who have four or more years of government financial support, individuals who borrowed more than \$8,000 this past year, those whose total debt will be \$45,000 or more and who expect to take at least ten years to pay off their loan are less likely to believe that the maximum amount of government loan is adequate. This is also true of those in their fourth year or more of their studies.
- Students with a disability are also more apt to say that funding is insufficient.
- While holding the effect of all these explanatory variables constant in a multivariate⁶ regression model, perceptions that loan limits are adequate are largely driven by the age of the student, with younger students more apt to say that current limits are adequate, while students who assign more financial responsibility to government are less likely to believe the limit is adequate. Next important predictors are expected total debt from all sources, and type of school enrolled in. Those who expect a larger total debt are less likely to believe that current government (maximum) loans are sufficient, and students attending private colleges typically also perceive greater inadequacy in limits. The extent of parents' ability to financial support their child during post-secondary education is also a factor. The larger the role that parents' ability to support plays for a student, the greater the perceived adequacy of government loan limits. On the other hand, the higher the financial responsibility assigned to parents, the less adequate the limit is perceived to be. The perceived inadequacy in loan limit is also higher among students residing in BC and those reporting a disability. Adequacy is also tied to concern for debt. The lower the concern about level of debt expected and the more one tries to work in order to avoid debt during education, the greater the perceived adequacy of government loan limits. Lastly, the perceived inadequacy in loan limit is higher among students receiving federal and provincial grants or Millennium scholarships.

⁶ See details in the appendix.

Most students believe that the cost of the program they are enrolled in should be the most important criteria in determining the maximum amount of government financial assistance available to them, followed by the demonstrated need of the student. Students tend to believe that the level of education the student is enrolled in, the employment rate of graduates in the chosen program, and the earning potential of graduates in the chosen program of study should be given only moderate importance in determining the maximum amount of government financial assistance available to the applicant.

Criteria for Establishing Loan Limits

“How important should each of the following be in determining the maximum limit of assistance that is available to students?”



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- Women, students who are currently attending school, and those who attend or have attended university are more likely than others to believe that the demonstrated need of the student should be an important factor in determining the maximum limit of assistance that is available to students. Those studying the Humanities are also more likely to share this view, compared to those studying other disciplines.
- The employment rate of program graduates is less likely to be an important criteria in determining loan amounts for those 25-26 years old, dependent students, those studying full-time, and university students. This is also the view more likely to be shared by those who have received government financial support for two years or more, those who expect their loan to take at least ten years to pay off, third and fourth year students, and those who have moved to a new community to pursue their post-secondary education. Those with less than two years of government financial support, students who are not studying full time, and those who have not moved to a new community for their studies are more likely than others to see the employment rate of program graduates as an important criteria.
- Those enrolled in Science programs and those who have moved to a new community for their studies are more likely than others to say that the level of the education is a somewhat

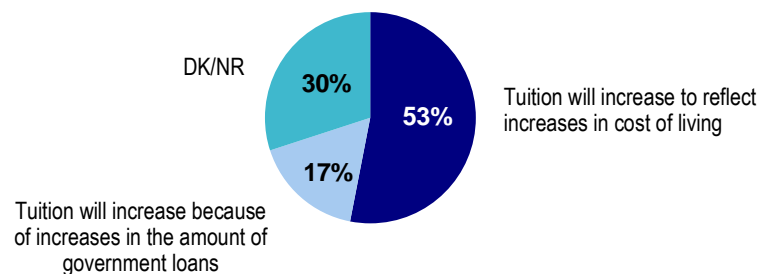
important factor in determining the level of assistance students should qualify for. Students who have not moved are more likely to say this factor is important. Students with a disability are more likely than others to say this should not be an important factor in determining the maximum limit of assistance that is available.

- When asked about whether the earning potential of graduates should be an important factor when it comes to government loan maximums for students, older students (30 years old and over) are more likely than younger students to feel it should be important. This is also more likely to be true of those in Business programs, and those who have not moved to a new community for their post-secondary education. Students who are less likely to see this as an important criteria include dependents, university students, those who have had four years or more of government financial support, third and fourth year students, and those who have moved to a new community to pursue their studies.

A small majority of students believe that tuition increases are tied to increases in the cost of living (53 per cent), while a minority believe that tuition is actually linked to the amount of student loans available (suggesting that educational institutions determine their tuition based on the amount of financing available to their student body). One in three are unable to respond to this question or do not know, suggesting that they agree with neither statement or they feel that both factors influence tuition levels.

Reasons for Tuition Increase

“Which of the following statements do you agree with more?”

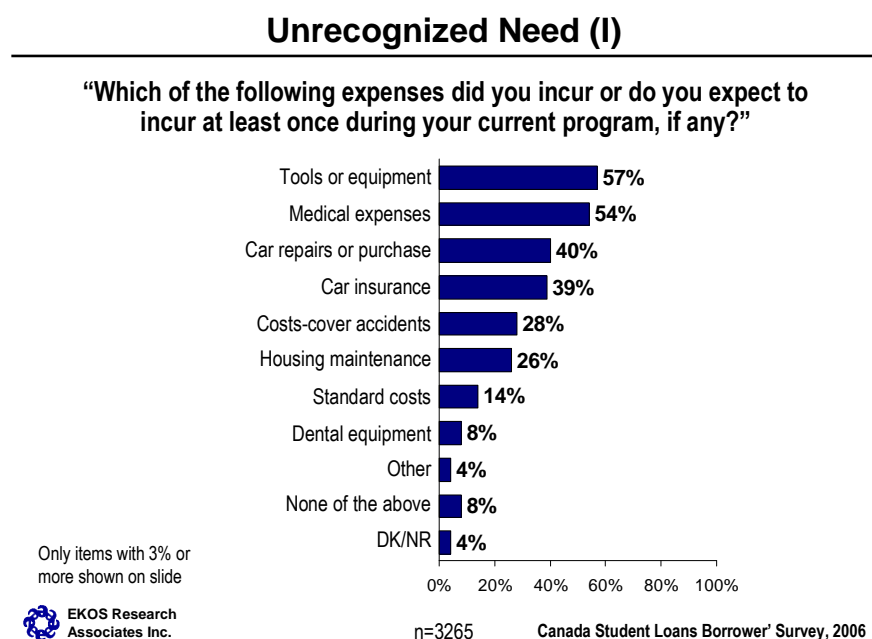


- Students in B.C. and Alberta are more inclined to believe that tuition is linked to the cost of living, while those in Newfoundland are more apt than those from other regions to believe that tuition increases with loan availability.

- Men are more apt to link tuition increases to the cost of living, while women are more apt to not respond/not know.
- College students are somewhat more likely than university or private students to believe that tuition increases are tied to student loan availability.
- Aboriginal respondents are more likely than others to believe that tuition increases are tied to student loan availability, while those with a disability are more inclined to agree that tuition costs are tied to the cost of living.

3.2 UNRECOGNIZED FINANCIAL NEEDS

As mentioned above, one of the objectives of this research was to examine the extent of students' financial needs that are not currently recognized in the CSLP needs assessment process. According to these results, students who are currently studying most often have incurred or expect to incur at least once expenses related to tools or equipment to be used in classes (57 per cent) and medical expenses (e.g., not covered by an insurance plan such as eye care or prescription drugs) (54 per cent). A significant proportion of students also expect to pay for costs related to a vehicle: purchase or repairs (40 per cent) and car insurance (39 per cent). About three in ten expect to cover costs related to an accident or emergency and one in four expect to incur expenses related to housing maintenance over the course of their PSE. Only eight per cent of students did not expect to incur expenses related to any of the categories provided.

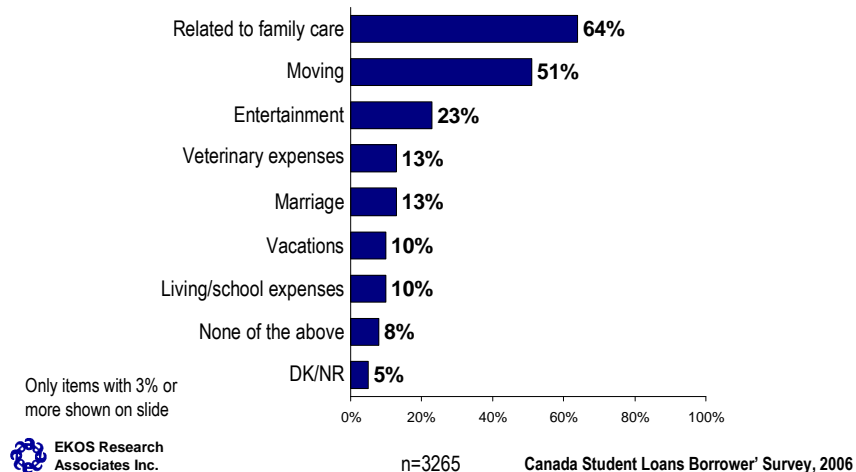


- With few exceptions, the likelihood of incurring expenses in the various categories provided increases with the age of the student. Older students, particularly those 25 years of age and older are more apt to incur or anticipate incurring expenses related to a vehicle, housing and medical care. Related to age, students who are completing a second degree, in the later years of their current program, hold private loans and have a higher estimated amount of total debt are also more apt to cite expenses in these areas. Similarly, independent students, particularly those with children, name most expenses with greater frequency compared to students who are classified as dependent.
- Across provinces, Saskatchewan students are more likely to anticipate expenses under the vehicle, housing and medical care categories. Those studying in the Atlantic provinces (with the exception of New Brunswick) along with Ontario students are less likely to indicate expenses in each of these areas.
- Expectedly, expenses related to students' chosen profession – dental equipment, music instruments and tools vary with the type of institution (college students are more apt to make investments in tools, as well as car-related expenses) and by type of program (Fine Arts students more often cite tools and music instruments as expenses). Law/Medicine students also more often indicate expenses related to tools and are also more likely to have incurred or anticipate medical care expenses.
- Students who have moved to take their current program of study are more likely to report expenses in a variety of areas (medical, housing, accidents) compared to students who are studying at a local institution.
- Women are more likely than men to have incurred or expect to incur medical expenses at some point during the completion of their current program and visible minorities are less apt than other students to expect to incur expenses related to owning a car.

The majority of students (64 per cent) feel that expenses related to family care (e.g., child care) should be considered in students' assessment of financial need and the calculation of assistance amounts. A substantial proportion (51 per cent) believes that moving expenses should be considered in the assessment process. There is significantly less support for considering expenses related to entertainment, veterinary expenses for pets, marriage or vacations in the assessment of students' financial needs. Eight per cent of students do not support the inclusion of any of the categories of expenses provided in the assessment of financial need.

Unrecognized Need (II)

“Some people would argue that there are students with financial needs that are not currently recognized. Which of the following expenses do you think should be considered?”

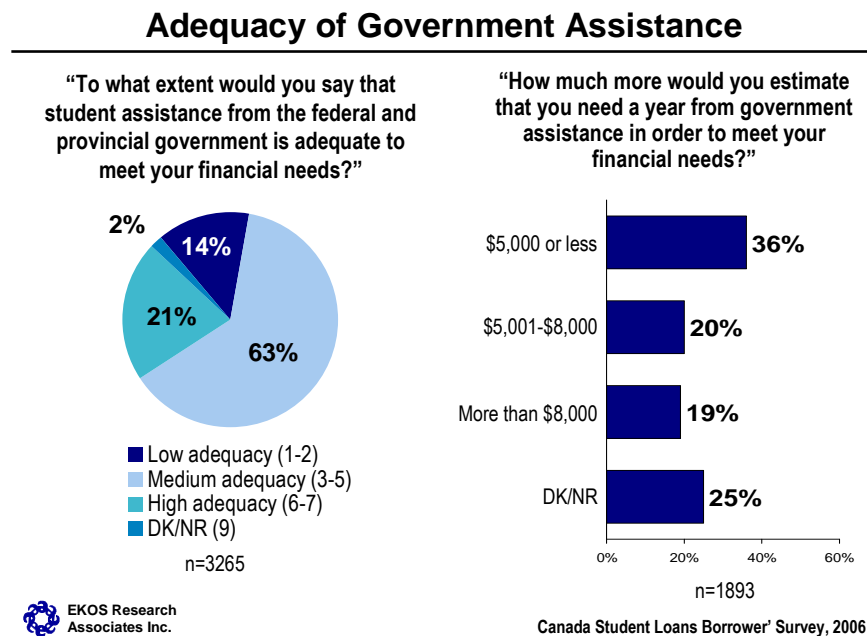


Support for inclusion of the various types of expenses often coincides with students' own interests and life circumstances. For example:

- Women, students who are 30 years of age or older and independent students with children are more likely to support the inclusion of expenses related to family care in the financial assessment equation.
- Moving expenses are cited more often by those who have themselves moved to go to school (and consequently also students in Saskatchewan and the Atlantic provinces who are more apt to have moved to go to school). Independent students (without children), those in the middle age categories (25 to 29 years of age), students working on a second degree, with more years of government loan support, private loan holders, and higher expected debt levels are also more likely to support considering moving expenses in the calculation of student loan amounts.
- Students with a disability are more likely to favour inclusion of expenses in the medical/special needs category, while visible minority students more often mention expenses related to marriage and vacations.

3.3 ADEQUACY OF GOVERNMENT ASSISTANCE

Almost two-thirds of students say that federal and provincial government assistance for students are moderately adequate to meet their financial needs (responded 3, 4 or 5 on a 7-point scale). For one in five students, student loan amounts are more than adequate. For a minority – 14 per cent – government loans are currently *not* adequate to meet their financial needs. Among those students who indicate government loans as being inadequate to meet their needs, the average additional amount needed (in conjunction with their own income and support from other sources) is estimated to be \$6,388 each year, according to the students' own reporting.



- Rated adequacy of government student loan amounts is inversely related to students' age; older and independent students, particularly those 27 years of age and older, are more apt to say amounts are not adequate to meet their financial needs. Related to age, students who are studying for a second degree or in the later years of their current program are also more apt to indicate loan amounts to be inadequate. The same pattern is evident for estimated additional amount needed to cover expenses: the estimated amounts increase with students' age (as well as those variables linked to age). Independent students with children provide particularly high estimates of necessary additional resources.
- Students who have lower current federal government loan amounts (less than \$3,000 this year), private loan holders, and those who expect to accumulate higher levels of student debt overall are more apt to find the current amounts inadequate.

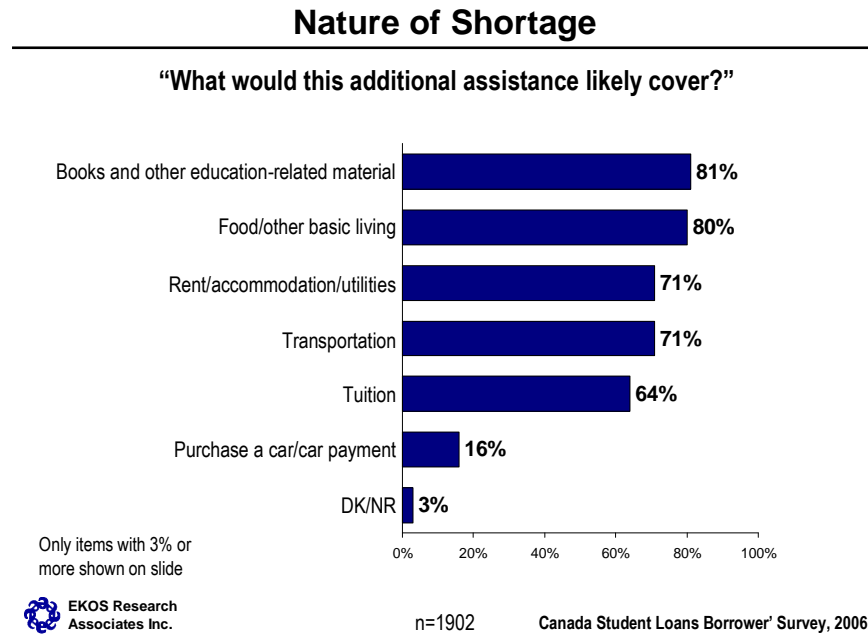
- Students with a disability are more likely to find the current loan amounts to be inadequate in relation to their needs.
- Those studying at a private institution, and students in Law/Medicine are marginally more likely to find current government loans to be inadequate and also indicate significantly higher amounts needed to cover expenses compared to students in other programs.
- Students who are already being funded by federal student loans at the highest levels and who anticipate higher amounts of overall debt at the end of their studies provide a higher estimate of the amount needed to cover expenses.
- While controlling for the effect of various explanatory variables in a multivariate regression model⁷ that examines perceived adequacy of government student loans, age is found to be the primary predictor. Younger borrowers are more apt to say that the amount available to them is adequate. Parents' ability to assist is the second key driver. The more a student believes that parents ability to support is a central ingredient in determining government loan amounts, the more likely they are to believe that they money available to them is adequate. Also, those who expect to accrue higher overall debt are considerably more likely to believe that the loans amounts available to them are not adequate. Similarly, the greater the concern about the total debt that they will accrue the less adequate they believe the limit amount available to them is. Students who assign more financial responsibility to government are less likely to believe that amounts are adequate. The type of school is also a factor – students attending private colleges are less likely to view loan amounts as adequate. The perceived inadequacy of loan amounts is higher among those who received federal or provincial grants or Millennium scholarships and among students who try to avoid debt during education. Lastly, the perceived inadequacy of loan amounts is lower among students who received educational or other scholarships and bursaries.

⁷ See technical appendix.

Table 7: Percentage Indicating Loan Amounts Inadequate and Average Additional Funds Required by Background Variable

	Percentage Ratings Loan Amounts Inadequate	Average Amount of Additional Funds Required
Overall	14	6,388
Province		
BC	16	7,444
Alberta	16	6,239
Saskatchewan	19	6,056
Manitoba	14	5,433
Ontario	13	6,509
New Brunswick	18	4,693
PEI	12	6,250
Nova Scotia	16	5,653
Newfoundland	17	5,234
Age		
<21	7	4,667
21-22	11	5,243
23-24	16	5,718
25-26	18	6,724
27-29	22	8,288
30+	23	8,977
Status		
Dependent	11	5,143
Independent with child(ren)	21	9,933
Independent with no children	19	7,140
Private Loan		
Yes	23	6,856
No	11	6,098
Type of Institution		
College	12	5,956
University	15	6,180
Private	19	8,624
Employment Equity Groups		
Aboriginal	20	6,616
Visible Minority	13	7,058
Disabled	24	6,626
None of above	14	6,189
Total Student Debt		
<\$20,000	11	4,438
\$20,000-\$44,999	13	6,133
\$45,000+	19	7,686

For students who require additional assistance, these funds would reportedly be used most often to cover books and other education material (81 per cent) and food and other basic living expenses (80 per cent). A substantial portion of students also indicate they would use the extra funds to pay for rent/accommodation (71 per cent), transportation (71 per cent) and tuition (64 per cent). It is interesting to note that students who indicated larger shortages were more likely to cite tuition, books and other education-related material and accommodation-related expenses.



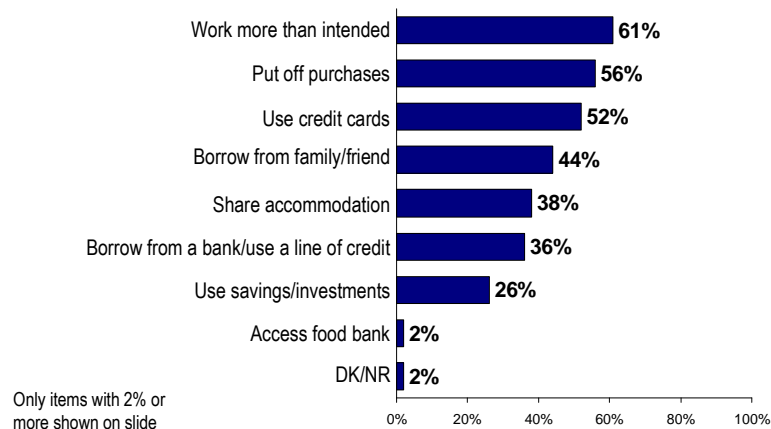
- Covering expenses associated with rent/accommodation and food are particular concerns for older independent students (25 years and older) and students who have moved to go to school. Expectedly, independent students with children are more likely to cite covering children's needs compared to other students.
- Students who are funded by student loans at a lower level (<\$3,000 in the current year) would be more likely to use the additional funds to cover tuition, while those who are currently funded at the highest amount (>\$8,000) (who are also older) would be more apt to cover rental/accommodation costs.

3.4 DEALING WITH A SHORTFALL IN FUNDS

The segment of students currently experiencing a shortfall in support while they study typically deals with this shortage by working more than they want/intended (61 per cent), putting off purchases (56 per cent) and using their credit card (52 per cent). A substantial portion seeks other sources of borrowing such as from family or friends (44 per cent) or from a bank or line of credit (36 per cent). One in three economizes by sharing accommodation and one in four are using their savings or investments to cover the shortfall. It is useful to note that students citing shortages of less than \$5,000 more often dealt with it by sharing accommodations. Those with shortages of greater than \$5,000 were more likely to borrow from a bank.

Current Method of Dealing with Shortage

“Given that you are not currently receiving this additional assistance, how do you typically deal with the shortage of income?”



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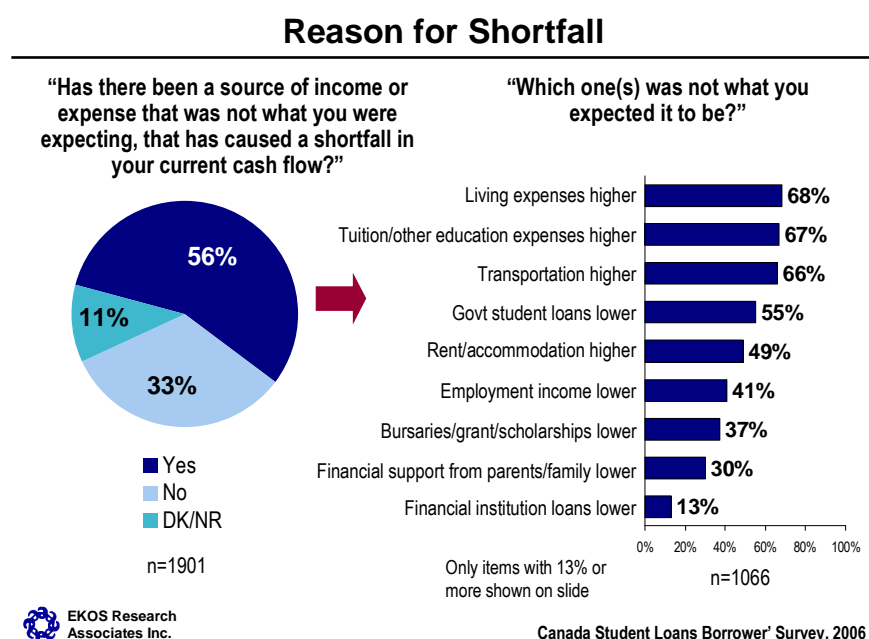
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- Older, independent students more often address the shortfall in their funds by borrowing from private sources or by using a credit card (a similar pattern is evident for those studying for their second degree or in the upper years of their program and for students who have a longer history of government loans and higher expected amount of total debt). Younger, dependent students more often economize by sharing accommodation or for the youngest age group, using their savings to cover the shortage of funds.
- Those awarded grants (also more likely to be older students) are more apt to pursue private loan sources to address their income shortfall than those students without grants.

- Students funded by government loans at a lower amount this year (<\$3,000) and those who are studying at a local institution more often save money by sharing accommodation or through employment income.

For the majority of students who require additional assistance, their financial shortfall was attributed to higher than expected expenses and, to a less extent, lower than expected income. Almost six in ten students attributed their shortfall to unexpected events on the income or expenses side. On the expenses side, living expenses, tuition/other education expenses and transportation were most often cited as being higher than expected (by between 66 and 68 per cent). On the income side, 55 per cent of students indicated that support from government student loans was lower than they expected. Employment income and income from bursaries/grants or scholarships were also frequently mentioned as being below expectations (by 41 and 37 per cent respectively).



