



## Policy Paper

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# Investing for Generations: Ensuring University Access and Success for Students with Dependents

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## Introduction

It is no secret that Ontario's student financial aid system is badly broken. It provides too little money to too few students, and saddles those lucky enough to access the program with burdensome debt. However, the most egregious failing of the Ontario Student Assistance Program (OSAP) is how it thoroughly fails to guarantee equitable university access to the province's most vulnerable citizens. In the case of students with dependants, this failure could not be more complete. Not only does the financial aid system disadvantage sole-support parents with children, but it also seriously compromises the future opportunities of the children themselves.

In November of 2004, a single mother of two small children was convicted of welfare fraud in London, Ontario.<sup>1</sup> In an effort to increase her employability and provide a better life for her children, she had enrolled at the University of Western Ontario to pursue an undergraduate degree. Faced with the considerable financial demands of providing for her children and paying for her education, she turned to the financial aid system for help. Unfortunately, OSAP did not provide enough money for her to support her family and pursue her studies. She was then faced with an impossible choice: withdraw from her studies, or supplement her income by illegally accessing both the Ontario Works Program and OSAP. She chose the latter, and was punished.

The fact this mother broke the law is indisputable. However, there is something fundamentally wrong with a system which forces a single mother to either surrender the considerable social and economic benefits of higher education, or violate the law to obtain the funding he or she requires. The Ontario Undergraduate Student Alliance (OUSA) strongly condemns the current administration of the Ontario Works Program and OSAP, and urges the provincial government to provide appropriate financial assistance to sole-support parents who wish to attend university. Further, the provincial government and institutions must work together to develop new strategies for accommodating this groups of students, providing effective subsidized child care and new educational strategies.

This policy will examine the issue of students with dependants, exploring the various challenges facing these individuals and providing constructive recommendations for positive reform.

## Principles

OUSA has examined the issue of students with dependants in accordance with the following principles:

**Principle 1: A university degree is one of the most effective ways for individuals to increase their social and economic success, and the success of their dependant children.**

It is an indisputable fact that a university education is one of the best single facilitators of an individual's economic and social mobility. In 2001, the median household income in families in which the primary earner had a university degree was 51 per cent greater than households where the primary earner had a high school diploma.<sup>2</sup> A TD Economics Paper further underlined the economic benefits of higher education, reporting that university graduates receive a 12 to 20 per cent return on their investment in university education.<sup>3</sup> Evidence also suggests that university graduates tend to live longer and be healthier, possess greater communication skills and have greater self-confidence.<sup>4</sup>

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<sup>1</sup> For reasons of privacy, the individual in question will not be named.

<sup>2</sup> Statistics Canada. "Household Income Groups (24) in Constant (2000) Dollars and Selected Demographic Educational, Cultural and Labour Force Characteristics of Primary Household Maintainer (87) for Private Households, for Canada, Provinces and Territories, 1995 and 2000 – 20% Sample Data." 2001 Census. Ottawa: Statistics Canada, April 2004.

<sup>3</sup> TD Economics, Investing in Higher Education Delivers a Stellar Rate of Return. January 22, 2004. Pg. 1

<sup>4</sup> Ibid.; Pg 2.

Accessing higher education not only benefits the individual student, but also his or her children. In the short term, children of university graduates will enjoy the greater standard of living afforded by their parent's education. Moreover, children of university graduates are far more likely to advance into higher education themselves. A Statistics Canada report released in 2005 revealed that an individual whose parents attended university had a participation rate 67 per cent greater than someone whose parents only attended high school.<sup>5</sup>

Clearly, higher education is an immensely powerful means to increase economic success within, and indeed across, generations.

**Principle 2: All willing and qualified students must be able to access higher education in Ontario.**

Given the immense economic and social benefits of higher education, it is entirely unacceptable that an academically qualified citizen of Ontario be barred from accessing university due to socio-economic status, regional origin, or family circumstance. To ensure equitable post-secondary access, the Ontario government must carefully control tuition fees, fund the university system adequately and develop a robust system of financial aid that meets the needs of Ontario's students.

However, many students face additional barriers to higher education due to their life circumstances. Individuals from rural communities, Aboriginal students and students with dependants all face unique challenges in the pursuit of their education. These students require additional consideration and assistance to ensure they are able to advance into higher education and complete their degrees.

**Principle 3: The provincial government has a clear responsibility to provide equal opportunity for all willing and qualified students in Ontario to access and excel within Ontario's system of post-secondary education.**

The provincial government is singularly best-equipped to ensure all academically qualified students are able to access higher education. This is particularly true where students with dependant children are concerned. Through the provision of effective financial aid and the funding of appropriate systemic supports, the province can guarantee these substantial economic and social benefits are available to both students with dependant children and the children themselves.

