
Canada Student Loans Program 1999-2000



Full-time and Part-time Students Information Guide



Human Resources
Development Canada

Développement des
ressources humaines Canada

Canada

Y-232-07-99

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* Formerly Special Opportunity Grants

1. INTRODUCTION

In February 1998, the Government of Canada announced a number of measures to help make education more accessible for all Canadians.

This booklet provides information on the Canada Student Loans Program and Canada Study Grants available through the Government of Canada.

At a Glance:

- The Canada Student Loans Program helps you finance your education.
- Loans are available for **full-time** and **part-time** studies.
- Canada Study Grants are available to qualified students including: students with disabilities, students with dependants, high-need part-time students, and women in certain fields of doctoral studies.

Improving Your Options: Better Access to Education

In February 1998, the Government of Canada announced a number of measures to help make education accessible for all Canadians. This booklet includes information on the following:

- **Canada Study Grants** up to \$3,120 for eligible students with dependants.
- **Education tax credits for part-time students**, previously available only to full-time students.
- **Improved Interest Relief** for up to 30 months (over the life of the loan) after leaving school, depending on your income and financial situation.
- **A Reduction Program** for borrowers facing serious financial hardship after leaving school.
- **Tax relief for interest payments** on federal and provincial student loans.

2. CANADA STUDENT LOANS PROGRAM

Choosing a School

Post-secondary education is a big investment in time, money and effort. It is well worth it to take the time to evaluate the institution you are considering.

Things to consider:

- the institution's track record (length of time in operation, teacher qualifications, graduation rates etc.);
- scholarship and financial assistance programs;
- courses offered;
- job placement rate;
- refund policy.

You should ask if the institution has been designated. Designated schools are those which have been approved for Canada Student Loans by a province or territory.

Full-time Students

If you are a full-time student, or you are planning to become one, you may qualify for a subsidized loan through the Canada Student Loans Program.

The Government of Canada pays the interest to the lender for you until you leave full-time studies. Interest accumulates on your loan after you leave full-time studies, but you are not required to make any payments for six months. After this grace period, you are responsible for repaying the loan.

You do not have to make any payments on a Canada Student Loan while you are in school full-time.

Students who have difficulty making payments after leaving school may qualify for Interest Relief or, in some cases, debt reduction.

Are you eligible?

To be eligible for a full-time Canada Student Loan, you must fulfill all of the following:

- be a Canadian citizen or permanent resident of Canada;
- be a resident of a province or territory that participates in the Canada Student Loans Program.* (Generally, your province or territory of residence is where you have most recently lived for at least 12 consecutive months excluding full-time attendance at a post-secondary institution);
- demonstrate to the provincial or territorial student assistance office, by completing an application form, that the financial resources available to you are not enough to cover your educational costs;
- enroll or be qualified to enroll in at least 60 percent of a full-time course load at a designated post-secondary educational institution;
- students with permanent disabilities may enroll in 40 percent of a full-time course load; and
- enroll, or be qualified to enroll, in a program leading to a degree, diploma or certificate. (The program must be at least 12 weeks in length within a period of 15 consecutive weeks.)

** The province of Quebec, Nunavut and the Northwest Territories operate their own student assistance plans. The Government of Canada provides funding to assist them in providing their plans.*

How much can you borrow?

Depending on your need, you can borrow up to a maximum of \$165.00 for each week of your study period. Provincial assistance is also available, as well as Canada and provincial grants programs (where the latter exist) or other scholarships or bursaries.

Your Assessed Need

Your financial need is calculated using the formula:

Assessed Costs – Assessed Resources = Assessed Need

If you have access to the Internet, you can get an idea of how much your loan might be by using the Student Needs Assessment Software, an interactive Web program. The Web address is http://www.hrdc-drhc.gc.ca/student_loans/engraph/snas.html

Note: This does not include funding you may receive from a provincial government.

Your Assessed Costs

- education costs (tuition, compulsory fees, books and supplies);
- living expenses including child care costs. (The amount allowed for living expenses depends on your situation — for example, whether you are a dependant student living at home, or a married student with dependants of your own.);
- city you choose to live in is not taken into account.