- Older, independent students more often cite higher living expenses as the reason for their shortfall in funds, while those who have moved to study more frequently mention both higher living expenses as well as rent/accommodation. Younger, dependent students, on the other hand, report that family support has been less than what they expected.
- Students with the highest levels of overall expected debt blame higher living and accommodation expenses, as well as lower than expected levels of support from bursaries/grants and scholarships as the reason for their shortfall in funds.

3.5 SUMMARY

A majority of students support linking loan amounts to student financial need (without a ceiling limit), while one in three favour placing a limit to ensure that students do not graduate with unmanageable debt; this view favours having students judge for themselves how much debt they can handle. However, assuming a limit is placed on total amount of government loans available, there is a tendency to prefer seeing this limit based on number of years rather than on total amount of loans (with the average number of years suggested being 5.4).

Most students believe that the cost of the program they are enrolled in should be the most important criteria in determining the maximum amount of government financial assistance available to them, followed by the demonstrated need of the student. Students tend to believe that the level of education the student is enrolled in, the employment rate of graduates in the chosen program, and the earning potential of graduates in the chosen program of study should be given only moderate importance in determining the maximum amount of government financial assistance available to the applicant.

Overall, most students view the current weekly maximum loan limit to be somewhat adequate or adequate, while only two in ten feel it is insufficient. Finally, a small majority of students believe that tuition increases are tied to increases in the cost of living, while a minority believe that tuition is actually linked to the amount of student loans available (suggesting that educational institutions determine their tuition based on the amount of financing available to their student body).

Many students incur expenses during the course of their PSE that are not recognized by the current student loan assessment process: over half have incurred or expect to incur expenses related to tools or equipment to be used in classes and medical expenses (e.g., not covered by an insurance plan such as eye care or prescription drugs); while four in ten students also expect to incur costs related to a vehicle (purchase, repairs, or car insurance). Other unrecognized expenses include costs related to an accident or emergency and expenses related to housing maintenance. A minority of students do not expect to incur expenses related to any of the categories provided.

The majority of students feel that expenses related to family care (e.g., child care) should be considered in students' assessment of financial need and the calculation of assistance amounts, and half believe that moving expenses should be considered in the assessment process.

Most students say that federal and provincial government assistance for students is moderately adequate to meet their financial needs. For a minority – 14 per cent – government loans are currently *not* adequate to meet their financial needs (and the average additional amount needed is estimated by respondents to be \$6,388 each year). For students who require additional assistance, these funds would reportedly be used most often to cover books and other education material and food and other basic living expenses. A substantial portion of students also indicate they would use the extra funds to pay for rent/accommodation, transportation and tuition.

The segment of students currently experiencing a shortfall in support typically deals with this shortage by working more than they want/intended, putting off purchases and using their credit card. A substantial portion seeks other sources of borrowing such as from family or friends or from a bank or line of credit. One in three economizes by sharing accommodation and one in four are using their savings or investments to cover the shortfall.

Most students experiencing a financial shortfall attribute this situation to higher than expected expenses and, to a less extent, lower than expected income. On the expenses side, living expenses, tuition/other education expenses and transportation are most often cited as being higher than expected. On the income side, over half indicate that support from government student loans was lower than they expected.

4. ADEQUACY OF GRANTS TO ADDRESS NEEDS

Grants (Canada Study Grants (CSGs) and Canada Access Grants (CAG)) mainly have two objectives: 1) to increase access to PSE in a particular group by reducing the price of education; and 2) reduce debt load to prevent excessive debt burden. This chapter examines borrowers' opinion about the extent to which existing grants adequately address their unique needs (including current access to grants and amounts, satisfaction with the timing of learning about their receipt of their grant), as well as how the availability of grants (and different potential scenarios for the timing of receipt of grants and proportionate share of grants compared to loans) might affect students' education-related decisions. Support for targeting of grants to specific student groups is also explored.

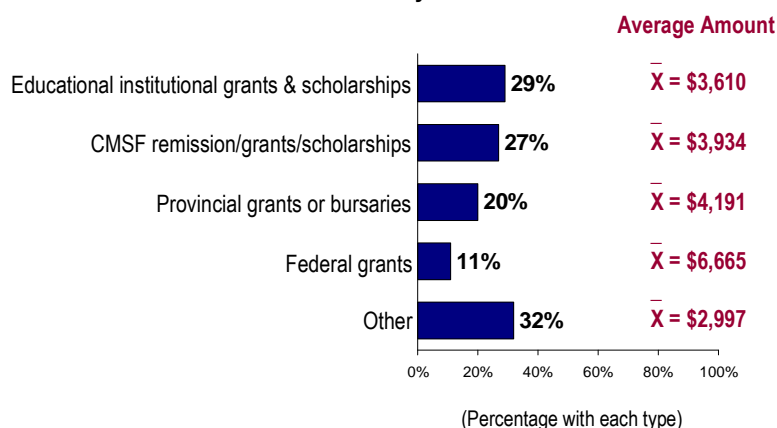
4.1 INCIDENCE AND AMOUNT OF GRANT

Three in ten students report having received educational institutional grants and scholarships (29 per cent), or Canada Millennium Scholarship Foundation (CMSF) grants or scholarships (27 per cent), while two in ten have received provincial grants or bursaries, and one in ten have received federal grants over the course of their post-secondary education. One in three (32 per cent) have received scholarships or bursaries from other sources over the course of their post-secondary education. Considering all grants, two in three borrowers (65 per cent) have obtained a grant of some type.

On average, students have received the largest amount from federal grants (recipients of federal grants received \$6,665 on average), followed by recipients of provincial grants or bursaries (who report receiving \$4,191 on average). On average, recipients of CMSF grants or scholarships received \$3,934, and recipients of institutional grants and scholarships received \$3,610, while recipients of scholarships and bursaries from other sources received less on average (\$2,997).

Incidence and Amounts

“Over the course of your post-secondary education, have you received any ...?”



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n=3973

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Tables 5 and 6 (see pages 16 – 17) provide a breakdown of the proportion of students who received grants and bursaries from each source, and the total mean amount received from all sources, by pertinent background variables.

- Students in Saskatchewan, Ontario and Newfoundland are less apt than others across the country to report having received a federal grant during the course of their post-secondary education than students from other provinces. Students in Saskatchewan and Ontario are more likely than most to report receiving a CMSF grant or bursary. Students from Saskatchewan and Newfoundland are also less likely than others to have received grants or scholarships from an educational institution. Students from Alberta and New Brunswick are more apt to report having received provincial grants. Finally, students from PEI and Nova Scotia are far more likely than average to report receiving grants or bursaries from other sources. Students from New Brunswick and Nova Scotia report receiving the highest total amount in grants or bursaries overall compared to students from other provinces.
- Women are more apt than men to report grants or scholarships from an educational institution, or from other sources.
- Students with a disability more often received a federal grant, compared with those who are able-bodied.
- Naturally, independent students report having received higher average amounts in federal, provincial, and CMSF grants or bursaries than those who are dependent on their parents. Independent students are also far more likely to have received CMSF grants or bursaries.

- Given education-related expenses, it is also not surprising that college students received less, on average, from federal or provincial grants or from CMSF grants and bursaries compared to university students. University students are also more often recipients of CMSF grants or bursaries, as well as grants or scholarships from educational institutions, and from any other sources. Students enrolled in private educational programs are less likely than other students to have received provincial grants.
- Students enrolled in Humanities, Sciences or Social Science programs are more apt to have received grants or scholarships from an educational institution than students in other programs of study.
- Graduate students are most likely to have received grants or scholarships from an educational institution (52 per cent), followed by undergraduate students, while college students and students in private schools are least likely to have (16 and 11 per cent, respectively). The same is true of grants or scholarships from other sources. Graduate students also report much higher amounts in total grants or scholarships than other students.
- These linkages to level of schooling are also reflected in age patterns. The youngest students (under 21) report receiving a much lower average amount from federal or provincial grants than older students. Students 22 and younger are also far less likely to have received a CMSF grant or scholarship than older students. The average amount received in grants or scholarships from an educational institution increases with student age (from \$1,839 for those under 21 to \$6,750 for those 30 and older). The overall total average received in grants or bursaries from all sources also increases with the age of the student.
- Naturally, the average amount of federal, provincial grants or CMSF grants received increases with the number of years of support received.
- Students who have moved for their post-secondary education report having received more, on average, in provincial, federal or CMSF grants compared to those who did not have to re-locate. Students who moved for their post-secondary education are more apt to have received grants or scholarships from an educational institution.
- Considering all forms of grants, it is only university students, particularly those enrolled in a science program that stand out prominently. In addition, women report receiving grants somewhat more often, as do those who are 25 to 26 years of age.

Table 8: Proportion of Students Who have Received Grants and Bursaries by Source by Background Variable

	“Over the course of your post-secondary education, have you received any..?”				
	Federal Grants % Received	Provincial Grants % Received	CMSF % Received	Grants & Scholarships from Educ. Institutions % Received	Grants & Scholarships from Other Sources % Received
Overall	11	20	27	29	32
Province					
BC	13	21	20	25	31
Alberta	15	31	28	27	32
Saskatchewan	6	17	36	18	27
Manitoba	19	25	23	29	31
Ontario	9	17	29	32	33
New Brunswick	16	30	23	30	30
PEI	15	21	16	31	46
Nova Scotia	16	20	23	35	41
Newfoundland	5	9	25	16	20
Sex					
Male	13	20	26	24	27
Female	10	21	27	32	35
Age					
<21	11	18	18	30	33
21-22	10	21	18	25	33
23-24	10	21	31	30	34
25-26	9	19	42	31	32
27-29	13	24	38	32	29
30+	13	23	33	28	28
Status					
Dependent	11	20	22	31	35
Independent with child(ren)	16	25	32	20	24
Independent with no children	10	21	34	28	30
Type of Institution					
College	11	21	22	17	27
University	11	21	31	38	38
Private	12	14	18	16	16
Employment Equity Groups					
Aboriginal	15	20	23	20	32
Visible Minority	10	20	26	29	31
Disabled	19	24	28	33	43
None of above	11	20	27	29	32

	“Over the course of your post-secondary education, have you received any..?”				
	Federal Grants % Received	Provincial Grants % Received	CMSF % Received	Grants & Scholarships from Educ. Institutions % Received	Grants & Scholarships from Other Sources % Received
Total Student Debt					
<\$20,000	11	19	16	28	30
\$20,000-\$44,999	11	23	30	31	34
\$45,000+	13	22	38	34	37
Moved For Studies					
Yes	13	22	36	40	10
No	10	20	22	29	29

**Table 9: Mean Amount Received in Grants and Bursaries
from all Sources by Background Variable**

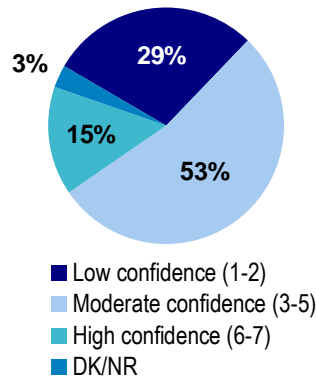
	Mean Total Grants and Bursaries Received from all Sources (\$)
Overall	9,407
Province	
BC	8,736
Alberta	8,857
Saskatchewan	8,982
Manitoba	8,007
Ontario	9,427
New Brunswick	12,184
PEI	10,444
Nova Scotia	11,744
Newfoundland	9,063
Sex	
Male	9,347
Female	9,442
Age	
<21	5,346
21-22	8,424
23-24	10,214
25-26	12,091
27-29	13,679
30+	12,443

	Mean Total Grants and Bursaries Received from all Sources (\$)
Status	
Dependent	7,944
Independent with child(ren)	11,810
Independent with no children	11,533
Type of Institution	
College	6,245
University	10,927
Private	9,247
Employment Equity Groups	
Aboriginal	8,885
Visible Minority	8,984
Disabled	11,978
None of above	9,414
Total Student Debt	
<\$20,000	7,113
\$20,000-\$44,999	9,136
\$45,000+	12,614
Moved For Studies	
Yes	11,722
No	7,887

When asked about the level of confidence they had that they would receive a government grant, only one in seven students said that they were very confident. Another half said that they were moderately confident. Three in ten, however, had little confidence that they would receive the grants that they expected to receive.

Confidence in Receiving Grant

“Before you found out that you would receive the grants, how confident did you feel that you would receive the grant?”



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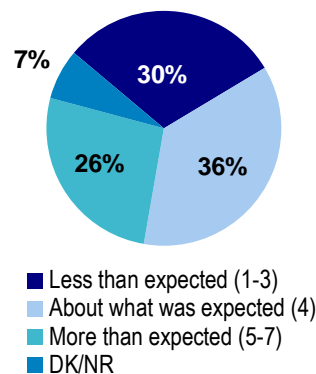
- Students from PEI and Nova Scotia are more likely than others across the country to have felt highly confident that they would receive a grant, while those in Saskatchewan and BC are more likely to have felt little confidence compared with students from other regions.
- Confidence increases with the age of students, presumably because older students have been applying for and receiving grants for longer, giving rise to stronger expectations of being successful.
- Independent students expressed less confidence in the fact that they would receive a grant in comparison to dependent students and others.
- The proportion that expressed little confidence in obtaining a grant increases with the number of years of government support received, with total student debt load, and the number of years they expect to take to repay their debt.
- Students not attending school this term are less apt than those who are attending to report confidence that they would receive a grant.

4.2 IMPACT OF GRANTS RECEIVED

Students who did receive a grant during the course of their post-secondary education were asked how the actual amount of the grant compared with their expectations. The responses are quite evenly distributed with one in three (36 per cent) saying that they received amount the expected amount, slightly fewer (30 per cent) saying that they received less than expected, and one in four (26 per cent) saying that they received more than expected. Another seven per cent did not know (not shown in chart).

Impact of Grants (I)

“Was the total amount you received in grants more or less than you expected before you received it?”



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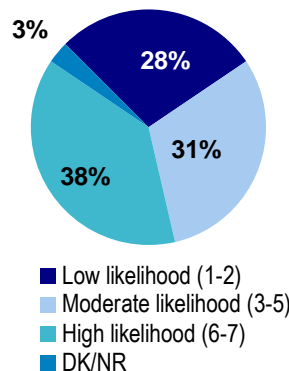
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- Women are more likely than men to have received more than expected. Men are more apt than women to have received the amount that they expected.
- Those studying in Business programs more often received less than expected, while students in the Humanities are more likely than other students to have received more than expected.
- Those who are studying for their first post-secondary degree more often received less than expected, while those pursuing a subsequent degree are more likely than average to have received more than expected.

Grants appear to play a role in the decision to pursue the chosen program of studies for post-secondary students. Roughly one in four students believe that there is little likelihood that they would have pursued their current program of study without funding from government grants (28 per cent). On the other hand, more than one in three (38 per cent) believe that they would have pursued these studies regardless. Those reporting smaller total amounts of grants are more likely to say that they still would have gone to school. Those reporting larger grants, however, are less positive. IN fact, 51 per cent of those reporting more than \$10,000 in grants said that it was not likely that they would have enrolled in their current program.

Impact of Grant (II)

“If you had not received any of the funds that you got from the grants, how likely is it that you would have enrolled in your current program of studies?”



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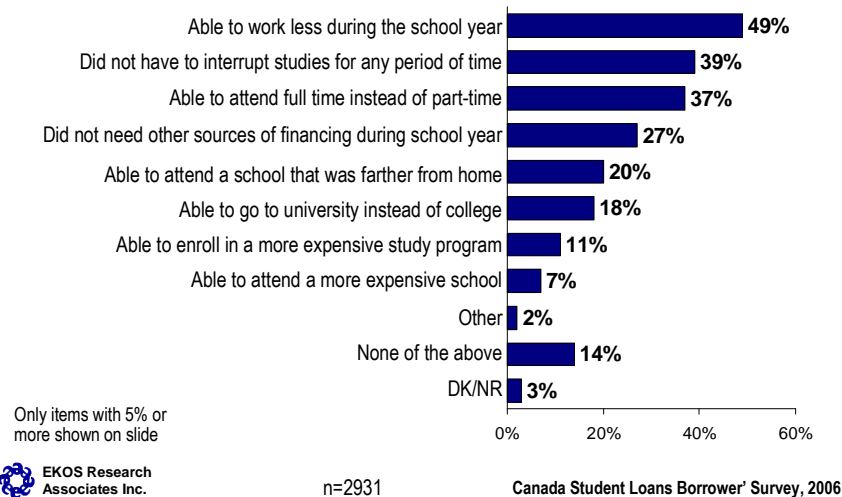
- Students from Saskatchewan and Newfoundland are more likely to indicate that they would have pursued their current studies in the absence of the grants they received, while those from New Brunswick are more inclined to believe that they would not.
- Independent students without children are more apt than others to believe that they would have pursued their studies regardless.
- Students enrolled in private institutions are less inclined than others to have pursued their current program of studies without the grants they received.
- The proportion that would not have been able to pursue their current studies in the absence of grants increases with the number of years they expect it will take to pay off their student debt.
- Students in the first year of their program (and perhaps less invested in their studies) are less likely to indicate that they would have pursued their current program of study, while those in the fourth year of studies or more are more apt to believe they would.

In terms of school-related decisions, the most important reported impact of receiving a grant is that the funds enabled the student to work less during the school year (49 per cent of students reported this impact). For many, a grant allows them to complete their studies more quickly – close to four in ten say that they did not have to interrupt their studies and a similar portion were able to attend full-time instead of part-time. One in four were able to avoid seeking other sources of financing during the school year. For a smaller proportion, receiving a grant affected their choice of institution, either to attend university instead of college (18 per cent) or to attend a school away from home (20 per cent).

There is an obvious, but nonetheless interesting relationship between size of grant and the decisions made. Larger grants are more likely to result in more dramatic decisions, such as attending a more expensive or farther school, going to university instead of college, enrolling in a more expensive program, attending full-time and working less during school and, in the most dramatic case, not interrupting school. Although the percentage of students making these decisions is incrementally higher with the increase in grant amounts, the most prominent point at which decisions begin to shift is at about the \$8,000 grant amount (although for interruption of studies it starts to become noticeable at a higher level; at about \$15,000 to 20,000). These decisions are also more likely among students who say that it would make a real difference to find out about grant decisions earlier in the decision-making process.

Impact of Grants (III)

“What impact did receiving a grant have on your education-related decisions?”



- Men are more likely than women to report several impacts of having received grants, including the ability to enroll in a more expensive program of study and not needing other sources of financing.
- The proportion of students who were able to attend school farther from home or to attend university instead of college because of grants declines with age (e.g., 23 per cent of those

under 21 said that this allowed them to attend farther away from home, compared to 10 per cent of those 30 and over). Mature students (30 or older) are more apt to say that these funds enabled them to study full-time rather than part-time.

- Grant funding is more likely to enable dependent students to study farther from home; while independent students with a child of their own are more apt to be able to study full-time or complete their studies without interruption; and independent students with no children need to work less during school.
- University students are more likely than college and private students to cite a number of impacts, including being able to attend school farther from home, attend university instead of college, work less during school, not requiring other sources of financing, or completing their studies without interruption. Students enrolled in private institutions are more likely to report that grant funds enabled them to attend a more expensive school, or to study full-time rather than part-time.
- Students in the Humanities are more likely than students in other programs to say that grants permitted them to attend university rather than college, to study full-time, and to complete their studies without interruption. Students in the sciences and social sciences are more apt to say that they were able to attend a school farther from home, and Science students are also more likely to report that they needed to work less during school.
- Students in their first year of post-secondary studies are more likely than those who have completed several years of studies to cite a number of impacts, including attending a more expensive school or program, attending university instead of college, and studying full-time rather than part-time.
- Naturally, those who have moved to attend school are far more likely to say that grants enabled them to attend a school farther from home.
- Visible minorities are more likely than others to cite a number of impacts, including attending school full-time rather than part-time, attending a more expensive school or program, working less during the school year, and not requiring other financing sources.

Table 10: Impact of Grants on Education-Related Decisions by Background Variables

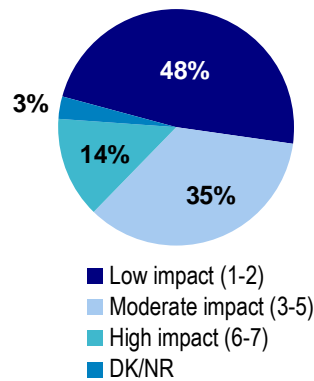
	“What Impact Did receiving a grant have on your education-related decisions?”						
	Work less during school %	No interruption in studies %	Full-time instead of part-time %	No other financing sources %	School farther from home %	University instead of college %	More expensive program %
Overall	49	39	37	27	20	18	11
Sex							
Male	49	41	37	31	18	18	13
Female	48	38	37	25	20	18	9
Age							
<21	47	40	36	30	24	25	12
21-22	50	41	37	29	23	18	11
23-24	51	41	38	27	20	15	10
25-26	52	34	33	26	18	16	9
27-29	46	39	38	24	15	17	11
30+	46	39	43	24	10	13	9
Status							
Dependent	49	40	36	29	23	21	11
Independent with child(ren)	42	41	50	27	8	11	11
Independent with no children	50	37	36	24	16	14	10
Type of Institution							
College	46	36	36	24	15	7	10
University	52	42	37	29	23	25	10
Private	33	36	44	26	15	7	14
Program							
Fine Arts	48	38	41	27	20	19	14
Business	46	35	42	29	17	14	14
Computers/Engineering	49	43	39	31	17	19	10
Education	46	39	36	23	18	18	9
Humanities	47	49	46	24	19	25	7
Law/Medicine	51	42	33	27	19	14	13
Sciences	57	45	37	31	28	20	7
Social Sciences	49	42	40	29	26	21	5
Moved for School							
Yes	52	40	34	28	34	20	10
No	47	39	39	27	10	17	11
Employment Equity Groups							
Aboriginal	39	37	39	28	22	11	11
Visible Minority	53	43	46	33	20	21	16
Disabled	51	42	39	24	22	19	15
None of above	48	38	35	26	19	17	9

4.3 IMPACT OF GRANT TIMING

For most grant recipients, the timing of finding out about their grant has not been problematic or interfered with their education-related decisions. A minority – 14 per cent say that finding out earlier that they were grant recipients and the amount of the grant would have had a significant impact on their decisions. One in three (35 per cent) indicates a moderate impact, and 48 per cent say the impact would have been low.

Impact of Timing of Finding Out About Grant (I)

“If you had found out that you would receive your grant, scholarship, or bursary (and how much it was) earlier than you did, how much of an impact would that have had on your education-related decisions?”



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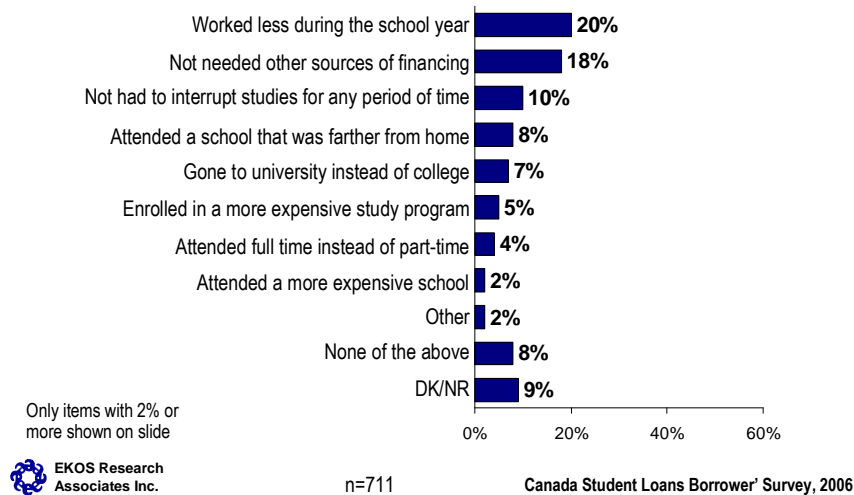
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- Students enrolled in Business Administration or the Fine Arts are more likely than students enrolled in other programs to report a significant impact on their decisions.
- Students with lower debt levels (less than \$20,000) cited little impact more often than others.

