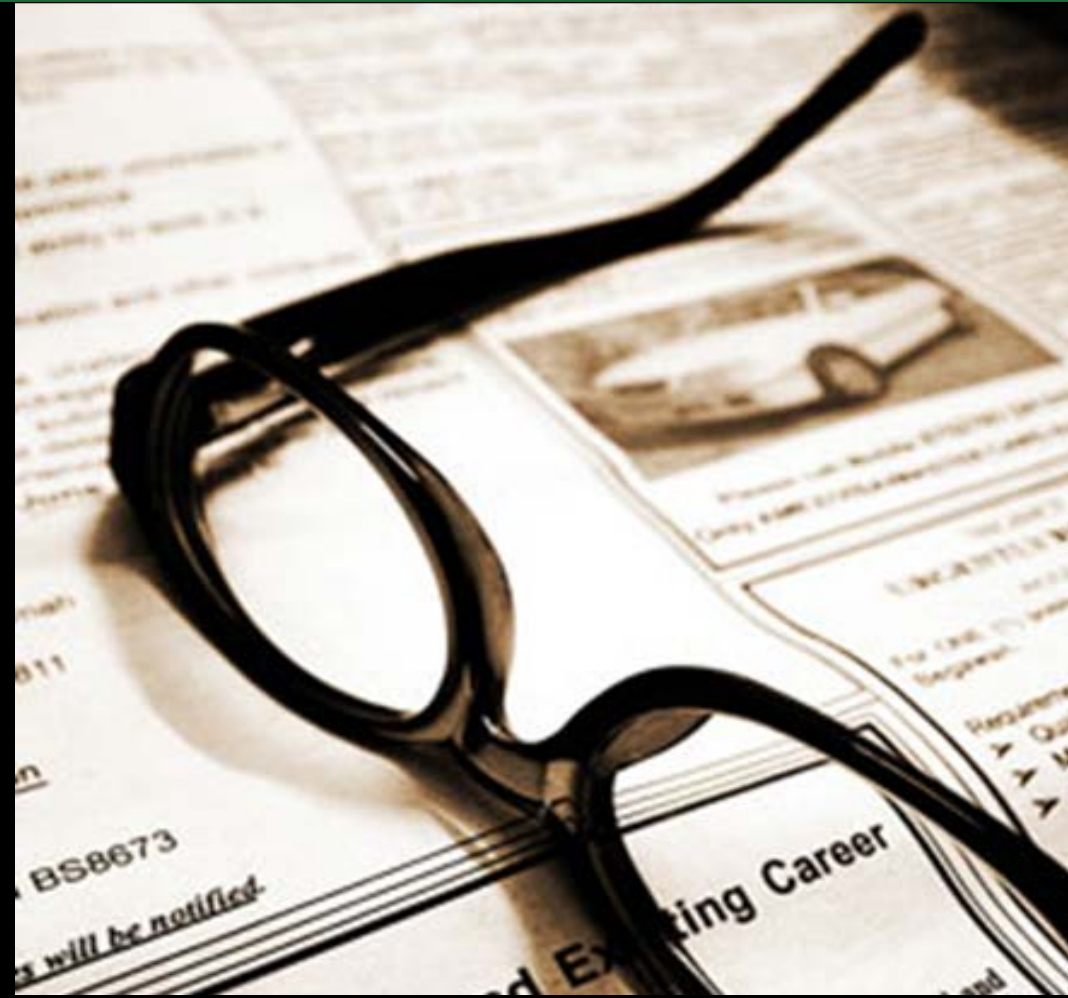


CASFAA/ACRAFE 2014

Submitted by:
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Of the 1.4 million Canadians who are currently unemployed, almost a third is young people between the ages of 15 and 24, according to a new Statistics Canada report.

THE HOUSE OF COMMONS STANDING COMMITTEE ON FINANCE: PRE-BUDGET CONSULTATIONS 2014

FEDERAL WORK-STUDY PROGRAM

Program Objectives

1. To increase the retention and graduation rates of under-represented students at post-secondary institutions across Canada through on-campus employment opportunities.
2. To increase the employability of under-represented students upon graduation through career-related employment opportunities.
3. Increase life skills of students through Financial Literacy Training.
4. Provide Career Development Workshops to assist students with options and directions, training for their chosen career-path.

