

PRESSURE POINTS IN STUDENT FINANCIAL ASSISTANCE

EXPLORING THE “MAKING ENDS MEET” DATABASE

MARCH 2004

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TABLE OF CONTENTS

Introduction	.1
Methodology	.2
Report Limitations	.3
Definitions	.4
Student Living Costs and Allowances	.5
Assistance Limits	.9
Student Financing Strategies	.11
Parental Contributions	.17
Students Who Intend to Work	.21
Students Who Could Complete More Quickly if They Did Not Have to Work	.23
Choice of Post-Secondary Institution	.25
Debt Load	.29
Summary	.32
Questions on Future Surveys	.33
Bibliography	.34
Appendix A – Definitions and SPSS Data Fields Used	.35

Tables and Figures

Tables

Table 1: Student Sources of Expenditure (Annual Total)	5
Table 2: 2001–02 Average Reported Living Costs for Eight Months — by Region — by CSL Category Proxy	5
Table 3: 2001–02 CSL Living Allowances for Eight Months — by Region — by CSL Category	6
Table 4: 2001–02 Excess of Living Costs over Living Allowances — for Eight Months — by Region — by CSL Category Proxy	6
Table 5: Excess of University Student Expenditures Over Assistance Limits — Selected CSL Category Proxies	9
Table 6: Sources of Income — Annual Total	11
Table 7: Strategy Frequency, Percentage, and \$ Average — by CSL Category Proxy — Including Only Those That Report Using Each Strategy During the Year	12
Table 8: Strategy Frequency, Percentage, and \$ Average — by Type of Program — Including Only Those That Report Using Each Strategy During the Year	13
Table 9: Strategy Frequency, Percentage, and \$ Average — by Father’s Education — including only those that report using each strategy during the year	14
Table 10: Eight Month Cash Parental Contributions — SDH Proxy — by Province — by Income Range	18
Table 11: Total Expected and Actual Eight Month Parental Contribution (PC) — SDH Proxy (SDH) — by Province — by Income Range	18
Table 12: Percentage of SDH Proxy Students Who Intend to Work Throughout the Year — by Family Income Range	21
Table 13: Percentage of SDA Proxy Students Who Intend to Work Throughout the Year — by father’s education	21
Table 14: Percentage of SDH Proxy Students Who Could Complete More Quickly if They Did Not Have to Work — by Family Income Range	19
Table 15: Percentage of SDA Proxy Students Who Could Complete More Quickly if They Did Not Have to Work — by Father’s Education	19
Table 16: Institution Choice of Single Dependent Students Who Move to Study vs. Those Who Stay Home	21
Table 17: Number and Percentage of SDH Proxy Students Choosing College vs. University — by Family Income	21
Table 18: Distribution of SDH Proxy Students Attending University and College Who Reported Family Income — by Family Income	21
Table 19: Distribution of SDH Proxy Students Post-Secondary Enrollment — by Family Income Range — For Those Who Reported Income	21

Table 20: Percentage of Census Families by Income Groups, for Canada, 1995 (20 per cent sample data)	27
Table 21: Government Student Loan, Private Loan, and Total Accumulated Debt from Previous Years and Across the School Year — All Students.	29
Table 22: Average Debt — For Those Graduates Who Have Debt — by CSL Category Proxy	29
Table 23: Average Debt — For Those Graduates Who Have Debt — by Type of Program	29
Table 24: Average Debt — For Those Graduates Who Have Debt — by Father's Education	30

Figures

Figure 1: Canada Student Loan Expected Parental Contribution Levels — Manitoba — 2001–2002	17
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INTRODUCTION

The Canada Millennium Scholarship Foundation was established in 1998 to promote access to post-secondary education through the provision of bursaries to needy students. To do this effectively, the Foundation launched a research program on financial challenges facing post-secondary students. EKOS Research Associates was hired to study the overall picture of education financing, including student expenditures, sources of income and debt, and how students' financial circumstances affect access to post-secondary education.

EKOS's findings were published by the Foundation in March of 2003 in a report called *Making Ends Meet: The 2001–2002 Student Financial Survey*. That report focuses specifically on the income and expenditures of students, and does not try to capture what others spend on their behalf, such as the “in-kind” support of room and board that students living at home receive. It contains valuable information on students' socio-demographic, education and employment profiles, expenses, and sources of financial support both during school and over the summer. However, the Foundation felt the data EKOS gathered had the potential to be even more useful to administrators. This report explores the data using Canada Student Loans Program definitions and categories to identify additional information for analysis, and the policy implications inherent in the reformatted data. Recommendations on forming questions for further surveys, which would use those definitions, are included.

METHODOLOGY

The EKOS survey captured baseline data on 1,543 students as they began the 2001–2002 school year, as well as information on their income and expenditures through the school year. About 60 per cent of the survey respondents were retained until the end of the survey. Slightly more than half (54 per cent) were in Bachelor Degree programs, 12 per cent in advanced degree programs, 2 per cent in university certificate programs and 31 per cent were enrolled in college/CEGEP diploma or certificate programs.

This project reviewed the EKOS survey content using student aid program definitions and categories (see Appendix A for the variables used to create proxies). Information was extracted on the following topics:

- actual vs. allowed Canada Student Loan living expenses — by region
- actual education & living costs vs. assistance limits — by region
- student financing strategies
- actual vs. expected parental contributions
- students' intent to work
- impact of work on time taken to graduate
- program choice
- graduate debt.

Depending on their relevance to the topic, we reviewed EKOS's data by institution, program, socio-economic status or Canada Student Loan student category (single dependent at home, single dependent away from home, single independent at home, single independent away from home, married and single parent). Age and marital status were used as proxies for identifying dependent and independent students.

REPORT LIMITATIONS

The report limitations outlined in the EKOS Research Report “Making Ends Meet” also apply to this document. As with the EKOS study, missing data in financial fields were attributed with the most likely response in certain cases (see Appendix A). Attributed data may not reflect actual circumstances in all cases.

The size of the EKOS survey population means numbers are too small in a number of sub-categories in this report to support firm conclusions being drawn. Where categories were known or appeared to contain four responses or less the data were not published in this report. In other cases (for example the number of dependent students reporting family income) the high percentage of non-responses may have skewed the reported results if the non-responses were restricted to certain income groups.

Because proxies were used in this study for Canada Student Loan student categories, the information will not be completely accurate.

For the above reasons, the data in this report should be interpreted with caution; perhaps read as an indication of trends or situations but not interpreted as fact on which policy or program decisions could be made.

DEFINITIONS

Under Canada Student Loan criteria,¹ dependent students are defined as those who:

- have never been married or in a common-law relationship; and,
- have never been single parents with legal custody and financial responsibility for supporting child(ren); and,
- are pursuing post-secondary education within four years of leaving secondary school; or,
- have not been *in the labour force* full-time for two years (the two years need not be consecutive; however, each *year* must be a period of twelve consecutive months)

Students identified as independent are considered to be financially independent of their parent(s), guardian(s) or sponsor(s) because:

- there is no parent, guardian, sponsor, or other supporting relative (due to death or disappearance); or,
- the student has been out of secondary school for four years; or,
- the student has been *in the labour force* full-time for two years; or,
- the student was previously identified as a *married/common-law student* or a *single parent student*, but no longer meets the criteria for these identifications (e.g., widowed or divorced students).

The following acronyms for Canada Student Loan category proxies are used in this report:

SDH — single dependent student at home

SDA — single dependent student away from home

SIH — single independent student at home

SIA — single independent student away from home

M — married student

SP — single parent student.

As the EKOS study did not contain questions that would allow for the precise categorization of students according to CSL definitions, this report has used the information available from the database and defined the CSL category proxies as follows:

Single dependant student at home – single students with no dependants who are living with parents and were born in 1980 or later. (Nineteen seventy-nine or later if living in Ontario.)

Single dependant student away — as above, but living away from home.

Single independent student at home — single students with no dependants who are living with parents and were born in 1979 or before (Nineteen seventy-eight or before if living in Ontario).

Single independent student away from home — as above, but living away from home.

Married student — students who are married or living common law.

Single-parent student — students who are single, separated, divorced or widowed, and who have dependants.

Further detail on the above can be found in Appendix A.