The main impacts of learning of a grant or the amount earlier (according to students who say the impact on their decisions would have been at least moderate) are that the student would have worked less during the school year or would not have needed other sources of financing during the school year. One in ten would not have interrupted their studies. A smaller proportion (fewer than one in ten for each response) indicate that learning of their grant earlier than they did would have had an impact on their choice of institution (e.g., gone to university instead of college, attended a school farther from home, enrolled in a more expensive program or school). Students indicating that the timing would have a high impact are more apt to report that the impact might be going to university instead of college or not interrupting their schooling, providing some solid context for “what high impact” means (at least to some students).

Impact of Timing of Finding Out About Grant (II)

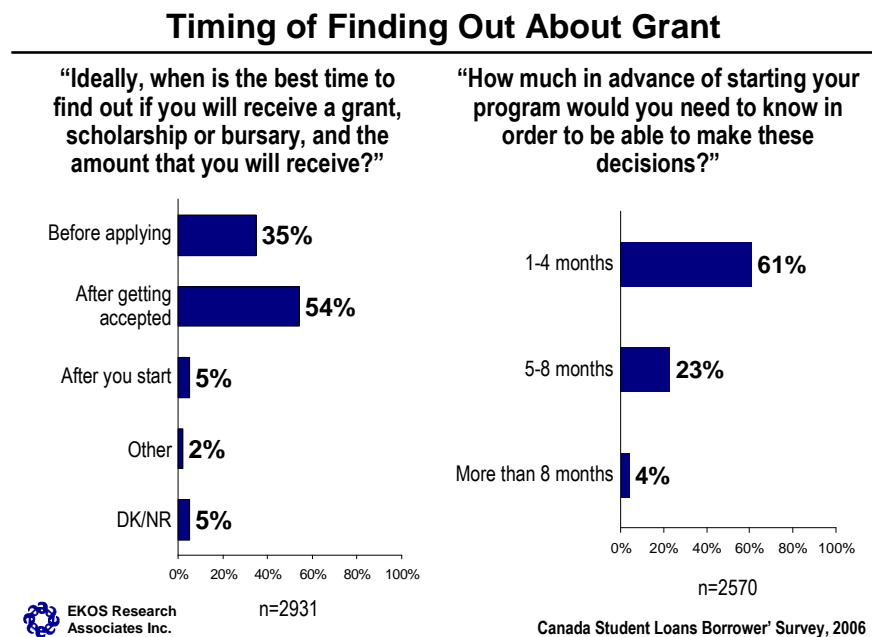
“What would the main impact of finding out earlier have been?”



- Women are more likely than men to say that the main impact would have been to make other sources of financing unnecessary.
- Independent students without children, and those aged 25 to 26, are more apt than other students to cite the need to work less during the school year as the primary impact of finding out earlier.
- College students are more likely than others to say that finding out earlier would have enabled them to attend university instead of college.
- The number of students who say that the primary impact would be a need to work less during the school year increases with the number of years of government support received, and with the number of years they have completed in their program of studies.

Most students (54 per cent) believe that the ideal time to learn if they will receive a grant, scholarship or bursary, and the amount they will receive, is after being accepted into the program. On the other hand one-third believe that it would be best to obtain this information before even applying to a program of studies. This corresponds to the number of students who indicate that obtaining this information earlier would have a significant impact upon their education decisions, further reinforcing the idea that for some this knowledge may affect the program or institution they apply to. Those students indicating that the timing would have a high impact are more apt to have suggested that the decision come before they apply for school.

Six in ten students prefer to find out if they have received a grant, scholarship or bursary, and the amount they will receive, one to four months before starting their program of studies, and another 23 per cent would prefer to find out five to eight months in advance. A small minority would prefer even more advance notice (more than eight months before starting their program).

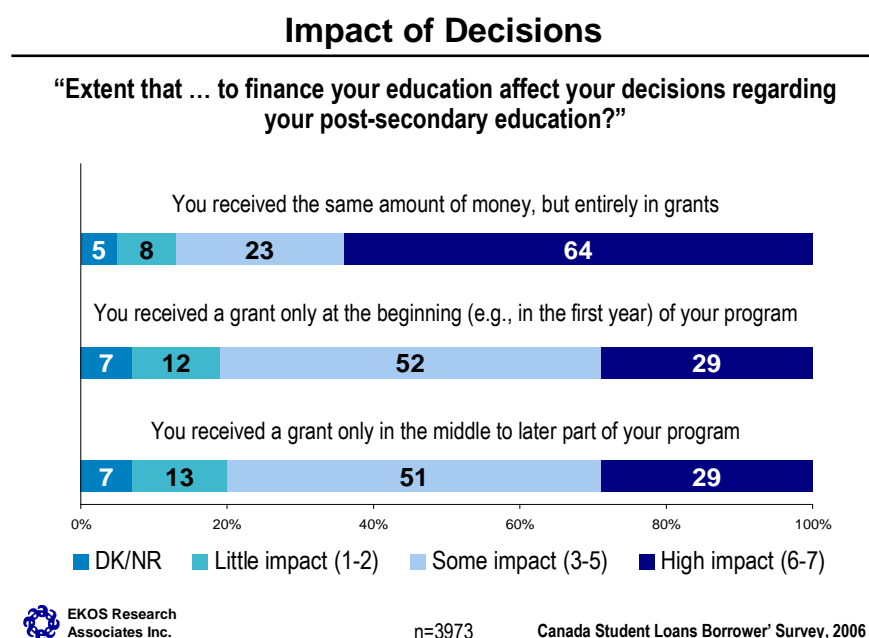


- Men are more likely than women to want to find out before even applying to a program of studies.
- Students who have received less than two years of government support, and those in their first year of studies are more apt to prefer obtaining this information before applying. Similarly, those with low levels of student debt are more likely than students with more debt to prefer obtaining this information before applying.
- Students who are currently attending school are somewhat more apt than those who are not to prefer receiving this information after being accepted into their program.

- Students who have not moved for their studies are more likely than those who did move to prefer finding out before even applying. Among those who wish to find out in advance, however, students who moved typically prefer more notice (five to eight months before starting their program), compared to those who did not move (who are more often content with only one to four months notice).

4.4 POTENTIAL IMPACTS: TYPE OF FUNDING, TIMING AND AMOUNTS

Receiving 100 per cent of all student-financing in the form of grants (without any loans) would have a significant impact on the education-related decisions of most post-secondary students, with two in three saying that it would have a high impact. The timing of grants received, however, has significance for fewer students in terms of education-related decisions, as only three in ten say that receiving a grant only at the beginning or the middle of their program would have a significant impact.



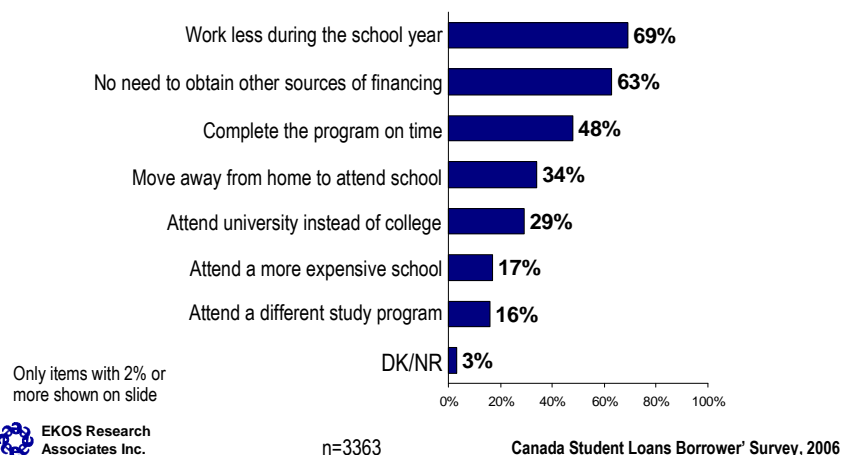
- Women are more likely than men to say that receiving 100 per cent of their funding in grants (without any loans), or receiving a grant only at the beginning of their program would have a significant impact on their decisions.
- The impact of receiving grants only (and no loans), or receiving a grant only in the middle to later part of their program increases with student age.

- Related to age, the impact of receiving only grants (and no loans) or receiving a grant only in the middle to later part of their program also increases with the number of years of post-secondary study, the number of years of government support received, total student debt and the number of years expected to pay off this debt.
- Similarly, independent students are more apt than their younger counterparts to indicate that receiving only grants (and no loans) would have a significant impact on decisions.
- Students enrolled in private institutions are less likely than college or university students to report a significant impact of grants only.
- Students enrolled in education, the Humanities, and social sciences are more likely than those enrolled in other programs to indicate that receiving only grants (and no loans) would have a significant impact.
- Grant recipients more often report a significant impact compared with non-recipients.
- Students who plan to pursue more education at a later date are more likely than others to indicate that receiving only grants (and no loans) would have a significant impact.

Among the students who indicated that receiving 100 per cent grants would have an impact on their education, most say that they would work less during the school year (69 per cent), and would have less need to turn to alternative sources of financing during their studies had they received grants only (63 per cent). Half of the students said that receiving all grants would permit them to complete their program of studies on time, another one-third said that this would have enabled them to move away from home to attend school, and three in ten would have attended university rather than college.

Impact of 100% Grants

“What would be the main impact of receiving the same amount of money, but entirely in (non-repayable) grants (and no loans) to finance your education?”



- The proportion of students who indicate that the main impact would be to move away for school or attend a more expensive school declines with age, while the proportion that would complete their program on time increases with the age of the student.
- Similarly, independent students are more likely than others to say that this would enable them to complete their studies on time; independent students with children would also be more apt to select a different program of studies; and independent students without children are also more apt to work less during school. Dependent students are more apt than independent students to move away for school.
- University students would be more likely to work less during school if they received grants only, while college and private students would be more apt to select a different program of study or attend university instead.
- Students who have not received grants are more likely than those who have to identify a number of impacts, including completing their program on time, moving away to attend school, attending university instead, or selecting a different program of study.
- Students who are a member of a visible minority are more likely than others to identify a number of impacts, including completing their program on time, moving away to attend school, and working less during school. Students from all employment equity groups (Aboriginal students, visible minorities, and those with permanent disabilities) are more apt to indicate that receiving only grants would permit them to select a different program of study.

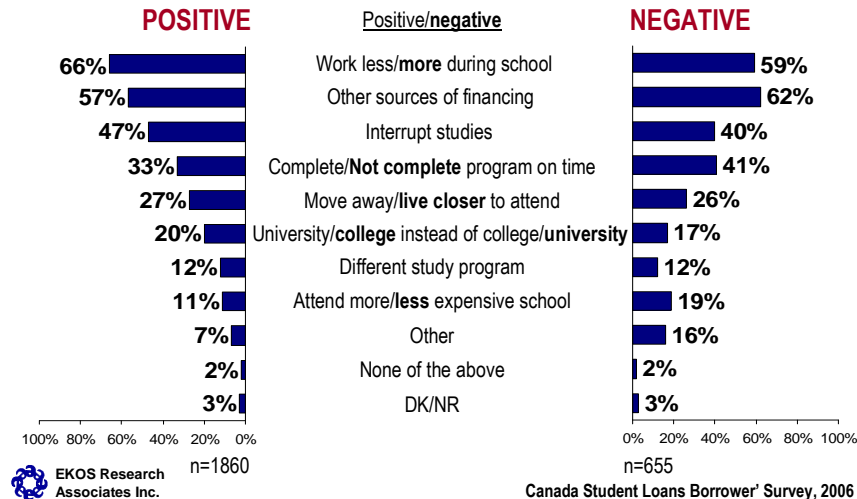
Students who indicated that receiving a grant only in the beginning of their program of studies would affect their decisions were asked to indicate whether this impact would be positive or negative. Close to two-thirds (64 per cent) report a positive impact. Only 22 per cent identify a negative impact.

The primary positive impacts for students of receiving a grant only in the beginning of their program of studies include being able to work less during school (66 per cent), following by the elimination of the need for alternative sources of financing (57 per cent), or the ability to complete their studies uninterrupted (47 per cent). One-third or less identify the ability to complete their studies on time, the ability to move away to attend school, or attending university instead of college as the primary positive benefits.

On the other hand, over half the students surveyed who indicate that receiving a grant only at the outset of their program would have a negative impact on decisions believe that this would require them to find alternative sources of financing (62 per cent), or to work **more** during school (59 per cent). Four in ten believe that this would require them to interrupt their studies, or would make it impossible to complete their program on time. A minority identify other negative impacts, including having to live closer to home to attend school (26 per cent), attending college instead of university (17 per cent), having to attend a less expensive school (19 per cent), or select a different program of studies (12 per cent).

Main Impact of Early Grant

“What would the main positive/negative impact be from only receiving a (non-repayable) grant in the beginning (e.g., in the first year) of your program?”



- Men are more apt than women to identify a number of positive impacts associated with an early grant, including completing on-time, attending a more expensive school, attending university instead of college, and avoiding any interruption in studies. Women are more likely to identify the negative impacts of having to work more during school and finding other sources of financing.
- Consistent with the impact of receiving grants only (and no loans), the proportion identifying moving away as a positive impact declines with age.
- Students enrolled in private institutions are more apt to identify the ability to choose a different program of study as a positive impact of an early grant, while university students are more likely than others to cite being able to move away to attend school.
- Those who have not received any grants are more likely than grant recipients to identify several positive impacts of an early grant, including completing their program on time, attending university instead, and completing their studies without interruption.
- Those who plan to obtain further education later are more apt than others to cite a number of positive impacts, including attending a more expensive school, attending university instead of college, and moving away to attend school.
- Students who are members of a visible minority group are more likely than others to cite a number of positive impacts of an early grant, including completing their program on time, attending a more expensive school, attending university instead of college, working less during school, and completing their studies without interruption.

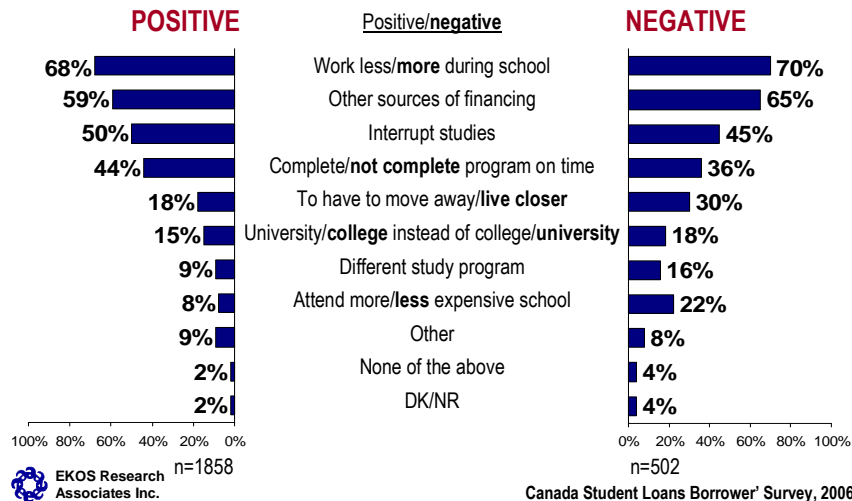
Students who indicated that receiving a grant only in the middle to later part of their program of studies would affect their decisions were asked to indicate whether this impact would be positive or negative. As with receiving a grant early in their program, close to two-thirds (63 per cent) indicate that the impact would be positive, while only two in ten identify a negative impact.

The primary positive impacts for students of receiving a grant only in the middle to later part of their program of studies include being able to work less during school (68 per cent), followed by the elimination of the need for alternative sources of financing (59 per cent), or the ability to complete their studies uninterrupted (50 per cent), or the ability to complete their studies on time (44 per cent). Less than two in ten identify the ability to move away to attend school, attending university instead of college, selecting a different program of study, or attending a more expensive school as the primary positive benefits.

On the other hand, most students surveyed who indicate that receiving a grant only in the middle to later part of their program would have a negative impact believe that this would require them to work **more** during school (70 per cent) or to find alternative sources of financing (65 per cent). A total of 45 per cent believe that this would require them to interrupt their studies, while over one-third feel that this would make it impossible to complete their program on time, and three in ten believe that they would have to live closer to home to attend school. A minority identify other negative impacts, including having to attend a less expensive school (22 per cent), attending college instead of university (18 per cent), or select a different program of studies (16 per cent).

Main Impact of Later Grant

“What would the main positive/negative impact be from only receiving a (non-repayable) grant in the middle to later part of your program?”

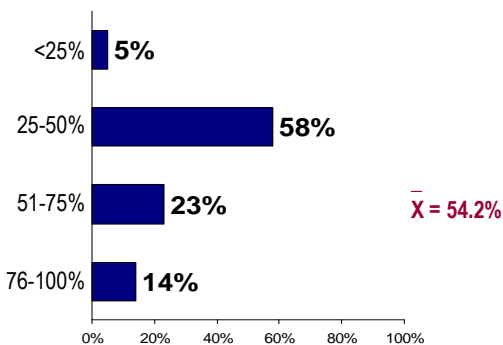


- Independent students with children are more apt than other students to associate negative impacts with a later grant.
- Students enrolled in private institutions are more apt to identify attending a more expensive school, attending university instead of college, and selecting a different study program as positive impacts of a later grant.
- As with early grants, students who have not received any grants are more apt than grant recipients to associate a range of positive impacts with a later grant.
- Students in their first year of studies are more apt than those in subsequent years to cite the ability to attend university instead of college as a positive impact of a later grant.
- As with an early grant, those who plan to obtain further education later are more apt than others to cite a number of positive impacts of a later grant.

Most students (58 per cent) believe that grants would have to represent between one-quarter and one-half of their total government (federal and provincial) assistance in order to have a significant impact on education-related or financing decisions for their post-secondary studies. For over one-third, grants would have to represent more than half of their total government assistance before influencing their decisions.

Proportion of Assistance as Grant to Influence Decisions

“What proportion of your current federal and provincial government assistance would have to be (non-repayable) grants in order to have a significant impact on your education-related decisions or the financing decisions for this education?”



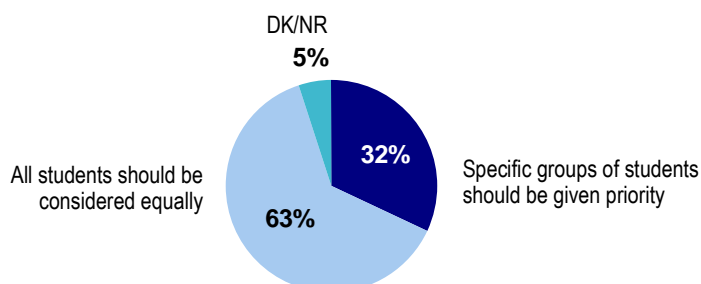
- Women typically require the grant to represent a larger share of their total assistance before affecting their decisions, compared with men.
- Independent students with children are more likely than other students to indicate that grants would have to represent three-quarters or more of their total governmental assistance before influencing their decisions.

4.5 SUPPORT FOR SPECIFIC STUDENT GROUPS

A majority of borrowers (63 per cent) believe that all students should be considered equally for government student grants, although a sizeable proportion of students (roughly three in ten) believe that specific groups of students should be given priority for financial grants.

Support for Priorities (I)

“Which one is closer to your own point of view?”



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n=3973

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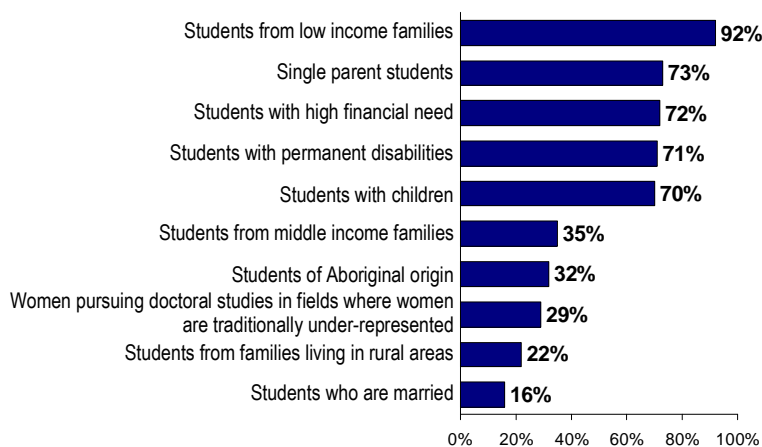
- Students from New Brunswick and Newfoundland are more apt than those from other provinces to believe that all students should be considered equally.
- Independent students with children, and students who have received grants, are more apt than other students to believe that specific groups of students should be given priority.
- Employment equity groups (Aboriginal students, visible minorities and those with disabilities – all groups who could be expected to benefit from special consideration) are more apt than others to agree that specific student groups should be given priority for grants.

- The proportion of students who believe that specific groups should be given priority for government grants increases with the level of total student debt, and the number of years they expect it will take to repay this debt.

Students who believe that specific groups should be given priority consideration (32 per cent of respondents) in the allocation of government student grants most often identify students from low income families as a target group which should be given priority consideration (92 per cent identify this group as worthy of special consideration), followed by students who are single parents (73 per cent), students with high financial need (72 per cent), students with permanent disabilities (71 per cent), and students with children (70 per cent). Just over one-third identifies students from middle-income families as a high priority group (35 per cent). Roughly three in ten support Aboriginal students (32 per cent), or women pursuing doctoral studies in fields where women have traditionally been under-represented (29 per cent) as target groups for grants. Rural students or married students are viewed as groups that should be given slightly less priority consideration for grants.

Support for Grant Priorities (II)

“Which of the following groups should be considered the highest priority(ies)?”



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Associates Inc.

n=1258

Canada Student Loans Borrower Survey, 2006

- Women are more likely than men to believe that several groups should be given priority consideration for grants, including students with children, those in high financial need, single parents, and women pursuing doctoral studies in fields where women are traditionally under-represented.
- Mature students (30 and older) are also more likely than their younger counterparts to believe that several groups should be given priority consideration for grants, including students with children, married students, rural students, students with permanent disabilities, Aboriginal students, single parents, and women pursuing doctoral studies in fields where women are traditionally under-represented.
- Independent students with children are more apt than others to identify married students, students with children, single parents, and women pursuing doctoral studies in fields where women are traditionally under-represented as groups worthy of special consideration for grants.
- Humanities students are more likely than students in other programs of study to believe that several groups should be given priority consideration for grants, including students from low and middle income families, students in high financial need, students with permanent disabilities, Aboriginal students, and rural students. Social Sciences students are also more likely to identify Aboriginal students and students with permanent disabilities as groups deserving special consideration for government grants.
- Graduate students are more likely than others to believe that Aboriginal students and women pursuing doctoral studies in fields where women are traditionally under-represented to be groups that should receive special consideration for government grants.
- Students who are a member of a visible minority are more likely than others to identify a number of groups as worthy of special consideration for government grants, including married students, students with permanent disabilities, rural students and Aboriginal students. Naturally, Aboriginal students are more likely to identify themselves as a student group that should receive special consideration. The same is true of students with permanent disabilities.

4.6 CHAPTER SUMMARY

Three in ten students report having received educational institutional grants and scholarships, or Canada Millennium Scholarship Foundation (CNSF) grants or scholarships, while two in ten have received provincial grants or bursaries, and one in ten have received federal grants over the course of their post-secondary education. One in three have received scholarships or bursaries from other sources over the course of their post-secondary education. Considering all grants, two in three borrowers (65 per cent) have obtained a grant of some type. On average, students have received the largest amount from federal grants (recipients of federal grants received \$6,665 on average), followed by recipients of provincial grants

or bursaries (who report receiving \$4,191 on average), while recipients of CMSF grants or scholarships, institutional grants and scholarships, and other scholarships or bursaries received less on average.

