



# PAYING OUR WAY

*A Look at Student Financial Assistance  
Usage in Ontario*

*The 2014 What Students Want  
Report Series*

**OUA**

Ontario Undergraduate Student Alliance



# ABOUT OUSA

*OUSA represents the interests of over 140,000 professional and undergraduate, full-time and part-time university students at seven institutions across Ontario. Our vision is for an accessible, affordable, accountable and high quality post-secondary education in Ontario. To achieve this vision we've come together to develop solutions to challenges facing higher education, build broad consensus for our policy options, and lobby government to implement them.*



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# EXECUTIVE SUMMARY

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One of the core principles of the Ontario Undergraduate Student Alliance (OUSA) is that all willing and qualified students should be able to attend post-secondary regardless of their ability to pay. However, students in Ontario face the highest tuition fees in the country and the cost and perceived costs of post-secondary education are consistently identified as barriers to post-secondary education. These barriers are contributing factors to the persistently high attainment gaps for various vulnerable groups in pursuing an undergraduate degree.

Determining how they will finance their education is a growing challenge facing unprecedented numbers of undergraduate students in Ontario. OUSA asked students about their interactions with various forms of financial assistance, including: government assistance; private bank loans or lines of credit; family financial resources; and institutional aid. Students were also asked to express their attitudes towards debt and the fairness of the current funding system.

This report highlights that while a majority (60 per cent) of students are applying for government assistance, assistance from the government is not always sufficient to finance the cost of a post-secondary education. Indeed, two-thirds of students were concerned that they would not have enough money to complete their post-secondary education.

When it came to thinking about their debt post-graduation, students at OUSA's schools expressed high levels of concern: 4 in 5 students were worried about paying off this debt. With an average anticipated debt load of \$26,887, it is clear that Ontario's students are taking on a significant financial burden in order to attend university.

The findings suggest that there may be gaps within the Ontario Student Assistance Program (OSAP) that need to be addressed to ensure that the affordability and accessibility of university in Ontario is retained for all students, regardless of their financial reality.

# INTRODUCTION

The 2013 Ontario Post-Secondary Student Survey (OPSSS) is the third in a series of biennial surveys conducted by the Ontario Undergraduate Student Alliance. These surveys ask undergraduate and professional students across Ontario a series of questions regarding several important aspects of student life at university, including cost, available resources, and their educational experiences.

2013's survey was answered by nearly 9,000 students from across the province, and provides those of us in the post-secondary system, and beyond, with important insights into their challenges and priorities. OUSA will be releasing a series of reports on our findings from the survey in the hopes that the resulting discussion can positively influence those students through meaningful discussion and public policy.

The Ontario Undergraduate Student Alliance is a not-for-profit research and advocacy organization representing more than 140,000 students through their local student associations. OUSA works with its seven member organizations to provide educated solutions to students' concerns in the areas of quality, accountability, accessibility and affordability in Ontario's public universities.

# GOVERNMENT ASSISTANCE

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Financial assistance from the government, in the form of loans or upfront grants and bursaries, will likely be one of the most familiar forms of financial aid to Canadian students and their families. The vast majority of domestic respondents to the survey (92 per cent) graduated from high school in Ontario; these students are therefore most likely to have interacted with the financial assistance system within Ontario. However, it is important to note that respondents were not asked to differentiate between the various financial assistance programs within the survey, and students who receive financial assistance from other jurisdictions would also be included within these results.

In Ontario, student loans and grants are provided through the Ontario Student Assistance Program (OSAP). In order to qualify for OSAP recipients must meet certain eligibility requirements as determined by both the federal and provincial governments. Recipients must be:

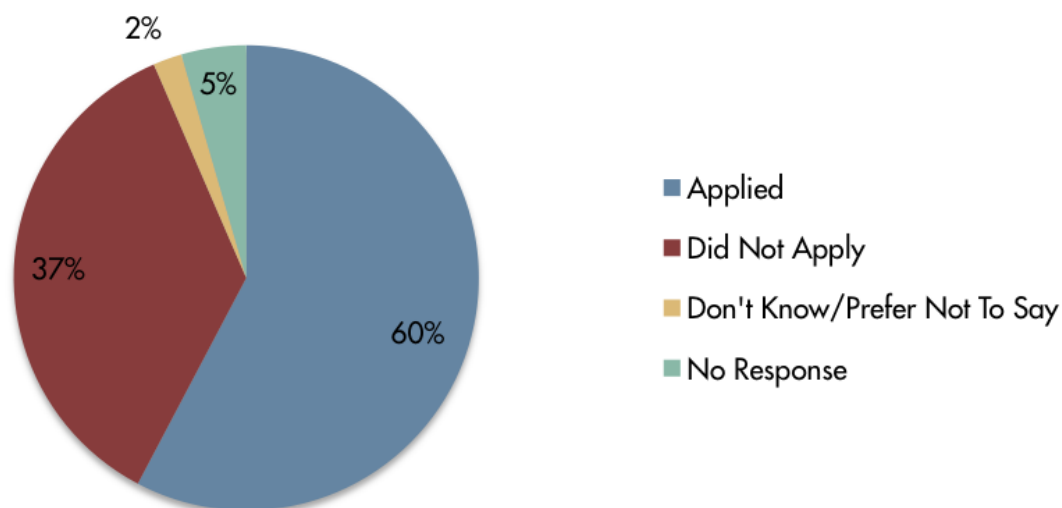
- A Canadian Citizen, Permanent Resident, or

Protected Person;

- An Ontario resident under OSAP's residency requirements;
- A full-time student in each term (minimum 60 per cent course load as determined by the institution, or a 40 per cent course load for students with a permanent disability);
- Enrolling in an approved program at an approved post-secondary institution;
- Enrolling in a program that is 12 weeks of length or longer;
- In satisfactory academic standing;
- Not in default on any previous student loans or in bankruptcy;
- Not in receipt of a loan or bursary over-award;
- Not having received OSAP loans for more than 340 weeks of post-secondary study in their lifetime.

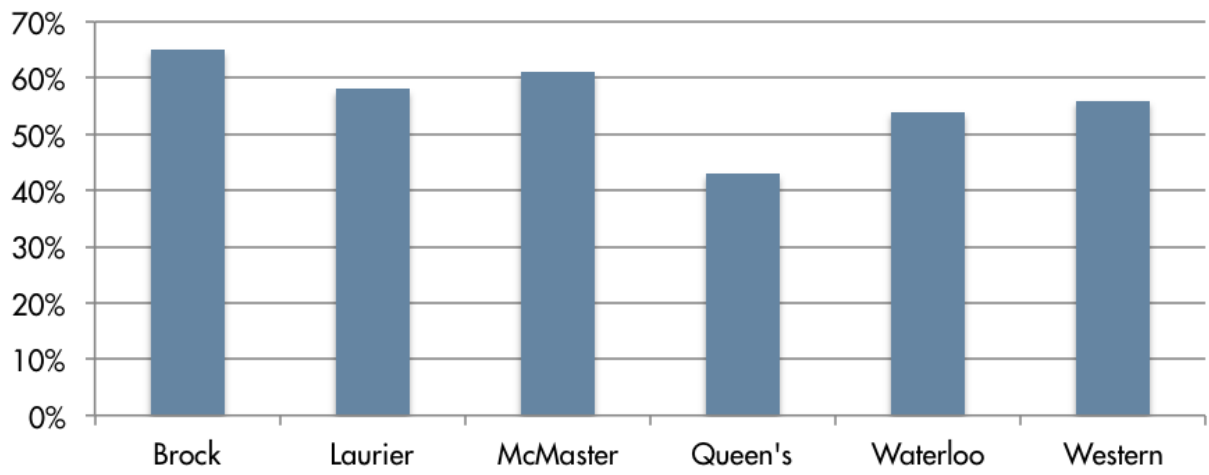
60 per cent of domestic survey respondents indicated that they had applied for financial assistance from the government, as illustrated in Figure 1. Of those who chose to apply, the majority (84 per cent) qualified to receive financial assistance. Of OUSA member

**FIGURE 1: APPLICATIONS FOR FINANCIAL ASSISTANCE FROM THE GOVERNMENT**





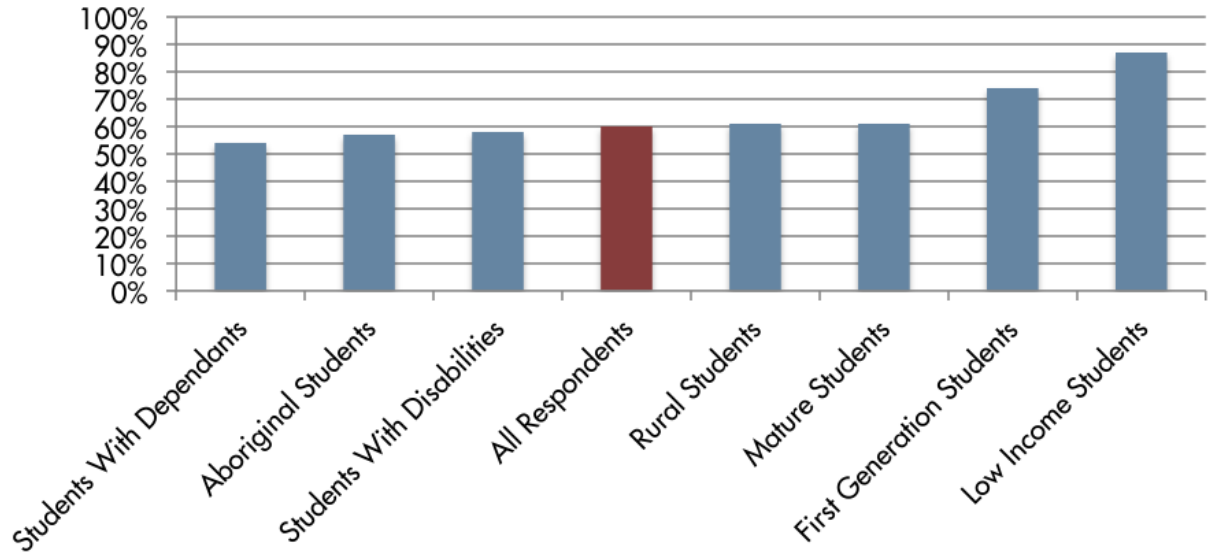
**FIGURE 2: APPLICATIONS FOR GOVERNMENT ASSISTANCE, BY INSTITUTION**



institutions, students at Brock University were the most likely to indicate that they had applied for financial assistance (65 per cent), while students at Queen's University were

the least likely to have done so (43 per cent). OUSA has long understood that the real and perceived cost of attending university can act