1. As outlined in the CSL Policy and Procedures Manual.

STUDENT LIVING COSTS AND ALLOWANCES

Students reported their total living and educational costs in the EKOS survey. Students' annual expenditures, as outlined in the EKOS report, are reflected in the following table:

TABLE 1: STUDENT SOURCES OF EXPENDITURE (ANNUAL TOTAL)

SOURCE OF EXPENDITURE	PER CENT OF TOTAL (ANNUAL)	
	EXPENDITURE FOR ALL STUDENTS	MEAN \$ (ALL STUDENTS)
Education	24	3100
Accommodation	15	1900
Transportation	12	1500
Food	11	1400
Debt payment	8	1000
Clothing	7	835
Entertainment	6	760
Utilities	4	560
Personal care	4	482
Household	3	440
Investments	3	409
Other (childcare, etc.)	3	337

Source: Making Ends Meet: The 2001–2002 Student Financial Survey; written by EKOS Research Associates.

The EKOS study points out that younger students (many living with parents) have lower living costs than those who must move or choose to move away from home to study. The point is made in the report that living away from home has large financial consequences.

The following additional information on student costs has been extracted from the EKOS data base.

TABLE 2: 2001–02 AVERAGE REPORTED LIVING COSTS FOR EIGHT MONTHS – BY REGION – BY CSL CATEGORY

PROVINCE	CSL CATEGORY					
	SDH	SDA	SIH	SIA	M	SP
	\$av	\$av	\$av	\$av	\$av	\$av
British Columbia	5853	8923	4939	8487	13805	12686
Alberta	4638	8998	4851	10729	11692	8742
Saskatchewan	5334	5793	3240	7129	12221	12528
Manitoba	3013	5498	5693	7463	11510	–
Ontario	4706	7188	6260	14127	14870	11498
Quebec	3759	6501	–	7942	8622	10009
New Brunswick	4078	6796	5446	7008	13178	–
Nova Scotia/PEI	2965	4800	6220	10220	10612	9668
Newfoundland	3427	5720	4548	8200	15544	7444

TABLE 3: 2001-02 CSL LIVING ALLOWANCES FOR EIGHT MONTHS – BY REGION – BY CSL CATEGORY

PROVINCE	CSL CATEGORY					
	SDH	SDA ²	SIH	SIA	M ³	SP ⁴
	\$av	\$av	\$av	\$av	\$av	\$av
British Columbia	3088	8080	3088	8080	18904	13520
Alberta	2952	6816	2952	6816	15120	12664
Saskatchewan	2872	6576	2872	6576	14664	10464
Manitoba	3064	7008	3064	7008	15952	11416
Ontario	3088	7912	3088	7912	18152	13384
Quebec	3104	7040	3104	7040	15272	11512
New Brunswick	2848	6528	2848	6528	14904	10928
Nova Scotia/PEI	2880	6784	2880	6784	15648	11376
Newfoundland	2728	6520	2728	6520	14576	10664

TABLE 4: 2001-02 EXCESS OF LIVING COSTS OVER LIVING ALLOWANCES – FOR EIGHT MONTHS – BY REGION – BY CSL CATEGORY

PROVINCE	EXCESS OF COSTS OVER ALLOWANCES – CSL CATEGORY					
	SDH	SDA	SIH	SIA	M	SP
	\$av	\$av	\$av	\$av	\$av	\$av
British Columbia	2765	843	1851	407	-5099	-834
Alberta	1686	2182	1899	3913	-3428	-3922
Saskatchewan	2462	-783	368	553	-2443	2064
Manitoba	-51	-1510	2629	455	-4442	-
Ontario	1618	-724	3172	6215	-3282	-1886
Quebec	655	-539	-	902	-6650	-1503
New Brunswick	1230	268	2598	480	-1726	-
Nova Scotia/PEI	85	-1984	3340	3436	-5036	-1708
Newfoundland	699	-800	1820	1680	968	-3220

Note: One child in the family is the most frequently occurring family size and is used here for comparison purposes. Large variations in provinces in married and single parent figures may be caused by low reporting numbers, or variations in family size or child care expenses, or a combination of these factors. For this reason, the information on expenditures for married and single parent families is of limited use for analysis purposes.

2. Includes \$600 return transportation allowance.
3. Includes allowance for one child, but no child care allowance.
4. Includes allowance for one child, but no child care allowance.

ANALYSIS

Generally, single students (except single dependent students away from home) spend more than allowed under Canada Student Loan criteria, while students with dependents generally seem to live on amounts lower than allowed.

POLICY IMPLICATIONS

The fact that single students appear to spend more than student aid allowance totals on living costs is not of great concern. The data includes a significant number of students who are not in receipt of student aid and are not restricted by government allowances for living costs. The adequacy of living cost allowances is more properly addressed by comparison with modest living allowances under other social programs (see Hemingway 2003), which does not indicate a problem in the student aid area.

POSSIBLE FUTURE ACTION

Additional research on living allowances does not seem warranted at this time.

ASSISTANCE LIMITS

Statistics Canada (The Daily, September 10, 2003)⁵ has recently reported that median spending for full-time university students aged 18 to 24 in 2002 amounted to \$11,200 over eight months. The median for college students was \$9,330.

The EKOS study found that students' average monthly living expenses, including education costs, amounted to about \$1,200.

The study concluded that this amount "is likely 20 per cent higher than the current assumptions that are integral to decisions around scholarships and student loans."

Total expenditures of single university students away from home appear to exceed loan limits in many cases, as indicated in Table 5.

TABLE 5: EXCESS OF UNIVERSITY STUDENT EXPENDITURES⁶ OVER ASSISTANCE LIMITS – SELECTED CSL CATEGORIES

PROVINCE	ASSISTANCE LIMITS ⁷		TOTAL EXPENDITURES		EXCESS OF EXPENDITURES OVER ASSISTANCE LIMITS	
	SDA	SIA	SDA	SIA	SDA	SIA
British Columbia	8840	8840	13963	13527	5123	4687
Alberta	12700	12700	14038	15769	1338	3069
Saskatchewan	9350	9350	10833	12169	1483	2819
Manitoba	10710	10710	10538	12503	–	1793
Ontario	9350	9350	12228	19167	2878	9817
Quebec	16619	16619	11541	12982	0	0
New Brunswick	11050	11050	11836	12048	786	998
Nova Scotia/PEI	10710	10710	9840	15260	–	4550
Newfoundland	10744	10744	10760	13240	16	2496

ANALYSIS

It appears that assistance limits may result in unmet need for high-need single students in certain jurisdictions. While students are expected to work and contribute towards their education costs, in a number of cases the amount of expected student contributions

would not be sufficient to cover the excess costs indicated in Table 5.

Analysis of married and single-parent expenditures would likely show even greater gaps between student expenditures and assistance limits, because of families' higher costs.

5. Data from the 2002 Post-secondary Education Participation Survey.

6. \$5040 added to declared living costs (Statcan The Daily, Sept. 9, 2002 est. of av. Canadian tuition and compulsory fees, plus \$1000 allowance for books and supplies).

7. Junor, Sean and Alex Usher. *The Price of Knowledge: Access and Student Finance in Canada*. Canada Millennium Scholarship Foundation, 2002.

POLICY IMPLICATIONS

The gap between expenditures and student aid limits suggests that some people may have difficulty meeting expenses and therefore need alternate sources of financing, and some may not attend because of a lack of financing.

POSSIBLE FUTURE ACTION

Additional research should be conducted on the degree to which access to post-secondary education is affected by student assistance limits. Specific research questions should include:

- The frequency of non-attendance of academically qualified individuals due to a perceived lack of financing.
- The level of unmet need — by student category — resulting from assistance limits that do not cover all costs.
- The means students use to cover unmet need (including private loans or lower course loads to permit employment, etc.).
- The frequency of students dropping out of post-secondary education.

Since student assistance programs are intended to permit access to post-secondary education, a possible policy basis for setting assistance limits would be an amount equal to the academic and living costs of a low-income, single, university undergraduate student who must move to study, less an expected student contribution.

STUDENT FINANCING STRATEGIES

Student aid program managers need to know how students are coping with rising levels of post-secondary costs. Finding out requires information on the sources of financing used by students, including savings, contributions from parents or spouse, work, awards and loans, credit cards, and lines of credit. Measuring the degree to which the different sources are being used may help determine if resources such as savings and parental contributions are being used as expected, or whether students are working or borrowing from private sources to offset shortages in other areas. Such information needs to be categorized on the basis of socio-economic status, student aid category and type of program, in order to better understand the needs of the various student groups.