Surprising figures show that the Canadian labour force lost 39,400 net jobs in July, many of which were occupied by young workers. The biggest overall drop was in Quebec, where 30,400 jobs were lost. July was the second consecutive month of job losses in the country.

CTVNews.ca Staff
Published Friday,
August 9, 2013
8:36AM EDT

Canada's official unemployment rate now stands at 7.2 per cent. And the market just got even worse for young people looking for summer jobs or full-time employment.

Introduction

The Canadian Association of Student Financial Aid Administrators (CASFAA) thanks the House Standing Committee on Finance for this opportunity to contribute to the pre-budget consultation process. CASFAA is the national professional association representing financial aid administrators at Canada's post-secondary institutions.

Our members administer a large spectrum of student financial aid programs at all levels. This includes government sponsored student aid programs such as the Canada Student Loan Program, various provincial student assistance programs, institutional scholarships and bursaries, and work study programs. Students, governments, student loan service agencies, and our respective institutions count on our members' expertise to deliver these complex programs efficiently, effectively ensuring the academic success of our students. We also provide budgeting and financial counseling assistance to students. A primary objective of the Association is to advocate on behalf of Canadian students. Because of our roles within our educational institutions, we are uniquely positioned to directly witness not only the success of the Canada Student Loan Program (CSLP), but also the gaps that seriously compromise the academic potential of a great number of students.

The Federal Government has developed many successful programs to improve conditions for students in Canada. The implementation of the Canada Student Grant Program, the Federal Repayment Assistance Plan, and set aside billion dollars for grants to improve the accessibility of post-secondary education and underrepresented students—just to name a few. CASFAA applauds these achievements and urges the government to build upon this momentum. There are still many students in Canada that are disadvantaged in the current system and urgently require the government's assistance.

Canada's continued prosperity in an increasingly competitive and integrated global economy rests on its ability to maintain an advantage in terms of the skills, flexibility and innovativeness of its labour force. Since 1980, the earnings of those with a post-secondary education have grown, while the wages of those with a high school diploma or less have not. Research from Statistics Canada (Youth in Transition) and Canada Millennium Scholarship Foundation (The Price of Knowledge) confirm that participation rates from students with relatively advantaged backgrounds are strong.

We need to make gains in the average participation rates of students from under-represented groups (students from low-income families, students with no history of post-secondary education in their families, Aboriginal students and students with disabilities). However, Canadians need adequate training and education to meet current and future innovative workforce requirements.

As such, CASFAA is recommending a **Federal Work-Study Program (FWSP)**. Through program participation, students will gain the skills, knowledge and confidence to effectively utilize their own potential and capabilities to transition from post-secondary education to full-time employment.

Federal Work-Study Program (FWSP)

The Federal Work-Study Program (FWSP) will be designed to provide under-represented students (Aboriginals, persons with disabilities, low-income earners, first generation post-secondary learners, young males and youth from rural communities) with a valuable **on-campus summer employment** opportunity. The aim of the program is to enhance students' employment prospects upon completion of their studies. Students will engage in a series of workshops during their employment to develop (or enhance) financial literacy and employment readiness skillsets. The resources both interpersonal and financial will enable them to finance the continuation of their education and provide them new or enhanced skills during their undergraduate years. The program also incorporates career building skills, including the Resume & Cover Letter Workshop to better position students in our competitive job market to find employment after graduation.

The Federal Work-Study Program (FWSP) will be administered by the Financial Aid Office (FAO) and/or designate with the following objectives:

- To increase financial literacy;
- offer career-related job experiences;
- offer career guidance and employment readiness skills.

In the attached example FWSP student positions are proposed at 36.25 hours per week, total of 12 weeks during which students are paid \$12 per hour (plus vacation, holiday pay). To maximize the PETL resources and fund more summer employment positions, stakeholders will subsidize the SEP positions. Wages will need to be adjusted by province depending on cost of living.