Your Assessed Resources

- income you earned during the four month period before you enroll;
- income you may earn while in school;
- resources available from parents, spouse or other sources.

How to apply

Go to your educational institution or the provincial or territorial student assistance office nearest you.

See page 20 for contact numbers and addresses. Obtain an application form and follow the instructions.

Financial aid offices at most colleges and universities, as well as admissions offices at private and provincial schools, have information materials and application forms for both the Canada and provincial student loans programs.

Part-Time Students

- Canada Student Loans for part-time studies are available to supplement other financial resources such as your own earnings, your spouse's earnings, as well as scholarships and bursaries.
- You are responsible for making interest payments on these loans while you are studying.
- However, if your income is below a certain level you may be eligible for the Interest Relief Plan. Under this plan, the Government of Canada will temporarily make the interest payments for you.
- Low-income part-time students and students with dependants may also be eligible for a non-repayable study grant — see page 10.

Fast Facts: Full-Time Student Loans

- Most students in full-time studies at designated institutions are eligible to apply.
- You may be able to borrow up to \$165/week of study, depending on your need.
- The Government of Canada pays the interest on your loan while you are in school. You make no payments until after you leave full-time studies.
- \$4,000 on a \$25,000 debt over 4 years is interest subsidy paid by the government on your behalf.
- To apply, obtain an application form from your educational institution or a student assistance office listed in this booklet.

Are you eligible?

To be eligible for a part-time Canada Student Loan, you must fulfill all of the following:

- be a Canadian citizen or permanent resident and living in Canada;
- be a resident of a province or territory that participates in the Canada Student Loans Program. You may apply to the province in which you will be attending school;
- enroll, or be qualified to enroll, in a designated post-secondary educational institution in courses which are part of a program leading to a degree, diploma or certificate. Designated schools are those which have been approved for Canada Student Loans by a province or territory;
- enroll, or be qualified to enroll, in between 20 percent and 59 percent of a full-time course load;
- students with permanent disabilities may enroll in between 20 percent and 39 percent of a full-time course load to be considered eligible for loans;
- have a gross family income of no more than that shown in the table. (Gross family income means the amount before taxes and includes wages, liquid assets, income from investments and monetary gifts.)

Size of Family	Maximum Income
1 (single student)	\$26,100
2 (married student with no children, or single parent with one child)	\$34,800
3	\$43,600
4	\$50,500
5	\$56,300
6	\$62,400
7	\$68,300
8	\$72,600
9	\$75,200
10	\$78,200

How much can you borrow?

The amount of money you can borrow depends on your individual circumstances. The amount will be based on costs calculated by your provincial or territorial authority. These costs include:

- tuition and compulsory school fees;
- textbooks and supplies;
- a small allowance to cover incidentals;
- an allowance for local transportation to and from classes; and
- an allowance for child care expenses incurred during class hours.

Fast Facts: Loans for Part-Time Studies

- Eligibility depends on your gross family income level.
- The amount you can borrow depends on your individual circumstances.
- You are responsible for paying interest on the loan while studying, and to start full repayment six months after your studies end.
- To apply, contact your educational institution or a student assistance office listed in this booklet.
- Low-income part-time students may be eligible for a non-repayable Canada Study Grant.
- Students with dependants may be eligible for a Canada Study Grant.
- Part-time students may be eligible for interest relief when they begin repaying their loans.

How to apply

- Go to your educational institution or the provincial or territorial student assistance office nearest you. See page 20 for contact numbers and addresses.
- Depending on the province or territory in which you live, you may be asked to submit your application directly to either your post-secondary institution or to the student assistance office.
- Financial aid offices at most colleges and universities, as well as admissions offices at private and provincial schools, also have information materials and application forms for the Canada Student Loans Program.

3. CANADA STUDY GRANTS (CSG)

Since 1995, the Government of Canada has provided Canada Study Grants — formerly Special Opportunity Grants — to provide assistance to students with permanent disabilities, high-need part-time students, and women in certain doctoral studies. In 1998, the government introduced a new Canada Study Grant to help full- and part-time student loan recipients with dependants finance their education.