Most students had moderate or little confidence that they would actually receive a government grant. Students are fairly evenly divided in terms of their opinion as to whether the amount of grant they received compared with their expectations: one in three received what they expected, three in ten received less than expected, and one quarter received more than expected.

Grants appear to play a role in the decision to pursue the chosen program of studies for post-secondary students: a small majority of students indicate that there is little or moderate likelihood that they would have pursued their current program of study without funding from government grants, while just over one in three would have pursued these studies regardless. Furthermore, in terms of impact on school-related decisions, grant funds are most apt to enable students to work less during the school year (cited as an impact by half), followed by the ability to complete studies uninterrupted, and attending school full-time rather than part-time.

Most students believe that grants would have to represent between one-quarter and one-half of their total government (federal and provincial) assistance in order to have a significant impact on education-related or financing decisions for their post-secondary studies. For over one-third, grants would have to represent more than half of their total government assistance before influencing their decisions.

For most grant recipients, the timing of finding out about their grant has not been problematic or interfered with their education-related decisions: roughly half indicate that finding out about their grant earlier would have had little impact on their school-related decisions, and a minority indicate it would have had a high impact. Those who indicate that learning of the grant earlier would have had a moderate or significant impact on their decisions are more apt to state that their main impact would have been the need to work less during the school year, or would not have had to seek out alternative financing sources. A small majority of students believe that the ideal time to learn if they will receive a grant (and the amount they will receive) is after being accepted into the program, while one in three would prefer to know before even applying to their program of studies.

Receiving 100 per cent of all student financing in the form of grants (without any loans) would have a significant impact on the education-related decisions of most post-secondary students. Most students indicate that the main impact of receiving all student financing in the form of grants would be to reduce the need to work during the school year or to find alternate sources of financing, followed by making it easier to complete their program on time.

The timing of grants received, however, has significance for fewer students in terms of education-related decisions, as only three in ten say that receiving a grant only at the beginning or the middle of their program would have a significant impact. Most (close to two-thirds) indicate that an early grant would have a positive impact on their decisions, while two in ten identify a negative impact. The

primary impacts of an early grant (positive or negative) are on the extent to which students need to work during the school year, require additional financing sources, and can complete their studies uninterrupted.

As with receiving a grant early in their program, close to two-thirds of students who indicated that receiving a grant only in the middle to later part of their program would affect their decisions indicate that the impact would be positive, while only two in ten identify a negative impact. Again, the primary impacts for students of receiving a grant only in the middle to later part of their program of studies include working more/ less during school, the need for (or elimination of the need for) alternative sources of financing, and completing studies uninterrupted/with interruption.

A majority of borrowers believe that all students should be considered equally for government student grants, although a sizeable proportion of students (roughly three in ten) believe that specific groups of students should be given priority for financial grants. Students who believe that specific groups should be given priority consideration in the allocation of government student grants most often identify students from low income families as a target group which should be given priority consideration, followed by students who are single parents, students with high financial need, students with permanent disabilities, and students with children.

5. EXPECTATIONS OF PARENTAL, INDIVIDUAL AND GOVERNMENT CONTRIBUTION

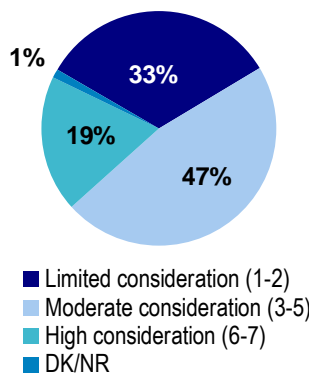
Both students and their parents are expected to contribute financially to the students' PSE. Factors such as income (pre-study and in-study period), assets, other resources and student category – dependent or independent - are used in a CSLP formula to calculate the expected student and parental contributions. This chapter examines students' views about whether there should be an expectation of parental contribution, the degree of financial responsibility of individuals, parents and government in supporting students through post-secondary education and the types of determining or mitigating factors in allocating responsibility.

5.1 ALLOCATION OF FINANCIAL RESPONSIBILITY

Just under half the students surveyed (47 per cent) believe that the ability of a student's parents to financially support their child during post-secondary education should be of moderate importance or consideration in determining the total amount of government loans and grants that a student is eligible to receive. A sizeable minority (one-third) believe that this should be of limited importance or consideration, and relatively few (19 per cent) think that it should be a strong consideration.

Impact of Parental Income on Government Assistance

“In determining how much government loans and grants an individual student would be eligible to receive, how much consideration do you think should be given to the ability of the student’s parents to financially support their child during post secondary education?”



 EKOS Research Associates Inc.

n=3965

Canada Student Loans Borrower Survey, 2006

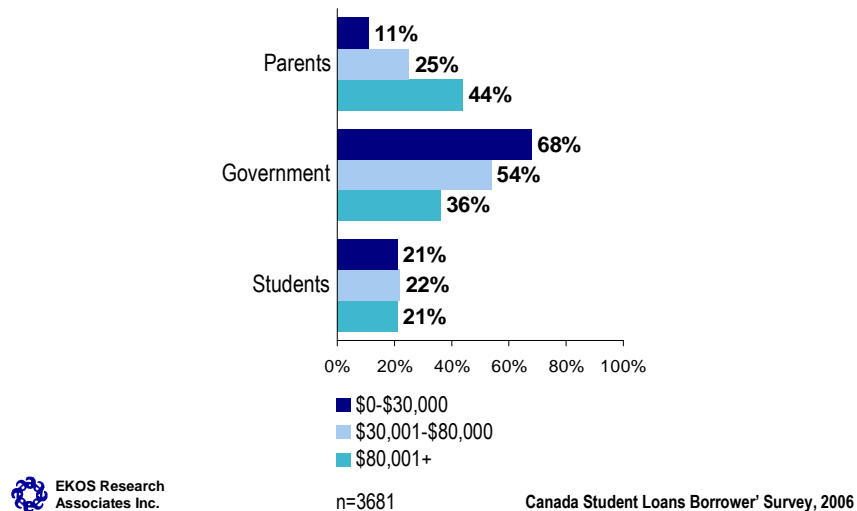
- Students in Saskatchewan, New Brunswick, and Newfoundland and Labrador are more likely than those in other regions to think that the ability of the student’s parents to provide financial support during their child’s post-secondary education should be of little importance, while those in Ontario are more likely than others to say that this should play a strong consideration in determining grant and loan levels from the government.
- Those under the age of 21 are more apt than older students to say that the financial situation of parents should be given high consideration when determining government loan and grant amounts. Those between the ages of 27 and 29, (and to a slightly lesser extent those between the ages of 23-26) and independent students with no children are more likely to say that the financial ability of parents to support a student should be given little consideration.
- University students, those who have had government financial support for less than two years, and those who have borrowed between three and eight thousand dollars this year alone in government loans are more likely than others to say that the ability of the student’s parents to provide financial support should be given a great amount of consideration. This is also more likely to be true of students who already have a degree, current students, first-year students, and visible minorities.
- Because the view that the financial situation of parents should have little bearing on the amount of government loans received by a student increases with age, it is also linked to years of government support, amount of debt and expected years to pay it off. Students with at least four years of government financial support, those who expect their loan to take at least ten years to pay off, those who are studying towards a second degree, and those no longer in school all typically place less emphasis on the importance of parents’ financial status.

To assess the relative expected financial responsibility among government, parents and students themselves (average portion of costs of PSE allocated to each one), respondents were offered three different scenarios based on a student who is 22 years or younger, with annual parental household income in the following categories: under \$30,000, \$30,000 to \$80,000 and \$80,000 and over. Students clearly consider parental household income to be a key factor in assessing parental financial responsibility for their children's PSE (for those 22 years and younger). For example, where parental household income is \$30,000 or less, respondents indicate that parents should bear, on average, 11 per cent of the costs of PSE for their child. In contrast, in the highest income category (\$80,000 and over), parents are allocated responsibility for 44 per cent of the cost of their child's university or college education.

In instances where parental household income is low, government (not students themselves) is identified as bearing a correspondingly greater portion of the costs of post-secondary education. The proportionate government share of the cost of education increases from 36 per cent (parental household income \$80,000 and over) to 68 per cent (annual parental household income less than \$30,000).

Students themselves are allocated a stable share of the cost of education, regardless of the income of their parents – about 21 per cent across the different financial scenarios.

Distribution of Financial Responsibility



- As shown in the overall picture of financial responsibility allocated to the three, the sub-groups advocating less responsibility to parents shift that responsibility to governments (so the patterns are the same, but reversed). Those in Ontario allocate more responsibility to parents (and less to government) than other students across the country. Those in Nova Scotia, Newfoundland and Prince Edward Island assign the least share to parents (and most to government) relative to students in other provinces.

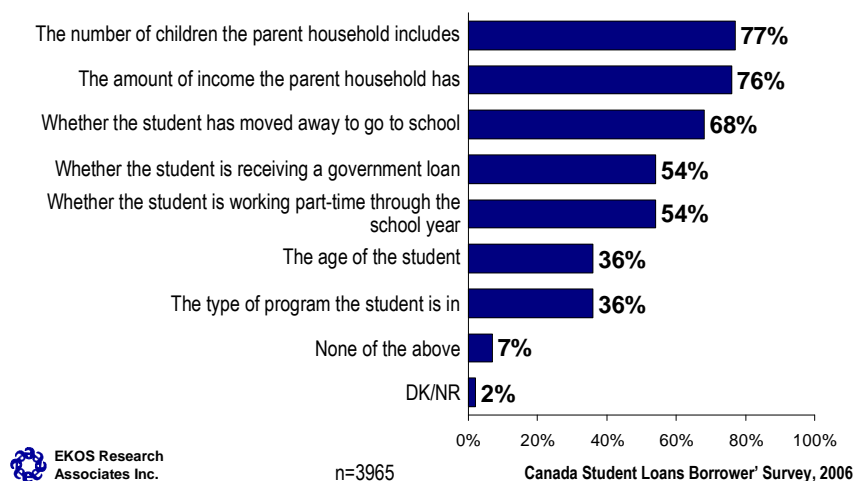
- The assignment of responsibility to parents naturally shifts with age, such that younger students have a greater reliance on parents to support them financially than older students. Conversely the role of government takes on increasing proportions in each age cohort of students.
- Related to age, there are a number of other patterns that follow along, including by type of institution, with college students (particularly those in community colleges) assigning more responsibility to parents than university students do (and therefore greater assignment of responsibility is given to government among university students).
- Other patterns related to age (and almost exclusively driven by age) include the years of government support that a student has received, how much they are drawing in support, whether they have received grants, their total expected debt and anticipated years to pay it off, whether they are pursuing a first or second (or third) degree, and what year of their program they are in.
 - ◇ Further analysis examined more closely the patterns of years of government support, total expected debt, whether the student is pursuing a first or other degrees and the year of the program. In terms of assignment of responsibility to parents, most of these relationships disappear within individual age cohorts, indicating that the only real driver of differences are related to age. Total debt is the only clear case of a relationship that is independent of age (and this is only in younger students; under 25, and in the lower income scenario of parents making under \$30,000).
 - ◇ In terms of assignment of responsibility to governments, again the only relationship that stands independent of age is total debt. The higher the debt that students expect the more responsibility they assign to government to help shoulder the burden, regardless of how old the student is (i.e., among 21-22 year old students the student expecting the larger debt will assign more responsibility to government and the same is true of two students who are 25 to 26, who may be later in their post-secondary education).
- Students who have moved also assign less responsibility to parents (and therefore, more to government) compared with those who have not moved.
- Students who are a member of a visible minority more often assign a larger role to parents (compared with what other students assign to parents) and less to government.
- Assignment of responsibility to students is somewhat different in terms of sub-group patterns. Those in Manitoba typically give themselves the largest share of responsibility (relative to what other students take on). Students in Prince Edward Island and Newfoundland assign themselves the least responsibility.

- Independent students with children also assign themselves less responsibility than other independent (or dependent) students.
- Those who have received grants take more of the responsibility than those who have not received grants.
- Students who are expecting larger amounts of debt, those who are further along in their program and those who expect to pursue additional education after their current program typically assign themselves less financial responsibility than their counterparts.

While parent household income is a key factor in determining the extent of the parental contribution to supporting children during PSE, students also indicate a number of other important issues in assessing parental responsibility. Three-quarters of students indicate the number of children in the parental household as an important factor in determining how much financial responsibility parents should have in supporting their children – a similar proportion as indicated the amount of income as an important factor. A second tier of factors include whether the student has moved away to go to school, whether the student is receiving a government loan and whether the student is working during the school year – selected by one half to two-thirds of students. Interestingly, the age of the student was selected as an important factor by only one-third of students, and a similar proportion identified the type of program as an important factor in determining parental financial responsibility for the costs of PSE.

Factors in Determining Parental Responsibility

“Which of the following factors are important in determining how much financial responsibility parents should have in supporting their children while they are attending post secondary, if the student is 22 or younger?”

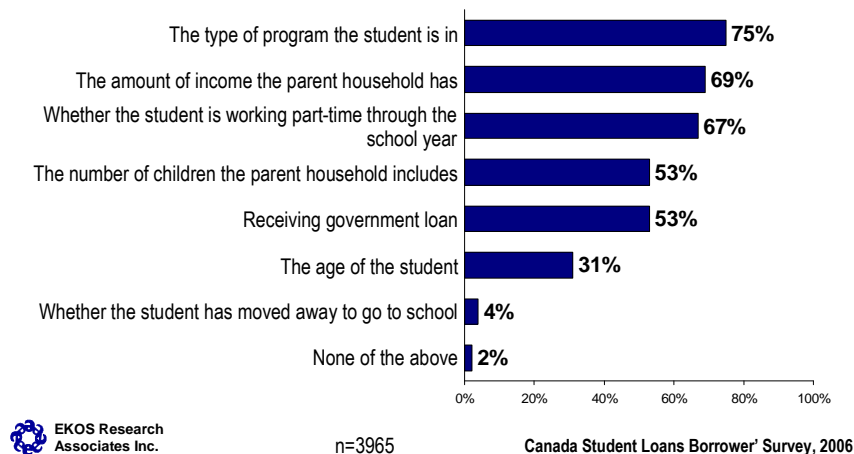


- Students in British Columbia are less apt to suggest that a range of factors would determine parental financial responsibility, including receipt of government loans, working part-time, the number of children in the parents home and whether a move is required to attend school. Ontario students are more likely than average to suggest a range of these mitigating factors, such as government loans, working part-time, parents income, number of children, type of program and a required move. New Brunswick students are less apt to suggest that part-time work or parental income as factors.
- Women are more apt than men to suggest part-time work and number of parents' children as mitigating factors, while men more often focus on the type of program than women do.
- The youngest students (under 21) are more likely to believe that a range of factors determine parents' responsibility, including receipt of government loans, working part-time, parental income, the number of children in the parents home and a required move to attend school. Older students (23 and above) are less likely than their younger counterparts to suggest that government loans, part-time work and parental income make a difference.
- There are also some differences based on type of school attended. Community college students more often focus on the age of the student, receipt of government loans and working part-time than other students. Age of the student is also more of an issue for private college students. Parental income and the number of children in the parent's home are a focus for larger proportions of university students.
- Related to the previous pattern, students with fewer years of government support, a smaller expected debt load and fewer anticipated years to repay the loan are more apt to say that receipt of government loans and working part time are mitigating factors in parental responsibility. Similarly those who are working on a second or third degree, as well as those awarded grants are more apt to say that parental income and type of program are an issue (as are a required move and part-time work for those working toward a second or third degree).
- In particular, Computer and Engineering students stand out as more likely to suggest that a strong driver be the type of program (compared with students enrolled in other types of programs).
- Finally, for every item, except for the age of the student, when it comes to parental financial responsibility, those who identify as a visible minority and those from Ontario are both more likely than others to believe it is important. This is also true of Students under the age of 21 and those who have completed a prior degree (with the exception of the type of program; these two groups are no more likely than their counterparts to believe this to be an important factor).

In a similar question, students were asked to indicate the factors important in determining how much financial responsibility government should have in supporting students while they are attending post-secondary education. Three out of four students named the type of program the student is in as a critical determining factor; whether the student is working part-time is a determining factor for two out of three students; and conditions in the parental household – income and number of children – are important for about half to two-thirds of students. Again, the age of the student is at the bottom of the list of factors – selected by three in ten students.

Factors in Determining Government Responsibility

“Which of the following factors are important in determining how much financial responsibility governments should have in supporting students while they are attending post secondary education?”



- Ontario students are more likely than anyone else to suggest part-time work and parental income as mitigating factors in determining government loans.
- The youngest students (under 21) are more likely than older students to suggest that parental income and part-time work are an issue. These are also more likely to be suggested by those studying in sciences, those awarded grants and students who are working toward a second or third degree (who are also more likely to see a required move as a mitigating factor), compared with other students.
- Whether the financial responsibility of governments for supporting students while they are attending post-secondary education should also take into account the number of children in the parent's household is more likely to be an important factor among those who are male, who are studying Computer Science or Engineering, as well as those studying in Law or Medicine, students who are currently working towards their second or third degree, and for those who identify as visible minorities.

- The age of the student is more of a mitigating factor for private college students and those who are independent with children. Parental income, on the other hand, is more of a mitigating factor for dependent students (compared with independent students).

5.2 CHAPTER SUMMARY

Just under half the students surveyed believe that the ability of a student's parents to financially support their child during post-secondary education should be of moderate importance or consideration in determining the total amount of government loans and grants that a student is eligible to receive. A sizeable minority (one-third) believe that this should be of limited importance or consideration, and relatively few think that it should be a strong consideration.

Students clearly consider parental household income to be a key factor in assessing parental financial responsibility for their children's PSE (for those 22 years and younger), and the proportion of PSE costs respondents believe parents should bear increases significantly with the household income of the parent. In instances where parental household income is low, government (not students themselves) is identified as bearing a correspondingly greater portion of the costs of post-secondary education. Students themselves are allocated a stable share of the cost of education by respondents, regardless of the income of their parents – about 21 per cent.

While parent household income is a key factor in determining the extent of the parental contribution to supporting children during PSE, students also indicate a number of other important issues in assessing parental responsibility. Three-quarters of students indicate the number of children in the parental household as an important factor in determining how much financial responsibility parents should have in supporting their children. A second tier of factors include whether the student has moved away to go to school, whether the student is receiving a government loan and whether the student is working during the school year – selected by one half to two-thirds of students. Interestingly, the age of the student was selected as an important factor by only one-third of students, and a similar proportion identified the type of program as an important factor in determining parental financial responsibility for the costs of PSE.

In a similar question, students were asked to indicate the factors important in determining how much financial responsibility government should have in supporting students while they are attending post-secondary education. Three out of four students named the type of program the student is in as a critical determining factor; whether the student is working part-time is a determining factor for two out of three students; and conditions in the parental household – income and number of children – are important for about half to two-thirds of students.

6. CONCERNS ABOUT AND IMPACT OF DEBT

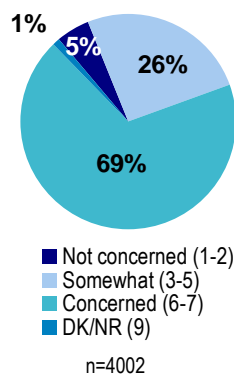
In this chapter students' expectations regarding starting salaries and the anticipated length of the government student debt repayment period are examined. Level of concern about the magnitude of debt that students expect to accumulate, as well as the extent to which this has an impact of school-related decisions (and what those decisions are) are also explored.

6.1 CONCERNS REGARDING DEBT AND IMPACT OF CONCERNS

Most borrowers (69 per cent) are highly concerned about the level of debt they expect to accumulate by the time they graduate from their post-secondary studies, and one-quarter express some concern. Furthermore, half (51 per cent) indicate that concerns regarding this debt have had a significant impact on their decisions regarding their education and an additional four in ten (40 per cent) say that it has had some impact.

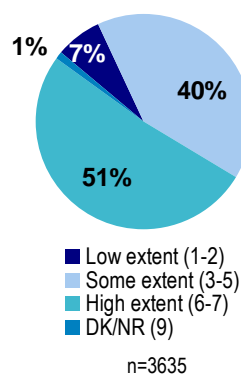
Concern About Debt

"How concerned are you about the amount of debt you expect to incur by the time you graduate?"



EKOS Research
Associates Inc.

"To what extent has concern about the amount of debt you expect to incur been a factor in your decisions about school?"



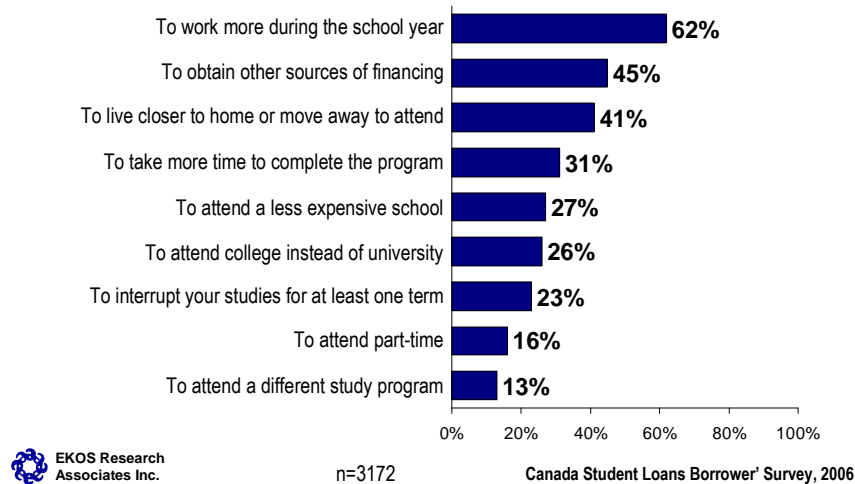
Canada Student Loans Borrower' Survey, 2006

- Students in Newfoundland (who do tend to have larger debt loads) express the most concern about the total debt they expect to incur, while students from PEI, Alberta and Manitoba tend to express somewhat less concern than students from other regions.
- Women express more concern over total student debt loads than do men, and are somewhat more likely to indicate that this concern has had a significant effect on their school-related decisions.
- Students aged 25 to 29 tend to express more concern with total student debt load, while the youngest students (22 and under) are less likely to express high levels of concern. The proportion of students who say that this concern has significantly affected their decisions increases with age.
- Independent students (with children and without) express much more concern with their total student debt level than do dependent students and others (reflecting the fact that they do have higher debt levels on average). Independent students without children are more apt to say that this concern has significantly affected their decisions compared to other students.
- Students enrolled in Business Administration, Computers or Engineering tend to express less concern with debt levels than students in other programs, while Social Sciences students express the most concern. Students in the Humanities are more apt, however, to state that concern has affected their school-related decisions compared to students in other programs.
- Naturally, concern with debt increases with the amount of total debt the student expects to accumulate, the number of years of support received, and the number of years they expect to take to repay their debt. The extent to which concern has significantly affected student decisions also increases with total expected debt and years required to repay this debt.
- Students with private loans express much more concern than do those without such loans.
- Students who expect to pursue further education later also express more concern with their debt load, and are more apt to state that this concern has affected their decisions than students without plans for further education.
- Respondents not currently attending school and part-time students are more apt than others to say that concerns regarding debt affected their decisions to a significant extent.

Students make a number of decisions to minimize the total education debt they incur, or to make their post-secondary education more affordable. The most common approach that students take to minimizing debt is to work more during the school year (taken by 62 per cent of students). Many students also seek out alternative sources of financing (45 per cent), or decide to live at home or close to home (41 per cent). Some students (less than one-third) choose to take more time to complete their studies, attend a less expensive school, attend college rather than university, or interrupt their studies for one term or more. Less common approaches are to study part-time rather than full-time, or choose a different program of studies.