Moreover, supporting students with dependants is more than just simple consumption spending. Rather, it is an investment in both the long-term viability of an individual and Ontario as a whole. By allowing students with children to advance into university, the provincial government will reap the benefits of an expanded tax base, greater economic vitality and a more democratically-engaged, socially responsible population. Thus, opening doors for students with dependants is a vital component of building a bright future for all Ontario.

### **Students with Dependants: A Demography**

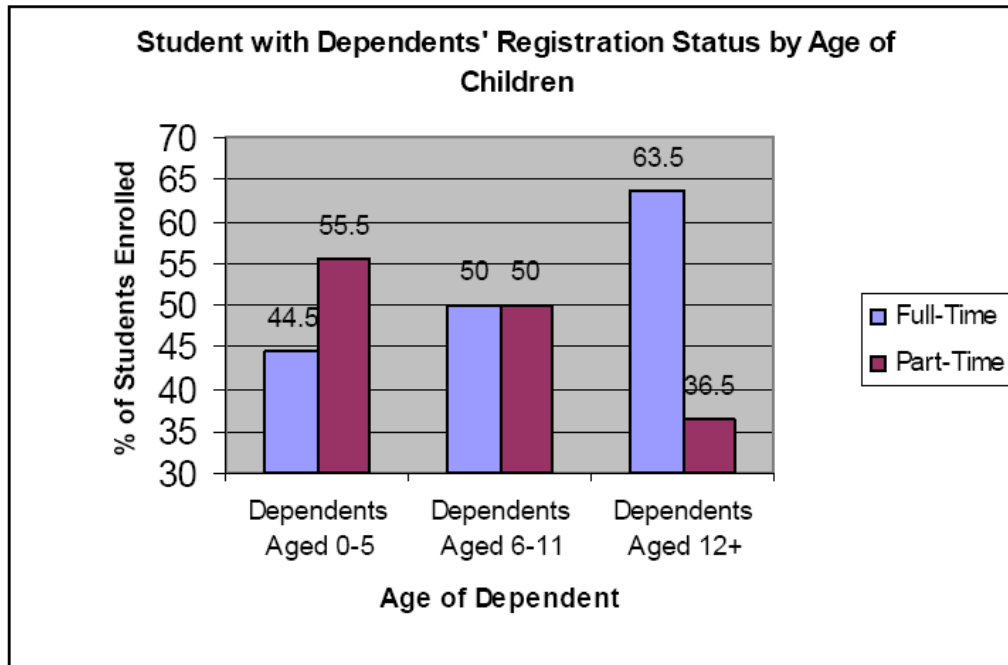
In order to better understand the challenges faced by students with dependants in accessing higher education, it is important to analyze the composition of this group in some detail. In brief, the following demographic characteristics apply to students with dependant children:

- Students with dependants are usually considerably older than students without dependants, with an average age of 37.6 years old as compared to 21.7 years old.<sup>6</sup>

<sup>5</sup> Marie Drolet. Participation in Post-Secondary Education in Canada: Has the Role of Parental Income and Education Changed over the 1990's? Ottawa: Statistics Canada, 2005. Pg. 16

<sup>6</sup> Sean Junor and Alex Usher. The Price of Knowledge 2004: Access and Student Finance in Canada. Ottawa: Canada Millennium Scholarship Foundation, 2004. Pg. 17

- While students with dependents can be either male or female, the majority are female.<sup>7</sup>
- The presence of a dependency relationship is a greater barrier to university participation for women.<sup>8</sup>
- Younger children are typically a greater barrier to full-time university participation. Consider this graph:<sup>9</sup>



- Students with dependants are more likely to be studying part-time.
- Students with dependants progress very slowly through university and are very likely to have interrupted their studies.<sup>10</sup>
- Students with dependants are more likely to live off-campus.<sup>11</sup>

It should also be noted that 'dependants' are not always just children. Dependency relationships can also include elderly parents and relatives, or an individual suffering from a chronic illness, disability or other condition that requires a substantial amount of care from a second party. For the purposes of this policy, OUSA defines a student with a dependent as an individual who acts as a primary care-giver to an individual unable to meet their own life needs. This includes minor children, individuals who are chronically ill, individuals with a physical or mental disability or elderly individuals. For the purposes of this paper, a spouse or partner who does not meet any of the above criteria cannot be considered as a dependent.

While the form of dependency varies, the overall impacts on university access and completion rates for students with dependents remains generally equal. Since the majority of students with dependents are parents with children, this policy will focus primarily on these individuals. However, almost all of the financial and structural recommendations contained within this document will be applicable to most forms of dependency relationship.

