



RESPONSE TO PETITION

Prepare in English and French marking 'Original Text' or 'Translation'

PETITION No.: **421-01927**

BY: **Ms. MAY (SAANICH-GULF ISLANDS)**

DATE: **DECEMBER 1, 2017**

PRINT NAME OF SIGNATORY: **RODGER CUZNER**

Response by the Minister of Employment, Workforce Development and Labour

SIGNATURE

Minister or Parliamentary Secretary

SUBJECT

STUDENT LOANS

ORIGINAL TEXT

REPLY

The Government of Canada would like to thank the petitioners for sharing their views on measures to make student debt more manageable. We welcome input on these important issues.

Canada's prosperity depends on Canadians getting the education and experience they need to prepare for the jobs of today and tomorrow. We recognize the challenges recent graduates may face as they transition to the labour force. That's why we're making post-secondary education more affordable by providing financial assistance to students through the Canada Student Loans program. The Program provides eligible students with Canada Student Loans, Canada Student Grants, and repayment assistance through the Repayment Assistance Plan to help pay for post-secondary education at a designated college, university, or other post-secondary institution.

Canada Student Loans are interest-free for the entire period of study. Borrowers may also claim an annual federal tax credit for all the interest payments made on federal and provincial student loans throughout the repayment period, thus lowering the total interest borrowers pay on their student loans.

Since October 2015, we brought in measures that:

- Increased the loan repayment threshold under Repayment Assistance Plan to ensure that no borrower will have to repay their Canada Student Loans until they are earning at least \$25,000 per year. The Repayment Assistance Plan thresholds continue to be based on family income and are adjusted according to family size. For example, a family size of four with an income of \$59,512 or less will not have to make Canada Student Loan payments.
- Increased Canada Student Grants by 50% and expanded eligibility to more students, including people working full-time or caring for a family. Over 400,000 low- and middle-income students are benefiting from increased grant funding, including an additional 46,000 full-time students who became newly eligible.
- Introduced a fixed student contribution to simplify and reduce the amount students are expected to contribute to the cost of their post-secondary studies. Vulnerable populations and those facing barrier to employment (e.g., Indigenous students, students with permanent disabilities, students with dependent children) are not expected to make a contribution, expanding their access to student financial assistance.

As part of Budget 2017, the Government of Canada also announced measures to help working Canadians pursue lifelong education and upgrade their skills so that Canada's middle class can find and keep good jobs. This includes expanding student financial assistance for part-time students and students with children; and introducing a pilot project to make it easier for adult learners to qualify for grants and loans. The implementation of these measures is planned for the 2018-19 academic year.