**FIGURE 3: APPLICATIONS FOR GOVERNMENT ASSISTANCE, BY UNDERREPRESENTED GROUPS**



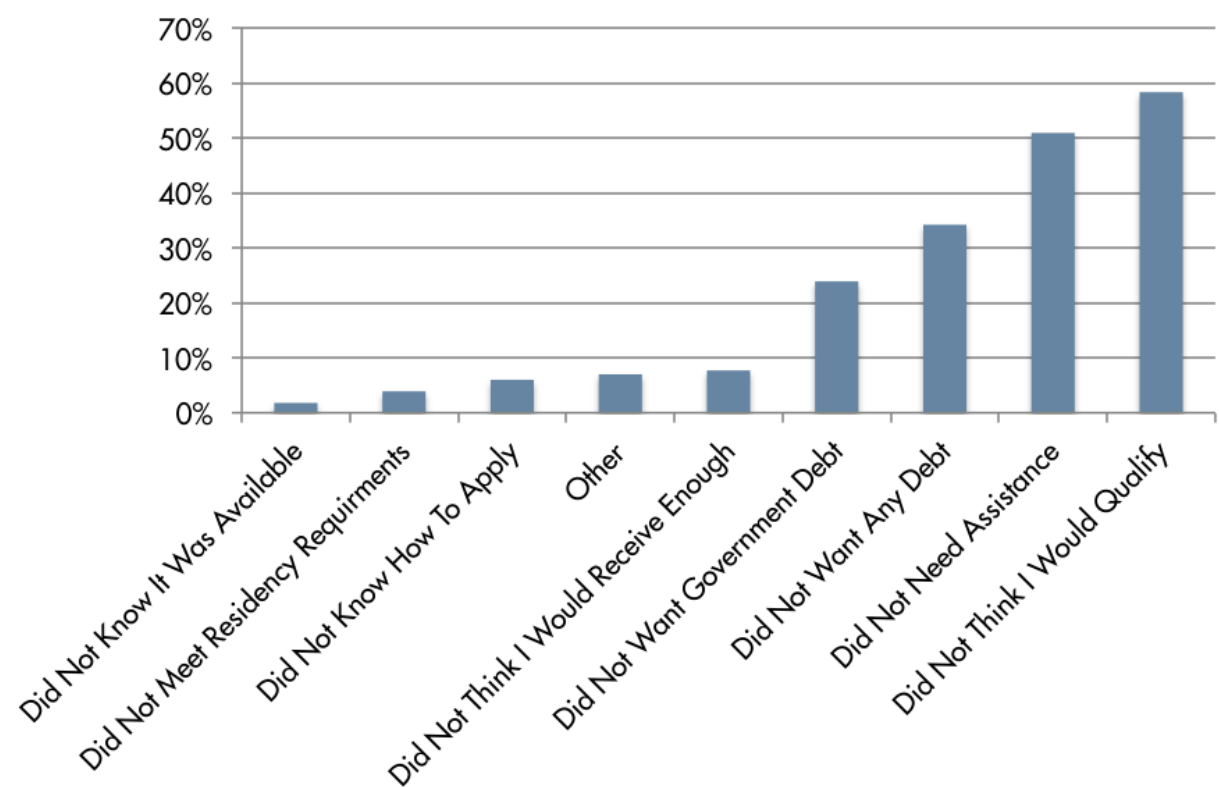
as a significant barrier to certain populations and that many of these groups remain currently underrepresented within the university system as a whole. From this understanding, it was important to analyze applications for government assistance for these groups.

As is evident in Figure 3, low income students reported having the highest rate of applying for government assistance: 87 per cent of this group reported doing so. First generation students (that is, students whose parents did not attend post-secondary) also reported high levels of applying for financial assistance, at 74 per cent. Interestingly, certain underrepresented groups were slightly less likely than the general respondents to have applied for financial assistance, namely students with dependants (54 per cent), Aboriginal students (57 per cent), and students with disabilities (58 per cent).

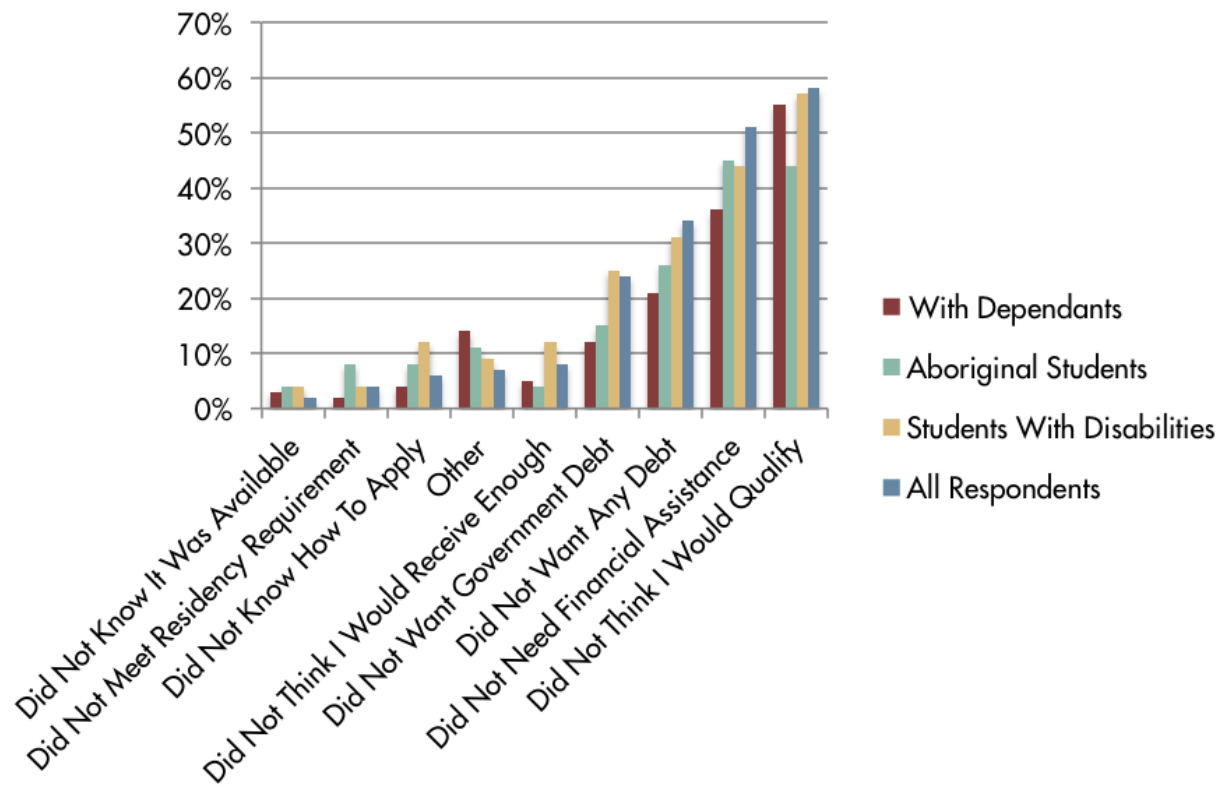
All respondents who did not apply for financial assistance were asked why they choose not to do so – participants were able to select all reasons that applied. The most commonly selected reason (58 per cent) was that students believed they would not be eligible for financial assistance, while a further 51 per cent stated they did not have financial need. A significant portion of students reported being debt averse: just over a third of those who didn’t apply for aid were hesitant about taking on any debt, and just under a quarter did not want to take on debt owed to the government.

In order to assess why certain underrepresented groups were applying for government assistance at lower rates, these responses were compared for students with disabilities, students with dependants, and Aboriginal students. These results are summarized in Figure 5.

**FIGURE 4: REASONS FOR NOT APPLYING FOR GOVERNMENT ASSISTANCE**



**FIGURE 5: REASONS FOR NOT APPLYING FOR GOVERNMENT ASSISTANCE, BY UNDERREPRESENTED GROUP**



While the overall trends of reasons provided were fairly consistent across these groups, it is notable that Aboriginal students and students with disabilities were more likely to report being unaware of how to apply for financial assistance. 12 per cent of students with disabilities reported being unaware of application processes: this is double the rate of survey respondents as a whole.