Unlike student loans, Canada Study Grants do not have to be repaid.

Students with Disabilities

If you have a permanent disability such as deafness, blindness, other physical or learning disabilities, you may be eligible for a Canada Study Grant of up to \$5,000 a year to cover exceptional education-related costs associated with your disability. To be eligible, you must:

- Have a permanent disability which limits your ability to participate fully in post-secondary studies or in the labour force (proof required);
- If you are applying as a full-time student, you must be enrolled in courses that represent at least 40 percent of a full-time course load.
- If you are applying as a part-time student, you must be enrolled in courses representing at least 20 percent of a full-time course load.

The grant may cover such exceptional expenses as the costs of a tutor, an interpreter, attendant care, or special equipment.

To apply, you must first complete an application for a full-time or part-time Canada Student Loan (available from your provincial or territorial student assistance office) to establish your financial needs. You then submit a separate application form for the Canada Study Grant (CSG) to the same office.

High-need Part-time Students

Part-time students with demonstrated financial need may qualify for a grant of up to \$1,200. To be eligible, you must meet the requirements for a part-time Canada Student Loan. In addition, you will be required to:

- explain why you can only study on a part-time basis (e.g. you have family or other responsibilities that do not permit full-time study); and
- have a gross income of no more than that shown in the following chart.

Size of Family	Maximum Income
1 (single student)	\$14,100
2 (married student with no children, or single parent with one child)	\$23,300
3	\$31,900
4	\$37,800
5	\$47,300
6	\$48,600
7	\$53,000
8	\$56,800
9	\$60,100
10	\$62,700

Applications may be submitted to:

- The student assistance office in your province or territory; or
- financial assistance offices at most colleges and universities.

Students with Dependants*

Full-time and Part-time

Students with Dependants

If you have children or other dependants, and can demonstrate financial need in excess of \$275 per week in combined federal and provincial loans, you may be eligible for a new Canada Study Grant.

Full-time students with dependants

A grant will be available to full-time students with dependants who qualify if their assessed need is in excess of \$275 per week.

- Students with one or two dependants:
\$40 per week.
- Students with three or more dependants
\$60 per week.

Part-time students with dependants

In order to qualify for the grant for part-time students with dependants you must first qualify for assistance under the part-time Canada Student Loans Program.

The Canada Study Grant (CSG) for part-time students with dependants:

- Effective August 1, 1998 a grant will be available to part-time students with dependants to assist them with their education costs.

* *Budget 1998*

- Eligible students will qualify for grants if they have assessed need in excess of, and after receipt of, the maximum grant for high-need part-time students (\$1,200) and Canada Student Loan for part-time students (\$4,000).
- In conjunction with the Canada Study Grant for high-need part-time students (Maximum of \$1,200), the aggregate amount of CSG assistance for part-time students shall not exceed \$3,120 in any given loan year. Therefore, the CSG for part-time students with dependants will be available for up to \$1,920 in any given loan year, to assist in covering allowable education costs.

Students with one or two dependants:
\$40 per week.

Students with three or more dependants:
\$60 per week.

(See also: High-need Part-time Grant and CSLP for part-time students.)

Women in Doctoral Studies

If you are a female student pursuing full-time doctoral studies, you may qualify for a Canada Study Grant of up to \$3,000 a year for a maximum of three years. This special grant is intended to help increase the participation of women in certain fields of study at the doctoral level.

To be eligible for this grant, you must apply and qualify for Canada Student Loan assistance for the current academic year. The eligible fields of study are:

Engineering and applied sciences: Engineering (all fields), Aerospace Sciences, Architecture, Forestry.

Agriculture and biological sciences: Agriculture, Biophysics, Biochemistry, Botany, Microbiology, Veterinary Sciences, Zoology.

Mathematics and physical sciences: Astronomy, Chemistry, Computer Science, Environmental Studies, Geography, Geology and Related Fields, Mathematics, Metallurgy, Materials Science, Meteorology, Oceanography and Water Studies, Physics, Resource Management.