A number of studies in the United States document the degree to which needs are unmet because attendance costs exceed government and family support. Part-time work is the most frequently mentioned strategy used to cover the funding shortfall, followed by alternative or private loans. In Canada, the most frequently-used sources of funding are family support, government loans, savings and part-time work. A lack of savings dedicated to post-secondary education and declining family net worth are indirect evidence that parents may not be contributing the amount they're expected to.

The following table shows information from the EKOS study on the funding sources used by students over the 2001/2002 year:

TABLE 6: SOURCES OF INCOME – ANNUAL TOTAL

FUNDING SOURCE	PER CENT OF TOTAL ANNUAL INCOME FOR ALL STUDENTS	MEAN \$ (ALL STUDENTS)
Employment	40	5400
Government loans	15	2000
Parents	12	1700
Private loans	7	1000
Bursaries	5	684
Other grants	5	738
Other family/spouse	5	680
Family loans	2	268
Investments	2	272
Other government assistance	2	246
Other (child support, insurance)	5	656

Source: Making Ends Meet: The 2001–2002 Student Financial Survey; written by EKOS Research Associates.

The following additional funding strategy information has been extracted from the EKOS database and sorted by CSL category proxy, by type of program and by father's education.

TABLE 7: STRATEGY FREQUENCY, PERCENTAGE, AND \$ AVERAGE – BY CSL CATEGORY PROXY – INCLUDING ONLY THOSE THAT REPORT USING EACH STRATEGY DURING THE YEAR

STRATEGY	SDH			SDA			SIH			TOTAL		
	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV			
Savings	343	78	2391	133	80	2274	134	65	3886			
Employment	372	85	3556	112	67	2641	149	68	3939			
Parents	346	79	967	127	76	2596	117	59	2449			
Spouse	-	-	-	-	-	-	-	-	-			
Other family	247	56	632	76	46	280	80	33	487			
Gov loan	70	16	3275	65	39	4968	49	47	5919			
Gov grant	37	8	1507	34	20	2748	20	24	3114			
Other grant	74	17	2025	24	14	2160	22	22	3085			
Priv loan	56	13	3742	36	22	4334	34	20	7042			
Family loan	64	15	1100	22	13	962	30	14	1211			
Investment	47	11	712	26	16	1341	22	9	2421			
Child support	-	-	-	-	-	-	-	-	-			
Social assistance	21	5	732	9	5	982	15	9	3968			
Other	147	34	1587	50	30	478	68	28	1538			
Total students	438			167			176					
STRATEGY	SIA			M			SP			TOTAL		
	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV
Savings	128	65	3886	73	55	2193	15	28	1239	826	71	2551
Employment	135	68	3939	91	68	6310	31	57	2798	890	76	3922
Parents	116	59	2449	51	38	1236	19	35	975	776	67	1507
Spouse	-	-	-	54	41	3530	5	9	2590	107	9	2010
Other family	65	33	487	40	30	1198	11	20	795	519	45	566
Gov loan	93	47	5919	58	44	5585	29	54	7587	364	31	5002
Gov grant	48	24	3114	41	31	3707	29	54	4302	209	18	2877
Other grant	44	22	3085	36	27	3134	11	20	2988	211	18	2546
Priv loan	40	20	7042	20	15	4851	8	15	2015	194	16	4527
Family loan	27	14	1211	16	12	2117	12	22	493	171	14	1183
Investment	18	9	2421	15	11	3023	-	-	-	131	11	1368
Child support	-	-	-	8	6	1297	18	33	3243	64	5	2032
Social assistance	17	9	3968	20	15	4349	15	28	2489	97	8	2312
Other	55	28	1538	37	28	1604	20	37	1782	377	32	1290
Total students	198			133			54			1166		

TABLE 8: STRATEGY FREQUENCY, PERCENTAGE, AND \$ AVERAGE – BY TYPE OF PROGRAM – INCLUDING ONLY THOSE THAT REPORT USING EACH STRATEGY DURING THE YEAR

STRATEGY	COLLEGE			UNIVERSITY CERTIFICATE			BACHELORS			TOTAL		
	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV			
Savings	217	61	2327	12	55	1908	579	80	2416			
Employment	262	74	3569	17	77	5109	565	78	3468			
Parents	230	65	1161	14	64	752	527	72	1582			
Spouse	39	11	2274	1	5	-	57	8	1397			
Other family	153	43	875	6	27	288	368	51	359			
Gov loan	119	33	4871	6	27	5276	226	31	4749			
Gov grant	66	19	2736	5	23	1860	118	16	2417			
Other grant	37	10	1153	3	14	-	137	19	2076			
Priv loan	44	12	3551	3	14	-	124	17	4344			
Family loan	62	17	1169	2	9	-	98	13	1017			
Investment	28	8	1355	4	18	-	91	13	1292			
Child support	27	8	2083	-	-	-	29	4	2278			
Social assistance	45	13	3213	3	14	-	44	6	1063			
Other	118	33	2342	5	23	569	252	35	663			
Total students	356			22			727					
STRATEGY	MASTERS			PROFESSIONAL DEGREE			DOCTORAL			TOTAL		
	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV
Savings	50	60	5123	12	43	2593	22	61	2345	892	71	2540
Employment	63	76	8432	15	54	4697	25	69	5194	947	76	3921
Parents	40	48	2269	19	68	2322	17	47	5538	847	67	1583
Spouse	9	11	780	7	25	1373	6	17	2874	117	9	1699
Other family	28	34	192	6	21	321	10	28	4142	579	45	554
Gov loan	26	31	4479	13	46	6492	4	11	-	394	31	4921
Gov grant	24	29	4411	7	25	3635	7	19	3836	227	18	2789
Other grant	23	28	4276	8	29	3634	20	56	5513	228	18	2488
Priv loan	17	20	6705	11	39	11336	5	14	2436	204	16	4666
Family loan	12	14	2864	-	-	-	2	6	-	176	14	1194
Investment	11	13	1015	5	18	448	1	3	-	140	11	1304
Child support	5	6	1043	2	7	-	2	6	-	65	5	2021
Social assistance	10	12	1420	1	4	-	1	3	-	104	8	2096
Other	20	24	1606	6	21	1036	10	28	1379	411	32	1213
Total students	83			28			36			1252		

TABLE 9: STRATEGY FREQUENCY, PERCENTAGE, AND \$ AVERAGE – BY FATHER’S EDUCATION – INCLUDING ONLY THOSE THAT REPORT USING EACH STRATEGY DURING THE YEAR

STRATEGY	UP TO GR. 12			COLLEGE/TECH			BACHELOR		
	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV
Savings	291	67	2666	231	75	2121	158	73	2861
Employment	333	77	4143	235	77	4043	158	73	3980
Parents	273	63	1226	206	67	1472	156	73	1420
Spouse	46	11	2514	26	8	1756	12	6	1045
Other family	170	39	279	144	47	876	110	51	453
Gov loan	155	36	5348	96	31	4243	61	28	4520
Gov grant	85	20	2619	53	17	2907	36	17	2795
Other grant	80	18	2392	63	21	2650	30	14	2999
Priv loan	75	17	5045	46	15	5057	37	17	5323
Family loan	61	14	1298	49	16	957	31	14	1590
Investment	50	12	1434	24	8	1058	22	10	2056
Child support	25	6	1650	12	4	2609	5	2	2009
Social assistance	46	11	2527	21	7	1284	11	5	1899
Other	143	33	999	112	37	2168	57	27	414
Total students	433			306			215		
STRATEGY	PROF CERTIFICATION			GRADUATE DEGREE			TOTAL		
	#	PER CENT	\$AV	#	PER CENT	\$AV	#	PER CENT	\$AV
Savings	58	71	2331	104	71	2206	842	71	2473
Employment	67	82	3013	100	82	4231	893	76	4013
Parents	59	72	2095	107	72	2408	801	68	1549
Spouse	13	16	884	11	16	1064	108	9	1824
Other family	41	50	652	60	50	819	525	45	570
Gov loan	22	27	5103	33	27	5646	367	31	4933
Gov grant	14	17	2673	25	17	2998	213	18	2768
Other grant	18	22	2589	28	22	2747	219	18	2607
Priv loan	17	21	4106	19	21	3114	194	16	4830
Family loan	9	11	705	19	11	1215	169	14	1211
Investment	13	16	543	23	16	1672	169	14	1211
Child support	4	5	-	11	5	2217	57	5	1965
Social assistance	6	7	1196	10	7	2073	94	8	2043
Other	24	29	924	41	29	993	377	32	1252
Total students	82			140			1176		

ANALYSIS – STRATEGIES BY CANADA STUDENT LOAN CATEGORY PROXY

The top five strategies used by students in the survey during 2001–02 were employment (76 per cent), savings (71 per cent), parents (67 per cent), other family (45 per cent) and government loans (31 per cent).

