

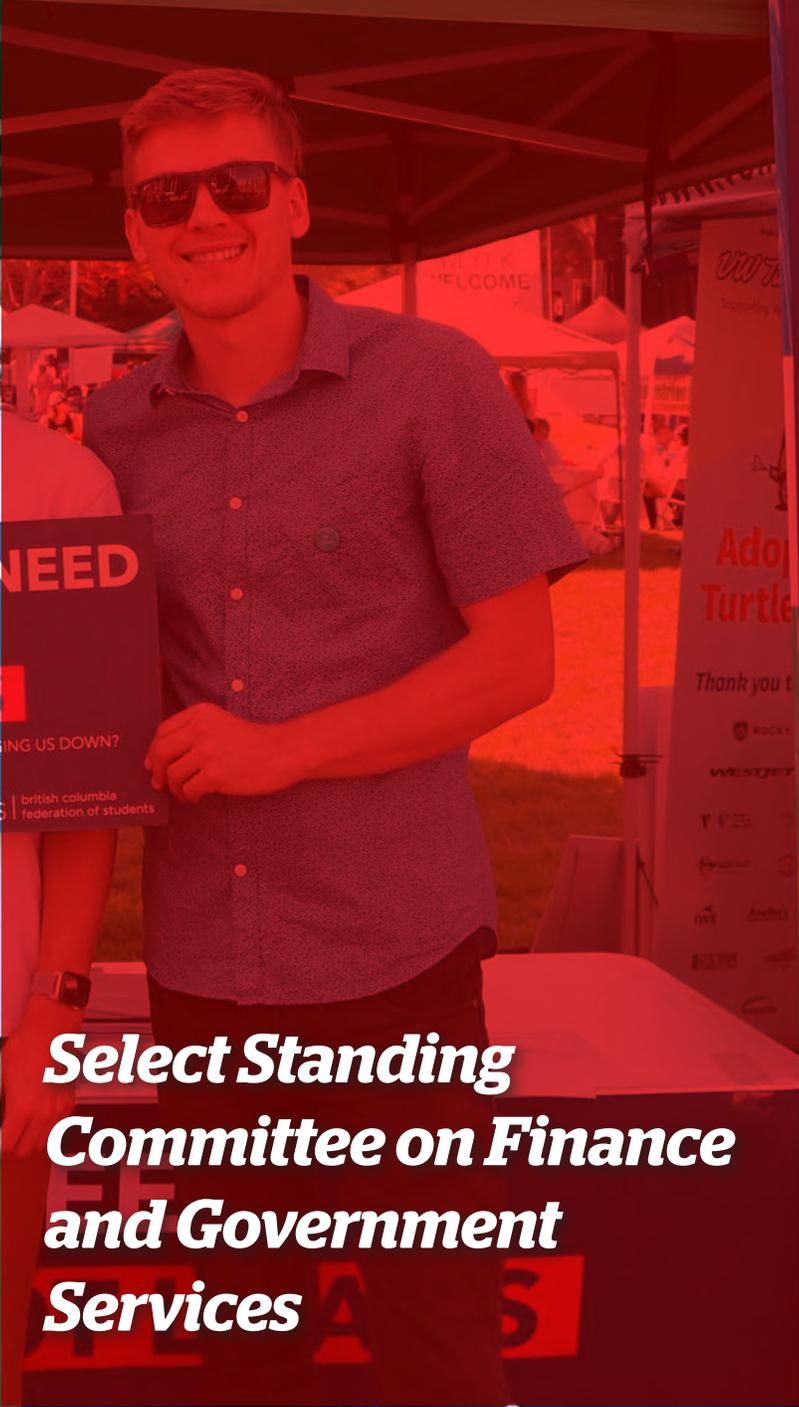


2021 Provincial Budget Submission

Thompson Rivers University Students' Union

Students' Union

STUDENTS NEED GRANTS NOT LOANS
HOW CAN WE GET AHEAD WITH DEBT DRAGGING US DOWN?
TRUSU | bcfs | british columbia federation of students



Select Standing Committee on Finance and Government Services

STUDENTS NEED GRANTS

HOW CAN WE GET AHEAD WITH DEBT DRAGGING US DOWN?

with columbia

Introduction

As we are all keenly aware, this year has been an unusually challenging time for British Columbians. COVID-19 has disrupted vast sectors of the economy, in addition to the unprecedented health and social effects. Looking forward to the next few years as the economic fallout from COVID-19 continues to be felt there will be significant challenges that we need to face together as a province.

