

MANAGING STUDENT DEBT

What is available to help me manage my education debt?

The governments of Manitoba and Canada are working together to ease the burden of education debt by offering two loan remission programs described below. If you apply for Manitoba Student Aid, you are automatically considered for both benefits.

DEBT-REDUCTION MEASURES

Canada Millennium Scholarship Bursary (CMSB) (Federal)

This loan remission program provides about \$11 million per year to Manitoba students. This program is available to students with the highest assessed needs who have successfully completed at least 60% of a previous course load (30% in each term) at a post-secondary institution.

The annual amount of loan remission ranges between \$1,000 and \$4,500 and is used primarily to pay down Manitoba Student Loan debt. You must have successfully completed at least one year of post-secondary studies and be enrolled in undergraduate studies in Canada to be eligible.

Manitoba Bursary (Provincial)

The \$6 million Manitoba Bursary offered by the Manitoba government combined with the CMSB helps bring debt levels down for eligible students. The bursary is applied directly against your Manitoba Student Loan debt. The Manitoba Bursary helps students who do not qualify for CMSB awards, including first-year and post-graduate students attending Canadian post-secondary institutions.

DEBT-MANAGEMENT PROGRAMS

Interest-Relief Programs (Federal and Provincial)

If you are having trouble repaying your Manitoba or Canada Student Loans because you don't have a job or are not earning enough to make your minimum payments, you may be eligible for interest-relief programs offered by the provincial and federal governments. If you are approved, the governments pay the interest on the loan for up to 30 months. You must re-apply for interest relief every 6 months. Extended interest relief is available for up to an additional 24 months.

These programs are available to borrowers living in Canada.

- Applications for Interest Relief for Canada Student Loans are available from the National Student Loans Service Centre.
- Applications for Interest Relief for Manitoba Student Loans issued prior to August 1, 2001 are available from the lender holding the loans.
- Applications for Interest Relief for Manitoba Student Loans issued after August 1, 2001 are available from Manitoba Student Aid.

Reduction in Repayment Programs (Federal and Provincial)

The Debt Reduction in Repayment Programs help borrowers with high debts who are having trouble making their payments on either Canada or Manitoba Student Loans. Borrowers must meet certain eligibility criteria, including

participation in the Interest Relief Program and amortization of their loans over an extended period. These programs are available to Canadian borrowers living in Canada.

Under the federal and provincial Debt Reduction in Repayment Programs, your Canada and Manitoba Student Loan principals can be reduced by a significant amount.

For more information on the federal Debt Reduction in Repayment Program, contact www.canlearn.ca. For further information on the Manitoba Debt Reduction in Repayment Program, contact Manitoba Student Aid. In Winnipeg call 1 204 945-6321 or toll-free in Manitoba 1 800 204-1685.

