

## **Ontario Modernizing Financial Aid for Students**

*Ontario Student Assistance Program Will Be Flexible; More Transparent*

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As announced in the 2015 Budget, Ontario is making its student financial assistance program easier to use, more flexible, and more transparent.

The province is moving forward with several important changes to modernize the Ontario Student Assistance Program (OSAP) for the 2015-16 school year including:

- Giving students more control over how much financial aid they withdraw. Previously, OSAP applicants were issued the full loans and grants they qualified for without being able to take a smaller amount if they wished. Starting this year, students will have the option of declining a full loan and only withdrawing the grant support they qualify for, and next year students will be able to decide on the portion of the loan amount that they wish to withdraw.
- Ending the requirement for students to report their vehicle as an asset when being assessed for student financial aid. This means that over 7,300 students per year will no longer have their OSAP funding reduced because they own a vehicle.
- Helping students predict how much they are expected to contribute to the cost of their education each year by setting a fixed \$3,000 student contribution. Previously, OSAP made a complicated determination about how much each student was expected to contribute.
- Exempting the first \$3,000 in a student's assets from their financial aid assessment. Assets include money in bank accounts, tax-free savings accounts, bonds, stocks, term deposits, mutual funds and Guaranteed Investment Certificates.
- Indexing student aid to inflation to keep up with the growth in student costs. For 2015-16, the student loan limit will increase to \$155 per week for single students and \$355 per week for students who are married or have dependent children.

Helping students with the costs of postsecondary education is part of the government's plan to build Ontario up by making the largest investment in public infrastructure in the province's history, investing in people's talents and skills, creating a dynamic, supportive environment where business thrives, and building a secure retirement savings plan.

## QUOTES

" Our government is committed to making postsecondary education accessible based on a student's ability to learn, not their ability to pay. That's why we support a progressive student financial assistance program that ensures virtually no student pays the full sticker price and the students with the highest need get the most support. These additional changes will mean the Ontario Student Financial Assistance Program will be delivered in a smarter, simpler, and more transparent way for students."

- Reza Moridi

Minister of Training, Colleges and Universities

" We are happy with many of the changes we saw to OSAP in this budget, specifically the removal of in-study income exemptions, simplified student contribution expectations, and the decoupling of grants and loans. OUSA has long advocated for increased flexibility and access for students in the aid system in Ontario - we are thankful to see such improvements being made. These changes will give students more predictability in their budgeting and stop their in-study income from counting against their overall loan, empowering students to have more agency in managing their debt."

- Spencer Nestico-Semianiw

President, Ontario Undergraduate Student Alliance (OUSA)

" We're very pleased with the changes that were introduced in this year's Budget and that the voice of Ontario's college students was not lost. With these changes, OSAP will be modernized and more college students will receive the necessary funds to be successful in the completion of their post-secondary education."

- Jeff Scherer

President, College Student Alliance (CSA)

" OCAD University is committed to increasing students' access to affordable, high-quality and specialized art and design education through scholarships, awards and financial literacy programs. Some 70 per cent of our eligible full-time students get support from OSAP. These improvements will make it easier for them to receive the financial assistance they need to succeed and graduate."

- Dr. Sara Diamond

President and Vice-Chancellor, OCAD University

## QUICK FACTS

- Earlier this year, Ontario also launched the [Ontario Student Loan Rehabilitation Program](#) which allows borrowers who have defaulted on the Ontario portion of their loan to bring their loan back into good standing, through scheduled partial payments.
- Ontario provided about \$1.3 billion in student loans and grants in 2014-15, helping more than 380,000 students.
- Seventy per cent of the financial assistance Ontario distributes does not have to be repaid.
- The increase to the student loan limit means that a student starting a four-year university degree in 2015-16 is eligible to receive about \$1,000 more in financial aid over four years.
- [Ontario's 30% Off Tuition Grant](#) will help about 230,000 college and university students in the 2015-16 school year save up to \$1,830 in tuition.
- Adjusted for inflation, the average repayable OSAP debt of public college and university students graduating last year was 23 per cent less than their 2001 counterparts.

## LEARN MORE

- [OSAP](#)
- [Paying back OSAP](#)
- [Ontario's colleges and universities](#)

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