Each of these underrepresented groups were also slightly more likely to be unaware that financial assistance from the government was available, although this figure remained below 5 per cent in each case.

Given that these underrepresented groups were all less likely to report that they did not need financial

assistance, it is possible that targeted financial aid literacy efforts for underrepresented groups may help mitigate some of the impacts of low awareness of financial assistance and how to apply for it.

Students who received financial assistance from the government were asked to estimate how much money they received in loans and grants and/or bursaries from the government. The average loan amount reported by respondents was \$7,594, and the average amount in grants and/or bursaries was \$2,324.98.

# PART-TIME STUDENTS: A FINANCIAL ASSISTANCE GAP

Currently, OSAP provides financial assistance to students who take at least 60 per cent of a full course load, or 40 per cent for students with disabilities. This system prohibits students from averaging course loads over the academic year, thereby barring part-time students from accessing financial assistance whenever they are enrolled below these course load percentages. A diverse range of underrepresented groups also have increased likelihood to be part-time, such as Aboriginal students, students with disabilities, students with dependants, low-income students, mature students and women. These groups often require financial assistance because of their unique challenges to accessing post-secondary education, so the exclusion of part-time students from OSAP is concerning for the fairness of the post-secondary sector.

Despite over 20 per cent of university students in Ontario being enrolled as part-time students<sup>1</sup>, these students access Ontario's financial aid at a significantly lower rate than the general population. For instance, part-time students are eligible for the Canada Student Loan Program, yet part-time borrowers of these loans make up only 1.4 per cent of all Canada Student Loan recipients. This 1.4 per cent constituted 6,500 part-time students across Canada, with an average loan value of \$1,723.<sup>2</sup> This finding is likely a result of the loan being capped at \$10,000 for part-time students, with these students also having to pay interest on loans while in school. Part-time students are also more likely to access private loans in order to receive adequate financial assistance. The OPSSS reveals that 24 per cent of part-time students had private loans, while amongst full-time students only 16 per cent did.

OSAP also makes problematic assumptions about the nature of part-time students, which overestimate their ability to pay for an education. By taking a smaller number of courses, the government believes part-time students have more opportunity to work and support themselves financially, which should therefor disqualify these students from acquiring government assistance. However, students with

dependants or those with low incomes often need to work as well as receive government financial assistance in order to successfully finance their post-secondary education. Preventing access to government loans places part-time students at risk of not accessing a post-secondary education. In addition, not receiving OSAP challenges part-time students in other ways as well, since they are often no longer candidates for other needs-based assistance, such as work-study programs, scholarships and bursaries.

# TUITION & EDUCATION TAX CREDITS

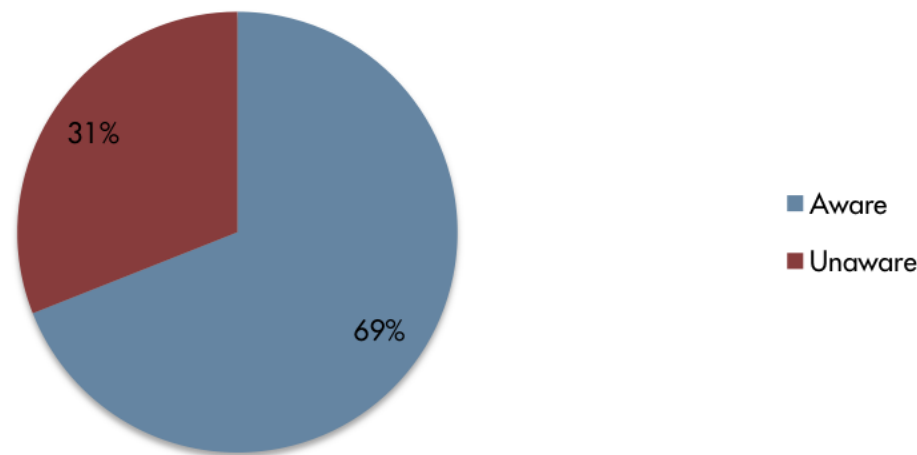
Tuition and education tax credits are a form of government financial assistance and account for the second largest investment in student financial assistance from the Government of Ontario. This investment was valued at \$340 million in 2013.

However, as Figure 6 illustrates, a substantial number of students are in fact unaware that they are able to claim a portion of their tuition as a tax credit. Amongst the total respondent pool, just under a third of students were unaware of tax credits. Students from low-income backgrounds had a lower level of awareness of tax credits: 42 per cent of these students were unaware that they were able to claim

these credits. Additionally, when only first year students were considered, over half of these students (55 per cent) were unaware that they were eligible for a tax credit. This suggests that tax credits may have a limited impact on students' perceptions of the cost and affordability of post-secondary education.

Students who were aware of the availability of tuition and education tax credits were asked whether they had claimed these credits last year. Just under half (46 per cent) of these students reported that their parents or guardians had claimed their tax credits on their behalf, while only 32 per cent had claimed themselves.

**FIGURE 6: AWARENESS OF TAX CREDITS**



# TAX CREDITS: A SOUND INVESTMENT?

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In Ontario, tuition and education tax credits represent the second-largest government expenditure on student financial assistance, and reaffirm the Province's commitment to affordable and accessible post-secondary education. However, students often question the true benefit of these tax credits, as students are generally unaware of their availability or are confused as to how they work. With few students earning sufficient income in-study to be eligible to claim these credits, many students are unable to benefit from tax credits until after they have graduated or must transfer the value of these credits to their parents or guardians. In addition, tax credits often favor those who have very little or no need for them, and provide financial benefits at times that don't coincide with when students need them most.

Since Ontario's tuition and education tax credits are non-refundable, students must earn a particular income to benefit from the credit on their taxes, and only one in three Ontario students actually make enough money to qualify. Since these credits are delivered in the spring, they also come to students at a poor time, as most students pay their tuition in August or September, and have living expenses to pay throughout the academic year.

Underrepresented groups also fail to benefit from these credits because of informational barriers. It is well known that underrepresented groups perceive higher education as more costly than the general population<sup>3</sup>, and the complicated nature of tax credits does little to dispel these notions<sup>4</sup>.

In 2013, the estimated cost of this financial assistance program to the government was \$340 million, yet this significant investment did not directly impact students as effectively as it could have. OUSA believes this money could be better spent by expanding other financial assistance programs and reducing tuition for students. These are initiatives which have immediate impacts on student finances. Specifically, students recommend extending the 30-

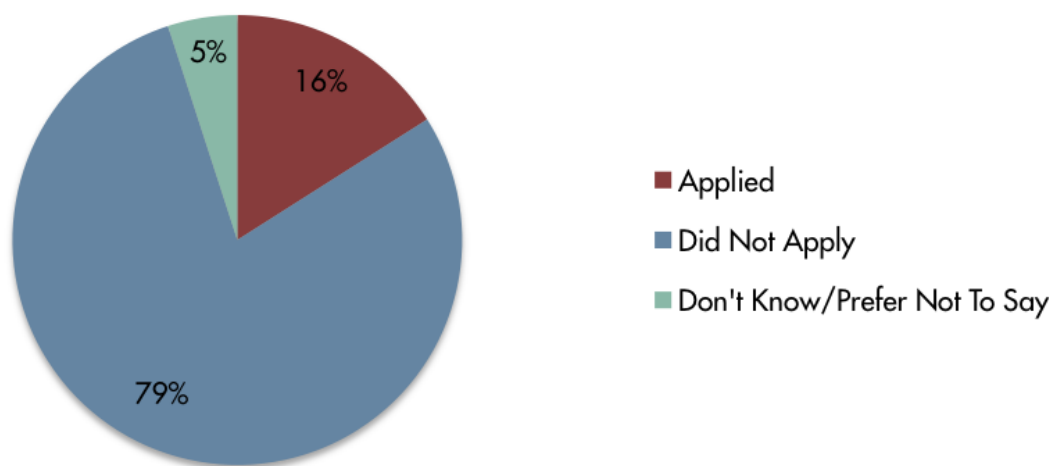
Off Ontario Tuition Grant (OTG) so that students are eligible for four years of the grant regardless of when they graduated from high school. In addition, reducing the expected parental contribution of the Ontario Student Loan and increasing the monthly OSAP living allowance by \$250 per month would be a more effective use of the funds that would be saved by discontinuing tuition and education tax credits.