The highest percentage of students using employment earnings were the single dependent at home and single independent at home categories. Married students reported the highest amounts of average employment earnings. This could be due to the lower percentage of costs covered by student aid for this group.

Average savings were highest for single independent students living away from home, followed by single dependent students living at home. Students studying away from home face higher costs during the school term and may have a greater incentive to save more. Savings were smallest for the single-parent group.

Single students living away from home had the highest average parental contributions in cash,⁸ likely because of higher living costs, but a higher percentage of dependent, at-home students got cash from their parents. A majority of independent students also received cash from parents even though government assistance programs do not

require it. Such support may be necessary because government assistance programs do not cover all costs.

Forty-five per cent of students in the survey received support from other family members during the year. This form of support was highest for married and single-parent students, which may reflect their higher costs and the inability of government assistance programs to cover all of them.

Thirty-one per cent of survey respondents got government loans (averaging \$5,002) during the year. Loan amounts were highest for single students living away, married students and single parent students, reflecting the higher needs of these categories. More than twice as many dependent students away from home incur government loan debt as do dependent students who remain at home.

During the year, 16 per cent of students took private loans averaging \$4,527, and 14 per cent of students borrowed an average \$1,183 from family. Loans incurred from these supplemental loan sources may be used to replace parental contributions or cover costs not funded by government programs, and may compound the debt problem for some high-need students.

8. Contribution amounts do not include “in-kind” expenditures.

ANALYSIS – STRATEGIES BY TYPE OF PROGRAM

Savings and employment amounts were highest for students in Master's programs, perhaps reflecting both the age and higher employability of this group of students.

Average parental contributions generally increase as the length of program increases, even though the student's also increases. The percentage of students receiving money from parents is generally similar across student undergraduate groups, and somewhat lower in graduate and professional programs.

Average contributions from other family members are highest for those in college and doctoral programs. The highest percentages of students receiving support from this source are in the college and Bachelor degree programs.

The highest government loan amounts go to those in professional programs. The highest percentage of students getting government loans is also in the professional category.

With the exception of doctoral programs, both the average amount and the percentage of students who borrow private loans generally increase as the level of the program increases.

ANALYSIS – STRATEGIES BY FATHER'S EDUCATION

There are no significant patterns in student savings relating to the education level of their fathers, but both the amount of parental contributions and the percentage of parents contributing generally increase as the father's education level (and presumably income level) increases.

Two categories of students — those whose fathers have up to a grade 12 education and those whose fathers have graduate degrees — get the highest in government loan amounts. The highest percentage of students who borrow is in the “up to grade 12” father's education category.

POLICY IMPLICATIONS

The high percentage of dependent students who are working and/or borrowing from private or family sources seems to confirm parents are unwilling or unable to make the contributions expected by student aid programs. The incidence of part-time employment and use of private loan sources suggests costs faced by certain categories of students exceed assistance limits in some jurisdictions.

POSSIBLE FUTURE ACTION

The strategies used by students and their families to finance post-secondary education should be monitored by student aid program administrators to identify emerging trends and problem areas. Information should be collected on the basis of family socio-economic status and by student aid category. Students should also be asked about reasons for financing their education through employment and private loans — are such strategies used to pay for a better lifestyle, or are they necessary due to an absence of presumed funding sources, such as parental contributions, or inadequate student assistance?

PARENTAL CONTRIBUTIONS

The EKOS study asked whether students would be receiving financial support from their parents; 69 per cent said yes. The average monthly contribution from parents during the school year was \$187. Students living with their parents were more likely to receive support, but they received less money.

The degree to which parents are able or willing to contribute to their children's education, given income, family size and the student's costs, is an issue for loan administrators. There is no doubt that tuition increases have been greater than increases in income in recent years and as a result families must use a larger share of their disposable income to pay for post-secondary education. According to Statistics Canada (2001), the net worth of families whose major income recipient was 45 to 54 years of age declined between 1984 and 1999 — and those are the families most likely to include post-secondary students. Statistics Canada's 2001 census

analysis reported stagnant family incomes during the 1990s, although there is recent evidence (Statistics Canada, *The Daily*, September 4, 2003) that real family income may be starting to increase.

Recent studies in both Canada and the United States⁹ have shown that most families do not seem prepared to meet student aid parental contribution requirements. The *1999 Survey of Approaches to Educational Planning* in Canada documented a lack of families saving for post-secondary education — which could indicate an over-reliance on student loan programs by middle- and upper-income parents. Expecting post-secondary costs to be funded from current income may also show a lack of information on parental contribution levels expected by governments under student aid programs. Figure 1 shows the eight-month contribution levels expected in 2001–02 from a family of four in Manitoba who have one child in post-secondary study.

FIGURE 1: CANADA STUDENT LOAN EXPECTED PARENTAL CONTRIBUTION LEVELS — MANITOBA — 2001-2002

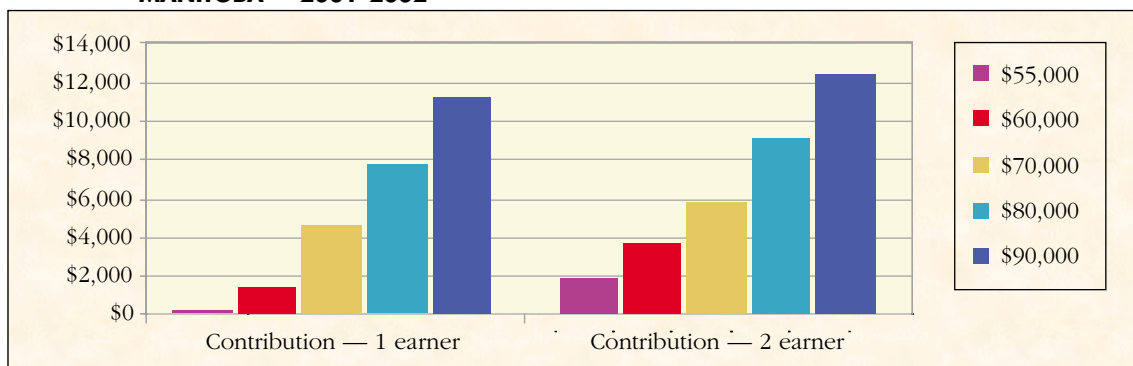


Table 10 shows the level of parental cash contributions made to single dependent students living at home while studying, including the number and average contributions made by province and family income.

9. See Statistics Canada, *The Daily*, April 10, 2001, regarding the 1999 Survey of Approaches to Educational Planning — Stringer et al (1998). *It's all Relative* — Stiglitz et al (2000). *The Impact of Paying for College on Family Finances*.

TABLE 10: EIGHT MONTH CASH PARENTAL CONTRIBUTIONS¹⁰ – SDH PROXY - BY PROVINCE – BY INCOME RANGE

Total Household Income Range \$,000																
PROVINCE	0-55		56-65		66-75		76-85		86-95		96+		Income Not Reported		Provincial Total	
	N	\$AV PC	N	\$AV PC	N	\$AV PC	N	\$AV PC	N	\$AV PC	N	\$AV PC	N	\$AV PC	N	\$AV PC
BC	19	857	3		3		3		3		6	2402	18	6940	55	3190
Alta	12	1918	-	-	-		4		-		11	991	15	1339	42	1478
Sask	7	342	2		1		1		-		6	1710	8	893	25	1412
Man	5	3979	3		-		2		-		5	1513	21	1458	36	1779
Ont	28	626	12	1490	3		10	388	2		19	2741	59	2007	133	1600
QB	29	680	3		3		2		4		12	2158	46	3256	99	2103
NB	2		-	-	1		1		-		1		10	2086	15	1699
NS/PEI	4		2		2		1		-		1		8	2679	18	1751
NFLD	4		1		1		-	-	-		4		5	1202	15	2191
Total Average	110	986	26	1503	14	1002	23	1589	9	1389	66	2197	190	2628	438	1935

Notes: Some average \$PC amounts not shown as respondent reporting numbers are too small.