Type of Impact of Concern

“Did you make any of the following school-related decisions in order to make post secondary education affordable or minimize your total debt?”



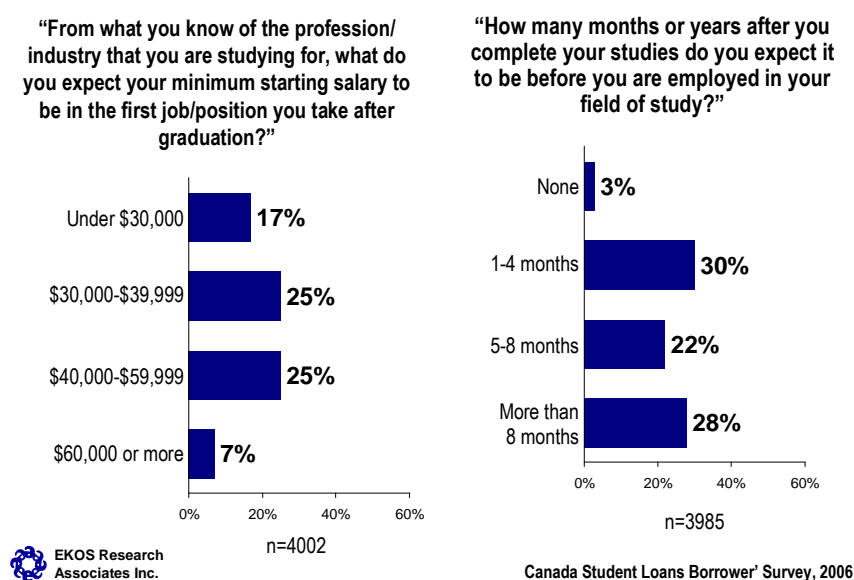
- Students in Ontario are more apt than others across the country to stay closer to home, while students in BC and Alberta are more apt than students in other regions to make a number of these decisions, including to take longer to complete their program, attend a less expensive school, attend college instead of university, or to work more during the year.
- The proportion of students who stay at or close to home to minimize debt declines with age, while the proportion that choose to attend part-time increases with age. Furthermore, the youngest students (under 21) are least likely to make a number of decisions to minimize debt, including extending their studies over more time, interrupting their studies or obtaining alternative sources of financing, while mature students (30 and older) are more apt to choose to attend college instead of university, or select a different program of study. Students in middle age groups (23 to 29) are more apt to work more during the school year than are other students.

- Naturally, dependent children are far more likely to choose to live at or closer to home, while independent students with children are more apt to attend college instead of university or to select an alternate program, and independent students without children are more apt to extend their studies over a longer period, work more during school, obtain other sources of financing or to interrupt their studies.
- College students are more likely to attend a less expensive school or to have chosen to attend college instead of university; while university students are more apt to remain at home, take longer to complete their program or work more during school; and students in private colleges are more apt to select an alternate program of study or to not attend university.
- Students who expect to accumulate the most debt are more apt than others to have sought alternative sources of financing, to have chosen to study part-time or to interrupt their studies.
- The proportion of students who have elected to complete their studies over a longer period, to work more during the year, or obtain other sources of financing increases with the number of years of studies completed. Conversely, students in the first years of their program are more likely to have chosen to attend college instead of university, or to have selected an alternate program of studies.

6.2 EMPLOYMENT PROSPECTS AND REPAYMENT OF DEBT

Students expect to be employed in their field of study within an average of 10 months after graduation. Half (52 per cent) expect to be employed in their field of study within eight months of graduation, while over one-quarter expect that it will take more than eight months to obtain employment in their field. The starting salaries students expect to earn in their first position or job after graduation varies significantly: 42 per cent expect to earn less than \$40,000 as a starting salary, one-quarter expect to earn between \$40,000 and \$59,999, and seven per cent expect to earn \$60,000 or more.

Expected History of Debt



- The average length of time students expect it will take to obtain employment in their field of study declines with age (likely as their pertinent experience or educational level increases).
- Independent students without children expect to obtain pertinent employment more rapidly than others.
- College and private students expect to obtain employment in their field more rapidly than university students, but expect much lower starting salaries than university students. Among university students, graduate students expect higher starting salaries than do undergraduate students.
- Students enrolled in Computer or Engineering programs and Law or Medicine expect to obtain pertinent employment more quickly, while those enrolled in Social Sciences, the Humanities or

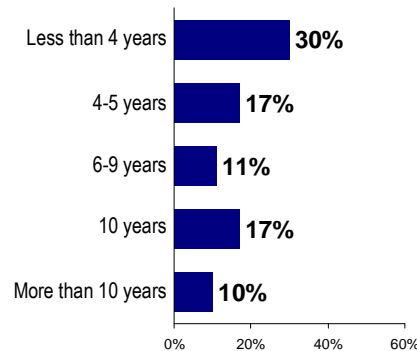
Fine Arts expect that it will take longer on average than students in other disciplines. Students in Law or Medicine expect to earn higher starting salaries than students in other disciplines.

- The length of time students expect will be required to obtain employment in their field increases with the length of time they expect it will take them to repay their debt; while the average starting salary students expect to receive declines somewhat with the time to pay off their debt.
- Students who have or are graduating expect that it will take them less time to obtain relevant employment compared to those who are returning to their studies or who have abandoned their studies.
- Students who have moved to attend school expect a higher average starting salary than students who did not move.
- Men expect to earn higher starting salaries than women.

The length of time students believe they will need to repay their government student debt following graduation (presumably based in large part on their salary expectations) also varies a great deal. Almost half believe that they will repay their debt in five years or less (47 per cent), almost one in three expect that it will take them between six and ten years (28 per cent), while 10 per cent expect that they will need more than ten years to repay their government student debt. As might be expected, students expecting larger starting salaries are also expecting to finish their debt in shorter periods of time. For example the expected number of years to pay off their debt is more than seven among student expecting to start with less than \$30,000. Among those expecting to start with \$80,000 the repayment period is just over five years.

Expected Longevity of Debt

“How many years after graduation do you expect it to take you to pay off your government student debt?”



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n=4002

Canada Student Loans Borrower' Survey, 2006

- Students from Manitoba expect to repay their debt the most quickly followed by students from Ontario and Alberta.
- Men expect to repay their debt more quickly, on average, than women.
- The time students expect it will take to repay their debt generally increases with age.
- Independent students expect that it will require them longer to repay their debt than dependent students.
- University students (who have more debt) expect that it will take longer to repay their debt than college or private students.
- Computer and Engineering students expect to repay their debt more quickly than students in other disciplines, while those in Social Sciences and the Humanities expect to take the most time to repay their debt.

- Naturally, the length of time students expect it will take them to repay their student debt increases with total debt load, number of years of support received and years of studies completed; and is higher among students with grants and private loans.
- Students who have moved to attend school (and who have higher debt levels) also expect to take longer to repay their debt than those who have not.
- While holding the effect of all these explanatory variables constant in a multivariate⁸ regression model, the expected longevity of debt is primarily driven by the expected total debt. Those who expect to accrue more debt also expect (naturally) that it will take longer to repay student government debt. Similarly, the greater the students' concern about the total debt that they will accrue, the more years they expect to be paying back government loans. Living in BC and Atlantic regions as well as being born in Canada increases the perceived longevity of government debt repayment. Likewise, students who moved to a new community in order to attend the school believe they will need more years to pay off government student loans. Students who assign more financial responsibility to government also anticipate more years to repay government student debt. Program type is also a factor – students enrolled in fine arts, education or humanities believe it will take longer to repay their debt than students in other programs. The more a student tries to avoid debt during education, the fewer years of loan repayment she/he anticipates. Similarly, the more a student believes that parental ability to support is a central ingredient in determining government loan amounts, the shorter the expected longevity of debt is. Students who received educational or other scholarships or those who were supported by their family expect to repay their debt more quickly. Students who received federal, provincial grants or Millennium scholarships expect they will need more time to repay government debt.

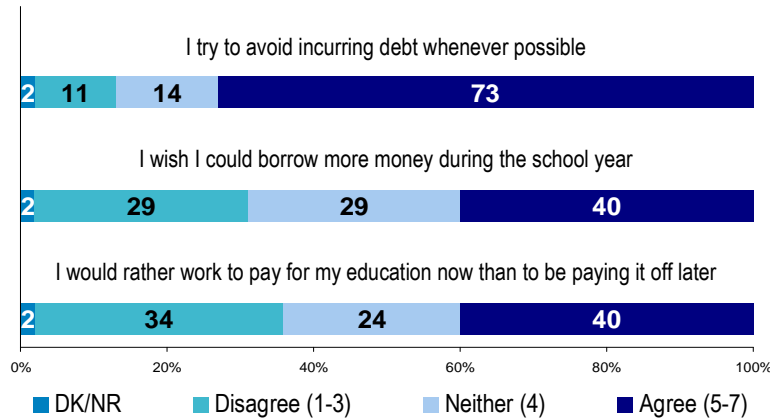
6.3 ATTITUDES TOWARDS DEBT

Most students (73 per cent) try to avoid incurring debt whenever possible, and four in ten would rather work to pay for their education now rather than repay a debt later. Despite this, four in ten wish that they could borrow more money during the school year. There are no differences in agreement levels on trying to avoid debt or wishing they could borrow more, based on salary expectations. Those students expecting larger salaries are less likely, however, to say that they would rather work more to pay for their education at the time than pay it off later.

⁸ See details in the appendix.

Attitudes Regarding Borrowing and Debt

“Agreement with ...?”



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- Students in Saskatchewan are more likely to wish they could borrow more during the year, and those from Ontario are least likely to want to do so, compared to students from other regions.
- Men are somewhat more likely than women to wish to borrow more money during the school year.
- The youngest students (under 21) are least likely to want to borrow more.
- Naturally, the proportion who wishes to borrow more declines with total expected debt, expected time required to repay this debt, and the number of years of government support received, and is lower among students with private loans. Conversely, the proportion who agree that they would rather work to pay for their education now declines with debt level and time required to repay this debt.
- Students who have quit or are returning to their studies are more apt to wish to borrow more.
- Students who plan to obtain more education later and those who have moved for school are also more apt to wish to borrow more.
- Dependent students are more likely than others to agree that they would rather work to pay for their education now rather than later.
- Part-time students, students not currently attending school, and those who have not moved to attend school are more likely than others to prefer to work to pay for their education now.

6.4 CHAPTER SUMMARY

Most borrowers are highly concerned about the level of debt they expect to accumulate by the time they graduate from their post-secondary studies. Furthermore, the vast majority indicate that concerns regarding this debt have had some type of impact on their decisions regarding their education. Students make a number of decisions to minimize the total education debt they incur, or to make their post-secondary education more affordable; the most common being to work more during the school year.

Students expect to be employed in their field of study within an average of 10 months after graduation. The starting salaries students expect to earn in their first position or job after graduation varies significantly: 42 per cent expect to earn less than \$40,000 as a starting salary, one-quarter expect to earn between \$40,000 and \$59,999, and seven per cent expect to earn \$60,000 or more.

The length of time students believe they will need to repay their government student debt following graduation also varies a great deal: Almost half believe that they will repay their debt in five years or less, almost one in three expect that it will take them between six and ten years, while one in ten expect that they will need more than ten years to repay their government student debt.

Most students try to avoid incurring debt whenever possible, and four in ten would rather work to pay for their education now rather than repay a debt later. Despite this, four in ten wish that they could borrow more money during the school year.

7. INTEREST IN INFORMATION

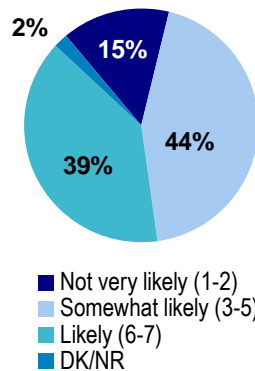
This brief chapter examines student interest in an information session about student loans and loan repayment, including the best timing for such a session and method of delivery.

7.1 INTEREST IN INFORMATION

If offered the chance to attend an information session concerning their student loan and its repayment while at school, one in four (39 per cent) say it is very likely that they would attend, while 44 per cent say it would be somewhat likely. Only 15 per cent have little interest in attending such an information session.

Interest in Information Session

“How likely would you be to attend an information session concerning your student loan and its repayment, if one were offered while you were still in school?”



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n=3973

Canada Student Loans Borrower' Survey, 2006

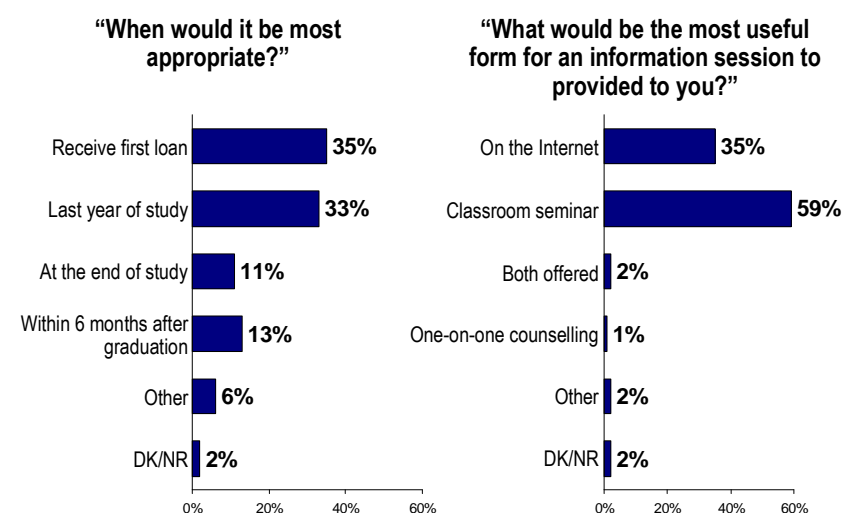
- Students in Nova Scotia, as well as in Newfoundland and Labrador are typically more interested in attending an information session on student loan repayment. Interest is lowest in Manitoba, followed by Ontario.
- Women and older students show greater interest than their counterparts.
- Independent students – with and without children – are more often interested, as are those who are out of school, compared with other students.

- Interest increases with the age of the student. Related to this and perhaps not surprisingly, the heaviest users of government loans - those who have received government financial support for four years or more, students whose total debt will be \$45,000 or more, and those who expect to take at least ten years to repay their loan - are more interested in attending such an information session than their counterparts. On the other hand, students in the latter years of their programs are less interested than those in the earlier years.
- In terms of programs, students enrolled in Humanities express the greatest interest, while those in the physical/hard sciences express the least.

When asked when the most appropriate time would be to have this information session, 35 per cent believe it would be most appropriate when you receive your first loan. On the other hand, almost an equal proportion would argue that the best time for such an information session would be during the last year of study (33 per cent). Thirteen per cent say it should be offered within six months after graduation, and one in ten say it should be at the end of study.

Classroom seminars were the preferred method of providing this information in a useful way, favoured by six in ten students. Just over one in three favour receiving this information on the Internet. Far fewer would find either one on one counselling, pamphlets or printed materials, or small group meetings useful.

Details of Information Session



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n=2932

Canada Student Loans Borrower' Survey, 2006

- Students in Ontario, those under the age of 21 or 30 years old or older, and those with less than two years of government financial support are more likely than others to believe that student loan repayment sessions should be held when you receive your first loan. Corresponding to a younger age, this view is also more likely to be held by those whose total debt will be less than \$20,000, first year students, those who did not move to go to school, and visible minorities.
- Receiving such an information session during the last year of study is more often preferred by those between the ages of 23 and 26 years of age, dependent students, university students, current students, and those who have moved for their studies, relative to other students.
- Students between the ages of 27 and 29, independent students with no children, those who attend or who have attended a private college, Education students, and those who are working on their second or third degree are more apt than others to suggest that information sessions on loan repayment be held at the end of study.
- Men are more likely than women to believe that the most appropriate time for such an information session would be within six months after graduation. Those between the ages of 27 and 29, and community college students are also more likely than others to share this view.
- Students in New Brunswick are more likely than those in other provinces to say that a classroom seminar would be the most useful way to have an information session.
- Those studying Computer Science or Engineering are much more likely than those in other disciplines to prefer that the information session be on the Internet; they are also much less likely to prefer a classroom seminar than other students.
- Students who have had at least four years of government financial support are more likely than others to prefer receiving the information about student loan repayment in a classroom seminar, and are less likely to want to receive this information on the Internet.
- Those whose total debt will be less than \$20,000 and those who expect to pay their loans off in under three years are more apt than others to prefer an Internet setting to receive this information, and less likely than others to favour a classroom seminar.

7.2 CHAPTER SUMMARY

Most students express interest in attending an information session concerning their student loan and its repayment while at school (one in four say it is very likely that they would attend, and a similar number would be somewhat likely). Roughly one in three respondents believe that the most appropriate time to have this information session would be when you receive your first loan, while an almost equal proportion would argue that the best time for such an information session would be during the last year of study. A smaller proportion of respondents say it should be offered within six months after graduation or at the end of study. Classroom seminars were the preferred method of providing this information in a useful way, followed by the Internet.

8. TYPOLOGY OF BORROWERS

In addition to the basic analyses cited throughout the report, a typology of borrowers was created to illustrate the manner in which attitudes about incurring debt and borrowing behaviours coalesce in the students' population of CSLP borrowers. The method used was cluster analysis. A number of key measures were initially identified and attempted in a number of combinations. The final solution involved four attitudinal indicators (perceived adequacy of the maximum weekly amounts of government loans; willingness to borrow more during the school year; extent of inclination to avoid incurring debt; and readiness to work now in order to pay for PSE). Four groups of borrowers were clearly defined. Each of the four segments is described in the next table, according to the average score obtained for the group on each of the four measures used to create the typology. Each score is followed by an indication of whether the score is well above average (++), above average (+), average, below average (-), or well below average (--) when compared with the full sample.

Table 11 - Profile of Segments by Indicators

Indices	Segments			
	Debt-Averse	Open - Content	Pinched – Concerned	Open and Needy
Q21: The maximum amount of government loan that is available to students is \$350 per week of study (or \$11,900 for the full school year). How adequate do you think that this weekly maximum limit is to cover most students' education and living expenses? (avg. mean 4.1)	4.5 (+)	5.1 (+ +)	3.9 (avg.)	2.8(--)
Q59A: Agreement with . . . I wish I could borrow more money during the school year (avg. mean 4.2)	2.8 (- -)	3.4 (-)	5.9 (+ +)	5.5(+ +)
Q59B: Agreement with . . . I try to avoid incurring debt whenever possible (avg. mean 5.6)	6.4 (+)	4.8 (-)	6.3 (+)	4.9(-)
Q59C: Agreement with . . . I would rather work to pay for my education now than to be paying it off later (avg. mean 4.1)	5.8 (+ +)	2.9 (- -)	5.6 (+ +)	2.7(- -)

The following table presents the results of some key (attitudinal and demographic) indicators that help to define who they are and how they are different from borrowers in the other four segments.

Indicators	TOTAL	Debt-Averse	Open - Content	Pinched – Concerned	Open and Needy
Which of the following is closer to your point of view?					
There should be a limit	32%	44%	34%	27%	18%
Should be given as much as needed	61%	47%	59%	65%	75%
How important should the demonstrated need of the student be in determining the maximum limit of assistance that is available to students?					
Important (6-7)	76%	75%	74%	78%	83%
How important should the employment rate of program graduates be in determining the maximum limit of assistance that is available to students?					
Important (6-7)	33%	36%	25%	39%	32%
How important should the cost of the program (and it's related expenses, e.g., equipment) be in determining the maximum limit of assistance that is available to students?					
Important (6-7)	84%	84%	82%	83%	91%
In determining how much government loans and grants an individual student would be eligible to receive, how much consideration do you think should be given to the ability of the student's parents to financially support their child during PSE?					
Little (1-2)	33%	30%	28%	35%	40%
TOTAL Grant/Bursary					
Mean	\$9,407	\$8,363	\$9,728	\$8,380	\$10,971
If you had not received any of the money that you got from the grants, how likely is it that you would have enrolled in your current program of studies?					
Not likely (1-2)	28%	24%	27%	30%	32%
Before you found out that you would receive the grants, how confident did you feel that you would receive the grant?					
Not very (1-2)	29%	25%	25%	32%	34%
Was the total amount you received in grants more or less than you expected before you received it?					
More	26%	30%	29%	23%	20%
What is the total amount of all federal and provincial government student loans that you received this year?					
<3,000	10%	9%	11%	14%	8%
>8,000	42%	40%	40%	38%	50%
Taking into consideration your own income, any financial support received from parents (etc.), to what extent would you say that student assistance from the federal and provincial government is adequate to meet your financial needs?					
Very adequate (6-7)	21%	28%	31%	11%	8%
What do you expect your total (federal and provincial) government student loan debt to be for all of the post-secondary education that you expect to pursue?					
Mean	\$27,752	\$24,555	\$28,023	\$27,046	\$31,654
What do you expect your total private loan debt to be (from all sources, including personal loans, lines of credit and credit cards) for all of the post-secondary education that you expect to pursue?					
Mean	\$15,928	\$12,306	\$15,738	\$17,343	\$18,131

Indicators	TOTAL	Debt-Averse	Open - Content	Pinched – Concerned	Open and Needy
What do you expect your total debt to be from any other sources (not including government assistance and private debt) for all of the post-secondary education that you expect to pursue?					
Mean	\$9,468	\$9,834	\$7,915	\$11,405	\$8,660
Do you expect your total debt from all sources to be?					
Mean	\$37,320	\$31,127	\$35,159	\$39,549	\$45,430
How concerned are you about the amount of debt you expect to incur by the time you graduate?					
Concerned (6 7)	69%	71%	64%	74%	68%
To what extent has concern about the amount of debt you expect to incur been a factor in your decisions about school?					
High Extent (6 7)	51%	57%	42%	62%	47%
Do you have a degree/certificate that you completed prior to this program?					
Yes	26%	25%	24%	28%	29%
Are you attending school this term?					
Yes	73%	70%	75%	70%	75%
Type of degree/certificate					
College	20%	23%	19%	21%	18%
BA/University Certificate	61%	58%	64%	56%	63%
Graduate	8%	9%	7%	7%	8%
What year of your current program are you in as of this academic year?					
1	28%	27%	30%	28%	27%
2	23%	23%	23%	25%	23%
>3	27%	26%	26%	22%	32%
Do you have any children?					
Yes	11%	12%	9%	9%	14%
Age					
<21	27%	28%	33%	28%	19%
21-24	40%	40%	40%	39%	41%
25-29	19%	19%	16%	21%	22%
>30	14%	13%	11%	12%	18%
Did you move to a new community in order to attend the school you are currently studying at?					
Yes	44%	38%	45%	44%	51%
Gender					
Male	38%	36%	38%	38%	41%
Female	62%	64%	62%	62%	59%

Each segment is described one by one in more detail in the following sections.

8.1 SEGMENT ONE: DEBT-AVERSE

This segment represents one of the largest proportions of the student population surveyed (29 per cent). They are primarily characterised by their aversion to accumulated debt. Although only marginally more likely than other students to say that the available weekly amount of government loans is adequate, no one from this group wished to borrow more. They are most apt to say that they try to avoid incurring debt whenever possible (93 per cent scored high on this measure compared with 73 per cent overall), and that they would rather be paying for their education now than paying it off later (82 per cent compared to 40 per cent overall).