# PRIVATE FUNDING SOURCES

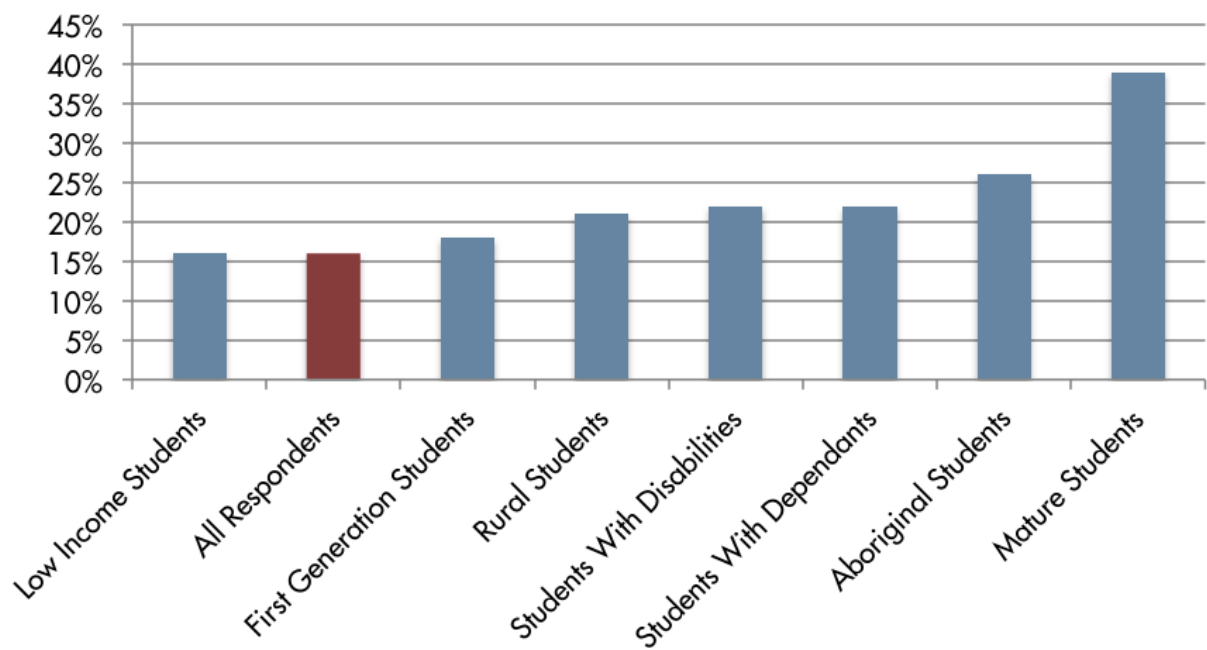
Students were also asked about their experiences using private sources of funding in order to help pay for their post-secondary education. 16 per cent

reported applying for either a bank loan or line of credit. Of those who applied, 82 per cent indicated that they had been successful in securing a loan.

**FIGURE 7: APPLICATIONS FOR A BANK LOAN OR LINE OF CREDIT**



**FIGURE 8: APPLICATIONS FOR BANK LOANS OR LINES OF CREDIT, BY UNDERREPRESENTED GROUPS**



Applications for private loans for students from underrepresented groups were also analyzed. Aside from low-income students who reported applying at the same rate as the general population (16 per cent), students from underrepresented populations typically reported higher levels of application for private funding than the total respondent pool. The group most likely to suggest they had sought private loans was mature students, with 39 per cent of these students doing so.

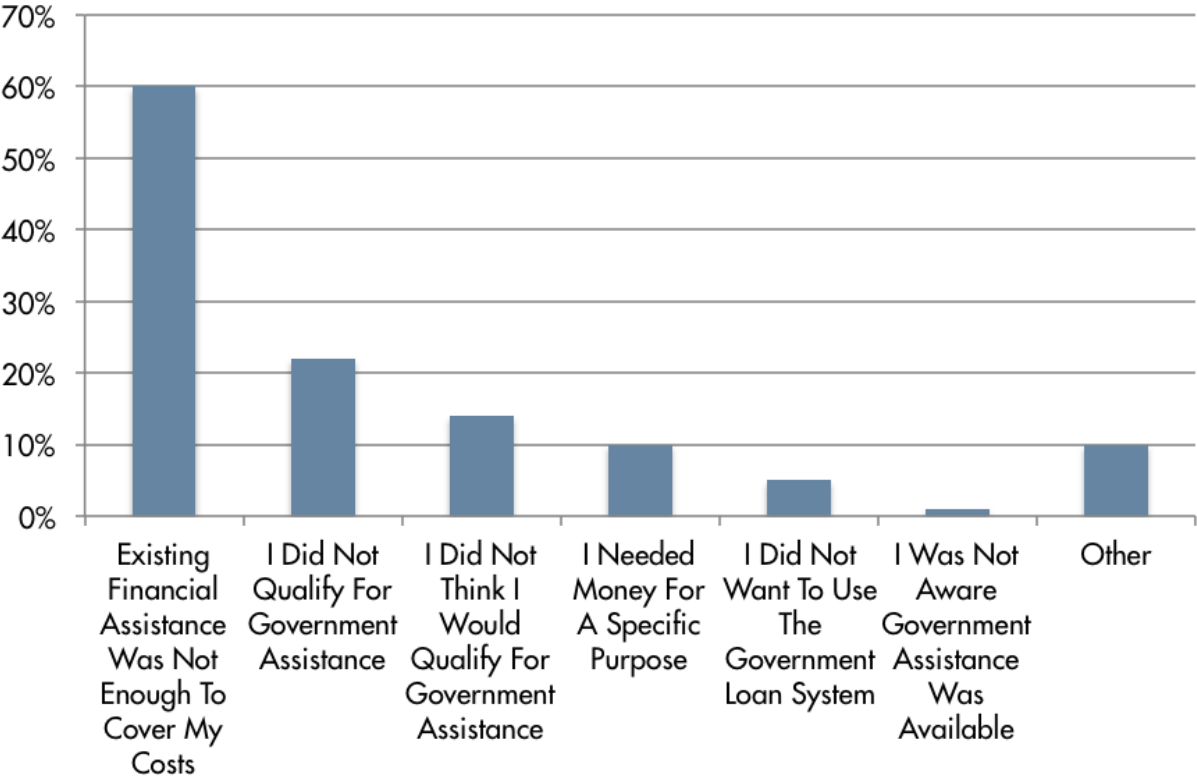
Students were also asked why they had chosen to apply for private funding. The results, as illustrated in Figure 9, show that a substantial majority (60 per cent) of students turned to private funding sources because financial assistance from the government was failing to meet their financial need. Significant numbers of students also turned to private funding sources when they did not qualify (22 per cent) or

did not believe they would qualify (14 per cent) for government assistance.

It is clearly of concern that some students find themselves having to turn to private loans in order to attain post-secondary education; students borrowing money in this way tend to face higher interest rates and faster repayment terms, and do not receive interest relief as provided by the public loan system.

Students were asked to specify how much money they had borrowed from private sources in order to pay for their education; the average loan amount received by respondents was \$10,771.59.

**FIGURE 9: REASONS FOR APPLYING FOR A BANK LOAN OR LINE OF CREDIT**





# PERSONAL & FAMILY FUNDING

Students were asked about how they and their families had contributed financial resources to help fund their post-secondary education.

A Registered Education Savings Plan (RESP) is a type of savings account where money can grow tax-free until it is withdrawn for post-secondary education. These savings are supplemented under a federal matching program which is intended to encourage saving.

Just under half of respondents (48 per cent) indicated that they, or someone else, had contributed to a RESP in order to help finance their education (Figure 10). When asked to elaborate on who had contributed to their RESP, 95 per cent reported that their family (including parents, siblings, grandparents, aunts/uncles etc.) had contributed. A further 16 per cent (students were able to select all applicable answers) indicated that they themselves had paid into the RESP themselves, while only 1 per cent indicated someone other than they themselves or their family had supported them through RESP contributions.

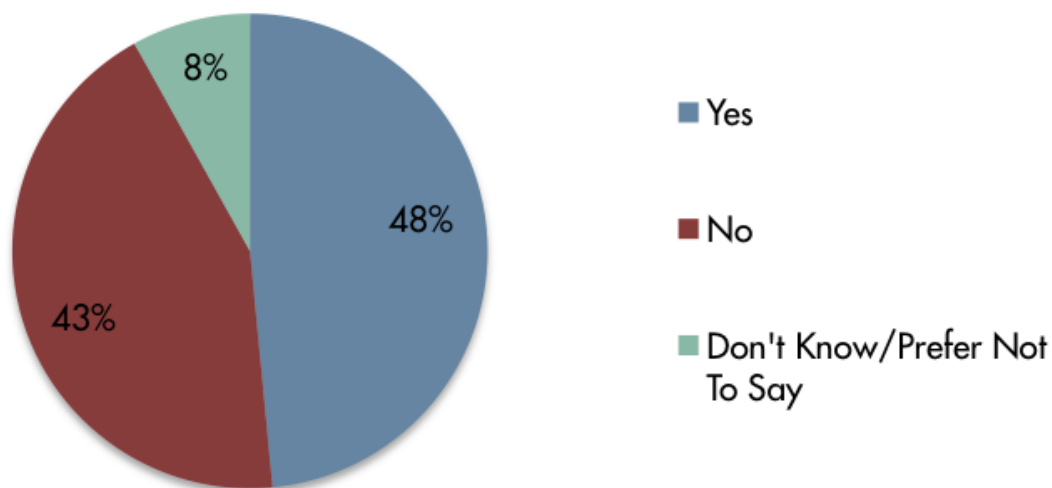
The use of RESPs was further analyzed for students from underrepresented groups. Other than rural students, who were as likely as the total respondent pool to state that they had utilized an RESP, all groups of underrepresented students were less likely to have access to this form of financial resource. Indeed, mature students are over three times less likely to have used an RESP than the total survey pool, with just 15 per cent of these students stating they had used an RESP.

When asked how much money from their RESP they had used towards paying for their education in the past year, on average students had used \$6175.81 from RESPs.