As an organization representing post-secondary students, we know that students and young people are struggling to make ends meet. Students have had their studies disrupted, lost jobs and/or job prospects, and face new hurdles to afford to complete their studies in a timely fashion. Statistics Canada released new data in May 2020 based on a survey of over 100,000 students showing that students are facing a wide array of concerns. Of students who initially reported having a job lined up for the summer, 31% lost that job and 40% had the start date of their job delayed. Over half of post-secondary students had their academic life disrupted in a significant way with courses delayed, postponed, or cancelled, leading to 11% of students being unable to complete their degree or other designation as planned.¹

Our recommendations for the Select Standing Committee on Finance and Government Services for the 2021 Budget are in response to the challenges being faced by students and the post-secondary sector more broadly. Our first recommendation is to enhance financial supports for students in the short term in response to COVID-19 through expanding the new BC Access Grant. Our second recommendation is to launch a provincial jobs program for post-secondary students to help students gain experience and find employment. Our third and final recommendation is to launch a provincial international student strategy. This is more important than ever as international students face a host of new challenges to continue their studies in BC and institutions face significant financial challenges with uncertainty about enrolment of international students.



BC Access Grant

Our Recommendations

On behalf of the students at TRU, we recommend:

- 1. Expand the BC Access Grant in Response to COVID-19*
- 2. Establish a Provincial Jobs Program for Postsecondary Students*
- 3. Create a Province-Wide International Student Strategy*

Recommendation 1:

Expand the BC Access Grant in Response to COVID-19

Students across the province have consistently advocated for need-based grants because they are targeted to students with financial need, provided at the time of when the largest costs of education are due, and transparent, therein allowing students to be sure of their financial position before incurring the costs of education. Compared to other forms of student financial aid, these characteristics uniquely position need-based grants to increase participation in post-secondary education, completion of studies, and transition into employment.

Their viability as the most impactful financial aid option is supported by significant research across North America on the impact of student aid on participation, completion, and workforce transition. A 2010 Stanford University study found need-based grants to be more effective at improving students' likelihood to enroll in university, stay in university, and earn a bachelor's degree.² A 2012 Harvard University study concluded that by reducing the cost of attending a post-secondary institution, financial aid in the form of up-front need-based grants lowers the real or perceived cost of attendance to the point where many students on the margin of enrolling decide to register.³

29%

*Unemployment
rate of those aged
15-24*

51%

*Students very
or extremely
concerned about
paying for the next
semester's tuition*

BC Access Grant

On February 18, 2020 the BC Government announced the BC Access Grant, a new need-based grants program for post-secondary students launching September 2020. This program is designed to complement the federal Canada Student Grants program to ensure that BC students can receive up to \$4000 in combined provincial/federal non-repayable assistance regardless of their program length. Specifically, this program will provide up to \$1000 per year to students in programs longer than two years and up to \$4000 per year to students in programs under two years in length.

On behalf of our 10,000 members at Thompson Rivers University in Kamloops, we thank the BC Government for moving forward this program to increase the accessibility of post-secondary education for BC students. We also thank the Select Standing Committee on Finance and Government Services for their recommendations supporting this program over the past decade.

During normal times we would be looking forward to the rollout of the BC Access Grant before recommending any changes to the program. In these unprecedented times though, ensuring that post-secondary education is accessible to all is of increasing importance. In Statistics Canada's survey of post-secondary student between April 19 and May 1, 2020, 51% of respondents indicated that they were very or extremely concerned about paying for the next term's tuition.⁴ This speaks to the cost concerns that returning students are facing, but there will also likely be new prospective students who are looking to post-secondary education for retraining due to the economic downturn that need increased levels of support.

In response to these concerns the Federal government has already announced that they are doubling the Canada Student Grants program for the 2020/21 academic year.⁵ This will increase the maximum grant for low income students from \$3000 per academic year to \$6000 for 2020/21 in federal funding for programs longer than two years in length.