- Administrative data suggest that this group is least likely to have debt and, where debt exists, debt levels are considerably lower than average, including lower than average amounts of federal and provincial loans received this year. This group also expects to accumulate less than the average amount of debt from all major sources for their post-secondary education. Although members of this group express average levels of concern about their debt, among those who are concerned, they are more likely to say that this affected their decisions about school, citing working more or living closer to home.
- Not surprisingly, this group is more likely to say that student support from federal and provincial government is adequate and that there should be a defined limit to government assistance. Even among the few who believe that government assistance is inadequate, they tend to estimate lower than average amounts additionally required. Members of this group point to employment rates of program graduates as an important factor in determining the maximum limit of government assistance. They also tend to believe that tuition will increase to coincide with increases in the amount of government loans.
- When allocating financial responsibility for funding of PSE to parents, government, and students, this group tends to attribute a higher responsibility to students. Members of this group are also mindful of parents' varying levels of ability to support their children through PSE, and tend to increase the allocation of responsibility with increasing household income. Accordingly, they list parents' income, working part-time, and receiving government loans as most important determining factors in how much financial responsibility parents should have in supporting their children through post-secondary education. Working part-time, receiving government loans, and students' age are more often cited by this segment as important determining factors in the amount of financial responsibility that government should have in supporting students.
- There are only few significant differences between this group and students overall in terms of provincial and federal grants and bursaries. Members of this group typically receive smaller federal grants and total grants and bursaries (if only by a small degree). They are also less frequent among Canada Millennium Scholarship Foundation grants recipients. Those who

received grants are more likely to indicate that the total amount they received was more than expected. Grant recipients in this group tend to say that the best time to find out whether one will receive a grant is before applying and that working less would be the main impact of receiving the same amount of money entirely in grants. Finally, when asked about the impact of receiving a grant in different stages of the program, this group is most likely to indicate positive impact in various scenarios.

- In terms of proportional support received over the course of post-secondary education, this group reports the highest employment income and smallest contributions from federal and provincial loans. Members of this group also report lower than average proportions from private loans, lines of credit and credit cards, and are more likely to indicate fewer years to pay off government student loans.
- In terms of academic profile, students in this segment more often have a fair bit of post-secondary education under their belt, with many having already completed a degree or certificate completed prior to their current program. Members of this group are somewhat more likely to be currently pursuing college/CEGEP diploma or Master's degree. Perhaps because they have already completed more post-secondary education or work more, they are less likely to be attending school at the time of the survey, and among those attending, they are more likely to be attending on a part-time basis.
- Demographically, there is little about this group that sets them apart from other borrowers. They are somewhat more likely to be married and are marginally over-represented among those who moved to a new community in order to attend school. They have a slightly higher proportion of visible minorities.

8.2 SEGMENT TWO: OPEN - CONTENT

This segment also comprises 29 per cent of borrowers and is generally the group that is least in financial need. They are typically more positive about the adequacy of the maximum amount of government loans available (43 per cent scored high on this measure compared with 23 per cent overall), which is largely driven by their lack of financial need. This is characterised by their lower than average desire to borrow more money (18 per cent *versus* 40 per cent overall), in spite of the fact that they are open to (and not overly concerned by) the idea of borrowing. In fact, they are less apt than others to try to avoid incurring debt (53 per cent compared with 73 per cent overall), and are significantly less likely to say that they would rather be paying for their education now than to be paying it off later (7 per cent said so compared to 40 per cent overall).

- This group is as likely as other borrowers to incur debt and they report average amounts of federal and provincial loans received this year. They expect to accumulate lower than average amounts of debt, however, from all major sources for their post-secondary education.

Members of this group are somewhat concerned about their debt. Among those who are concerned, they are more likely to say that this affected their decisions about school to some extent.

- This group is most likely to say that student support from federal and provincial government is very adequate. Even among the few who believe that government assistance is inadequate, they estimate lower than average additional requirements. Member of this group tend to believe that employment rates of program graduates are an important factor in determining the maximum limit of government assistance and that this limit should be based on four years.
- They typically believe that a moderate amount of consideration should be given to student parents' financial capacities in determining how much government loans and grants a student is eligible to receive. When allocating financial responsibility for funding of PSE to parents, government, and students, this group tends to attribute a higher responsibility to government, especially if parental household income is lower than \$80,000. They list parents' income and the number of children in the family as among the most important determining factors in how much financial responsibility should be allocated to parents in supporting their children through post-secondary education. Part-time employment is more often cited by this segment as an important determining factor in the amount of financial responsibility that government should have in supporting students.
- Members of this group are more likely to receive government grants and other scholarships and bursaries. They also report receiving larger amounts of educational grants and scholarships and total grants and bursaries (if only by a small degree). Those who received grants are more likely to indicate that the total amount they received was what they expected or more. Grant recipients in this group are more likely to say that receiving a grant effected their education-related decisions because other sources were no longer needed. On the other hand, learning about the grant decision earlier would have little impact on their education-related decisions. Grant recipients in this group tend to say that the best time to find out whether one will receive a grant is after being accepted into a program and that working more during the school year would be the main negative impact of receiving a grant in the middle to later part of the program.
- In terms of proportional support received over the course of post-secondary education, this group reports lower employment income and larger contributions from grants and scholarships and federal and provincial loans. Members of this group also report somewhat lower proportions from private loans, lines of credit and credit cards.
- In terms of their demographic characteristics, they are over-represented among students who are 21 years of age and younger, and are less likely to have children.
- In terms of academic profile, students in this segment more often graduated from high school in 2003 and later. Not surprisingly, therefore, they tend to have fewer years of post-secondary education. Members of this group are more likely to be currently pursuing Bachelor's degree,

studying Humanities, and attend school full-time. They typically expect to addend school for two terms and have not yet completed their program.

8.3 SEGMENT THREE: PINCHED - CONCERNED

This segment represents the smallest proportion of the student population surveyed (18 per cent). This group is characterised by the classic conflict of financial need and reticence to accumulated debt. They less often view the available weekly amount of government loans as adequate (17 per cent believe it is adequate compared with 23 per cent overall) and are most likely by far to say that they wish to borrow more (89 per cent indicated so *versus* 40 per cent overall). Highlighting the conflict, however, they are also more likely to agree that they try to avoid incurring debt whenever possible (87 per cent scored high on this measure compared with 73 per cent overall), and are second (after the Debt-Averse segment) to say that they would rather be paying for their education now than to be paying it off later (71 per cent said so compared to 40 per cent overall).

- With respect to debt levels, members of this group represent the average of borrowers surveyed. Where federal and provincial debt exists, their debt levels are considerably lower than the average. This group believes that such expenses as moving, entertainment, vacations, and living expenses should be recognized and considered in the calculation of assistance amounts. They expect to accumulate smaller than the average amount of government debt, but higher than the average private and other debts for their post-secondary education. They express highest levels of concern about their debt and are most likely to say that this affected their decisions about school, citing working more, using other sources of financing, and going to college instead of university.
- This group is more likely to say that student support from federal and provincial government is inadequate and that there should be no limit to government assistance. If additional assistance would be obtained it would most likely cover food and other basic living expenses, as well as car payments. Members of this group who are not currently receiving additional assistance typically work more than intended to deal with the shortage of income. This group is most likely to indicate lower government loans causing a shortfall in their current cash flow. They point to employment rates of program graduates as an important factor in determining the maximum limit of government assistance. They also tend to believe that the maximum allowable amount of total debt should be less than \$25,000.
- When allocating financial responsibility for funding of PSE to parents, government, and students, this group tends to attribute a somewhat higher responsibility to students and lower responsibility to parents. They are more likely to list the type of program as an important determining factor in how much financial responsibility parents should have in supporting their children through post-secondary education. The number of children is more often listed as an

important determining factor in the amount of financial responsibility that government should have in supporting students.

- This group tends to report smaller provincial and federal grants, and total grants and bursaries. They are also less likely to know whether they received Canada Millennium Scholarship Foundation grants. Those who received grants are more likely to indicate that the total amount they received was less than expected. Receiving a grant had a great impact on the members of this particular segment: they were able to attend school further, go to university instead of college, and to enroll in a more expensive program. Grant recipients in this group would have preferred to find out about the grant earlier and working less would have been the main impact of receiving the same amount of money earlier. Similarly, they tend to say that the best time to find out whether one will receive a grant is at the beginning of the program and that working less, completing program on time, moving away to attend school, going to university instead of college, and enrolling in a more expensive program would be the main impacts of receiving the same amount of money entirely in grants
- In terms of proportional support received over the course of post-secondary education, this group reports higher employment income and somewhat smaller contributions from parents. Members of this group also report somewhat higher proportions from private loans, lines of credit and credit cards.
- Academically, students in this segment reported fewer than average years of completed post-secondary education. They are more likely to be currently pursuing private career college or to be enrolled in Fine Arts. Member of this group are less likely to have completed their program and believe they will pursue another degree after the completion of the current program.
- Demographically, there is little about this group that sets them apart from other borrowers. They are somewhat less likely to be married or to have children.

8.4 SEGMENT FOUR: OPEN - NEEDY

This segment comprises 24 per cent of students and is characterized by the highest degree of financial need and willingness to borrow as a method of dealing with this need. They are the most likely to say that the available weekly amount of government loans is not adequate (only two per cent said that it is compared with 23 per cent overall) and are more apt to say that they would borrow more if they had access to it (79 per cent agreed with the statement *versus* 40 per cent overall). They are also less likely to avoid incurring debt (57 per cent scored high on this measure compared with 73 per cent overall), and to say that they would rather be paying for their education now than later (only four per cent, compared to 40 per cent overall).

- Administrative data suggest that this group is most likely to have debt and, where debt exists, debt levels from all sources are considerably higher than the average. This group has been also incurring debt for more years. Members of this group expect to accumulate significantly

higher than the average amounts of debt from all major sources for their post-secondary education. At the same time, they also express only average levels of concern about their debt. Among those who are concerned, they are more likely to say that this affected their decisions about school, citing other sources of financing and interrupted studies. They also expect it will take them more years to pay off their government student loans. It is interesting to note that the expected minimum starting salary after completion of the program is also considerably higher among this group.

- Not surprisingly, this group is most likely to say that student support from federal and provincial government is not adequate and that there should be no limit to government assistance. They also tend to estimate higher than average additional amounts that they need and more years on which the limit should be based. If additional assistance would be obtained, it would most likely cover food and rent expenses. Members of this group who are not currently receiving additional assistance typically use credit cards or borrow from the bank to deal with the shortage of incomes. This group tends to believe that lower government and private loans are causing a shortfall in their current cash flow. They point to the cost of the program and demonstrated need of the student as important factors in determining the maximum limit of government assistance. They also tend to believe that tuition will increase to coincide with increases in the amount of government loans. Interestingly, they are more apt to expect atypical expenses such as medical expenses, car repairs and insurance, or cost-cover accidents. This group also believes that such expenses as moving, entertainment, and veterinary expenses should be recognized and considered in the calculation of assistance amounts.
- They believe that in determining the amount of government assistance there should be little consideration given to parents' ability to finance their children's PSE. When allocating financial responsibility for funding of PSE to parents, government, and students, this group tends to attribute the highest responsibility to government and the smallest responsibility to students. They are also mindful of parents' varying levels of ability to support their children through PSE, and tend to increase parents' responsibility if household income is higher than \$80,000. They are more apt to list the number of children and moving away as important determining factors in how much financial responsibility the government should have in supporting students.
- There are some significant differences between this group and students overall in terms of provincial and federal grants and bursaries. Although members of this group are less likely to receive federal grants, the recipients in this group report generally bigger amounts obtained. Members of this group are more likely to receive all other types of grants and bursaries, including provincial scholarships, Canada Millennium Scholarship Foundation grants, and educational grants and bursaries. They also typically receive larger amounts of these grants. This group acknowledges that without grants and scholarships they would not be enrolled in the current program of studies. At the same time, grant recipients in this group tend to say that they were not confident they would get the grant(s) and also that the total amount received was less than expected. They also believe that receiving the same amount of money entirely

in grants would have a high impact on their school decisions, citing completing program on time.

- In terms of proportional support received over the course of post-secondary education, this group reports lower employment income and significantly higher contributions from private loans, lines of credit and credit cards.
- In terms of academic profile, students in this group more often graduated before 1997 and have a fair bit of post-secondary education, with many having already completed a degree or certificate prior to their current program. Members of this group are somewhat more likely to be currently pursuing Bachelor's and Doctoral degrees. They are also more likely to be attending school at the time of the survey, and among those attending, they are more likely to be attending on a full-time basis. This group is more likely to be enrolled in Medicine and Dentistry programs, and attend school three terms a year.
- This group is over-represented by men and students who are 27 years and older. They are more likely to have children and are over-represented among those who moved to a new community in order to attend school. They are less likely to report a disability.

9. CONCLUSIONS

Perhaps it is not surprising to find that there is broad based support among student borrowers for the provision of government student loans on the basis of need (with students making the final judgment about what they can handle in terms of debt load), rather than on a pre-set limit. Certainly results seem to indicate that student borrowers are already well aware of the debt load they are accumulating and make many school and other types of decisions on the basis of this awareness. To the extent that there is support from borrowers for limits on loans, there is also evidence that students would like to see these limits increased in the number of years they can borrow for and in the weekly or monthly amounts allocated. Although different factors are considered important in determining the degree of support that parents contribute, the cost of the program and financial need of the student are considered key drivers in determining the support available from government.

Particular unrecognized needs centre around the cost associated with tools and equipment needed for school, as well as medical expenses, and costs not already covered for transportation (including insurance, repairs and purchase of a vehicle). There is additional support for extending the calculation of financial need to include family care and location costs associated with attending a program. The current limits are considered to be moderately adequate, but few borrowers believe them to be completely sufficient to cover all expenses that they are required to cover (in conjunction with the money available to them from other sources). The requirement seems to be for an additional \$6,400 per year (also reflected in the support for a monthly limit of between \$1,500 and \$1,600 - which is roughly \$500 more than is currently available). This additional funding would be used to cover basic expenses, such as rent, living expenses, education-related expenses and transportation costs that are higher than expected. Many borrowers seem to be experiencing shortfalls in the money that they need each month, and are often working more, putting off purchases and using other forms of credit to make ends meet.

At the same time, most student borrowers are already expressing a great deal of worry about the amount of student debt that they are accumulating, expecting to face on average, a \$37,000 debt (mostly from government sources). This concern is pervading many of their decisions to work more than they would ideally like, while attending school, and to tap into other sources of financing (typically from private sources). Although most expect to obtain good jobs within six to 12 months of graduating, they also expect to face an average of seven to ten years of student debt after graduation.

Fuelled by this shortfall in resources, balanced against the high level of concern for accumulating debt, it is not surprising to see a fairly high degree of interest in an information session designed to inform students about the implications and potential decisions that can be made regarding student loans and debt. Most are at least moderately interested in a session of this type, with two different time periods in mind: when the loan is first issued and in the last year of the study. Perhaps two different

sessions could be tailored to meet borrowers' needs: a shorter, Internet-based session at the time of the first loan and a longer, more interactive session in a classroom setting in the last year of the program.

In spite of the need for more income to meet their monthly obligations in expenses, and their worry about accumulating any more debt, they also understand that parents can have only a limited role in terms of financial support. Overall, student borrowers advocate that students themselves hold about 20 per cent of the responsibility, while parents hold between 11 and 44 per cent of it, with governments picking up the largest share of the responsibility. This sliding scale for parental responsibility is also largely driven by the income available to parents, as well as the number of children that parents have to support. Naturally, this share of the responsibility is also seen as shrinking with the age of the student and shifting more and more to government among older students.

Grants are another piece of the debt accumulation puzzle shaping the decisions made as a result of the worry about debt load. Naturally, the largest impact on decisions would come from a scenario where all repayable loans become non-repayable. This would have an impact on school interruption, as well as attending on a part-time versus full-time basis. Borrowers indicate, however, that at least half of loans would have to be translated into grants in order to have a major impact on these types of decisions.

Currently grants are quite pervasive; almost three in four borrowers have received at least one at some time in their post-secondary career (and each one typically averages between \$4,000 and \$7,500). Unfortunately, few students are confident that they will receive a grant in advance of the award and often this is too late to mitigate some of the decisions that have already been made (e.g., school interruption, extended work hours, part-time attendance, etc.). And, further to this, many students are disappointed with the amounts that they receive in grants, causing them additional shortfalls in their planning. Two in three student borrowers said that finding out earlier would have at least some impact on the decisions that they make, but that this would mean finding out either before applying for the program or at least within a few months of applying (but presumably, before they begin their program).

There is limited support for targeting grants to specific priority groups of students. To the extent that this support exists, it is typically to see low income students, and students with children (particularly single parent students), as well as those with disabilities targeted.

APPENDIX A

QUESTIONNAIRE

CURRLOAN2

.....	0
.....	1
.....	2
.....	3

INTRO [0,0]

About the Canada Student Loans Borrowers' Survey EKOS Research Associates Inc. is conducting a survey on behalf the Department of Human Resources and Social Development (HRSD). The purpose of this survey is to determine the needs and opinions of Student Borrowers, who are in school now or were in school any time last term until December 2005. It concerns the realities of student incomes and student debt accumulated during post secondary education. Your opinion on concerning loan limits, unmet financial needs, financial needs that are not recognized, and other policy and skills issues relevant to Canada Student Loan Borrowers are addressed. Results from this study will make a real difference to student borrowers.

Your participation in this survey is voluntary and your acceptance or refusal to participate will not affect your dealings with the government. The information you provide will be administered in accordance with the applicable privacy laws. You will not be identified in any reports resulting from this study. This survey should take 20 minutes. We understand that students are busy and we want to show our appreciation to those who participate. When you participate, your name will be entered into a draw to win one of ten prizes of \$500.

Throughout this study, your privacy is guaranteed. Your name and email address are being used by EKOS solely for this research study. They will never be used for any other purpose or linked to your answers in any reporting of findings.

Thank you again for agreeing to participate.

Susan Galley, Senior Vice President, EKOS Research Associates.

INSTR [0,0]

Canada Student Loans Borrowers' Survey INSTRUCTIONS Here are a few simple instructions to follow: ! Consider your answers carefully and answer all questions to the best of your knowledge. When a choice of answers is provided, they are always arranged below the question

! Use the mouse to move to the answer box you wish to fill in. All questions will have a "Don't know/No answer" choice. If a question asks you for an amount and your answer is "none", please enter a "0" in the box.

! You cannot leave a question blank. You must complete all questions on a page before you can advance to the next page in the questionnaire.

! On each screen, after selecting your answer, click on the "Continue" or "Back" buttons at the bottom of the screen to move forward or backwards in the questionnaire. If you leave the survey before completing it, your PIN will permit you to return to your survey later, without losing the answers you have filled in.

! If you have any questions about how to complete the survey, please call EKOS Research Associates at 1-800-388-2873 or send an email to CSL@ekos.com

Q21

The maximum amount of government loan that is available to students is \$350 per week of study (or \$11,900 for the full school year). How adequate do you think that this weekly maximum limit is to cover most students' education and living expenses?

1 Not at all adequate	1
2	2
3	3
4 Moderately adequate	4
5	5
6	6
7 Completely adequate	7
Don't know/No answer	9

Q22

Which of the following is closer to your point of view?

There should be a limit on the amount of government loans available to students to make sure that students don't graduate with unmanageable debt.	1
Students should be given as much government loans as they have demonstrated financial needs for, they will judge for themselves how much debt they can handle.	2
Don't know/No answer	9

->Q26C
->Q26C

Q23

If... Q22.EQ.1

Approximately how much do you think the limit for all students should be?

Weekly.....	1	
Monthly	2	
Yearly	3	
-> AQ23; N6.0 [0-999990]	4	N
Don't know/No answer	999999	X

PRQ25 [0,0]

How important should each of the following be in determining the maximum limit of assistance that is available to students?

Q25A

The demonstrated need of the student

Not at all important 1	1
2	2
3	3
Moderately important 4	4
5	5
6	6
Extremely important 7	7
Don't know/ No answer	9

Q25B

The employment rate of program graduates

Not at all important 1	1
2	2
3	3
Moderately important 4	4
5	5
6	6
Extremely important 7	7
Don't know/ No answer	9

Q25C

The level of the education

Not at all important 1	1
2	2
3	3
Moderately important 4	4
5	5
6	6
Extremely important 7	7
Don't know/ No answer	9

Q25D

The cost of the program (and it's related expenses, e.g., equipment)

Not at all important 1	1
2	2
3	3
Moderately important 4	4
5	5
6	6
Extremely important 7	7
Don't know/ No answer	9

Q25E

The earning potential of graduates enrolled in the program

Not at all important 1	1
2	2
3	3
Moderately important 4	4
5	5
6	6
Extremely important 7	7
Don't know/ No answer	9

Q26

In determining the maximum amount of total government loans available to borrowers, which of the following statements do you agree with more?

The limit should be based on the number of years of study	1
The limit should be based on the amount of total debt accumulated	2
Don't know/No answer	9

Q26A

If... Q26.EQ.1

How many years do you think the limit should be based on?

Years -> AQ26A; N2.0 [0-98]	1
Don't know/No answer	99

Q26B

If... Q26.EQ.2

What do you think the maximum allowable amount of total debt should be?

Amount -> AQ26B; N6.0 [0-999990]	1
Don't know/No answer	999999

Q26C

Which of the following statements do you agree with more?

Tuition will increase to reflect increases in cost of living	1
Tuition will increase because of increases in the amount of government loans	2
Don't know/No answer	9

Q27

In determining how much government loans and grants an individual student would be eligible to receive, how much consideration do you think should be given to the ability of the student's parents to financially support their child during post-secondary education.

1 No consideration	1
2	2
3	3
4 A moderate amount of consideration	4
5	5
6	6
7 A high degree of consideration	7
Don't know/No answer	9

PRQ28 [0,0]

Thinking about a student who is 22 or younger, with each of the following parental household incomes, what proportion of financial responsibility do you think should be allocated to parents, government, and the student? &Q28ERR

Q28A1 [0,1]

When the parental household income is under \$30,000. Parents and family

% -> AQ28A1; N4.0 [0-100] FORMAT = PERCENT0 1

Q28A2 [0,1]

Government

% -> AQ28A2; N4.0 [0-100] FORMAT = PERCENT0 1

Q28A3 [0,1]

Students

% -> AQ28A3; N4.0 [0-100] FORMAT = PERCENT0 1

Q28B1 [0,1]

When the parental household income is between \$30,000 and \$80,000 Parents and family

% -> AQ28B1; N4.0 [0-100] FORMAT = PERCENT0 1

Q28B2 [0,1]

Government

% -> AQ28B2; N4.0 [0-100] FORMAT = PERCENT0 1

Q28B3 [0,1]

Students

% -> AQ28B3; N4.0 [0-100] FORMAT = PERCENT0 1

Q28C1 [0,1]

When the parental household income is over \$80,000Parents and family

% -> AQ28C1; N4.0 [0-100] FORMAT = PERCENT01

Q28C2 [0,1]

Government

% -> AQ28C2; N4.0 [0-100] FORMAT = PERCENT0 1

Q28C3 [0,1]

Students

% -> AQ28C3; N4.0 [0-100] FORMAT = PERCENT0 1

Q29 [1,7]

Considering a student who is 22 or younger, which of the following factors are important in determining how much financial responsibility parents should have in supporting their children while they are attending post-secondary education? Select all that apply

The age of the student.....	1	
Whether the student is receiving a government loan.....	2	
Whether the student is working part-time through the school year	3	
The amount of income the parent household has	4	
The number of children the parent household includes.....	5	
The type of program the student is in.....	6	
Whether the student has moved away to go to school.....	7	
None of the above.....	998	X
Don't know/No answer	999	X

Q30 [1,6]

Which of the following factors are important in determining how much financial responsibility governments should have in supporting students while they are attending post-secondary education? Select all that apply

The age of the student.....	1	
Whether the student is working part-time through the school year	2	
The amount of income in the parent household	3	
The number of children in the parent household.....	4	
The type of program the student is in.....	5	
Whether the student has moved away to go to school.....	6	
None of the above.....	998	X
Don't know/No answer	999	X

Q28AERR

CALC((\$AQ28A1+\$AQ28A2+\$AQ28A3),"Q28AERR")

Q28BERR

CALC((\$AQ28B1+\$AQ28B2+\$AQ28B3),"Q28BERR")

Q28CERR

CALC((\$AQ28C1+\$AQ28C2+\$AQ28C3),"Q28CERR")

Q28ERR

If... (Q28AERR.GT.100).OR.(Q28BERR.GT.100).OR.(Q28CERR.GT.100)

The sum of the percentages must not be greater than 100. Please correct your answer(s). 1

->PRQ28

Q12A

Over the course of your post-secondary education, have you received any of the following grants? How much have you received in total (over your entire post-secondary education) for each one? Federal grants

Yes Amount? -> AQ12A; N6.0 [0-999999] FORMAT = DOLLARS 1
No 2
Don't know/ No answer 999999

Q12B

Provincial grants or bursaries

Yes Amount? -> AQ12B; N6.0 [0-999999] FORMAT = DOLLARS 1
No 2
Don't know/ No answer 999999

Q12C

Total government grant (if don't know the breakdown of federal and provincial above)

Yes Amount? -> AQ12C; N6.0 [0-999999] FORMAT = DOLLARS 1
No 2
Don't know/ No answer 999999

Q12D

Canada Millennium Scholarship Foundation remission/grants/scholarships)

Yes Amount? -> AQ12D; N6.0 [0-999999] FORMAT = DOLLARS 1
No 2
Don't know/ No answer 999999

Q12E

Educational institutional grants or scholarships

Yes Amount? -> AQ12E; N6.0 [0-999999] FORMAT = DOLLARS 1
No 2
Don't know/ No answer 999999

Q12F

Others (i.e. scholarships or bursaries)

Yes Amount? -> AQ12F; N6.0 [0-999999] FORMAT = DOLLARS 1
No 2
Don't know/ No answer 999999

Q12TOTAL

CALC((\$AQ12A?\$AQ12A:0)+(\$AQ12B?\$AQ12B:0)+(\$AQ12C?\$AQ12C:0)+(\$AQ12D?\$AQ12D:0)+(\$AQ12E?\$AQ12E:0)+(\$AQ12F?\$AQ12F:0),"Q12TOTAL")

Q12G

If...	Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR.Q12E.EQ.1.OR.Q12F.EQ.1
-------	----------------------------------------------------------------------------

Is this the total of all grants, scholarships and bursaries that you have received so far while pursuing your post-secondary education? \$&@Q12TOTAL

Yes	1	
No	2	->Q12A
Don't know/No answer	9	

Q13A

If...	Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR.Q12E.EQ.1.OR.Q12F.EQ.1
-------	----------------------------------------------------------------------------

If you had not received any of the \$&@Q12TOTAL that you got from the grants, how likely is it that you would have enrolled in your current program of studies?