Arts, social sciences and related fields: Business Administration, Commerce, Management, Administrative Studies, Economics, Music, Philosophy, Political Science, Religious Studies, Theological Studies.

Other: Dental Specialties, Physical Education, Law and Jurisprudence.

Information and application forms are available from the student assistance office in your province or territory, from financial assistance offices at most colleges and universities, as well as from admissions offices at vocational schools. In some provinces, you submit your application directly to your educational institution. In others, you apply directly to the provincial or territorial student assistance office.

Important Note

Stay in touch with your lender. By communicating changes in your situation you ensure that your credit rating is protected, and that you remain eligible for future student loans.

4. REPAYING YOUR LOANS

Canada Student Loans, like any other loans, have to be repaid. Payments begin six months after you cease being a full-time student.

Tax Relief Effective in 1998

While you are repaying your student loan, you will be allowed to claim a 17 percent tax credit on the interest portion of the amount paid on your student loan each year.

Defaulting

If you default on your loan, your lender and the Government of Canada will take steps to recover the debt, which may include reporting you to a credit agency, using a private collection company, or taking legal action. Under legislation introduced in 1998, you can not avoid repaying your Canada Student Loan or provincial student loans through bankruptcy for a period of ten years after the end of your studies.

Understanding the Rules and Responsibilities

Once you have received a full-time Canada Student Loan, it is your responsibility to:

- understand and respect the terms and conditions spelled out in detail in your loan agreement;
- tell your lender and the student financial assistance officer at your school or provincial student assistance office of any changes in your situation such as a change in name or marital status, a change in your status as a full- or part-time student, or a change of address;

- provide your lender with proof of enrollment for each study period that you are enrolled, even if you are not applying for a new loan;
- keep track of the amounts you borrow each year;
- as soon as possible after the end of your period of study, see your lender and complete a Consolidated Student Loan Agreement within six months of ceasing to be a student; and
- repay your student loan. If you are a full-time student, you will be required to start repayment of your student loan on the last day of the seventh month after ceasing to be a student; however, you can start repayment earlier if you are in a position to do so. If you are a part-time student, you are required to make interest payments even while enrolled, and start full repayment on the last day of the seventh month after ceasing to be a student.

Debt Reduction

The Interest Relief Plan

Having trouble repaying your loan? The Interest Relief Plan may help you. The Government of Canada may pay the interest on your loan.

Discuss your situation with the lending institution that issued your loan. Your lender may agree to revise the repayment terms.

In addition, the Government of Canada offers an Interest Relief Plan and debt reduction to help borrowers facing financial hardship.

If you have difficulty making your loan payments because of low income, the Interest Relief Plan may be available to you.

What is Interest Relief?

While you are on Interest Relief, the Government of Canada pays the interest on your loan. Interest Relief is normally approved for six-month periods up to a maximum of 30 months throughout the lifetime of the loan.

Where Can I Apply?

Application forms are available from the lender holding your student loans. For further information contact HRDC or your provincial/territorial student assistance office.

Who is Eligible?

To be eligible for Interest Relief, your total family income must be below a level determined by the size of your family and the size of your monthly loan payment. Special circumstances may also qualify you for Interest Relief. For example, if you have had to pay for unexpected emergency health-related expenses or emergency home repairs, you may be eligible.

Provided you meet the income conditions, you are eligible to apply if:

- you are currently living in Canada or on a international internship;
- you have signed a Consolidated Student Loan Agreement;
- you have not already received Interest Relief for the maximum period allowed (30 months); and
- you have not defaulted on any Canada Student Loans for which the government has already reimbursed your lender.

If you face prolonged financial hardship

If you continue to have difficulty making your loan payments after 30 months of Interest Relief, discuss your situation with your lending institution or your student aid office.

Other options available to help you:

Extended Interest Relief

- After you have exhausted the 30 months of Interest Relief, you can request that your lending institution extend the loan repayment period to 15 years. This would lower your monthly payments by nearly 25 percent at current interest rates.
- If, after extending the repayment period to 15 years, you remain in financial hardship, Interest Relief may be extended during the five years after leaving school.