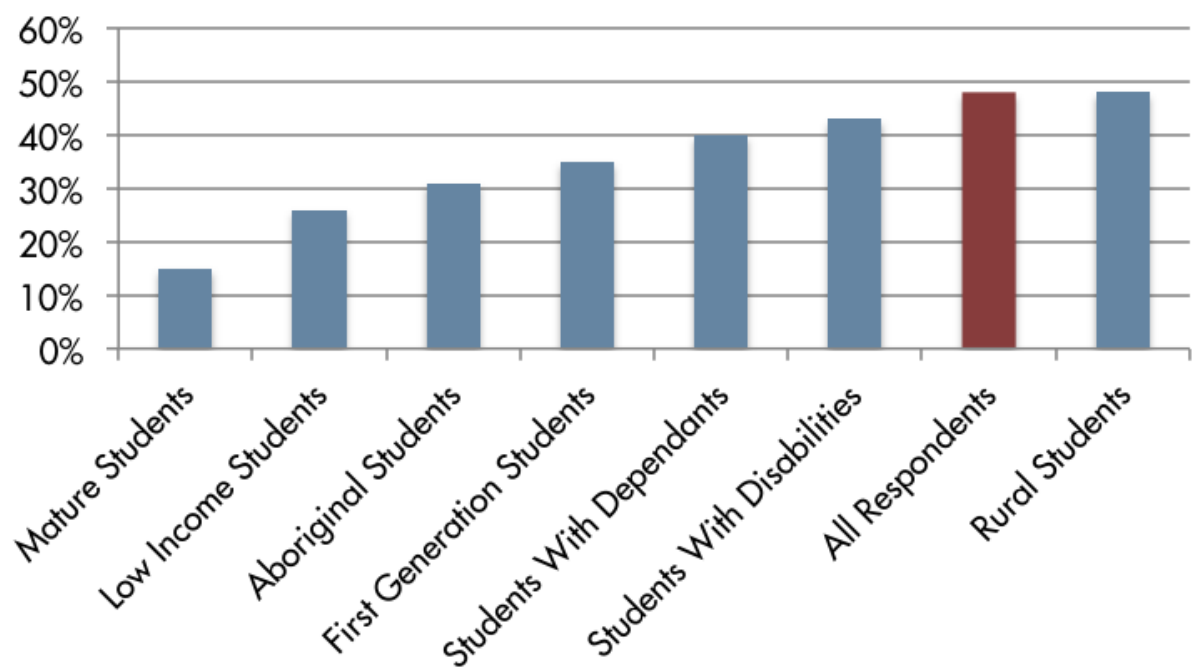
Ontario's financial assistance program is based on the expectation that parents of single dependants will financially contribute to the cost of their child's post-secondary education. A student is only considered to no longer be dependent if they meet any of the following criteria:

- Have been out of high school for four or more

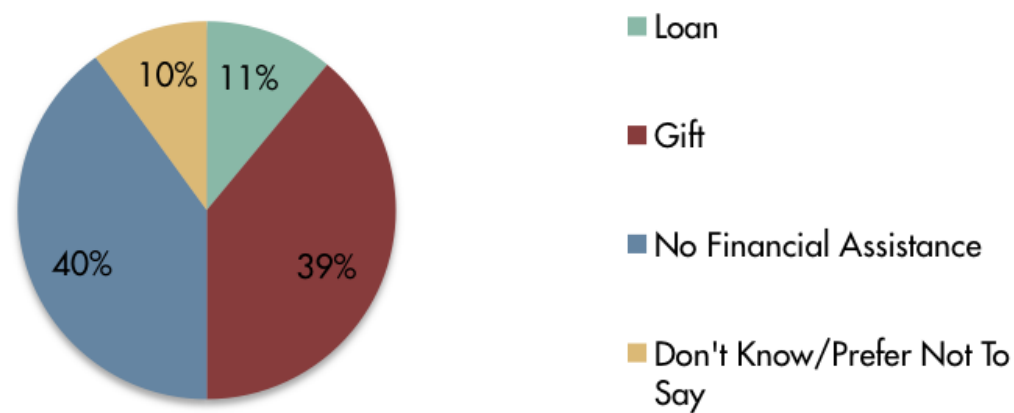
## FIGURE 10: USE OF RESPS



**FIGURE 11: USE OF RESPS, BY UNDERREPRESENTED GROUP**



**FIGURE 12: FAMILIAL FINANCIAL CONTRIBUTIONS TOWARDS TO COST OF PSE**



years at the start of the study period;

- Not been a full-time high school or post-secondary student for 12 consecutive months on 2 or more occasions;
- Married, formerly married, or have children;
- Both parents are deceased;
- Is a current or former Crown Ward.

The amount that parents or guardians are expected to contribute to their children's educational costs is calculated based on family size, income, and the number of post-secondary students in the family. The expected parental contributions are incorporated into a student's assessment of financial resources, regardless of whether or not parents or guardians contribute this amount.

Despite the government's expectations of family financial support, two fifths of survey respondents indicated that they were receiving no financial assistance from their families. Half of all students surveyed were receiving some form of support from their families, with most of these receiving this support in the form of a financial gift (39 per cent) with the remainder (11 per cent) receiving loans from their family.

Students who received a loan from their family reported that they had received an average amount of \$5393.12.

For those students who had received a loan from their family, the majority indicated that they had done so on an interest-free basis (61 per cent). 14 per cent of students receiving loans from their family expected to pay interest in the future, while 5 per cent of respondents stating they were currently paying interest. A significant portion of students (12 per cent) were using their family's loan or line of credit.

# INSTITUTIONAL AID

Almost one third of students indicated that they had received a scholarship or bursary based on their academic or extracurricular merits.

Students who had received a scholarship or bursary were asked on which basis this award was made. For the majority of students these merit-based scholarships were based on their high school grades, either as an entrance scholarship (58 per cent) or as a renewal of a previous entrance scholarship (21 per cent).

Students who received a financial award from their institution based on academic merit reported receiving an average amount of \$2039.15.

Merit based financial assistance has been criticized for failing to reduce access barriers for students from underrepresented groups.

As Figure 14 illustrates, students from groups that are currently underrepresented within the university system report lower levels of receiving a scholarship or bursary based on academic merit. This is

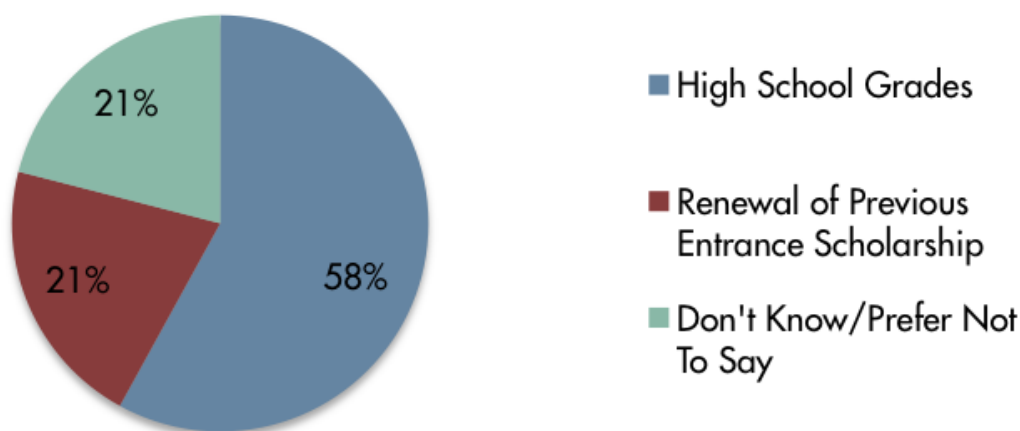
particularly true for mature students: just 14 per cent of this group indicated that they had received merit-based financial assistance from their institution.

The only group that had slightly higher rates of receiving this type of financial assistance were Aboriginal students, 35 per cent of whom stated they had received this type of award. This may indicate that specific bursaries or scholarships targeted towards this demographic are having some success at OUSA's member schools.

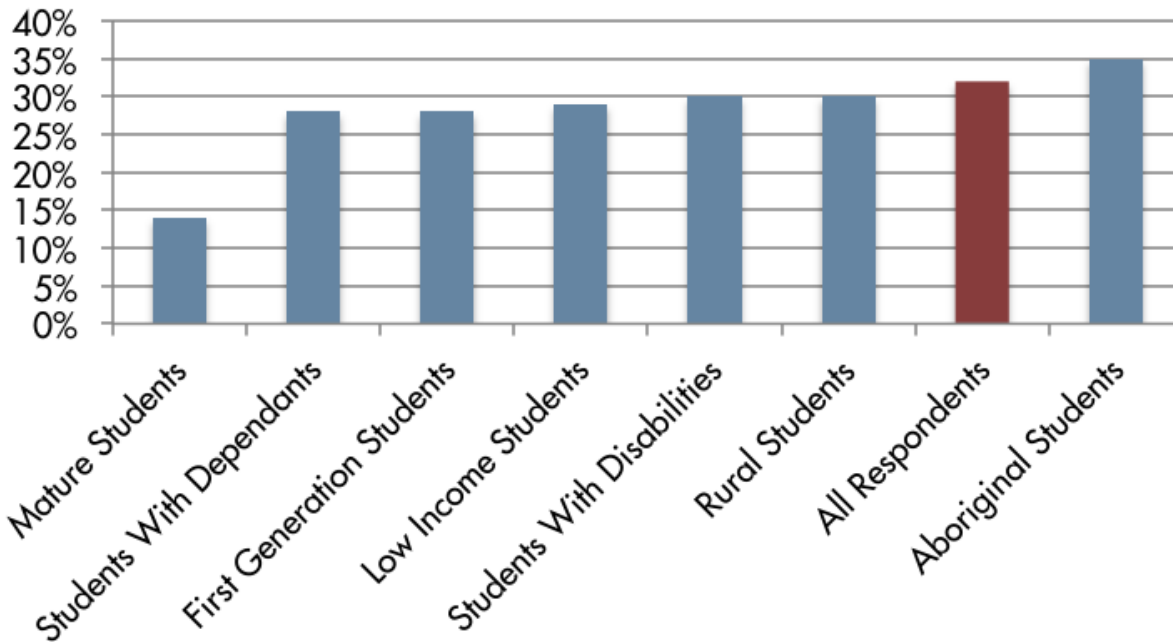
Further analysis of merit-based financial assistance by income quintile illustrates that merit-based scholarships fail to help those with the most need.