1 Not at all likely	1
2	2
3	3
4 Moderately likely	4
5	5
6	6
7 Very likely	7
Don't know/No answer	9

Q13B

If...	Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR.Q12E.EQ.1.OR.Q12F.EQ.1
-------	----------------------------------------------------------------------------

Before you found out that you would receive the grants, how confident did you feel that you would receive the grant?

1 Not at all confident	1
2	2
3	3
4 Moderately confident	4
5	5
6	6
7 Very confident	7
Don't know/No answer	9

Q13C

If...

Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR
.Q12E.EQ.1.OR.Q12F.EQ.1

Was the total amount you received in grants more or less than you expected before you received it?

- | | |
|---------------------------------|---|
| 1 Much less than expected | 1 |
| 2 | 2 |
| 3 | 3 |
| 4 About what was expected | 4 |
| 5 | 5 |
| 6 | 6 |
| 7 Much more than expected | 7 |
| Don't know/No answer | 9 |

Q14 [1,8]

If...
Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR
.Q12E.EQ.1.OR.Q12F.EQ.1

What impact did receiving a grant have on your education-related decisions? Select all that apply.

Able to attend a more expensive school	1	
Able to attend a school that was farther from home (i.e., afford to move to attend school)	2	
Able to go to university instead of college	3	
Able to enroll in a more expensive study program.....	4	
Able to attend full-time instead of part-time	5	
Able to work less during the school year	6	
Did not need other sources of financing during the school year.....	7	
Did not have to interrupt studies for any period of time.....	8	
Other (please specify) -> AQ14; C200 L1 C80	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q15

If...
Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR
.Q12E.EQ.1.OR.Q12F.EQ.1

If you had found out that you would receive your grant, scholarship, or bursary (and how much it was) earlier than you did, how much of an impact would that have had on your education-related decisions (i.e., your choice of school, the type of program, or level of studies you enrolled in)?

1 No impact at all.....	1	->Q17
2	2	->Q17
3	3	->Q17
4 Moderate impact	4	->Q17
5	5	
6	6	
7 Very large impact.....	7	
Don't know/No answer	9	

Q16

If... Q15.EQ.4-

7.OR.Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR.Q12E.EQ.1.OR.Q12F.EQ.1

What would the main impact of finding out earlier have been?

Would have attended a more expensive school.....	1	
Would have attended a school that was farther from home (i.e., afford to move to attend school)	2	
Would have gone to university instead of college.....	3	
Would have enrolled in a more expensive study program	4	
Would have attended full-time instead of part-time	5	
Would have worked less during the school year	6	
Would not have needed other sources of financing during the school year.....	7	
Would not have had to interrupt studies for any period of time	8	
Other (please specify) -> AQ16; C250 L1 C80	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q17

If...

Q12A.EQ.1.OR.Q12B.EQ.1.OR.Q12C.EQ.1.OR.Q12D.EQ.1.OR.Q12E.EQ.1.OR.Q12F.EQ.1

Ideally, when is the best time to find out if you will receive a grant, scholarship or bursary, and the amount that you will receive?

Before applying for your program	1	
After getting accepted into your program of study, but before you start the program.....	2	
After you start the program.....	3	->Q19
Other	77	->Q19
Don't know/No answer	99	->Q19

Q18A

If... Q17.EQ.1,2

How much in advance of starting your program would you need to know in order to be able to make these decisions? Enter amount of time and unit of months or years

Months	1	
Years.....	2	
-> AQ18A; N2.0 [0-98]	3	N
Don't know/No answer	999	

Q19

Some people say that the federal government should give priority to specific groups of students to receive student grants. Others say that all students should be considered equally for student grants. Which one is closer to your own point of view?

Specific groups of students should be given priority	1
All students should be considered equally	2
Don't know/No answer	9

Q20 [1,11]

If... Q19 = 1

Which of the following groups should be considered the highest priority(ies)?Select all that apply

Students with children	1	
Students who are married.....	2	
Students from low income families.....	3	
Students from middle income families.....	4	
Students with high financial need	5	
Students with permanent disabilities.....	6	
Students from families living in rural areas	7	
Students of Aboriginal origin.....	8	
Single parent students.....	9	
Women pursuing doctoral studies in fields where women are traditionally under-represented (e.g., engineering, applied sciences, physical sciences, mathematics and law).....	10	
Other (please specify) -> AQ20; C100 L1 C80	997	
None of the above.....	998	X
Don't know/No answer.....	999	X

Q33A

To what extent would the following scenarios affect your decisions regarding your post-secondary education (including the decision to work during the school year, studying part-time, delaying your studies to save, type of the program, the length of the program and the location of the program)?You received the same amount of money, but entirely in (non-repayable) grants (and no loans) to finance your education.

No impact 1	1
2.....	2
3.....	3
Moderate impact 4	4
5.....	5
6.....	6
Very great impact 7.....	7
Don't know/ No answer.....	9

Q33C

You received a (non-repayable) grant only at the beginning (e.g., in the first year) of your program

No impact 1	1
2.....	2
3.....	3
Moderate impact 4	4
5.....	5
6.....	6
Very great impact 7.....	7
Don't know/No answer.....	9

Q33D

You received a (non-repayable) grant only in the middle to later part of your program

No impact 1	1
2	2
3	3
Moderate impact 4	4
5	5
6	6
Very great impact 7	7
Don't know/No answer	9

Q34A [1,9]

If... Q33A.EQ.4-7

What would be the main impact of receiving the same amount of money entirely in (non-repayable) grants (and no loans) to finance your education? Select all that apply

Complete the program on time.....	1	
Attend a more expensive school	2	
Move away from home to attend school	3	
Attend university instead of college.....	4	
Attend a different study program	5	
Work less during the school year	6	
No need to obtain other sources of financing during studies.....	7	
Other (please specify) -> AQ34A; C100 L1 C50	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q33C2

If... Q33C.EQ.4-7

Would the impact of receiving a (non-repayable) grant only at the beginning of your program (e.g., in the first year) be a positive or a negative impact?

Positive	1
Negative.....	2
Don't know/No answer	9

Q34CP [1,9]

If... Q33C.EQ.4-7.AND.Q33C2.EQ.1

What would the main positive impact be from only receiving a (non-repayable) grant in the beginning (e.g., in the first year) of your program? Select all that apply

To complete the program on time	1	
To attend a more expensive school	2	
To be able to move away to attend school	3	
To attend university instead of college	4	
To attend a different study program	5	
To work less during the school year	6	
To not have to obtain other sources of financing during studies	7	
To not interrupt studies for at least one term or more	8	
Other (specify) -> AQ34CP; C100 L1 C50	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q34CN [1,9]

If... Q33C.EQ.4-7.AND.Q33C2.EQ.2

What would the main negative impact be from only receiving a (non-repayable) grant in the beginning (e.g., in the first year) of your program? Select all that apply

Not to complete the program on time.....	1	
To attend a less expensive school	2	
To have to live closer to home	3	
To attend college instead of university	4	
To attend a different study program.....	5	
To work more during the school year	6	
To obtain other sources of financing during studies.....	7	
To interrupt studies for at least one term or more	8	
Other (specify) -> AQ34CN; C100 L1 C50	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q33D2

If... Q33D.EQ.4-7

Would the impact of receiving a (non-repayable) grant only in the middle to later part of your program be a positive or a negative impact?

Positive	1
Negative.....	2
Don't know/No answer	9

Q34DP [1,9]

If... Q33D.EQ.4-7.AND.Q33D2.EQ.1

What would the main positive impact be from only receiving a (non-repayable) grant in the middle to later part of your program? Select all that apply

To complete the program on time	1	
To attend a more expensive school	2	
To be able to move away to attend school	3	
To attend university instead of college	4	
To attend a different study program.....	5	
To work less during the school year	6	
To not have to obtain other sources of financing during studies.....	7	
To not interrupt studies for at least one term or more	8	
Other (specify) -> AQ34DP; C100 L1 C50	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q34DN [1,9]

If... Q33D.EQ.4-7.AND.Q33D2.EQ.2

What would the main negative impact be from only receiving a (non-repayable) grant in the middle to later part of your program? Select all that apply

Not to complete the program on time.....	1	
To attend a less expensive school	2	
To have to live closer to home	3	
To attend college instead of university	4	
To attend a different study program.....	5	
To work more during the school year	6	
To obtain other sources of financing during studies.....	7	
To interrupt studies for at least one term or more	8	
Other (specify) -> AQ34DN; C100 L1 C50	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q35

If... Q33A.EQ.4-7

What proportion of your current federal and provincial government assistance would have to be (non-repayable) grants in order to have a significant impact on your education-related decisions or the financing decisions for this education? Enter percent

-> AQ35; N4.0 [0-100] FORMAT = PERCENT	1
Don't know/No response	999

Q35A

How likely would you be to attend an information session concerning your student loan and its repayment, if one were offered while you were still in school?

1 Not at all likely	1	->Q1
2	2	->Q1
3	3	->Q1
4 Moderately likely	4	
5	5	
6	6	
7 Very likely	7	
Don't know/No answer	9	->Q1

Q35B

When would it be most appropriate?

When you receive your first loan	1
In your last year of study	2
At the end of study	3
Within 6 months after graduation	4
Other (please specify) -> AQ35B; C100 L1 C50	77
Don't know/No answer	99

Q35C

What would be the most useful form for an information session to be provided to you?

On the Internet	1
Classroom seminar	2
Other (please specify) -> AQ35C; C100 L1 C50	77
Don't know/No answer	99

Q1

How many years of federal and provincial government student loans have you received?

Years -> AQ1; N2.0 [0-99]	1
Don't know/No answer	99

Q2A [0,1]

What proportion (in per cent) of the support that you have received over the course of your PSE (Post Secondary Education) so far has come from each of the following? (We are looking for rough estimates to the best of your ability) Your answers must total 100%. If you don't know an amount, leave it blank.

Employment income

% -> AQ2A; N4.0 [0-100] FORMAT = PERCENT	1
------------------------------------------------	---

Q2B [0,1]

Savings/investments

% -> AQ2B; N4.0 [0-100] FORMAT = PERCENT	1
------------------------------------------------	---

Q2C [0,1]

Federal or provincial government student loans

% -> AQ2C; N4.0 [0-100] FORMAT = PERCENT	1
------------------------------------------------	---

Q2D [0,1]

Private loans/lines of credit/credit cards

% -> AQ2D; N4.0 [0-100] FORMAT = PERCENT	1
------------------------------------------------	---

Q2E [0,1]

Grants, scholarships and bursaries

% -> AQ2E; N4.0 [0-100] FORMAT = PERCENT	1
------------------------------------------------	---

Q2F [0,1]

Parental support

% -> AQ2F; N4.0 [0-100] FORMAT = PERCENT	1
------------------------------------------------	---

Q2G [0,1]

Support from spouse

% -> AQ2G; N4.0 [0-100] FORMAT = PERCENT	1
------------------------------------------------	---

Q2H [0,1]

Support from other family/friends

% -> AQ2H; N4.0 [0-100] FORMAT = PERCENT 1

Q2I [0,1]

Other sources

% -> AQ2I; N4.0 [0-100] FORMAT = PERCENT 1

Q3

What is the total amount of all federal and provincial government student loans that you received this year?

Enter dollar amount -> AQ3; N6.0 [0-999999] FORMAT = DOLLARS 1

Q4 [1,9]

Which of the following expenses did you incur or do you expect to incur at least once during your current program, if any? Select all that apply

Dental equipment (i.e. dentistry students).....	1	
Music instruments (i.e. music students).....	2	
Tools or equipment to be used in classes.....	3	
Car repairs or purchase.....	4	
Car insurance.....	5	
Housing maintenance (i.e., renovation, repairs, etc.).....	6	
Medical expenses not covered by an insurance plan (i.e., eye care, prescription drugs, etc.).....	7	
Costs to cover accidents or emergencies.....	8	
Other (please specify) -> AQ4; C250 L1 C80.....	997	
None of the above.....	998	X
Don't know/No answer.....	999	X

Q5 [1,7]

Some people would argue that there are students with financial needs that are not currently recognized (i.e., considered in the calculation of assistance amounts per student). Which of the following expenses not currently recognized in calculating student assistance do you think should be considered? Select all that apply

Expenses related to family care (i.e., child care, etc.).....	1	
Marriage (i.e., wedding, etc.).....	2	
Veterinary expenses for pets.....	3	
Vacations.....	4	
Entertainment (i.e., alcohol, cigarettes, restaurants etc.).....	5	
Moving (i.e., truck rental, movers, etc.).....	6	
Other (please specify) -> AQ5; C250 L1 C80.....	997	
None of the above.....	998	X
Don't know/No answer.....	999	X

Q6

Taking into consideration your own income, any financial support received from parents or other family members, as well as the assistance received from the federal and provincial governments, to what extent would you say that student assistance from the federal and provincial government is adequate to meet your financial needs?

1 Not at all adequate	1	
2	2	
3	3	
4 Moderately adequate	4	
5	5	->Q50
6	6	->Q50
7 Completely adequate	7	->Q50
Don't know/No answer	9	->Q50

Q7

How much more would you estimate that you need a year from government assistance (in conjunction with your income and support from others) in order to meet your financial needs?

Enter dollar amount -> AQ7; N6.0 [1-999999] FORMAT = DOLLARS	1
Don't know/No answer	999999

Q8 [1,7]

What would this additional assistance likely cover? Select all that apply

Tuition	1	
Books and other education-related expenses	2	
Rent/accommodation/utilities	3	
Food and other basic living expenses	4	
Transportation (e.g., parking, gas, bus)	5	
Purchase of a car/car payments	6	
Other (please specify) -> AQ8; C250 L1 C80	997	
None of the above	998	
Don't know/No answer	999	X

Q9 [1,8]

Given that you are not currently receiving this additional assistance, how do you typically deal with the shortage of income? Select all that apply

Borrow from a bank/use a line of credit	1	
Use credit cards	2	
Share accommodation/live with parents	3	
Work more than you intended	4	
Put off purchases (e.g., a car)	5	
Use savings/investments	6	
Borrow from family/friends	7	
Other (please specify) -> AQ9; C40 L1 C30	997	
None of the above	998	X
Don't know/No answer	999	X

Q10

Has there been a source of income or expenses that was not what you were expecting, that has caused a shortfall in your current cash flow?

Yes 1
No 2
Don't know/No answer 9

Q11 [1,12]

If... Q10=1

Which one(s) was not what you expected it to be? Select all that apply

Income	0	N
Employment income lower	1	
Financial support from parents/family lower	2	
Government student loans lower	3	
Financial institution loans lower	4	
Bursaries, grants and scholarships lower	5	
Expense	66	N
Rent/accommodation higher	67	
Tuition and other education-related expenses higher	68	
Living expenses higher	69	
Transportation higher	70	
Other (please specify) -> AQ11; C200 L1 C80	77	
None of the above	88	X
Don't know/No answer	99	X

Q50

What do you expect your total (federal and provincial) government student loan debt to be for all of the post-secondary education that you expect to pursue? &Q52TEST

\$ -> AQ50; N6.0 [0-999990] 1
Don't know/No answer 999999

Q51

What do you expect your total private loan debt to be (from all sources, including personal loans, lines of credit and credit cards) for all of the post-secondary education that you expect to pursue?

\$ -> AQ51; N6.0 [0-999990] 1
Not applicable..... 999998
Don't know/No answer 999999

Q52

What do you expect your total debt to be from any other sources (not including government assistance and private debt) for all of the post-secondary education that you expect to pursue?

\$ -> AQ52; N6.0 [0-999990] 1
Don't know/No answer 999999

Q52CALC

CALC((\$AQ50+\$AQ51+\$AQ52),"Q52CALC")

Q52TEST

Do you expect your total debt from all sources to be \$&@Q52CALC ?

Yes	1	
No	2	->Q50
Don't know/No answer	9	

Q53

How concerned are you about the amount of debt you expect to incur by the time you graduate?

1 Not at all concerned	1
2	2
3	3
4 Moderately concerned	4
5	5
6	6
7 Very concerned	7
Don't know/No answer	9

Q54

If... Q53.EQ.4-7

To what extent has concern about the amount of debt you expect to incur been a factor in your decisions about school? (Including the decision to work during the school year, studying part-time, delaying your studies to save, the type of program, the length of the program and the location of the program)?

1 To no extent at all	1
2	2
3	3
4 To a moderate extent	4
5	5
6	6
7 To a very large extent	7
Don't know/No answer	9

Q55 [1,10]

If... Q54.EQ.4-7

Did you make any of the following school-related decisions in order to make post-secondary education affordable or minimize your total debt? Select all that apply

To take more time to complete the program	1
To attend a less expensive school	2
To live closer to home	3
To attend college instead of university	4
To attend a different study program	5
To attend part-time	6
To work more during the school year	7
To obtain other sources of financing during studies	8

To interrupt your studies for at least one term or more	9	
Other (please specify) -> AQ55; C100 L1 C50	997	
None of the above.....	998	X
Don't know/No answer	999	X

Q56

How many months or years after you complete your studies do you expect it to be before you are employed in your field of study?

Months	1	
Years.....	2	
-> AQ56; N2.0 [0-98]	3	N
Don't know/No answer	999	

Q57

From what you know of the profession/industry that you are studying for, what do you expect your minimum starting salary to be in the first job/position you take after graduation?

\$ (per year) -> AQ57; N6.0 [0-999990]	1
Don't know/No answer	999999

Q58

How many years after graduation do you expect it to take you to pay off your government student debt?

Years -> AQ58; N2.0 [0-98]	1
Less than one year	2
Don't know/No answer	99

PRQ59 [0,0]

To what extent do you agree or disagree with the following statements about the accumulation of debt?

Q59A

I wish I could borrow more money during the school year

Strongly disagree 1	1
2	2
3	3
Neither agree no disagree 4.....	4
5	5
6	6
Strongly agree 7	7
Don't know/ No Answer	9

Q59B

I try to avoid incurring debt whenever possible

Strongly disagree 1	1
2	2
3	3
Neither agree no disagree 4.....	4

5	5
6	6
Strongly agree 7	7
Don't know/ No Answer	9

Q59C

I would rather work to pay for my education now than to be paying it off later

Strongly disagree 1	1
2	2
3	3
Neither agree no disagree 4	4
5	5
6	6
Strongly agree 7	7
Don't know/ No Answer	9

Q60 [1,7]

If... CURRLOAN2.EQ.3

Records indicate that you have borrowed a high amount in Canada Student Loans this academic year. What were the main reasons that you needed to borrow more than the average amount? Select all that apply

Expensive program	1	
Long program/need several degrees	2	
Preference not to work during studies or inability to work during studies	3	
Need to live away from home to attend school/program enrolled in	4	
Living expenses are higher than the average students'	5	
Have a spouse/child(ren) to support while attending school	6	
Other (please specify) -> AQ60; C150 L1 C80	997	
None of the above	998	X
Don't know/No answer	999	X

Q61 [1,4]

If... CURRLOAN2.EQ.3

Which, if any, of the following motivates your willingness to accumulate more than the average debt this year? Select all that apply

Because I love the profession that I am studying for	1	
Because I expect to make a large enough salary after graduation to be able to pay it off quickly	2	
Because I expect to have someone else (i.e., parent, spouse, other) help to pay it off quickly	3	
Other (please specify) -> AQ61; C150 L1 C80	997	
None of the above	998	X
Don't know/No response	999	X

Q62

In what year did you graduate from high school?

Year of graduation -> AQ62; N4.0 [1940-2006]	1
Don't know/No answer	9999

PRQ63 [0,0]

How many academic years of community college/CEGEP, career college and university have you completed since leaving high school?

Q63A

Community college/CEGEP

Academic years -> AQ63A; N2.0 [0-90] 1
None/ Not applicable 98
Don't know/ No Answer 99

Q63B

University

Academic years -> AQ63B; N2.0 [0-90] 1
None/ Not applicable 98
Don't know/ No Answer 99

Q63C

Other PSE (Post-Secondary Education including Career College/Trade School)

Academic years -> AQ63C; N2.0 [0-90] 1
None/ Not applicable 98
Don't know/ No Answer 99

Q64A

If... (AQ63A.GT.1).AND.(AQ63A.LT.98)

How many of these &@AQ63A academic years in community college/CEGEP, trade school have involved full-time studies? &Q64AERR

Academic years -> AQ64A; N2.0 [0-90] 1
None/Not applicable 98
Don't know/No answer 99

Q64AERR

If... AQ64A.GT.AQ63A

The number must not be greater than number of academic years you completed. Please correct your answer(s). 1

->Q64A

Q64B

If... (AQ63B.GT.1).AND.(AQ63B.LT.98)

How many of these &@AQ63B academic years in university have involved full-time studies? &Q64BERR

Academic years -> AQ64B; N2.0 [0-90] 1
None/Not applicable 98
Don't know/No answer 99

Q64BERR

If... AQ64B.GT.AQ63B

The number must not be greater than number of academic years you completed. Please correct your answer(s). 1

->Q64B

Q64C

If... (AQ63C.GT.1).AND.(AQ63C.LT.98)

How many of these &@AQ63C academic years in other Post-Secondary Education (including career college/trade school) have involved full-time studies? &Q64CERR

Academic years -> AQ64C; N2.0 [0-90] 1
None/Not applicable98
Don't know/No answer99

Q64CERR

If... AQ64C.GT.AQ63C

The number must not be greater than number of academic years you completed. Please correct your answer(s). 1

->Q64C

Q64A2

If... AQ63A.EQ.1

Was this academic year in community college/CEGEP full-time or part-time?