<sup>7</sup> David Holmes. *Embracing Differences: Post-Secondary Education among Aboriginal Students, Students with Children and Students with Disabilities*. Ottawa: Canada Millennium Scholarship Foundation, 2005. Pg. 49

<sup>8</sup> Holmes, Pg. 22

<sup>9</sup> Junor and Usher, Pg. 17.

<sup>10</sup> Holmes, Pg. 50

<sup>11</sup> Holmes, Pg. 49

## Concerns

**Concern 1: Under the current system, the financial need of students with dependants exceeds the resources provided by the financial aid system.**

To understand how the current financial aid system in Ontario is failing students with dependents, it is important to assess the actual cost of education for these individuals. Runzheimer Canada, in its *Student Cost of Living Survey 2003*, provides one of the most comprehensive analyses of student cost ever produced in Ontario. It assesses financial need for a variety of different types of students across several Ontario communities. Since most students with dependants live off-campus, Runzheimer's assessment of cost for *Student with One Child Living in an Apartment Off-Campus* category is most germane to the focus of this policy. The assessment of cost is as follows:

*Runzheimer Canada Cost of Living Assessment for Sole-Support Parent Living Off-Campus*<sup>12</sup>

Community	Assessment of Cost
Toronto	\$33,080
London	\$26,006
Kingston	\$24,439
North Bay	\$25,382
<b>Average</b>	<b>\$27,226.75</b>

For its part, the OSAP currently estimates that a student with one dependant child will require \$17,181 to pay for his or her education.<sup>13</sup> This is indicative of a systemic problem with the OSAP system—significant and pervasive under-estimation of student cost.<sup>14</sup> Based on this faulty estimate, the Program provides a maximum of \$500 per week, or \$17,000 over a standard 34 week study period—over \$10,000 short of their actual need.<sup>15</sup>

This situation becomes progressively worse with more dependant children. Since the \$500 per week maximum applies regardless of the number of children, a sole-support parent with two or more dependants will be thoroughly unable to fund their studies through OSAP. Consider this chart:

*Non-Educational Cost Comparison – Single and Sole Support Parents*<sup>16,17</sup>

Student Type	Room and Board	Other Living Expenses	Total
Single Student	\$5,122	\$5,088	\$10,130
Sole Support Student with One Child	\$9,126	\$10,906	\$20,032
<b>Difference</b>	<b>\$4,004</b>	<b>\$5,818</b>	<b>\$9,822</b>

Based on this comparison, a dependant child translates into an average of \$9,822 in additional expenses. Thus, while the financial need of a student with one dependant is \$27,226, the need of a student with two dependants is a staggering \$37,048—over \$20,000 greater than the maximum OSAP award. In fact, the amount of support places the single support parent with two dependants *under* the 2003 low-income cutoff (LICO) level for an eight month period—

<sup>12</sup> Runzheimer Canada, *Student Cost of Living Study*. June 24, 2003. Pg. 4

<sup>13</sup> From data provided in a MTCU email, April 23, 2004. This need is based on the standard OSAP assessment formula, which includes a \$1,212 monthly allowance for the parent and \$499 for each dependent child.

<sup>14</sup> For a more thorough discussion of the OSAP system and its problems, please refer to the OUSA paper *Building the Third Pillar: Reforming Ontario's Student Financial Aid System*.

<sup>15</sup> Runzheimer, Pg. 5

<sup>16</sup> Runzheimer, Pg. 3,4

<sup>17</sup> These figures are the mean costs across the four sample communities contained in the Runzheimer Study.

\$17,597.<sup>18</sup> And the LICO does not even account for tuition or education supply costs. Clearly, the OSAP system is totally unable to meet the financial need of the most vulnerable students with dependant children.

The only other potential funding source for students with dependants is the Ontario Works (OW) Program, Ontario's social welfare provider. Unfortunately, support under OW is even more inadequate than OSAP. Under this system, a sole-support parent with one dependant is entitled to \$446 per week, or \$15,164 for a 34-week study period, while an individual with two dependants is eligible for \$532 and \$18,088 respectively.<sup>19</sup> Again, this falls light-years short of the funds needed to adequately cover the cost of education. Indeed, it seems the only viable strategy for a sole-support parent to fund their education is through both OSAP and OW. This, however, is illegal in Ontario and subject to stern penalties.

However, there is some provision for OW to supplement the OSAP award. According to the policy directives for OW, "applicants may also be eligible for top-up assistance if the amount of monthly personal living funds from OSAP is less than their budgetary requirements."<sup>20</sup> To obtain this top-up funding, "the student must provide the delivery agent his/her OSAP Assessment in order to determine if a top-up is possible."<sup>21</sup> However, since OSAP's assessment of student need is currently so inaccurate, it seems unlikely that the OSAP Assessment will provide any reason for an Ontario Works director to provide additional funds.