As Figure 15 demonstrates, students in the lowest income quintile (i.e.: students whose combined family income is under \$25,000) received the lowest average amount of money from a merit-based scholarship, while students in the highest income bracket (i.e.: students whose family income exceeds \$125,000) received the highest amount of money – on average \$547 more than students in

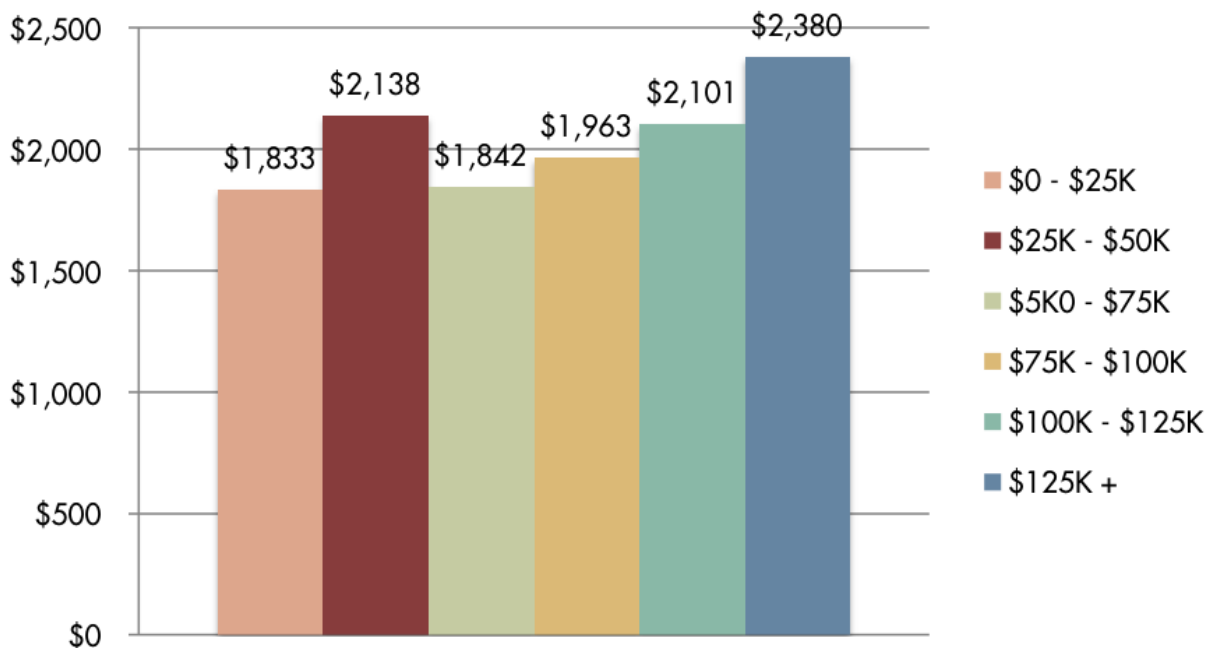
## FIGURE 13: BASIS OF MERIT-BASED FINANCIAL AWARD



# FIGURE 14: MERIT-BASED FINANCIAL AWARDS, BY UNDERREPRESENTED GROUP



# FIGURE 15: AVERAGE MERIT-BASED SCHOLARSHIP BY INCOME QUINTILE

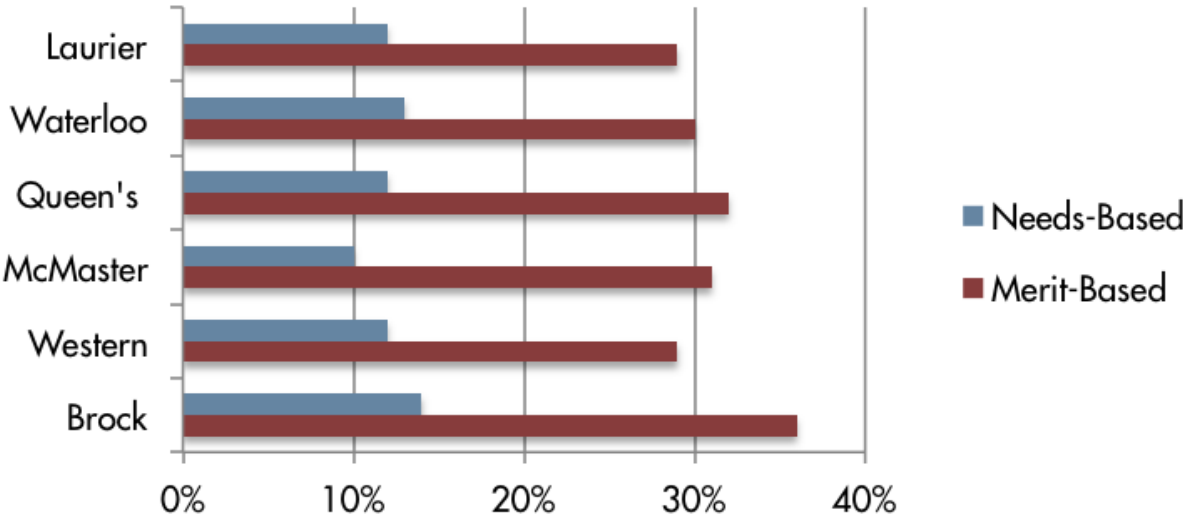


the lowest quintile. Students in the second lowest income quintile benefited slightly more than those in the lowest income quintile, receiving an average amount only \$242 lower than students in the highest income. Still, these results suggest that merit-based financial assistance disproportionately benefits those very students with the lowest financial need.

A further 13 per cent of students indicated that they had received a scholarship or bursary through their institution, based on financial need. Students who received a financial award from their institution based on financial need reported receiving an average amount of \$2085.76.

Institutional awards were compared on a school-by-school basis, as shown in Figure 16. Students at all institutions reported higher levels of institutional financial assistance based on merit rather than need. Students at Brock University reported receiving the highest levels of financial support from their institution, with 36 per cent of respondents receiving a merit based scholarship or bursary and 14 per cent receiving a needs-based scholarship or bursary. McMaster University was the institution where students reported the lowest level of needs-based financial assistance: just 10 per cent of students at McMaster University reported receiving a bursary or scholarship based on their financial need.

**FIGURE 16: MERIT- AND NEEDS-BASED AWARDS, BY INSTITUTION**



# WHAT'S UP WITH MERIT-BASED FINANCIAL ASSISTANCE?

An increasing amount of dialogue surrounding the accessibility and affordability of post-secondary education focuses on the relative virtues of merit- and needs-based financial aid. Merit-based aid is assistance that is delivered to students who demonstrate some form of academic, community, athletic, or leadership excellence, while needs-based aid is delivered to students who demonstrate significant financial need. From an accessibility perspective, OUSA believes that needs-based aid is significantly more effective at enabling underrepresented groups to access PSE, whereas merit-based aid is a concerning university expenditure that does little to help those who most need financial support to finance their education.

According to our survey, 60 per cent of first year students in Ontario receive merit-based entrance scholarships, with the average value being \$1,905. This is directly compared to the 13 per cent of first year students who receive needs-based scholarships. With merit-based scholarships also representing nearly 10 per cent of new university spending, it is clear that these scholarships are a significant driver of university costs.

The primary reason merit-based financial aid is problematic is because it provides financial assistance to students with the least financial need, rather than those who would benefit the most from a financial award. Since high-performing students are often those with high-income backgrounds and relatively few challenges to attaining post-secondary education, it makes little sense for these students to receive financial assistance in the form of merit-based scholarships. Contrarily, 33,000 students (over 12 per cent of all OSAP recipients) believe that some of their financial needs go unmet, with a median need value approaching \$3,000.

Universities generally use merit-based scholarships as a tool to attract well-performing students. However, even the benefits received by these students drop off drastically after first year, as the 60 per cent of students who receive merit-based scholarships entering university becomes only 20 per cent of

students by second year. These scholarships still represent a rapidly growing recruitment strategy for universities however, so OUSA recommends transitioning these funds into needs-based assistance instead.

# STUDENT ATTITUDES TO FINANCIAL CONCERNS

OUSA is aware that as well as concerns about financing their education in the first place, students are also increasingly concerned about the debt levels they will accrue upon graduation.

Students were asked to describe their level of concern about a.) having sufficient funds to complete their education, and b.) their ability to pay off their debt after graduation.

Two-thirds of students reported being either very or somewhat concerned about having enough money to finance their education.