Full-time 1
Part-time2
Don't know/No answer9

Q64B2

If... (AQ63B.EQ.1)

Was this academic year in university full-time or part-time?

Full-time 1
Part-time2
Don't know/No answer9

Q64C2

If... (AQ63C.EQ.1)

Was this academic year in other post-secondary education (including career college/trade school) full-time or part-time?

Full-time 1
Part-time2
Don't know/No answer9

Q65

Do you have a degree/certificate that you completed prior to this program?

Yes 1

No	2
Don't know/No answer	9

Q65A [1,7]

If... Q65.EQ.1

What was this degree/certificate?

Community college/CEGEP diploma	1	
Private career college/trade school diploma/certificate.....	2	
University Certificate.....	3	
Bachelor's Degree	4	
Master's Degree	5	
Doctoral Degree.....	6	
Other -> AQ65A; C200 L1 C80	77	
Don't know/No answer	99	X

QPRE70

Are you attending school this term?

Yes.....	1
No	2
Don't know/No answer	9

Q66A

If... QPRE70.EQ.1

What degree/certificate are you pursuing in your current program?

Community college/CEGEP diploma	1
Private career college/trade school diploma/certificate.....	2
University Certificate.....	3
Bachelor's Degree	4
Master's Degree	5
Doctoral Degree.....	6
Other (please specify) -> AQ66A; C150 L1 C80	77
Don't know/No answer	99

Q66B

If... QPRE70.EQ.2

What degree/certificate were you pursuing in your program?

Community college/CEGEP diploma/trade certificate.....	1
Private career college/trade school diploma/certificate.....	2
University Certificate.....	3
Bachelor's Degree	4
Master's Degree	5
Doctoral Degree.....	6
Other (please specify) -> AQ66B; C150 L1 C80	77
Don't know/No answer	99

Q67A

If... QPRE70.EQ.1

What type of program are you currently enrolled in?

Fine Arts	1
Business, Commerce, Management and Administration.....	2
Computer Science.....	3
Education	4
Engineering and Engineering Technologies.....	5
Humanities.....	6
Law.....	7
Medicine, Dentistry, Nursing, Other Health Science (e.g., Veterinary Medicine, Physiotherapy).....	8
Natural Science and Primary Technologies	9
Physical Sciences.....	10
Social Sciences	11
Interdisciplinary Sciences	12
Other (please specify) -> AQ67A; C150 L1 C80	77
Don't know/No answer	99

Q67B

If... QPRE70.EQ.2

What type of program were enrolled in?

Fine Arts	1
Business, Commerce, Management and Administration.....	2
Computer Science.....	3
Education	4
Engineering and Engineering Technologies.....	5
Humanities.....	6
Law.....	7
Medicine, Dentistry, Nursing, Other Health Science (e.g., Veterinary Medicine, Physiotherapy).....	8
Natural Science and Primary Technologies	9
Physical Sciences.....	10
Social Sciences	11
Interdisciplinary Sciences	12
Other (please specify) -> AQ67B; C150 L1 C80	77
Don't know/No answer	99

Q68

What year of your current program are you in as of this academic year? (i.e., if you are in the second year of a Masters program, please indicate year 2).

Year -> AQ68; N2.0 [1-90]	1
Don't know/No answer	9

Q69

How many terms do you expect to attend school in this academic year?

Terms (up to 4) -> AQ69; N1.0 [1-4]	1
Don't know/No answer	9

Q70

If... QPRE70.EQ.1

Are you attending full-time?

Yes..... 1
No 2
Don't know/No answer 9

Q70A

If... QPRE70.EQ.2,9

Did you complete your program?

Yes..... 1
No 2
Don't know/No answer 9

Q70B

If... Q70A.EQ.2

Are you expecting to return to complete your program at some point in the future?

Yes..... 1
No 2
Don't know/No answer 9

Q71

Do you intend to pursue another degree/program after you complete the one you are currently enrolled in?

Yes..... 1
No 2
Don't know/No answer 9

Q72

If... Q71.EQ.1

What degree/certificate do you intend to pursue after this program?

Community college/CEGEP diploma 1
Private career college/trade school diploma/certificate..... 2
University Certificate..... 3
Bachelor's Degree 4
Master's Degree 5
Doctoral Degree..... 6
Other (please specify) -> AQ72; C150 L1 C80 77
Don't know/No answer 99

Q73

If... Q71.EQ.1

What type of program will you enroll in after your current program?

Fine Arts	1
Business, Commerce, Management and Administration.....	2
Computer Science.....	3
Education	4
Engineering and Engineering Technologies.....	5
Humanities.....	6
Law.....	7
Medicine, Dentistry, Nursing, Other Health Science (e.g., Veterinary Medicine, Physiotherapy).....	8
Natural Science and Primary Technologies	9
Physical Sciences.....	10
Social Sciences	11
Interdisciplinary Sciences	12
Other (please specify) -> AQ73; C150 L1 C80	77
Don't know/No answer	99

Q73B

Are you married?

Yes.....	1
No	2
Don't know/No answer	9

Q73C

Do you have any children?

Yes (how many) -> AQ73C; N2.0 [0-98]	1
No	2
Don't know/No answer	99

Q74

Did you move to a new community in order to attend the school you are currently studying at?

Yes.....	1	
No	2	->Q78
Don't know/No answer	9	->Q78

Q75

How far did you move in order to attend school?

Less than 20 kms	1
20-80 kms	2
More than 80 kms	3
Don't know/No answer	9

Q76

What are the first three digits of the postal code where you used to live (before you moved to go to school)?

Response -> AQ76; S3 L1 C10	1
Used to live outside of Canada	2

Don't know/No answer9

Q77

What are the first three digits of the postal code of your parent's home address (if different than above)?

Response -> AQ77; S3 L1 C10	1
Same as my postal code	2
Parents live outside Canada	3
Don't know/No answer	9

Q78

Where you born in Canada?

Yes	1
No	2
Don't know/No answer	9

Q79

If... Q78.EQ.2

When did you come to Canada?

Year -> AQ79; N4.0 [1900-2006]	1
Don't know/No answer	9999

Q80

Do you consider yourself to be a person of Aboriginal or native ancestry? (e.g. First Nations, North American Indian, Inuit, Métis, etc.). If yes – Which of the following best describes your Aboriginal status?

No, not an Aboriginal person	1
Yes, Status Indian	2
Yes, Non-Status Indian	3
Yes, Métis	4
Yes, Inuit	5
Yes, Other (please specify) -> AQ80; C150 L1 C80	77
Don't know/No answer	99

Q81

Do you consider yourself to be a member of a visible minority group (i.e., a minority in Canada because of your race or colour – not including Aboriginal people)?

Yes, (please specify) -> AQ81; C150 L1 C80	77
No	01
Don't know/No answer	99

Q82

Do you consider yourself to be a person with a permanent disability (i.e., someone with a long-term physical or mental condition that limits the kind or amount of paid work that they can do)?

Yes	1
No	2
Don't know/No answer	9

QEND

[EN][FR]

..... 1

CMMT [0,1]

Do you have any further comments that you would like to add?

-> ACMMT; C240 L4 C80 1

Don't know/No answer 9

FOLLOWUP

As a result of the analysis of the study results, we may also wish to conduct a short follow-up survey. This would likely take place late in April or early May. Would you be willing to participate in a follow-up to this study?

Yes 1

No 2

THNK [0,0]

Thank you for your participation To obtain information related to this survey, you may do so by submitting a written request to Human Resources and Social Development pursuant to the Access to Information Act. Instructions for making formal requests are provided in the publication InfoSource. This is located in local Service Canada Centres, and is available at the website address, <http://infosource.gc.ca>. When requesting information, please refer to the survey name, Canada Student Loans Borrowers' Survey.

Thank you for taking the time to contribute to our study! Winners of the cash draw will be notified by e-mail in late April or early May.

APPENDIX B

REGRESSION MODELS

Regression Models – Perceived Adequacy of Students' Assistance from the Government; Perceived Adequacy of the Maximum Amount of Government Loan That Is Currently Available; Expected Total Debt from All Sources; and Expected Number of Years to Repay Government Student Debt;

In the main report bivariate analysis was used to examine the relationship between the perceived adequacy of government loans and various factors. These measures, however, are often inter-related and it is complicated to assess the unique contribution they might have in explaining students' perceptions of the adequacy of government assistance. To better understand the relative importance of various sociodemographic, academic, and attitudinal characteristics (while holding the effect of other explanatory variables constant), multivariate regression analysis was performed.

Multiple regression analysis was tested for four dependent variables:

- 1) The maximum amount of government loan that is available to students is \$350 per week of study (or \$11,900 for the full school year). How adequate do you think that this weekly maximum limit is to cover most students' education and living expenses?
- 2) Taking into consideration your own income, any financial support received from parents or other family members, as well as the assistance received from the federal and provincial governments, to what extent would you say that student assistance from the federal and provincial government is adequate to meet your financial needs?
- 3) What do you expect your total debt from all sources to be (including federal and provincial student loans, private loans, and loans from other sources) for all of the post-secondary education that you expect to pursue?
- 4) How many years after graduation do you expect it to take you to pay off your government student debt?

A large number of variables that appeared to influence the levels of perceived adequacy of government assistance in the bivariate analysis were included in the initial regression models. Variables that exhibited constant and meaningful relation to the perceptions of government's assistance were then selected for the final regressions presented in Exhibit 1. A set of socio-demographic (age, gender, region, children, disability status, and birthplace) and academic indicators (type of institution, program type, and moving to attend school) was kept in the regression model at all times to insure that their effect is controlled for.

While controlling for the effect of all explanatory variables included in the model, the perceived adequacy of weekly government assistance is affected by the following factors (presented below according to their relevant impact)⁹:

1. Age;
2. Degree of consideration that should be given to the ability of student's parents to financially support their child during PSE;
3. Expected total amount of debt from all sources;
4. Degree of concern about the amount of debt expected to incur by the time of graduation;
5. Overall proportion of financial responsibility that should be allocated to government;
6. Receiving federal/provincial grant or Millennium scholarships¹⁰;
7. Type of school¹¹;
8. Receiving educational or other scholarships¹²; and
9. Level of determination to avoid incurring debt whenever possible;

While holding the effect of all explanatory variables constant, perceptions that loan limits are adequate are largely driven by the age of the student, the younger the student the more apt is he/she to say that current limits are adequate. Consideration for parents' ability to assist is the next key driver. The more student believe that parental ability to support is a central ingredient in determining government loan amounts, the more likely they are to believe that the money available to them is adequate. Those who expect to accrue higher overall debt are considerably less likely to believe that the loan limit is adequate. Similarly, the greater the students' concern about the total debt that they will accrue the less adequate they believe the limit amount available to them is. The next significant factor is the perceived responsibility of government – the more responsibility is assigned to government, the less adequate the loan limit is perceived to be. The perceived inadequacy of loan limit is higher among those who received federal provincial grants or Millennium scholarships. The type of school is also a factor – students attending private colleges are less likely to view loan amounts as adequate. The perceived inadequacy of loan amounts is lower among those students who received educational or other scholarships. Lastly, the more students try to avoid debt during education, the greater the perceived adequacy of loan allowance.

⁹ Stepwise variable selection method was used to examine independent variables at each step for entry or removal. In order to be entered into the equation, all variables must pass entry and tolerance criteria. The default entry level is 0.05 and tolerance level is 0.0001. A variable is not entered if it would cause the tolerance of another variable already in the model to drop below the tolerance criterion. Finally, independent variables enter the model based on their explanatory power.

¹⁰ Used as a categorical (or dummy) measure.

¹¹ Used as a categorical (or dummy) measure.

¹² Used as a categorical (or dummy) measure.

While controlling for the effect of all explanatory variables included in the model, the perceived adequacy of student assistance from the federal and provincial government is affected by the following factors (presented below according to their relevant impact) ¹³:

1. Age;
2. Overall proportion of financial responsibility that should be allocated to government;
3. Expected total amount of debt from all sources;
4. Type of school¹⁴;
5. Degree of consideration that should be given to the ability of student's parents to financially support their child during PSE;
6. Region (BC) ¹⁵;
7. Being disable¹⁶;
8. Degree of concern about the amount of debt expected to incur by the time of graduation;
9. Level of determination to rather work now than to be paying for education later;
10. Overall proportion of financial responsibility that should be allocated to parents; and
11. Receiving federal or provincial grant or Millennium scholarships¹⁷;

As with the previous model, age is the top predictor of perceived adequacy of government student loans, while controlling for the effect of other explanatory variables entered in the model. The younger the borrower the more apt he/she is to say that the loan amount available is adequate. The next most important predictor is the perceived responsibility of government – students who assign more responsibility to government are less likely to perceive government assistance as adequate. . Other significant predictors are the expected total debt from all sources and the type of school. Those who expect a larger total debt are less likely to believe that current loan amounts are sufficient. Similarly, attending private colleges is associated with the greater inadequacy in government assistance. The extent of parents' ability to assist in financing PSE is also a significant factor. The more parents' ability is a consideration the greater the perceived adequacy of government loans. Living in BC (compared to Ontario) and having a disability decreases the perceived adequacy of government loans. Adequacy is also tied to concern for debt. The less concerned one is about the level of debt expected, the greater the perceived adequacy of government assistance. Similarly, the more one tries to work in order to avoid debt during education, the greater the perceived adequacy of government loan amounts. The perceived inadequacy in government loans increases with the larger degree of financial responsibility ascribed to parents. Lastly, receiving federal or provincial grants or Millennium scholarships increases the perceived adequacy of government student loans.

¹³ Stepwise variable selection method was used to examine independent variables at each step for entry or removal. In order to be entered into the equation, all variables must pass entry and tolerance criteria. The default entry level is 0.05 and tolerance level is 0.0001. A variable is not entered if it would cause the tolerance of another variable already in the model to drop below the tolerance criterion. Finally, independent variables enter the model based on their explanatory power.

¹⁴ Used as a categorical (or dummy) measure.

¹⁵ Used as a categorical (or dummy) measure.

¹⁶ Used as a categorical (or dummy) measure.

¹⁷ Used as a categorical (or dummy) measure.

While controlling for the effect of all explanatory variables included in the model, the expected total debt from all sources is affected by the following factors (presented below according to their relevant impact) ¹⁸:

1. Degree of concern about the amount of debt expected to incur by the time of graduation;
2. Type of school¹⁹;
3. Perceived adequacy of weekly government assistance;
4. Program type²⁰;
5. Overall proportion of financial responsibility that should be allocated to government;
6. Reporting multiple sources of debt²¹;
7. Level of determination to rather work now than to be paying for education later;
8. Receiving federal /provincial grants or Millennium scholarship²²;
9. Age;
10. Willingness to borrow more during the school year;
11. Agreement that federal grants should be given for specific groups of students²³;
12. Receiving assistance from family, including parents, spouse, or other family members²⁴;
13. Gender²⁵;
14. Birth place;
15. Region²⁶;
16. Degree of consideration that should be given to the ability of student's parents to financially support their child during PSE; and
17. Overall proportion of financial responsibility that should be allocated to parents;

While holding the effect of all explanatory variables constant, the expected total debt is largely predicted by the degree of concern for debt. The more concerned a student is about the level of debt, the larger the expected total debt is (although perhaps the relationship is reversed). The type of school is again a factor – students attending colleges or private institutions expect to accrue smaller amounts of debt compared to their university counterparts. The next important predictor is the perceived adequacy of government loan limit – the less adequate the limit is perceived to be, the bigger the expected debt is. Expected total debt is

¹⁸ Stepwise variable selection method was used to examine independent variables at each step for entry or removal. In order to be entered into the equation, all variables must pass entry and tolerance criteria. The default entry level is 0.05 and tolerance level is 0.0001. A variable is not entered if it would cause the tolerance of another variable already in the model to drop below the tolerance criterion. Finally, independent variables enter the model based on their explanatory power.

¹⁹ Used as a categorical (or dummy) measure.

²⁰ Used as a categorical (or dummy) measure.

²¹ Used as a categorical (or dummy) measure.

²² Used as a categorical (or dummy) measure.

²³ Used as a categorical (or dummy) measure.

²⁴ Used as a categorical (or dummy) measure.

²⁵ Used as a categorical (or dummy) measure.

²⁶ Used as a categorical (or dummy) measure.

linked to the program type - those enrolled in medicine or dentistry expect larger debt. Other predictor is the perceived responsibility of government - the greater the support expected from the government, the larger is the expected debt from all sources. Similarly, those reporting multiple sources of debt are more likely to anticipate bigger debt. The more a student tries to work in order to avoid debt during education, the smaller the expected total debt is. Receiving federal or provincial grants or Millennium scholarships is associated with the increase in the total student debt. Age is again a factor with younger students expecting to accrue smaller debt. The more a student is willing to borrow, the larger the expected total debt is. Those who believe that government grants should be given to specific groups of students anticipate larger total debt, whereas those who receive family assistance expect smaller debt. Gender, birthplace, and region are also significant predictors. Men, students born in Canada, and those living in BC and Atlantic regions expect larger student debt. The extent of parents' ability to assist in financing PSE is again a factor. The more parents' ability is a consideration the larger the expected total debt is. On the other hand, the expected total debt decreases with the higher degree of responsibility assigned to parents.

While controlling for the effect of all explanatory variables included in the model, the expected number of years required to repay government student debt is affected by the following factors (presented below according to their relevant impact):

1. Expected debt from all sources;
2. Degree of concern about the amount of debt expected to incur by the time of graduation;
3. Region;
4. Birth place;
5. Age;
6. Having moved to a new community in order to attend school;
7. Overall proportion of financial responsibility that should be allocated to government;
8. Program type;
9. Level of determination to avoid incurring debt whenever possible;
10. The perceived adequacy of weekly maximum limit;
11. Receiving educational and other scholarships²⁷;
12. Receiving assistance from family, including parents, spouse, or other family members;
13. Receiving federal /provincial grant or Millennium scholarship²⁸; and
14. Reporting multiple sources of debt;

While holding the effect of all explanatory variables constant, the expected longevity of debt is primarily driven by the expected total debt. Those who expect to accrue higher debt also believe it will take longer to repay student government debt. Similarly, the greater the students' concern about the total debt that they will accrue, the more years they expect to be paying back government loans. Living in BC and Atlantic regions as well as being born in Canada increases the perceived longevity of government debt repayment. Likewise, students who moved to a new community in order to attend the school believe they will need more

²⁷ Used as a categorical (or dummy) measure.

²⁸ Used as a categorical (or dummy) measure.

years to pay off government student loans. The next significant factor is the perceived proportion of financial responsibility that should be allocated to government – more responsibility assigned to government increases the expected number of years needed to repay government student debt. Program is also an important factor – students enrolled in Fine Arts, Education and Humanities expect it will take more years to pay off government loans than students in other programs. The more a student tries to avoid debt during education, the fewer years of loan repayment she/he indicates. Similarly, the more students believe that parental ability to support is a central ingredient in determining government loan amounts, the shorter the expected longevity of debt is. Students who received educational and other scholarships or were supported by their family expect to repay their debt more quickly, while the students who received federal, provincial grants or Millennium Scholarship expect it will take more time to repay their debt.

Exhibit 1: Multiple Regression Coefficients (Betas)²⁹ Associated with the Dependent Variables: Perceived Adequacy of Weekly Maximum Limit; Perceived Adequacy of Student Assistance from Federal and Provincial Government; Expected Total Debt from All Sources; Expected Number of Years to Repay Government Student Debt;

INDEPENDENT VARIABLES	DEPENDENT VARIABLES			
	How adequate do you think that this weekly maximum limit is to cover most students' education and living expenses?	To what extent would you say that student assistance from the federal and provincial government is adequate to meet your financial needs?	What do you expect your total debt from all sources to be (including federal and provincial student loans, private loans, and loans from other sources) for all of the post-secondary education that you expect to pursue?	How many years after graduation do you expect it to take you to pay off your government student debt?
Age	.165***	.177***	-.074***	-.048***
Institution: College versus University	-.015	.004	-.159***	.002
Institution: Private versus University	-.095***	-.053***	-.119***	-.027
Have children versus Not	-.030	.019	-.024	.017
Moved to a new community to attend school versus Not	-.016	.008	.096***	.084***
Born in Canada versus Not	.027	-.011	.041**	.064***
Disable versus Not	-.061***	-.002	-.016	.016
Male versus female	.005	-.020	.047***	-.027*
Region: Atlantic versus Ontario	-.006	-.006	-.044***	.109***
Region: Prairies versus Ontario	-.017	-.026-.015	.000	.002
Region: BC versus Ontario	-.069***		-.047***	.038**

²⁹ Values of Beta coefficients can be compared among continuous variables that are measured differently.

	DEPENDENT VARIABLES			
	How adequate do you think that this weekly maximum limit is to cover most students' education and living expenses?	To what extent would you say that student assistance from the federal and provincial government is adequate to meet your financial needs?	What do you expect your total debt from all sources to be (including federal and provincial student loans, private loans, and loans from other sources) for all of the post-secondary education that you expect to pursue?	How many years after graduation do you expect it to take you to pay off your government student debt?
INDEPENDENT VARIABLES				
Program are/were enrolled: Physical Sc. /Computer Sc./ Engineering/ Natural Sc. versus Fine Arts/ Education /Humanities	-.005	-.007	.010	-.078***
Program are/were enrolled: Business, Commerce/ Law versus Fine Arts/ Education /Humanities	-.015	-.032	.024	-.061***
Program are/were enrolled: Medicine, Dentistry versus Fine Arts/ Education /Humanities	-.014	-.030	.125***	-.105***
Program are/were enrolled: Unknown versus Fine Arts/ Education/ Humanities	-.007	-.036*	.053***	.001
In determining how much government loans and grants an individual student would be eligible to receive, how much consideration do you think should be given to the ability of the student's parents to financially support their child during PSE?	.085***	.124***	.045**	-.022
How adequate do you think that this weekly maximum limit is to cover most students' education and living expenses?	-	-	-.094***	-.063***
Overall proportion of financial responsibility that should be allocated to parents	-.056***	.019	-.041**	-.022
Overall proportion of financial responsibility that should be allocated to government	-.132***	-.064***	.059***	.049**
Received a federal/provincial grant/ Millennium Scholarship versus NOT	.047***	.063***	.073***	.034**
Received educational/ other scholarships versus NOT	-.034**	-.044**	.016	-.056***
Received family assistance versus NOT	.006	-.022	-.051***	-.040**
Do you expect your total debt from all sources to be...?	-.114***	-.104***	-	.262***
Have multiple sources of debt versus NOT	-.021	-.007	.101***	.033**
How concerned are you about the amount of debt you expect to incur by the time you graduate?	-.056***	-.092***	.203***	.237***

	DEPENDENT VARIABLES			
	How adequate do you think that this weekly maximum limit is to cover most students' education and living expenses?	To what extent would you say that student assistance from the federal and provincial government is adequate to meet your financial needs?	What do you expect your total debt from all sources to be (including federal and provincial student loans, private loans, and loans from other sources) for all of the post-secondary education that you expect to pursue?	How many years after graduation do you expect it to take you to pay off your government student debt?
INDEPENDENT VARIABLES				
Agreement with... I wish I could borrow more	-	-	.052***	-.047
Agreement with... I try to avoid incurring debt whenever possible	.028*	.043**	-.017	-.054***
Agreement with... I would rather work to pay for my education now than to be paying it off later	.043***	-.012	-.076***	-.008
For federal grants, specific groups of students should be given priority versus all students should be considered equally	-	-	.051***	-
Adjusted R square	0.12	0.10	0.19	0.26

-- Variable was not entered into the regression model

Coefficient not at all significant

* Coefficient significant only at 10 per cent level

** Coefficient significant at 5 per cent level

*** Coefficient (very) significant at 1 per cent level