There is also a role for an increased response from the provincial government. As the increase in federal grant money returns to normal levels in fall 2021 there will be students across BC still struggling financially due to ongoing COVID impacts as well as a slow recovery from some industries. This is an opportunity for the BC Government to help the economy recover in its 2021 budget through increasing accessibility to post-secondary education.

Our recommendation is therefore that the BC Government increase the value of the BC Access Grant for 2021/22 and 2022/23. This will complement the Canada Student Grants program to ensure that BC Students have increased levels of support for three years following the COVID-19 pandemic to encourage participation and completion in post-secondary education.

Jobs Program

Recommendation 2:

Establish a Provincial Jobs Program for Postsecondary Students

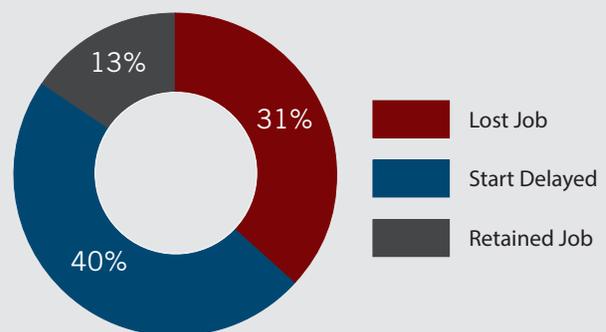
Our second recommendation is for the provincial government to establish a jobs program for post-secondary students across BC. There is a longstanding federal jobs program that supports students, but some other provinces such as Manitoba, Saskatchewan, and Ontario have created their own provincial components as well. As we prepare to restart our economy during and after the COVID-19 pandemic we believe it is important for the BC Government to have a student jobs program as well.

We believe this recommendation is important because the COVID-19 pandemic is proving particularly challenging for young people and new graduates. On June 5, 2020 Statistics Canada released data showing that BC workers between the ages of 15 and 24 are the hardest hit from COVID-19 with a 29% unemployment rate. Of students who reported having firm employment plans or were continuing with the job they held in the beginning of March, 21% had lost their job entirely and 34% had been laid off by the beginning of May. A further 26% were still working but with fewer hours and only 24% were continuing to work as planned.⁶

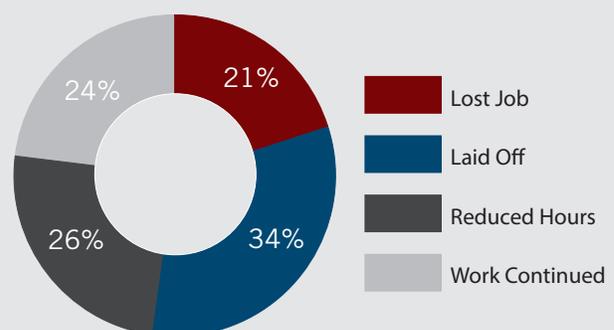
The federal student jobs program provides some assistance to students and graduates, but there is more that could be done. The Canada Summer Jobs program aims to “provide flexible and holistic services to

May 2020 Postsecondary Student Employment Data

Students who had a confirmed start date for summer employment at the beginning of March



Students who planned to continue their current employment at the beginning of March



Jobs Program

support all young Canadians develop the skills and gain paid work experience to successfully transition in the labour market.”⁷ It is open to employers from not-for-profit organizations, the public sector, and private sector employers with under 50 employees. During most years the program will fund up to 100% of minimum wage for not-for-profits and up to 50% for public and private sectors employers. There have been some changes for the 2020 year due to COVID-19, notably that all employers will temporarily be eligible for a 100% subsidy, part time employment is possible, and placements may be extended in the fall and winter.⁸

While this program is valuable and helps thousands of BC students find employment every summer, it is also no longer targeted to only students. Other provinces have layered a provincial program targeted to their provinces students. For example, at the end of April Manitoba announced a new \$120 million program that will fund up to \$7 per hour and up to \$5000 per student. This program was put forward not only as a way to help students struggling to find meaningful employment in this new environment, but also as a way to help not-for-profits and businesses adapt their workplaces to social distancing while offsetting staffing costs.⁹

Now is the time for British Columbia to also launch a student jobs program. The provincial government already provides a wide range of student jobs across different sectors, centralizing these opportunities under a single program could provide the framework for a comprehensive program while also providing simplicity and clarity to students looking for opportunities related to their studies. With additional targeted funds the provincial government could also be helping not-for-profits and small businesses recover from the pandemic while providing valuable work experience to students just starting their careers.