Debt Reduction

- In the event that you remain in financial difficulty, the government will reduce your loan principal if your annual payments exceed a given percentage of your income. The maximum amount of debt reduction will be \$10,000 or 50 percent of the principal of your loan, whichever is less. To qualify, five years must have passed since you completed your studies and you must have exhausted Interest Relief.

Fast Facts: Making Your Payments

- Full-time students must start repaying their loans six months after they leave school.
- Establish a relationship with your bank — talk to your lender as early in the process as possible.
- Part-time students make interest-only payments one month after obtaining a loan, and start payment of both principal and interest six months after completing studies.
- If you have difficulty making payments, discuss your situation with the lender — defaulting on your loan has serious consequences.
- If you face financial difficulty, a number of options are available — including revising the terms of your loan, applying for Interest Relief and a temporary suspension of payments, and — in certain circumstances — reduction of the principal by the government on your behalf.

5. OTHER OPTIONS FOR FINANCING YOUR EDUCATION

The Canada Student Loan Program is just one option to consider when deciding how to finance your education. In addition to a federal student loan, you may also be eligible for a student loan from the province or territory in which you live. Eligibility for federal and provincial loans is generally assessed using a single application form, but these programs have somewhat different requirements. For details on student financial assistance programs, see your provincial/territorial financial assistance office.

In addition, some corporations, unions, churches, religious institutions, service groups and foundations offer scholarships and/or bursaries. Lenders (banks and credit unions) offer a variety of special student packages. Some companies also offer scholarships to children of their employees.

For additional information, consult the Internet, commercially available books or inquire directly from the institution you wish to attend for information on where and when to apply.

Youth Link is a publication which lists work, study, scholarships and travel programs for youth funded by the Government of Canada. It is available free of charge (Catalogue No. Y-002-05-98E) from:

Public Inquiries Centre

Human Resources Development Canada
140 Promenade du Portage, Phase IV
Hull, Quebec K1A 0J9
Fax: (819) 953-7260
Youth Information Line: 1-800-935-5555

University Scholarships and fellowships are also offered by the federal granting councils:

Medical Research Council of Canada

Holland Cross Tower B, 5th Floor
1600 Scott Street, (Postal locator 3105A)
Ottawa, Ontario K1A 0W9
Tel: (613) 941-2672
Fax: (613) 954-1800

**Natural Sciences Engineering
Research Council**

350 Albert Street, 10th Floor
Ottawa, Ontario K1A 1H5
Tel: (613) 996-3078, (613) 992-7788
Fax: (613) 992-5337

**Social Sciences and Humanities
Research Council**

Constitution Square Tower 2
350 Albert Street, 10th Floor
P.O. Box 1610
Ottawa, Ontario K1P 6G4
Tel: (613) 992-7788 or 996-3078
Fax: (613) 992-1787
(SSHRC funding is only for doctoral and post-doctoral levels of study.)

6. FOR MORE INFORMATION

Additional information on the Canada Student Loans Program may be obtained from:

The Learning and Literacy Directorate

Human Resources Development Canada

P.O. Box 2090, Station "D"

Ottawa, Ontario K1P 6C6

Tel. (819) 994-1844

Toll Free 1-888-432-7377 (English)

1-800-733-3765 (French)

TTY Line: (819) 994-1218

Internet: [http://www.hrdc-](http://www.hrdc-drhc.gc.ca/student_loans)

[drhc.gc.ca/student_loans](http://www.hrdc-drhc.gc.ca/student_loans)

http://www.hrdc-drhc.gc.ca/prets_aux_etudiants

Provincial and Territorial Student Assistance Offices

Newfoundland

Student Aid Division

Department of Education

Thompson Student Centre

P.O. Box 8700, 3rd floor

St. John's, Newfoundland A1B 4J6

1-888-657-0800

Tel: (709) 729-5849

Fax: (709) 729-2298

www.edu.gov.nf.ca/studentaid

Prince Edward Island

Student Aid Division

Department of Education

P.O. Box 2000,

105 Rochford St., Shaw Building, 3rd floor

Charlottetown, PEI C1A 7N8

Tel: (902) 368-4640

Fax: (902) 368-6144

www.gov.pe.ca/educ

Nova Scotia

Student Assistance Office
Department of Education and Culture
P.O. Box 2290, Halifax Central
Halifax, Nova Scotia B3J 3C8
Tel: (902) 424-8420
Fax: (902) 424-0540
1-800-565-8420 (within Nova Scotia)
Tel TDD: (902) 424-2058
www.ednet.ns.ca