For certain groups of students this concern was even more pressing, as illustrated in Figure 18. Low-income and first generation students expressed the highest levels of concern over having sufficient funds to complete their education with 86 and 79 per cent respectively saying they were either “very” or “somewhat” concerned. This indicates that financial worries affect a significant portion of Ontario’s students, particularly those from vulnerable populations, despite the array of financial assistance

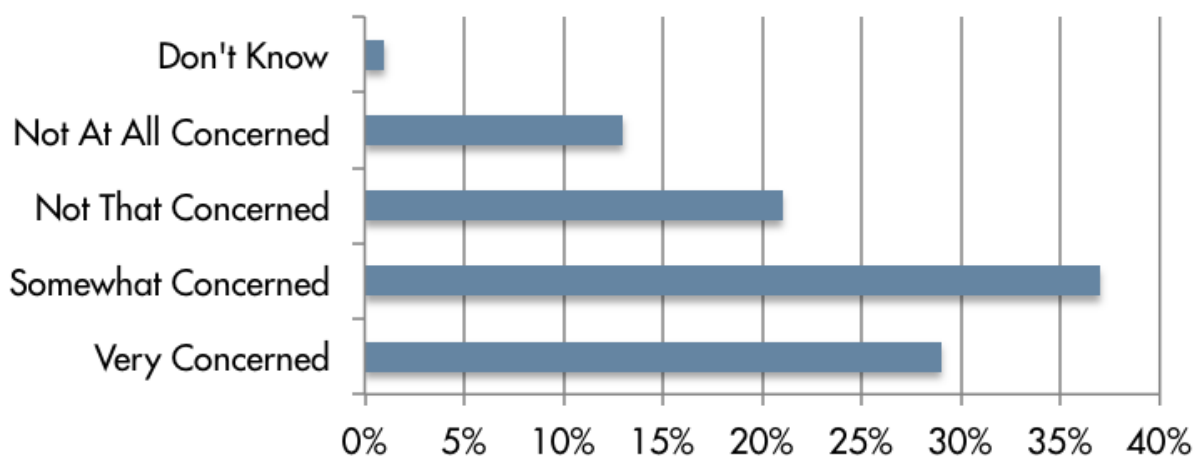
that is currently available.

In addition to having concerns about their overall financial resources, students were also asked how difficult they had found it to pay tuition by their university’s payment deadlines.

Roughly two in five students had experienced some level of difficulty in meeting their institution’s tuition payment deadline, with 12 per cent finding it very difficult and 30 per cent indicating it was somewhat difficult. Certain populations reported having much higher levels of difficulty in meeting tuition deadlines: over two thirds of low-income students reported some level of difficulty, while over half of students with disabilities (53 per cent) and first generation students (54 per cent) admitted to struggling to meet tuition deadlines.

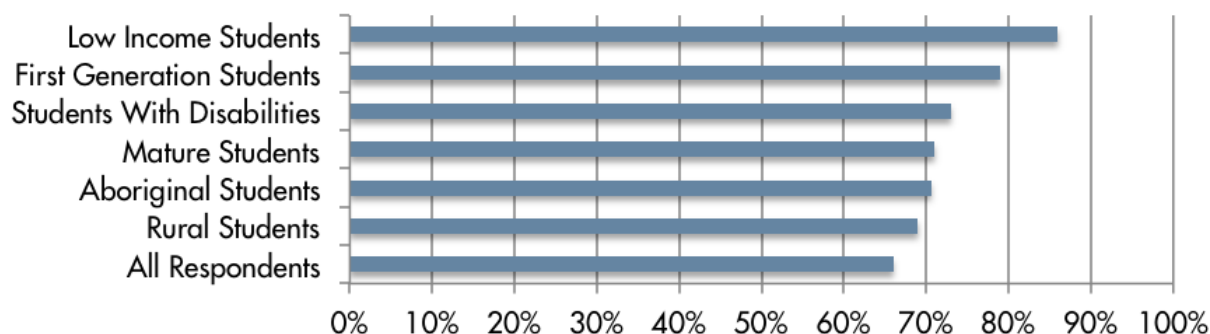
When asked about their concern about their future debt, the numbers of students who were concerned about this issue was particularly high: 45 per cent were very concerned about this, with another 33 per cent reporting that that they were somewhat concerned.

**FIGURE 17: LEVEL OF CONCERN ABOUT HAVING SUFFICIENT FUNDS TO COMPLETE EDUCATION**

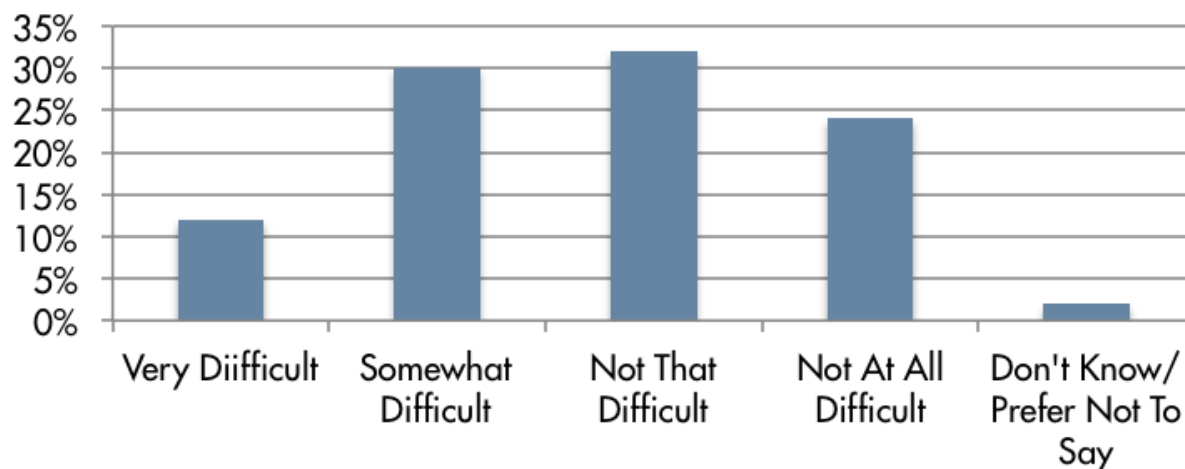




**FIGURE 18: LEVEL OF CONCERN ABOUT HAVING SUFFICIENT FUNDS TO COMPLETE EDUCATION, BY UNDERREPRESENTED GROUP**



**FIGURE 19: LEVEL OF DIFFICULTY MEETING TUITION PAYMENT DEADLINES**



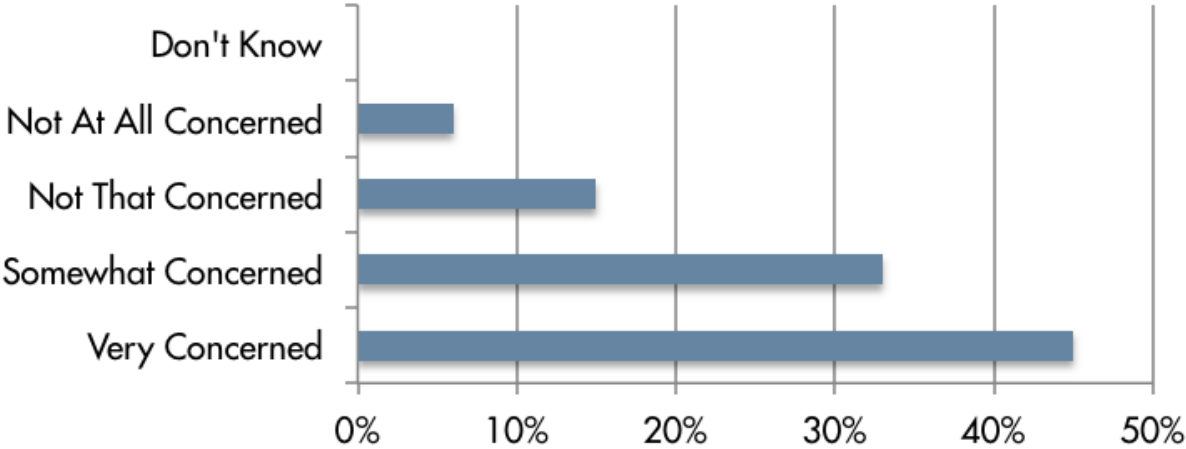
Overall then, almost 4 out of 5 students had some level of concern about their level of debt post-graduation.

Given that debt is clearly a prevailing concern for many Ontario students, further questions were asked to establish levels of current and expected

debt. Students were asked to consider several listed sources, and identify how much debt they had accumulated from each source to date. The results are shown in the table on the following page.

The most common type of debt was government loans. Government loans also accounted for the

**FIGURE 20: LEVEL OF CONCERN ABOUT ABILITY TO PAY OFF DEBT POST-GRADUATION**



**FIGURE 21: SOURCES OF ACCUMULATED DEBT, TO DATE**

TYPE OF DEBT	PERCENTAGE OF STUDENTS WHO SPECIFIED	AVERAGE AMOUNT OF DEBT ACCUMULATED
Government Loans	41%	\$16,793.75
No Debt	33%	N/A
Don't Know/Prefer Not To Say	14%	N/A
Bank Loans/Lines of Credit	10%	\$14,958.62
Family Loans	9%	\$11,644.56
Credit Card	9%	\$2,128.12
Other	2%	\$15,879.02

highest average amount of accumulated debt, at \$16,793.75. However, students also reported accumulating significant amounts of other debt, including just under \$15,000 in average bank loans or lines of credit, and almost \$12,000 in average family loans. 9 per cent of students also reported accumulating credit card debt, averaging just over \$2,000 from this source.

Students were also asked to identify what debt load they anticipated graduating from

university with: the average amount was \$26,887.