The FWSP Coordinator Position will be paid \$14.00 per hour, total of 13 weeks, and collaborate with the stakeholders and assisted in coordination of the workshops, and liaised with project holders.

Wages for all positions will need to be adjusted by province depending on cost of living.

Eligibility in the program will include participation in **mandatory** Workshops in Financial Literacy, Resume & Cover Letter Writing, Career Guidance and Employment Readiness.

Federal Work-Study Program objectives are to:

- Compensate for students' lack of resources not available through parental/family contributions, bank/student loans, line-of-credits, etc.
- Provide financial incentives to "needy" students to continue their academic career, despite lack of resources.
- provide work opportunities to students who may not have prior work experience and, therefore, may find it harder to gain career-related employment

In the book, [Student Success in College: Creating Conditions That Matter](#), By George D. Kuh, Jillian Kinzie, John H. Schuh, Elizabeth J. Whitt, the authors stated that....

The Work-Study Pilot will enhance career development, employability skills and opportunities for university students from underrepresented groups. This will be achieved through:

- Work-based learning opportunities;
- Mentoring and;
- Evaluation.

Continuous Monitoring and Evaluation

There will be on-going monitoring of the Federal Work-Study Program participants by the institutional Financial Aid Offices. In the attached appendix please see proposed budget regarding costs of the proposed Pilot. The Work-Study Coordinator will provide on-going evaluation and mentorship support in order to swiftly deal with issues that may impede successful employment performance.

Upon conclusion of the Federal Work-Study Pilot Proposal, the Work-Study Coordinator will complete interviews, focus groups and surveys to gauge the effectiveness of the program in developing employment skills, assisting with career selection, increasing a sense of belonging to the university/college and local community. A financial template (APPENDIX) has been prepared for review of proposed costs.

Government has increased spending on student assistance through fiscal measures introduced to the tax system. These measures include scholarship and bursary exemptions, credits for tuition fees, and an allowance for each month of full-time enrolment, as well as contributions to Registered Education Savings Plans (RESPs). These tax credits are distributed almost entirely without regard to financial need, disproportionately benefiting families with higher incomes. They do little to assist high-need students and underrepresented groups (e.g., students from low income families, students with disabilities, Aboriginal students, adult learners) to enter our post-secondary education system.

CASFAA believes that means-tested student financial assistance that is accessible through a simplified application process and that delivers funds at a time that expenses are incurred represents the most effective use of taxpayers' dollars. Therefore, CASFAA recommends that the federal government give serious consideration to a review of these tax measures.

Conclusion

CASFAA is grateful for the opportunity to share our insights with the Standing Committee on Finance. Investing in post-secondary education through measures such as those we have recommended will strengthen our country, and will help ensure that all citizens, as individuals, and Canada, as a nation, can compete effectively in the global economy.

Respectfully Submitted,

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CASFAA President

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CASFAA Past-President

Federal Work-study Estimate of Number of positions

APPENDIX

Federal Work-Study Proposal

PILOT

	Weeks	hours	rate	TOTAL PD	COSTS	COSTS	Salary
Work-Study Coordinator	34	36.25	\$20	\$ 26,405.00			26,405.00

ADMINISTRATION

15,000.00

TESTING (5,000.00)

	weeks	hours	rate	Per student	# of students	TOTAL PD	Costs 4% vacation	Costs 3% PPH	Costs Other
September-April positions 2015-2016	34	10	\$15.00	\$ 5,100.00	2500	\$12,750,000.00	\$13,260,000.00	\$ 13,657,800.00	
September-April positions INSTITUTIONAL Contribution	34	10	\$ 3.00	\$ 1,020.00	2500	\$ 2,550,000.00	\$ 2,550,000.00	\$ 2,550,000.00	Cost of PILOT Positions
FEDERAL costs	34	10	\$12.00	\$ 4,080.00	2500	\$10,200,000.00	\$ 10,710,000.00	\$ 11,107,800.00	\$ 1,107,800.00

Salary Costs to be added

4% vacation Pay (first)

3% accommodation for Paid Public Holidays (second)

34 weeks (2500 Positions)

TOTAL 11,122,800.00

SAMPLE only will need to be adjusted by province