The EKOS study did not give a financial value to in-kind contributions, such as room and board, when it recorded parental contributions. It may be assumed that the majority of those students living at home received such support, and Table 11 includes the addition of an allowance for in-kind contributions to the cash contributions. The allowance used is

equal to the food allowance in each province, plus \$30 per month for laundry and other incidentals. Table 11 is an attempt to measure the total value of contributions made by the parents of single dependent students who live at home, and compare them to those expected under the Canada Student Loans Program.

TABLE 11: TOTAL EXPECTED AND ACTUAL EIGHT MONTH PARENTAL CONTRIBUTION (PC)¹¹ – SDH PROXY (SDH) – BY PROVINCE – BY INCOME RANGE

Income Range \$,000													
PROVINCE	\$0-55		\$56-65		\$66-75		\$76-85		\$86-95		\$95+		
	EXP. PC	ACTUAL \$AV	EXP. PC	ACTUAL \$AV	EXP. PC	ACTUAL \$AV	EXP. PC	ACTUAL \$AV	EXP. PC	ACTUAL \$AV	EXP. PC	ACTUAL \$AV	
BC	0	2345	0		578		3536		6970		11697	3890	
Alta	133	3318	1088		4250		7684		11118		15892	2391	
Sask	136	1718	1088		4250		7684		10880		15547	3086	
Man	136	5363	1088		4250		7684		11118		15613	2897	
Ont	0	2090	0	2954	2312		5746	1852	8942		13616	4205	
NB	748		2074		5236		8670		12276		16768		
NS/PEI	578		1870		5236		8670		12135		16655		
NFLD	0		884		3774		7208		10404		15063		

Notes: Quebec is not included as it does not use CSL contribution formulas.

Nova Scotia rates are used for NS/PEI.

\$95+ income columns — calculated expected Parental Contribution at \$100,000 income level.

“In-kind room & board allowance” (equal to the CSL at home food allowance + \$30/mo.) added to cash contributions to equal total contributions.

10. Family of four

11. Family of four

ANALYSIS

Caution should be exercised here because of the high percentage of non-reported income. The “income not reported” column in Table 10 shows higher-than-average contributions in some cases; there may have been more non-reporting of income in the higher income ranges.

Table 11 shows that actual parental contributions are generally higher than expected in the lowest income ranges and lower than expected in higher income ranges. In some of the high-income ranges this could be because the total expected contribution is not required since the student lives at home. (Total costs for the academic year are likely in the \$8,000 range for most students living at home.) The question of how students are coping when parents are not meeting their expected contribution levels needs to be addressed. Do those students do more part-time work or borrow more from private sources? This question is discussed in the review of financing strategies used by students.

POLICY IMPLICATIONS

Parental contribution levels for higher-income families may be more of a measure of student aid eligibility than a measure of a family’s ability or willingness to pay. The parental contribution expectations of government for middle- and higher-income families are quite onerous and require policy attention.

POSSIBLE ACTION

It would be useful to research whether parents are contributing expected amounts in relation to their incomes. This would require additional analysis of actual parental contributions compared to expected contributions under Canada Student Loan criteria, and a look at whether parental contributions are being replaced by additional student debt or part-time income from employment.

If parents are not contributing the amounts expected under student assistance programs, research on whether those expectations are reasonable may be appropriate, taking into account the discretionary income of families (after deducting allowances for taxes, living costs and retirement). Issues surrounding parental contribution levels are detailed in research by Hemingway (2003).

If contribution levels are judged excessive, they could be lowered to more reasonable levels by changing the methodology used to calculate the expected amounts. If, however, they’re judged reasonable — or it is too expensive to change them — consideration could be given to establishing an unsubsidized loan option for parents under the student aid program. Such loans would let parents pay off their required contribution from future earnings and reduce the pressure on students to assume additional debt, work longer hours or take longer to graduate.

STUDENTS WHO INTEND TO WORK

The EKOS survey asked students whether they intended to work during the school year: 63 per cent indicated they intended to, while 28 per cent did not and nine per cent did not know or did not respond.

About two-thirds of students worked, on average, 19 hours per week during the school year. Those who lacked resources such as parental support or student loans were more likely to work.

The following tables represent an additional breakdown of single dependent students' employment plans for the school term.

TABLE 12: PERCENTAGE OF SDH PROXY STUDENTS WHO INTEND TO WORK THROUGHOUT THE YEAR – BY FAMILY INCOME RANGE

Total Household Income Range \$,000						
	\$0-55	\$56-65	\$66-75	\$76-85	\$86-95	>\$95
SDH PER CENT INTENDING TO WORK	77.5 per cent	80.8 per cent	86.7 per cent	82.6 per cent	90.0 per cent	77.6 per cent

Note: 198 SDH students did not provide a family income amount; 71.7 per cent of these students indicated that they intended to work throughout the year.

TABLE 13: PERCENTAGE OF SDA PROXY STUDENTS WHO INTEND TO WORK THROUGHOUT THE YEAR – BY FATHER'S EDUCATION

Father's Education					
	UP TO GRADE 12	COLLEGE/TECH	BACHELOR'S DEGREE	PROFESSIONAL CERTIFICATION	GRADUATE DEGREE
SDA PER CENT INTENDING TO WORK	51.9 per cent	38.2 per cent	58.8 per cent	40.0 per cent	47.8 per cent

ANALYSIS

Students away from home face considerably higher costs, so it might be expected that more single dependent students away from home would intend to work during the school term, but that was not the case. As well, it might have been expected that the percentage of single dependent students intending to work would decrease as family income (or father's education) levels rose and presumed parental contribution increased, but generally that wasn't the case either.

POLICY IMPLICATIONS

This data supports other indicators that actual parental contributions may not be meeting expectations. The data may also indicate that while low-income students are entitled to full student aid support, it may not be sufficient to cover all their costs, leading them to seek continuing employment while in school.

POSSIBLE FUTURE ACTION

More research into the reasons for students working part time while in school is needed.

STUDENTS WHO COULD COMPLETE MORE QUICKLY IF THEY DID NOT HAVE TO WORK

The EKOS survey asked students if they were extending the time taken to graduate because of the need to work and 41 per cent of full-time students said they could complete their studies more quickly if they did not have jobs.

The following additional information has been extracted from the EKOS database.

TABLE 14: PERCENTAGE OF SDH PROXY STUDENTS WHO INTEND TO WORK THROUGHOUT THE YEAR – BY FAMILY INCOME RANGE

Total Household Income Range \$,000						
	\$0-55	\$56-65	\$66-75	\$76-85	\$86-95	>\$95
SDH PER CENT WHO COULD COMPLETE MORE QUICKLY	41.9 per cent	33.3 per cent	30.8 per cent	63.2 per cent	11.1 per cent	34.6 per cent

Note: 142 SDH students did not provide family income information; 19.0 per cent of these students said they could complete more quickly if they did not have to work.

TABLE 15: PERCENTAGE OF SDA PROXY STUDENTS WHO COULD COMPLETE MORE QUICKLY IF THEY DID NOT HAVE TO WORK – BY FATHER'S EDUCATION

Father's Education					
	UP TO GRADE 12 ¹²	COLLEGE/TECH	BACHELOR'S DEGREE	PROFESSIONAL CERTIFICATION	GRADUATE DEGREE
SDA PER CENT WHO COULD COMPLETE MORE QUICKLY	46.4 per cent	53.8 per cent	60.0 per cent	–	36.4 per cent

ANALYSIS

The percentage of single dependent students who indicate that they could complete more quickly is significant in both at home and away categories. This data also supports other indicators that parental contributions are less

than expected, and that students may be taking a reduced class load in order to earn funds to replace parental contribution amounts or meet need not covered by student aid.

12. Based on only 76 people

POLICY IMPLICATIONS

In most jurisdictions students are entitled to 100 per cent of student loan funding while taking only 60 per cent of a full course load. This situation could be compounding student debt, if students are taking an extra year or two to complete a four-year degree, and borrowing more money in the process.

POSSIBLE ACTION

More research is required on the reasons that students need to work while in school, whether that extends the time need to complete post-secondary education, and what effect it has on student debt.