The other serious failing of the OSAP system is its imposition of debt. Across Canada, students with dependants have the highest level of reported debt. Since Ontario has the second-highest tuition level in the country, and the highest average debt level, it is reasonable to expect students with dependants in the province owe considerably more than the national average.

Clearly, immediate reform is needed in the OSAP system to create a financial aid package that meets the needs of students with dependants and has robust measures in place to control graduate debt.

**Concern 2: Many students with dependants are part-time students, and therefore ineligible for OSAP.**

Under current regulations, part-time students are ineligible for OSAP support. Instead, they can apply for the Part-Time Canada Student Loan (PTCSL). Unlike the OSAP aid package, the interest on the PTCSL is not subsidized and recipients must begin making interest payments while they are still pursuing their studies. In other words, the PTCSL is more expensive than a conventional OSAP loan, and adds an additional cost-burden to students who are presumably already struggling to finance their education.

The PTCSL structure stems from the belief that if a student is studying part-time, he or she is better able to secure employment to pay for his or her education. This, coupled with the fact that part-time studies are considerably cheaper than full-time schooling, theoretically translates into lower overall financial need. While this is true for many single students without children, the same logic cannot be applied to students with dependents. It is true that the majority of students with dependants attend university on a part-time basis.<sup>22</sup> However, for these individuals, it is the sheer amount of time required to care for their dependants that necessitates study on a part-time basis. They are thus unable to work and earn money. Therefore, they may require significant financial aid.

<sup>18</sup> Based on LICO Data found in Low Income Cutoffs from 1994-2003. Statistics Canada, March 2004. Pg. 25

<sup>19</sup> Ontario Works, *Directive 29: Calculating Assistance*. Ontario Works Policy Directives. September 2001. [http://www.cfcs.gov.on.ca/NR/MCFCS/OW/English/29\\_0.pdf](http://www.cfcs.gov.on.ca/NR/MCFCS/OW/English/29_0.pdf)

<sup>20</sup> Ontario Works, *Directive 27: Post-Secondary Education*. Ontario Works Policy Directives. September 2001. <http://www.cfcs.gov.on.ca/CFCS/en/programs/IES/OntarioWorks/Publications/ow-policydirectives.htm>

<sup>21</sup> Ibid

<sup>22</sup> Usher and Junor, Pg. 69

Under the PTCSL, they will only be able to access a maximum of \$4,000 to finance their studies. This is less than one-quarter of the funding available through OSAP. Part-time students are also eligible for a Canada Study Grant worth \$1,200 for one school year. While this kind of non-repayable assistance is valuable, it does not come anywhere near meeting the financial need of students with dependants.

Clearly, barring students with dependants who are studying part-time from OSAP is patently unfair. They are unable to access sufficient financial aid packages, are forced to pay more for their loan through unsubsidized interest charges and are required to make payments while in-study. This is a highly irresponsible way to administer a financial aid system, particularly when these damaging provisions are imposed upon vulnerable students already struggling to care for their dependant children.

**Concern 3: In regards to students with dependants, the administration of the Ontario Works Act is in conflict with the spirit of the act itself.**

As highlighted earlier, the only effective option for a student with one or more dependants to finance their university education is through a combination of OSAP and the OW Program. Indeed, the founding values of the program would seem to indicate a responsibility for supporting individuals who wish to pursue higher education. Consider the following excerpts from the *Ontario Works Act*.<sup>23</sup>

*Ontario Works Act, 1997*

The purpose of this Act is to establish a program that,

- (a) recognizes individual responsibility and promotes self reliance through employment;
- (b) provides temporary financial assistance to those most in need while they satisfy obligations to become and stay employed;
- (c) effectively serves people needing assistance; and
- (d) is accountable to the taxpayers of Ontario. 1997, c. 25, Sched. A, s. 1.