New Brunswick

Student Services Branch
Department of Advanced Education and Labour
P.O. Box 6000, 548 York Street
Fredericton, New Brunswick E3B 5H1
Tel: (506) 453-2577
1-800-667-5626
Fax: (506) 444-4333
www.gov.nb.ca/acl/stuaid/guide.htm

Quebec*

Service de l'accueil et des renseignements
Aide financière aux études
Ministère de l'Éducation
1035, rue De La Chevrotière
Québec (Québec) G1R 5A5
(418) 646-5245 (à l'extérieur du Québec)
Pour le service téléphonique interactif :
(514) 646-4505 (Québec)
(514) 864-4505 (Montréal)
1-888-345-4505 (Ailleurs au Québec)

Ontario

Student Support Branch
Ministry of Training, Colleges and Universities
P.O. Box 4500, 189 Red River Road, 4th floor
Thunder Bay, Ontario P7B 6G9
Tel: (807) 343-7260
1-800-465-3013 (Ontario only)
1-900-565-6727 (for students outside of the
province a \$2 charge applies)
1-800-465-3958 (TDD-Ontario only)
<http://osap.gov.on.ca>

Manitoba

Student Financial Assistance
Department of Education and Training
409-1181 Portage Avenue
Winnipeg, Manitoba R3G 0T3
Tel: (204) 948-6321 or
(204) 945-2313 (out of province)
1-800-204-1684 (in Manitoba)
Fax: (204) 948-3421
www.edu.gov.mb.ca

Saskatchewan

Student Financial Assistance
Post-Secondary Education and Skills Training
Room B21, 3085 Albert Street
Regina, Saskatchewan S4P 3V9
Tel: (306) 787-5620
Fax: (306)787-7537
www.sasked.gov.sk.ca

Alberta

Alberta Learning Information Service
Advance Education and Career Development
Information and Counseling Services concerning
student funding are available at all Alberta
Career Development Centres. Please consult
the telephone directory for the centre nearest
you. www.alis.gov.ab.ca/learning/finance.html

British Columbia

Student Services Branch
Advanced Education, Training and Technology
2nd Floor, 1106 Cook Street
Victoria, B.C. V8V 3Z9
Tel: (250) 387-6100
Lower Mainland
P.O. Box 9173
Station Provincial government
Victoria, B.C. V8W 9H7
Tel: 1-800-561-1818 (in British Columbia)
Fax: (250) 356-9455
www.est.gov.bc.ca

Yukon

Students Financial Assistance Unit
Department of Education
P.O. Box 2703
Whitehorse, Yukon Y1A 2C6
Tel: (867) 667-5929
Fax: (867) 667-8555
www.yesnet.yk.ca/sites/sfa

Northwest Territories*

Student Financial Assistance
Department of Education, Culture and
Employment
P.O. Box 1320
Yellowknife, N.W.T X1A 2L9
Tel: (403) 873-7190 or 1-800-661-0793
Fax: (403) 873-0336 or 1-800-661-0893

Nunavut*

Nunavut Department of Education
1-800-661-0793

This brochure can be obtained in alternative formats through InfoTouch. Call 1-800-788-8282 on Touch-Tone phone or through teletypewriter (TTY). Requested documents are automatically produced in the format selected and mailed directly to the caller.

** The province of Quebec, the Northwest Territories and Nunavut operate their own student assistance plans. If you are a resident of Quebec, the Northwest Territories or Nunavut, you should contact their offices for further information.*



Produced by:

Human Resources Development Canada

August 1998

For additional copies of this brochure please contact:

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Human Resources Development Canada

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