CHOICE OF POST-SECONDARY INSTITUTION

There have been a number of recent studies in Canada and the U.S. that indicate the increasing cost of post-secondary study may be influencing high school graduates' choices of field of study and how long they will spend in the post-secondary system. In the U.S. studies by Akerhielm et al (1998) and Choy (1999) concluded that low-income students are more likely to attend two-year schools than four-year schools. This finding is shared by King (2002). The Advisory committee on Student Financial Assistance (2001) made the case that low-income students choose institutions in part because of high costs.

In Canada, The Institute of Island Studies (2000)¹³ mentions a shift towards non-university study over the past decade due to the increasing cost of tuition. The increased cost of moving away from home is also a factor. The *Alberta Advanced Education and Career*

Development 1995 High School Survey found that urban students were more likely than rural students to choose university study, perhaps because they did not have to incur the additional costs of moving to attend school. Frenette (2002) points out that high school students who do not live within commuting distance are less likely to go to university. Low-income students who can commute to university are over four times more likely to attend than those who have to move.

The EKOS survey asked students if they moved to attend a post-secondary institution but did not ask if they could have remained at home while studying, so it's not possible to measure what effect the increased costs associated with having to move have on choice of institution. Table 16 shows the data on institution choice of single dependent students:

TABLE 16: INSTITUTION CHOICE OF SINGLE DEPENDENT STUDENTS WHO MOVE TO STUDY VS. THOSE WHO STAY HOME

INSTITUTION	CSL CATEGORY PROXY	
	#OF SDH	#OF SDA
Public University	259	123
Private University	4	4
Public Tech/Voc college	155	40
Private college/CEGEP	19	5
Other	12	3
No answer	1	-
Total	450	175

13. A small study compared to others in Canada on this topic.

Table 17 indicates the number and percentage of SDH proxy students choosing college vs. university — by family income.

TABLE 17: NUMBER AND PERCENTAGE OF SDH PROXY STUDENTS CHOOSING COLLEGE VS. UNIVERSITY – BY FAMILY INCOME

Family Income Range \$,000																
INSTITUTION	0-55		56-65		66-75		76-85		86-95		>95		Income not reported		TOTAL	
	#	PER CENT	#	PER CENT	#	PER CENT	#	PER CENT	#	PER CENT	#	PER CENT	#	PER CENT	#	PER CENT
Pub/priv university	56	53	18	69	8	53	15	65	6	60	50	74	110	58	263	60
Pub/priv College	50	47	8	31	7	47	8	35	4	40	17	25	80	42	174	40
Total	106	100	26	100	15	100	23	100	10	100	67	100	190	100	437	100

Table 18 indicates the institution choice and family income of those single dependant students reporting family income who remained at home while studying.

TABLE 18: DISTRIBUTION OF SDH PROXY STUDENTS ATTENDING UNIVERSITY AND COLLEGE WHO REPORTED FAMILY INCOME, BY FAMILY INCOME

INSTITUTION TYPE	TOTAL STUDENTS	PER CENT IN INCOME RANGE \$,000					
		0-55	56-65	66-75	76-85	86-95	95+
University	153	37 per cent	12 per cent	5 per cent	10 per cent	4 per cent	33 per cent
College	94	53 per cent	9 per cent	7 per cent	9 per cent	4 per cent	18 per cent

TABLE 19: DISTRIBUTION OF SDH PROXY STUDENTS’ POST-SECONDARY ENROLMENT – BY FAMILY INCOME RANGE – FOR THOSE WHO REPORTED INCOME

FAMILY INCOME RANGE \$000	NUMBER ENROLLED IN POST-SECONDARY	PER CENT ENROLLED IN POST-SECONDARY
0-55	106	43
56-65	26	11
66-75	15	6
76-85	23	9
86-95	10	4
>95	67	27
Total	247	100

According to Statistics Canada, Canadian family incomes in 1995 broke down as shown in the following table:

TABLE 20: PERCENTAGE OF CENSUS FAMILIES BY INCOME GROUPS, FOR CANADA, 1995 (20 PER CENT SAMPLE DATA)¹⁴

INCOME RANGE	PERCENTAGE
\$0–\$49,999	53.8
\$50,000–\$69,999	20.7
\$70,000–\$99,999	16.2
> \$100,000	9.5

ANALYSIS

Caution should be used in interpreting these results because of the high incidence of non-reported family income among single dependent students living at home. As noted elsewhere in the report, those dependent students living at home who did not report family income tended to have higher parental contributions than those who did report income. This could indicate that high-income families are underrepresented in income categories in Tables 17, 18 and 19.

This data does not seem to support the view that those who face the costs of moving away from home would favor shorter programs. One might have concluded that those who move may have chosen college over university, but this is not the case. One-hundred and fifty-five students, or 34% of those who stayed home, chose a public college but only 40 students, or 23% of those who moved, did so (Table 16).

Fifty-three per cent of students with family incomes of \$55,000 or less chose university, while 74% of students with family incomes greater than \$95,000 did so (Table 17).

While we cannot compare income groups directly, the two lower income groups in Table 19 (up to \$65,000) seem to have fewer students (54% of those reporting income) than population (74.5% under \$70,000). The middle-income groups (between \$66–\$95,000) seem about evenly represented (19% of students vs. 16.2% of population between \$70–\$99,000). The high-income group shows a higher representation in post-secondary study (27% of students over \$95,000 income) compared to their population share (9.5% over \$100,000). The percentage of students from the high-income group is about double their population share at college and over triple their population share at university.

It is interesting that the highest percentages of students come from families at either end of the income spectrum — those with incomes at or less than \$55,000 and those earning \$95,000 or more. At university, 70 per cent come from these two groups; at college 71 per cent come from these two groups (Table 18).

It should be noted that the above data relates only to single dependent students who live at home, and should not be directly compared to other studies on participation rates and institution choice of all students.

POLICY IMPLICATIONS

The data presented in this report do not present evidence to support the idea that those who have to move to attend post-secondary study will be more likely to choose college over university because of cost, but it shows family income is a factor which influences both participation rates and choice of institution.

14. Source: www.statcan.ca.

POSSIBLE FUTURE ACTION

More research would be helpful to determine the reasons for participation or non-participation in post-secondary education, and the reasons for choice of post-secondary institutions of all students — to what extent do choices relate to assistance limits, debt adversity or other student aid factors?

DEBT LOAD

The EKOS study asked students about borrowing from both public and private sources. The sum of student debt from prior years and borrowing during the 2001/2002 academic year is presented in the following table:

TABLE 21: GOVERNMENT STUDENT LOAN, PRIVATE LOAN AND TOTAL ACCUMULATED DEBT FROM PREVIOUS YEARS AND ACROSS THE SCHOOL YEAR – ALL STUDENTS

	GOVERNMENT LOANS		PRIVATE LOANS		TOTAL DEBT (MINUS PAYMENTS)	
	PER CENT WITH BALANCE	AV. BALANCE BORROWERS ONLY	PER CENT WITH BALANCE	AV. BALANCE BORROWERS ONLY	PER CENT WITH BALANCE	AV. BALANCE BORROWERS ONLY
All students	44	\$12,900	30	\$8,400	74	\$12,300

The above information applies to all students, including graduates.

The following additional information on the debt of graduates only has been extracted from the EKOS database:

TABLE 22: AVERAGE DEBT (FOR GRADUATES WITH DEBT) BY CSL CATEGORY PROXY

DEBT CATEGORY	CSL CATEGORY						AVERAGE FOR EACH DEBT CATEGORY
	SDH	SDA	SIH	SIA	M	SP	
	\$	\$	\$	\$	\$	\$	
Government Loans	6188	14944	10598	19892	15104	15793	13475
Credit Cards	1036	918	761	911	1565	2753	1100
Line of Credit – begin. of year only	4712	-	5200	7550	7513	25667	8084
Other Debt	1919	2575	1320	5374	5457	2019	3520

TABLE 23: AVERAGE DEBT (FOR GRADUATES WITH DEBT) BY TYPE OF PROGRAM

DEBT CATEGORY	UP TO GRADE 12	UNIVERSITY CERTIFICATE	BACHELOR'S DEGREE	MASTERS	PROFESSIONAL DEGREE	DOCTORAL DEGREE	AVERAGE FOR EACH DEBT CATEGORY
	\$	\$	\$	\$	\$	\$	
Government Loans	9206	-	13371	15606	-	-	13035
Credit Cards	1158	1100	1278	337	722	-	1179
Line of Credit – begin. of year only	9879	-	7576	32500	-	-	9542
Other debt	1661	-	4134	5667	680	2420	3157

TABLE 24: AVERAGE DEBT (FOR GRADUATES WITH DEBT) BY FATHER'S EDUCATION

DEBT CATEGORY	UP TO GRADE 12	COLLEGE TECHNICAL	BACHELOR'S DEGREE	PROFESSIONAL CERTIFICATION	GRADUATE DEGREE	OVERALL AVERAGE FOR EACH DEBT CATEGORY
	\$	\$	\$	\$	\$	
Government Loans	14644	12808	13875	10977	8633	13289
Credit Cards	991	1097	1000	2011	835	1085
Line of Credit – begin. of year only	14464	5536	6857	8167	–	9860
Other debt	3283	2191	6500	4083	2566	3210

ANALYSIS

Student debt to government loan programs increases as does the length of the post-secondary program increases. This in itself should not be a problem, as it is assumed that income and ability to pay after graduation increases in proportion to the time spent in school.