Points (b) and (c) are particularly relevant when considering students with dependants and higher education. A TD Economics research paper released in 2004 found that the unemployment rate for university graduates was just over four per cent, as opposed to almost nine per cent for individuals with only a high school diploma.<sup>24</sup> In addition, 25 per cent of all new jobs created in Ontario require a university degree.<sup>25</sup> Thus, it would appear that attending university is an excellent means to “become and stay employed.” As such, OW has a tacit responsibility to help fund a student with dependants’ post-secondary education in order to “effectively serve people needing assistance.” Unfortunately, OW has been structured in order to preclude the fulfillment of this duty. Consider section nine of the *Ontario Works Act*:

<sup>23</sup> Government of Ontario. The Ontario Works Act. 1997. Available and the Canadian Legal Information Institute. <http://www.canlii.org/on/laws/sta/1997c.25sch.a/20050111/whole.html>

<sup>24</sup> TD Economics. Investing in Post-Secondary Education Delivers a Stellar Rate of Return. Toronto: TD Bank Financial Group, 2004. Pg. 2

<sup>25</sup> Ibid. Pg. 2

Post-Secondary Education

9. No single person who is in full-time attendance at a post-secondary educational institution is eligible for assistance if the person,

(a) is in receipt of a loan under the *Ministry of Training, Colleges and Universities Act* or the *Canada Student Loans Act*;

(b) is not eligible for a loan under one of those Acts because of the level of parental income, as determined under that Act; or

(c) is not eligible for a loan under one of those Acts because of a default in the payment of a previous loan under one of those Acts. O. Reg. 134/98, s. 9.

This *Ontario Works Act* makes it virtually impossible to access financial support through the program while in receipt of an OSAP loan, making it impossible for a student to assemble a financial support package that actually meets their needs. In fact, even if a student is not receiving an OSAP loan, the wording of the *Ontario Works Act* creates a virtual catch-22 situation for a student attempting to meet their financial needs through OW. Section 13(1) of the act states:

*If the administrator is not satisfied that a member of a benefit unit is making reasonable efforts to obtain compensation or realize a financial resource or income that the person may be entitled to or eligible for, the administrator may determine that the person is not eligible for basic financial assistance or reduce the amount of basic financial assistance granted by the amount of compensation, financial resource or income that in his or her opinion is available or would have been available had reasonable efforts been made to obtain or realize it.*

Section 13(2) further states:

*For the purposes of section (1)...The proceeds of a loan guaranteed under section 8 of the *Ministry of Colleges, Training and Universities Act* or of a loan under the *Canada Student Financial Assistance Act* is a financial resource to which a member of a benefit unit is entitled if the member is in full-time attendance at a post-secondary institution.*

These regulations essentially mean that a student cannot access Ontario Works if they are in receipt of a student loan, and can also be denied financial support if they did not apply for OSAP assistance in the first place. In other words, a sole-support parent will effectively only be able to access student loan assistance from the OSAP system—a program unable to meet their needs where the majority of the financial support must be repaid. It is difficult to deny that these policies can act as a built-in deterrent for students with dependants with limited financial resources in the pursuit of university education. In OUSA's opinion, this contradicts the spirit of the *Ontario Works Act* by preventing access to the rewarding employment opportunities offered by university education.

More alarming, a student who attempts to meet their financial needs by accessing both the Ontario Works and OSAP program is essentially criminalized, leading to a variety of dire consequences including the termination of all social support, ineligibility for future OSAP aid, fines and even incarceration. The destructive potential *Ontario Works Act* provisions were dramatically illustrated by the case of Kimberly Rogers. A pregnant student, Rogers pled guilty to welfare fraud in 2001 for illegally accessing both OSAP and OW. Among a variety of other penalties, her welfare support was terminated and she was placed under house arrest. She committed suicide on August 9, 2001. While the law was indeed broken in this case, it is important to consider how the structure of the system may force needy

individuals into these situations, and how the punishment may be well beyond the actual seriousness of the crime. Clearly, students with dependants who access both OSAP and OW are not criminals—they are most often individuals in impossible situations who have no other choice. As such, these individuals should not be subject to severe punishment at the hands of the legal system.

**Concern 4: The current system of subsidized child care in Ontario does not meet the needs of students with dependant children.**

One of the most important supports for students with dependants offered on university campuses is subsidized child care. By providing relatively inexpensive daycare services to students with young children, universities ease the pressures faced by these individuals and allow them to integrate better within the university schedule. Unfortunately, Ontario's subsidized child care system lags far behind the needs of students with dependant children. System-wide, only nine per cent of children under 12 have access to a subsidized and regulated day-care space.<sup>26</sup> Across Canada, it is estimated that there are approximately 2,000 subsidized child care spots for a population of 27,000 students with dependants.<sup>27</sup> While there is no available specific data on child care at Ontario's universities, it is reasonable to assume the problem is equally bad throughout the province's post-secondary sector. Given that Ontario accounts for roughly 37 per cent of total university enrolment in Canada, it can be extrapolated that there are 740 subsidized, on-campus daycare spots for some 10,000 students with dependants. This is a very rough estimate, but it dramatically reveals the serious shortcomings of the current system.