International Students

Recommendation 3:

Create a Province-Wide International Student Strategy

At Thompson Rivers University the number of international student enrollments has rapidly increased, growing from 1749 in 2014/15 to 3345 in 2018/19, representing a 91% increase.¹⁰ Over the last two years alone, growing international enrolment has led to an increase in projected revenue from international undergraduate and graduate tuition by more than 40% from \$40.6 million in 2017/18 to \$57.1 million 2019/20. As a result, tuition and fee revenue from international students at TRU now accounts for 59% of tuition revenue.¹¹

TRU is not unique in the province in this regard either. British Columbia currently hosts over 150,000 international students, representing approximately 25% of international students across the country. Over 58,000 of these students are enrolled in the public post-secondary sector, having almost tripled since 2007/08.¹²

This increase in international enrollment brings significant value to post-secondary institutions and communities across the province. The direct and indirect economic impact of international education in BC in 2016 was over \$4.2 billion. As a result, international students contributed \$2.8 billion to the provincial GDP in 2016 and helped to support vital services for residents across the province.¹³

The future of international student enrolment is increasingly uncertain though in the context of COVID-19. Post-secondary institutions across BC are nervously looking ahead to the fall semester and beyond with uncertainty about how travel restrictions and an unstable global economic situation may impact enrolment – and perhaps even more importantly, how it may impact revenue.

There are no easy answers for how to move forward for post-secondary institutions and for international students themselves. Some international students have expressed concern with being able to afford to continue to study as they have lost jobs that they relied on while studying here or in some cases family back home are facing new financial challenges. On the other hand, institutions face



International Students

increased costs of supplying online education this fall with uncertain enrolment and so in many cases cannot afford to reduce fee costs for students.¹⁴

Despite the significant role international education plays in our provincial economy, the entire sector has largely grown without any broad strategic plan. Each post-secondary institution across BC tends to recruit as many international students as they believe they can accommodate and charges fees at a level they believe students will pay. Now each institution in turn will be making decisions on their campus about how to move forward after the COVID-19 pandemic without the benefit of a provincial plan or coordination. This is problematic because it leaves our province economically vulnerable to a few individual decision makers at post-secondary institutions who oversee international enrollment, without the benefit of any broader formalized provincial context.

The previous provincial strategy for international students released in 2012 focused mostly on maximizing the economic benefits of international students and strategies to attract more students. Today, eight years later, BC needs a new strategy for international students that ensures that international education continues to benefit post-secondary institutions, communities, and the province as a whole at a time when the entire sector is particularly vulnerable. We believe that the provincial government needs to have a stronger role in this important part of our economy in order to ensure that BC can continue to maximize benefits from international education while also ensuring that international students are supported.

At TRU we facilitated focus group discussions with domestic and international students, as well as with staff and faculty who teach and provide services across our campus, to hear from the campus community about how growing international student enrollment has impacted their experiences.

This feedback was released in spring 2020 for the TRU community to consider and to start a conversation about topics including recruitment and enrolment, meetings students' basic needs, the academic experience, and the cultural and social experience.

We invite members of the Select Standing Committee on Finance and Government Services to review this document on our website at

trusu.ca/international

Endnotes

Endnotes:

- 1 Statistics Canada. May 2020. Impacts of the COVID-19 Pandemic on Postsecondary Students. <https://www150.statcan.gc.ca/n1/daily-quotidien/200512/dq200512a-eng.htm?HPA=1>
- 2 Bettinger, Eric. 2010. Need-Based Aid and Student Outcomes: The Effects of the Ohio College Opportunity Grant.
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- 13 Global Affairs Canada. 2017. Economic impact of international education in Canada – 2017 update. Retrieved from the Global Affairs Canada website: <http://www.international.gc.ca/education/report-rapport/impact-2017/sec-3.aspx?lang=eng>
- 14 CBC. May 7, 2020. As international students struggle to make ends meet, universities face crippling drop in enrolment <https://www.cbc.ca/news/canada/british-columbia/international-students-bc-covid-19-1.5557286>



250.828.5289



info@trusu.ca



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