# FAIRNESS

OUSA has long advocated for a fair cost-sharing model for post-secondary education funding. Currently in Ontario, post-secondary education is funded by students (through tuition and ancillary fees) and by the government, with students contributing approximately 48.6 per cent of total university operating revenue in 2011-2012.

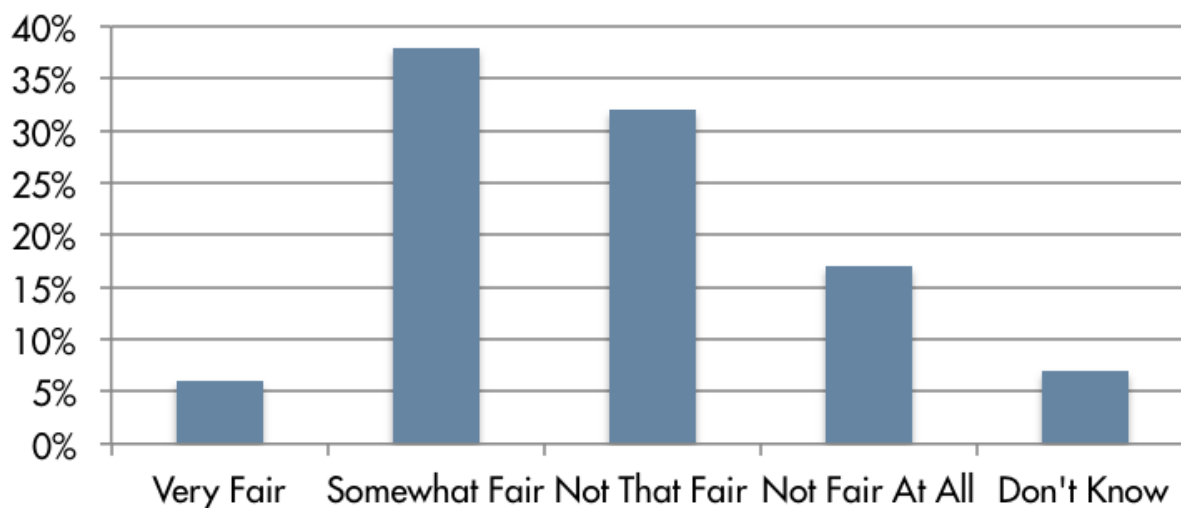
Students were asked for their opinion on how fair this current funding arrangement is. As is illustrated in Figure 22, student opinions were fairly divided on this matter. 44 per cent felt the funding arrangement was fair (6 per cent “very fair”; 38 per cent “somewhat fair”) versus 49 per cent of students finding it unfair (32 per cent “not that fair”; 17 per cent “not fair at all”).

Students from underrepresented groups were more likely to consider the current funding arrangement unfair. For each of the demographics in Figure 23, the percentage of students in each demographic expressing this view exceeded 50 per cent. Students with disabilities were most likely to hold this view

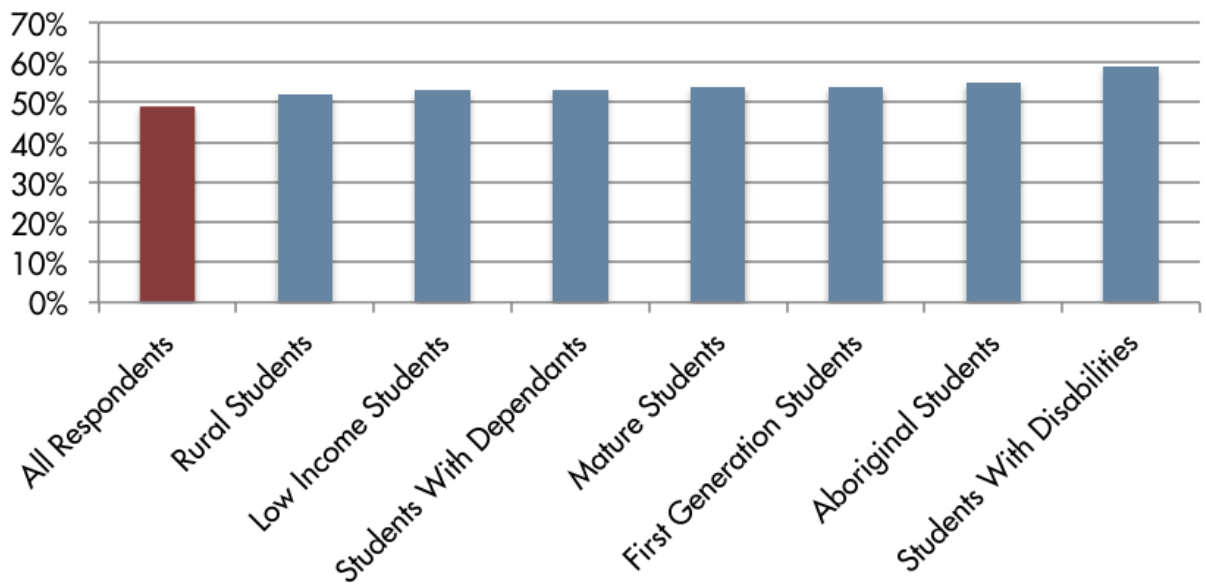
(59 per cent), followed by Aboriginal students (55 per cent) and first generation students (54 per cent).

Finally, perceptions of fairness also differed slightly by OUSA member institutions. Students at Brock University were the most likely to find the current funding arrangement unfair, with 61 per cent of Brock University students expressing this view. Students at Queen’s University were the only group of students who were more likely to find the funding arrangement fair: 47 per cent of Queen’s University students thought it was fair, while 45 per cent thought it was unfair.

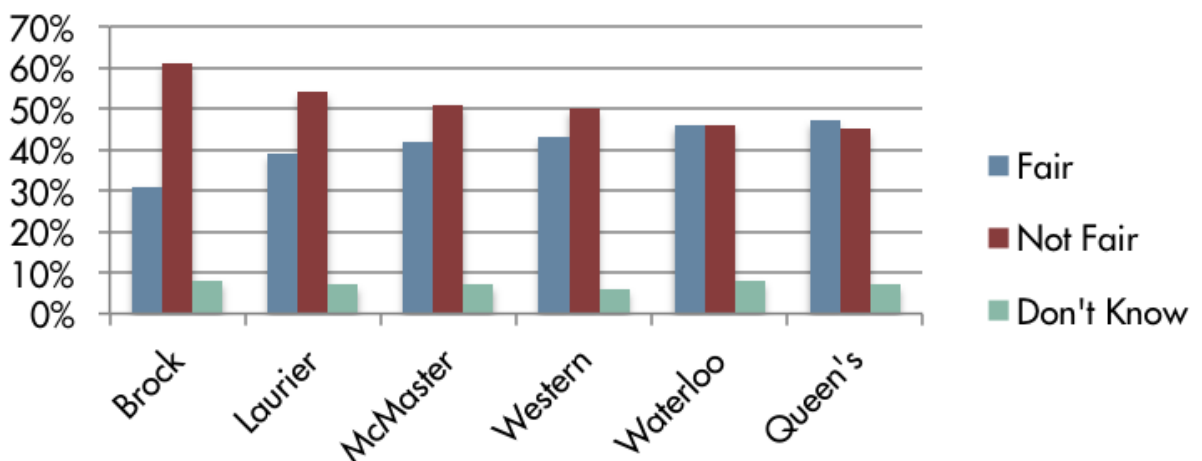
**FIGURE 22: PERCEPTIONS OF FAIRNESS OF THE CURRENT FUNDING ARRANGEMENT AT ONTARIO'S UNIVERSITIES**



**FIGURE 23: PERCEPTION THAT CURRENT FUNDING ARRANGEMENT IS FAIR, BY UNDERREPRESENTED GROUP**



**FIGURE 24: PERCEPTIONS OF FAIRNESS OF CURRENT FUNDING ARRANGEMENT, BY INSTITUTION**



# CONCLUSION

OUSA's biennial survey serves as an important mechanism for garnering student feedback on their needs and priorities as they relate to their university experience. Personal finance issues affect almost every student on our campuses and do so in a variety of ways. For some prospective students, concerns regarding the cost of attending university will prevent them from ever getting through the door of a post-secondary institution.

This report demonstrates that students are interacting with a variety of funding sources in order to pay their way through school. Despite the array of financial assistance resources available (including government and institutional assistance, private loans, and family resources), too many students are concerned that they may not have enough money to fund their education. Students are also highly concerned about their ability to pay off the debt they will have accumulated by the time they graduate.

This report also calls into question the effectiveness of certain financial assistance mechanisms, in particular the use of tuition and education tax credits, and the high reliance on merit-based scholarships by institutions. If the hallmarks of an efficient and high-functioning student financial assistance program are one that targets students with the highest financial need and reduces the barriers to education based on cost, then tax credits and merit-based scholarship are manifest failures.

Of further concern are the experiences of vulnerable populations in accessing student financial assistance. Some groups of student are excluded entirely from accessing various forms of financial assistance, while many underrepresented groups access various programs at lower rates. Students from underrepresented groups are also more likely to be concerned that they will not have enough money to complete their education, with a staggering 86 per cent of low-income students expressing this view.

It is OUSA's hope that these findings will generate debate and action to all those who

have a role in student financial assistance. We look forward to working together with stakeholders to ensure that Ontario's university system remains affordable and accessible to all.

# ENDNOTES

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