Without adequate child care spots at Ontario's universities, it will be extremely difficult to properly accommodate students with dependants in traditional higher education. As such, insufficient investment in child care is a *de facto* barrier to equitable university participation.

**Concern 5: Students with dependants are currently under-represented in the university system.**

Despite the lack of comprehensive data, existing research points to lower university participation rates by students with dependants. According to recent research by the Canada Millennium Scholarship Foundation, approximately 19 per cent of women between the ages of 20 to 24 had dependant children. However, only four per cent of 20-year-old women attending university reported having a child.<sup>28</sup> While this is short of iron-clad proof that students with dependants are under-represented in higher education, it is reasonable to conclude that the life circumstances of students with dependants pose significant barriers to university participation. These barriers can be divided into two general categories:

1. *Financial Barriers.* The cost of caring for a dependant, coupled with the substantial expense of a university education, poses a significant hurdle to both accessing and completing an advanced degree.
2. *Structural Barriers.* Caring for a dependant also requires a significant investment of time. This may make it difficult to participate in a standard academic program. In addition, it may also make it impossible to pursue employment in order to overcome the financial obstacles imposed by a dependency relationship.

Although all students with dependants face these barriers to varying degrees, the most adversely affected are sole-support parents of young children. Again, many of the recommendations are geared towards these vulnerable individuals, although they can also apply to married or dual-support parents with a high level of financial need.

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<sup>26</sup> Ontario Coalition for Better Child Care. Child Care in Ontario: Facts and Figures. 2004. [http://www.childcareontario.org/library/ONchild\\_carestats.pdf](http://www.childcareontario.org/library/ONchild_carestats.pdf)

<sup>27</sup> Usher and Junor, Pg. 69

<sup>28</sup> Holmes, Pg. 23.

**Concern 6: The structure of a traditional university education in Ontario is often at odds with the requirements of caring for dependants.**

The care of dependants—whether they are children, elderly relatives or a disabled partner—requires a huge amount of time and energy. Individuals with dependency relationships therefore, “have great difficulty fitting in with a rigid five day per week, full time program.”<sup>29</sup> This is the reason many students with dependants choose to study part-time, or avoid university education altogether.

To help students with dependants cope with going to school and fulfilling their domestic responsibilities, robust support structures on university campuses must be in place. In addition, there should be ready access to innovative and high-quality distance and online education to fully accommodate the diverse schedules of individuals with dependants. Unfortunately, Ontario is currently not doing enough to assist students with dependants in overcoming the challenges posed by their life circumstances.

**Concern 7: The inability to access higher education not only impacts parents, but also their dependant children.**

When an individual with dependants is prevented from accessing or completing higher education, the economic and social damage is felt by everyone involved in the dependency relationship. In the short term, both the potential student and his or her dependants are denied access to a larger income level and the corresponding quality of life benefits. The weekly earnings of a university graduate are 61 per cent greater than an individual with only a high school diploma, and this additional income can be used to purchase higher-quality accommodations, food and even educational experiences.<sup>30</sup>

In the longer term, the impact of parental university non-attainment can be immensely damaging to a dependant child. According to Statistics Canada research, “the chance of participating in university is highest for children of university-educated parents than for the children of parents with other levels of education.”<sup>31</sup> In 2001, 49.6 per cent of youths with parents who attended university went on to university themselves, as compared to only 16.6 per cent of individuals whose parents attended only high school. University access literally echoes through generations. For this reason, it is essential the provincial government ensure equitable access for all potential students with dependant children.

**Concern 8: There is a lack of substantive quantitative research on students with dependants in Ontario’s university system.**

It is difficult to fully understand the challenges faced by students with dependants in accessing and completing higher education without comprehensive research into their demographic, financial and family circumstances. Unfortunately, there has been very little work done on this question in an Ontario-specific context. Stakeholders and policy makers in Ontario must rely on nationally-focused Statistics Canada and Canada Millennium Scholarship Foundation research. While both of these organizations have been instrumental in highlighting the barriers facing students with dependants, they do not address Ontario directly and leave many avenues of inquiry unexplored.

To ensure the success of programs designed to promote greater access and retention for students with dependants, and to produce a holistic understanding of the accessibility of the university system as a whole, it is absolutely vital a program of in-depth, targeted research be conducted.

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<sup>29</sup> Holmes, Pg. 21

<sup>30</sup> TD Economics, Pg. 2

<sup>31</sup> Drolet, Pg. 16.