The data indicate that moving away from home or supporting dependents increases debt at graduation. The education level of a student's father also has a direct impact on debt: government loan debt decreases as the education level increases. Low-income students, mature students and those who move to attend post-secondary study have the highest student loan debt levels.

Line-of-credit balances incurred by students are a concern. They are significantly higher for those whose father's education level is grade 12 or less, perhaps reflecting the family's income level. While one might expect older students to use lines of credit, young single undergraduates use them as well. According to the EKOS study, 14 per cent of students aged 20–21 held private debt, as

did 20 per cent of students aged 22–23. Of students who did not receive parental support, 27 per cent had private debt, and 19 per cent of students who received more than \$250 per month from parents held private debt.

POLICY IMPLICATIONS

Among single students the highest debt and the need for non-repayable aid is greatest for low-income students who have to move to attend post-secondary study. To maximize access, this group of students should be a priority with respect to allocation of available non-repayable student aid resources.

The growth in use of private debt sources is a concern. If students are using funding sources for lifestyle support but not creating undue debt on graduation, there is not significant reason for concern. However, if students are using private loans to replace parental contributions or to meet needs not covered by student aid programs, then a problem does exist, because repaying debts to government programs will be made more difficult by other obligations.

POSSIBLE FUTURE ACTION

The debt levels reported in the EKOS survey are somewhat lower than those reported in other studies. The Canadian Undergraduate Survey Consortium (2000) reported that of students graduating in 2000, 56 per cent had debt averaging just over \$20,000. The report of Ontario's Investing in Students Task Force, *Portals and Pathways* (2001), found the average debt of a university graduate in 1998–99 to be \$20,496, and the average debt of a two-year diploma graduate \$12,167. Low reporting numbers could be the cause, or it may be the case that loan remission or deferred grants are a contributing factor to this apparent discrepancy.

More study is needed on the total debt of students at graduation (especially the characteristics of the 25 per cent owing the highest amounts), the public and private components of such debt, and the reasons for students taking private loans. Such information should be collected annually on the following basis:

- by graduate socio-economic status
- by student-assistance category
- by program
- by debt components.

Work should be conducted on defining reasonable debt levels in relation to programs of study in terms of ability to repay loans. In the U.S., loan payments equal to eight per cent of projected income after graduation are seen as the upper limit of debt levels that can be serviced by graduates.

SUMMARY

While the data presented in this report have limitations, they do prompt a number of questions that merit follow-up work. The questions are:

- Are assistance limits inadequate? Are they preventing certain students from attending post-secondary study? Are they causing students to reduce course loads, extend the time needed to graduate, and/or increase debt?
- Have family financing strategies changed over time as costs have increased?
- What are the reasons for students working part-time and using private loans — to enhance lifestyle, fund legitimate expenses not covered by student aid or replace parental contributions?
- Why are parents at upper-income levels not making expected contributions to post-secondary costs? Are contributions unrealistic in relation to income? Are other means of financing more attractive? Are parents transferring funding responsibility to students by having students incur private debt instead of using parental funds?
- To what degree does the amount or type of student assistance available influence choices about post-secondary education? Are qualified low-income students foregoing advanced study because of cost or debt adversity?
- Are debt levels of students (from all public and private sources) in the highest debt quartile on graduation reasonable in relation to future income?

QUESTIONS ON FUTURE SURVEYS

Maximum student aid assistance levels and types of benefits are structured around the following student aid categories:

- dependent students living at home
- dependent students living away from home
- single independent students living at home
- single independent students living away from home
- married students
- single students with dependents.

To enable data analysis using student aid categories in future surveys it would be helpful if survey instruments contained questions that would permit responses to be grouped into the above categories; the results could then be used to inform policy decision-makers on needed program modifications.

Suggested questions are:

On dependency status

- Marital status (single, married/separated/divorced, common-law, single parent)?
- If single, have you have been out of high school for four years or more (five in Ontario)? An alternative question would be the date the student left high school — if four years or more (five in Ontario) then the student is independent.
- If single and not out of high school for four years, have you spent two periods of 12 consecutive months in the labour force?

On living arrangements

- If single, will you live at home or away from home while studying?

On socio-economic status

- If dependent on parents, what is your parents' combined income?

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APPENDIX A – DEFINITIONS AND SPSS DATA FIELDS USED

All analysis – select full time students only – Q16 position 7 – value 1 Yes

Student Loan Category proxies

Single Dependent at home (SDH) - defined as single students with no dependants who are living with parents and were born in 1980 or later (1979 or later if living in Ontario) using the following EKOS data:

- Q31 position 41 – value 1 – single, and
- Q32 position 43 – value 2 – no dependents, and
- Q35 position 45 – value 1 – living with parents, and
- Q36 position 40 – value YYYY => 1980. (1979 if prov = Ontario)

Single Dependent away (SDA) – defined as above, but living away from home using the following EKOS data:

- Q31 position 41 – value 1 – single, and
- Q32 position 43 – value 2 – no dependents, and
- Q35 position 45 – value 3 or 4 (alone, roommate), and
- Q36 position 40 – value YYYY => 1980 (1979 if prov = Ontario)

Single Independent at home (SIH) – defined as single students with no dependants who are living with parents and were born in 1979 or before (1978 or before if living in Ontario) using the following EKOS data:

- Q31 position 41 – value 1 – single, and
- Q32 position 43 – value 2 – no dependents, and
- Q35 position 45 – value 1 – living with parents, and
- Q36 position 40 – value YYYY =< 1979 (1978 if prov = Ontario)

Single Independent away (SIA) defined as above but living away from home, using the following EKOS data:

- Q31 position 41 – value 1 – single, and
- Q32 position 43 – value 2 – no dependents, and
- Q35 position 45 – value 3 or 4 – (alone, roommate), and
- Q36 position 40 – value YYYY =< 1979 (1978 if prov = Ontario)

Married (M)

- Q31 position 41 – value 2 – married

Total parental contribution = Q2A2 position 59 (received prior to school year) +
 O4B position 81 (September contribution) +
 N4B position 113 (October contribution) +
 D4B position 145 (November contribution) +
 J4B position 177 (December contribution) +
 F4B position 221 (January contribution) +
 M4B position 258 (February contribution) +
 A4B position 313 (March contribution) +
 Y4B position 346 (April contribution).

- Select only those students who completed at least 4 of the 8 follow-up monthly surveys.
- For missing contribution data in a month, attribute the average parental contribution – for that student – calculated from the months for which a contribution was reported.

