



For Immediate Release

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College Students Will Experience Improved Student Assistance

Toronto, ON—This morning the McGuinty government announced plans to modernize student assistance. Providing an additional \$81 million for assistance this government has maintained its commitment to the success of college and college/university students, says the College Student Alliance (CSA). Also the current tuition framework will remain in effect for the next two years.

“Students can breathe easier today in light of these changes,” says Justin Fox, President of the CSA. “We are pleased that a number of our recommendations are being supported through today’s announcement.” The CSA has steadfastly advocated for improved student income exemptions, maximum loan amount increases and alleviating some of the burdens associated with debt repayment.

The updates to the Ontario Student Assistance Program (OSAP) include: annual increases to the book, supply and equipment allowance based on inflation; doubling of income exemption with annual inflationary increases; slight increases to maximum loan amounts; reducing spousal contribution expectations down by 10%; doubling of the vehicle exemption amount to \$10,000; and the automatic distribution of Student Access Guarantee funding.

Great progress has been made in debt repayment. The government will pay for all accumulated interest for the first six months after graduation and graduates will never have to make payments that amount to over 20% of their family income. After fifteen years all remaining debt will be forgiven. These changes apply to those students who graduate after August 1 of this year.

Fox adds that, “hopefully these changes will mean that fewer graduates default on their OSAP loans and can be focused on developing their professional and personal lives. The changes to debt repayment appear to be consistent with the government’s desire to help students prepare for participation in Ontario’s push to be a global economic leader.”

Looking forward, the CSA hopes to see the expansion of targeted access grants to all years of study and the supplementation of loans with more grants. The CSA will continue to work with government in representing the needs and interests of Ontario college and college/university students.

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The College Student Alliance (CSA) is an advocacy and leadership organization, which has been proudly serving Ontario’s college and college-university students since 1975. The CSA currently represents 17 colleges and 25 member councils with over 135,000 full-time student members throughout the province.

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