## Recommendations

**Recommendation 1: The financial aid package available to students with dependants must be immediately increased to adequately account for their financial need, primarily through the harmonizing of the Ontario Works Program and OSAP.**

In order to provide a financial aid package which meets the actual needs of students with dependants, OW and OSAP should be harmonized into one system. In former Ontario premier Bob Rae's report on post-secondary education to the provincial government, he recommended:

*"...immediate changes to allow sole support parents and married students who are OW recipients to continue to receive income support and associated benefits while in school. These students would still be eligible for student aid, but their student assistance for living costs would be reduced by non-repayable OW benefits received while they are studying."<sup>32</sup>*

In OUSA's conception, the new arrangement would see a student's personal cost—tuition, books and supplies, and his or her share of living expenses—covered by the OSAP program. According to the Runzheimer cost-of-living assessment, this would translate into an OSAP award of approximately \$17,000. This amount would be composed of both up-front grants and loans, and would be subject to standard debt remission through the Ontario Student Opportunity Grant (OSOG) at about 25 per cent of the total outstanding loan amount. As outlined in Concern One, a dependant represents approximately \$10,000 in additional expenses. For each dependant, a student would receive a \$10,000, non-repayable award from the Ontario Works Program. This harmonized financial aid package is highly attractive, as it allows students with dependants to finance their studies without incurring a punitive level of debt.

This maximum award would only apply to a full-time, sole-support parent. Students in part-time study, with other sources of income or a co-supporting spouse, would not be eligible for either the full OSAP or OW amount. Their aid packages would be determined through a progressive needs-testing framework.

The harmonization of OW and OSAP is the best way to provide flexible and appropriate financial aid that will eliminate the financial barriers faced by students with dependants in their pursuit of higher education.

**Recommendation 2: It must not be illegal for students with dependants to access both OSAP and Ontario Works.**

Since the post-secondary regulations of the *Ontario Works Act* conflict with the central goals of the program, it is logical to reform the act to reconcile the contradiction. Simply put, it must not be illegal for students with dependants to access both the Ontario Works (OW) and OSAP programs to finance their studies.

This amendment to the act is not intended to allow students to freely draw from both programs without any co-ordination. Rather, it is the first step to creating a harmonized system which utilizes both OW and OSAP to provide students with dependants an appropriate level of funding to finance their university education. Students without dependants will continue to be unable to access the OW program, provided OSAP adequately meets their financial requirements.

**Recommendation 3: All tuition in Ontario must be regulated to ensure equitable university access for students with dependants.**

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<sup>32</sup> Bob Rae. Ontario: A Leader in Learning. Toronto: Postsecondary Review, 2005. Pg. 74

The first step to ensuring equitable university access for students with dependants is to control the cost of education. While the expense of higher education acts as a barrier for many different groups of students. However, the presence of a dependency relationship greatly magnifies the impact of high fees on access and retention. As such, tuition fees must continue to be regulated under the Ministry of Training, Colleges and Universities.. This will generate a variety of benefits:

1. Prevent fees from becoming an undue barrier to university access;
2. Ensure predictability to students and allow for effective financial planning; *and*
3. Ensure that the financial aid system is able to effectively meet student needs.

For a more thorough discussion of tuition, please refer to OUSA's policy entitled *Rebuilding the Second Pillar: Moving Beyond the Tuition Debate*.

**Recommendation 4: The provincial government must provide start-up funding for an Open University of Ontario to help better accommodate students with dependants.**

Even with appropriate financial aid and structural supports for students with dependants, some individuals will still be unable to attend classes in a traditional university setting. Other jurisdictions have responded by creating 'open universities'—institutions which specialize in using distance learning, virtual education and regional service centres to reach individuals typically under-represented in higher education. Notable examples of this kind of operation include Alberta's Athabasca University and the United Kingdom's UK Open University. Indeed, both of these institutions are immensely popular, with over 23,000 and 100,000 students respectively enrolled in Canada and around the world.

Creating an Open University of Ontario would allow students from a variety of under-represented groups—Aboriginal students, rural students and students with dependants—to access higher education in a flexible environment sensitive to their unique needs. Thus, an open university would increase Ontario's university participation rate, foster greater equality and build the province's economic and social capital.

**Recommendation 5: The provincial government must provide additional funding to universities to develop more robust strategies for accommodating students with dependants on Ontario's campuses.**

Once students with dependants arrive on campus, they often require support services to help them integrate into campus life. Information, counseling and academic support are all services which can benefit students with dependants immensely, improving their retention within the institution and improving the chances of degree completion. In particular, academic counseling may assist students with dependants to find the education pathway which will allow them to achieve their personal and family goals.

**Recommendation 6: Part-time students with dependants must be able to access the full range of OSAP benefits.**

Unlike students without dependants, individuals with dependency relationships pursuing their studies part-time do not have less financial need than a full-time student. Thus, it is important they be given full access to the OSAP program in order to access the funding they require. Moreover, by allowing students with dependants to access OSAP, they will also receive the benefit of interest subsidization and zero repayments in-study. As a result, their loans will be cheaper and easier to manage.