2. AVERAGE DEBT – FOR THOSE GRADUATES WHO HAVE DEBT

Graduates = YDONE position 380 – value 1 – yes

a) by CSL category

CSL Category						
DEBT CATEGORY	SDH	SDA	SIH	SIA	M	SP
	\$	\$	\$	\$	\$	\$
Government Loans						
Credit Cards						
Line of Credit – begin. of year only						
Other debt						

Government loans = Q1D position 54 (balance owed at beginning) + ABORR position 344 (amt borrowed during the year)

Credit cards = YCRED position 379 (total debt)

Line of credit – beginning of year only = Q1E position 55

Other debt – beginning of year only = Q1G position 57

b) by type of program

Type of Degree/Certificate						
DEBT CATEGORY	COLLEGE	UNIVERSITY CERTIFICATE	BACHELOR'S DEGREE	MASTERS	PROFESSIONAL DEGREE	DOCTORAL DEGREE
	\$	\$	\$	\$	\$	\$
Government Loans						
Credit Cards						
Line of Credit – begin. of year only						
Other debt						

College = Q14A position 5 – value 1

University certificate = Q14A position 5 – value 2

Bachelor's degree = Q14A position 5 – value 3

Masters = Q14A position 5 – value 4

Professional degree = Q14A position 5 – value 5

Doctoral degree = Q14A position 5 – value 6

c) by Father's education

Father's Education Level					
DEBT CATEGORY	UP TO GRADE 12	COLLEGE TECHNICAL	BACHELOR'S DEGREE	PROFESSIONAL CERTIFICATION	GRADUATE DEGREE
	\$	\$	\$	\$	\$
Government Loans					
Credit Cards					
Line of Credit – begin. of year only					
Other debt					

Up to grade 12 = Q39 position 49 – values 1, 2, or 3

College/technical = Q39 position 49 – value 4, 5, or 6

Bachelor's degree = Q39 position 49 – value 7

Professional certification = Q39 position 49 – value 8

Graduate degree = Q39 position 49 – value 9

3. FINANCING STRATEGIES

a) by CSL category

STRATEGY	SDH		SDA		SIH		SIA		M		SP	
	#	\$AV	#	\$AV	#	\$AV	#	\$AV	#	\$AV	#	\$AV
Savings												
Employment												
Parents												
Spouse												
Other family												
Gov loan												
Gov grant												
Other grant												
Priv loan												
Family loan												
Investment												
Child support												
Social assistance												
Other												

Savings = Q2SAV position 58

Monthly resources (September to April)

Employment = total of O4A position 80 + N4A position 112 + D4A position 144 + J4A position 176 + F4A position 220 + M4A position 257 + A4A position 312 + Y4A position 345.

Parents = total of O,N,D,J,F,M,A,Y 4B positions 81,113,145,177,221,258,313,346.

Spouse = total of O,N,D,J,F,M,A,Y 4C positions 82,114,146,178,222,259,314,347.

Other family = total of O,N,D,J,F,M,A,Y 4D positions 83,115,147,179,223,260,315,348.

Gov loan = total of O,N,D,J,F,M,A,Y GVTL positions 84,116,148,180,224,261,316,349.

Gov grant = total of O,N,D,J,F,M,A,Y GOVB positions 85,117,149,181,225,262,317,350.

Othr grant = total of O,N,D,J,F,M,A,Y OTHL positions 86,118,150,182,226,263,318,351.

Priv loan = total of O,N,D,J,F,M,A,Y PVTL positions 87,119,151,183,227,264,319,352.

Fam loan = total of O,N,D,J,F,M,A,Y 4E positions 88,120,152,184,228,265,320,353.

Investmt = total of O,N,D,J,F,M,A,Y 4F positions 89,121,153,185,229,266,321,354.

Ch support = total of O,N,D,J,F,M,A,Y 4G positions 90,122,154,186,230,267,322,355.

Soc assist = total of O,N,D,J,F,M,A,Y 4H positions 91,123,155,187,231,268,323,356.

Other = total of O,N,D,J,F,M,A,Y 4I positions 92,124,156,188,232,269,324,357.

- Select only those students who completed at least 4 of the 8 follow-up monthly surveys.
- For categories employment, parents, spouse, child support, and soc. assistance - for missing contribution data in a month, attribute the average contribution – for that student – calculated from the months for which a contribution was reported.

b) by type of program

STRATEGY	COLLEGE		UNIVERSITY CERTIFICATE		BACHELORS		MASTERS		PROF. DEGREE		DOCTORAL	
	#	\$AV	#	\$AV	#	\$AV	#	\$AV	#	\$AV	#	\$AV
Savings												
Employment												
Parents												
Spouse												
Other family												
Gov loan												
Gov grant												
Other grant												
Priv loan												
Family loan												
Investment												
Child support												
Social assistance												
Other												

- College = Q14A position 5 – value 1
- University certificate = Q14A position 5 – value 2
- Bachelor’s degree = Q14A position 5 – value 3
- Masters = Q14A position 5 – value 4
- Professional degree = Q14A position 5 – value 5
- Doctoral degree = Q14A position 5 – value 6

- Select only those students who completed at least 4 of the 8 follow-up monthly surveys.
- For categories employment, parents, spouse, child support, and soc. assistance - for missing contribution data in a month, attribute the average contribution – for that student – calculated from the months for which a contribution was reported.

c) by father's education

STRATEGY	UP TO GRADE 12		COLLEGE TECHNICAL		BACHELOR'S DEGREE		PROFESSIONAL CERTIFICATION		GRADUATE DEGREE	
	#	\$AV	#	\$AV	#	\$AV	#	\$AV	#	\$AV
Savings										
Employment										
Parents										
Spouse										
Other family										
Gov loan										
Gov grant										
Other grant										
Priv loan										
Family loan										
Investment										
Child support										
Social assistance										
Other										

Up to grade 12 = Q39 position 49 – values 1, 2, or 3

College/technical = Q39 position 49 – value 4, 5, or 6

Bachelor's degree = Q39 position 49 – value 7

Professional certification = Q39 position 49 – value 8

Graduate degree = Q39 position 49 – value 9

- Select only those students who completed at least 4 of the 8 follow-up monthly surveys.
- For categories employment, parents, spouse, child support, and soc. assistance - for missing contribution data in a month, attribute the average contribution – for that student – calculated from the months for which a contribution was reported.

Q23 position 15 – Could you complete your PSE more quickly if you did not have to work?

7. PER CENT OF SDA STUDENTS WHO COULD COMPLETE MORE QUICKLY IF THEY DID NOT HAVE TO WORK – BY FATHER'S EDUCATION

Father's Education					
	UP TO GRADE 12	COLLEGE/TECH	BACHELORS DEGREE	PROFESSIONAL CERTIFICATION	GRADUATE DEGREE
SDA PER CENT WHO COULD COMPLETE MORE QUICKLY	per cent	per cent	per cent	per cent	per cent

8. AVERAGE LIVING COSTS BY REGION – BY CSL CATEGORY – FOR EIGHT MONTHS

CSL Category						
	SDH	SDA	SIH	SIA	M	SP
PROVINCE	\$av	\$av	\$av	\$av	\$av	\$av
BC						
Alta						
Sask						
Man						
Ont						
QB						
NB						
NS/PEI						
NFLD						

Select only those students who reported living costs in the month of October.

October Living Costs = N5A position 125 (accommodation) + N5B position 126 (electricity) + N5C position 127 (heating) + N5D position 128 (telephone) + N5E position 129 (internet) + N5F position 130 (cable) + N5E1 position 131 (other utilities) + N5G position 132 (household) + N5I position 134 (transportation) + N5H position 135 (child care) + N5K position 136 (investments) + N5L position 137 (debt payment) + N5M position 138 (other expenses) + N6A position 139 (food) + N6D position 140 (clothing) + N6B position 141 (health care) + N6C position 142 (entertainment).

Average living costs for 8 months = October Living Costs X 8

Note – variable N5J position 133 – education costs NOT included in living costs.

Note: Total costs (living and education) will be calculated by Fred Hemingway Consulting by adding average living costs per category to typical PSE costs (tuition, books, supplies) in each region. Totals will be compared to assistance limits in each region.

9. INSTITUTION CHOICE - OF SINGLE DEPENDENT STUDENTS WHO MOVE TO STUDY VS. THOSE WHO STAY HOME.

INSTITUTION	CSL CATEGORY PROXY	
	#OF SDH	#OF SDA
Public University		
Private University		
Public Tech/Voc college		
Private college/CEGEP		
other		
No answer		

Institution – Q13 position 3 – value 1 – public university

2 – private university

3 – public tech/voc college

4 – private college/CEGEP

5 – other

6 – no answer

10. INSTITUTION CHOICE - OF SINGLE DEPENDENT STUDENTS AT HOME (SDH)- BY FAMILY INCOME

Total household Income \$'000						
INSTITUTION	\$0-55	\$56-65	\$66-75	\$76-85	\$86-95	>\$95
	#	#	#	#	#	#
Public University						
Private University						
Public Tech/Voc college						
Private college/CEGEP						
other						
No answer						

Total household Income – Q30 position 53

Institution – Q13 position 3 – value 1 – public university

2 – private university

3 – public tech/voc college

4 – private college/CEGEP

5 – other

6 – no answer