Part-time students with dependants are often struggling to balance the demands of their academic programs and domestic life. Imposing additional cost burdens on these individuals through the Part-Time Canada Student Loan is an unacceptable practice and must be stopped immediately.

**Recommendation 7: The provincial government must facilitate greater access to dedicated subsidized child care spots on university campuses for students with dependants.**

Where students with dependants are concerned, child care is correctly viewed as a form of student assistance. Providing inexpensive, easily accessible daycare services is as important to ensuring equitable university access as up-front grants or progressive student loans. As such, and in co-operation with the federal government and individual institutions, the provincial government must commit to providing enough subsidized child care spots to accommodate every student with dependant children who require this service. This will require significant expansion of existing child care facilities, as well as the establishment of new centres on campuses currently without child care infrastructure. Based on the rough estimates contained in Concern Seven, the Ontario government may have to provide as many as 8,000 dedicated student child care spots across the province. This is a large investment, but it is absolutely essential to ensure students with dependants are able to access higher education.

**Recommendation 8: The provincial government must engage in collaborative research efforts to track participation and educational attainment for students with dependants.**

In order to design effective programs to promote equitable university access and attainment for students with dependants, and to monitor the success of those programs, the provincial government must undertake a continuous program of research and data gathering. It will be particularly important to monitor the demographic composition of the student with dependants' cohort (age, ethnicity, number of children); the proportion of students with dependants as compared to the proportion of the overall university-aged population with children; and the actual cost of education for students with dependency relationships. Armed with this data, Ontario will be able to design and implement effective financial aid and structural supports to promote university access and attainment for students with dependants.

## **Conclusion**

Ensuring equitable access to high-quality education for every student in Ontario is a vital responsibility of the provincial government. In the case of students with dependants, this responsibility is even more urgent. By investing in university access and attainment for individuals with dependants, the government also invests in the economic and social viability of their children.

Unfortunately, too little is currently being done in Ontario to make this critical investment. We do not properly understand the nature and scope of the challenges faced by students with dependants. Child care and support structures for these individuals are inadequate, and they are forced to rely on a financial aid system completely unable to meet their needs. There is also a lack of flexibility in the university system, forcing many students with dependants to cope with a form of higher education at odds with their life circumstances.

To create a truly bright future for all Ontarians, the provincial government must immediately invest in providing real educated solutions for students with dependants. Through effective data collection, financial aid, child care and innovative education delivery, Ontario's universities will be places of opportunities for students and their dependants.

## Repayment Assistance Plan **Policy Statement**

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**WHEREAS** a university degree is one of the most effective ways for individuals to increase their social and economic success, and the success of their dependant children.

**WHEREAS** all willing and qualified students must be able to access higher education in Ontario.

**WHEREAS** the provincial government has a clear responsibility to provide equality of opportunity for all of its citizens, regardless of their life circumstances.

**WHEREAS** under the current system, the financial need of students with dependants exceeds the resources provided by the financial aid system.

**WHEREAS** many students with dependants are part-time students, and are therefore ineligible for OSAP.

**WHEREAS** in regards to students with dependants, the administration of the Ontario Works Act is in conflict with the spirit of the act itself.

**WHEREAS** the current system of subsidized child care in Ontario does not meet the needs of students with dependant children.

**WHEREAS** students with dependants are currently under-represented in the university system.

**WHEREAS** the structure of a traditional university education in Ontario is often at odds with the requirements of caring for dependants.

**WHEREAS** the inability to access higher education not only impacts parents, but also their dependant children.

**WHEREAS** there is a lack of substantive quantitative research on students with dependants in Ontario's university system.

**BIRT** the financial aid package available to students with dependants must be immediately increased to adequately account for their financial need, primarily through the harmonizing of the Ontario Works Program and OSAP.

**BIFRT** it must not be illegal for students with dependants to access both OSAP and Ontario Works.

**BIFRT** all tuition in Ontario must be regulated to ensure equitable university access for students with dependants.

**BIFRT** the provincial government must provide start-up funding for an Open University of Ontario to help better accommodate students with dependants.

**BIFRT** the provincial government must provide additional funding to universities to develop more robust strategies for accommodating students with dependants on Ontario's campuses.

**BIFRT** part-time students with dependants must be able to access the full range of OSAP benefits.

**BIFRT** the provincial government must facilitate greater access to dedicated subsidized child care spots on university campuses for students with dependants.

**BIFRT** the provincial government must engage in collaborative research efforts to track participation and educational attainment for students with dependants.