

## **ADVANCED EDUCATION CHANGES TO STUDENT LOAN PROGRAM**

- Saskatchewan is introducing a new system of up-front grants for students who apply for student loans.
- The new provincial grant of up to \$1,000 provides predictable funding, targeted to those who need it most.
- The amount of the grant is based on student and family income.
- Lower-income students in a typical eight-month program will receive about \$4,000 in combined federal and Saskatchewan grants.
- Combined with the Saskatchewan Advantage Scholarship, students could qualify for up to \$4,500 in up-front grant awards.
- With the up-front grant, students will know in advance what funding is available for their post-secondary education.
- Students will be asked to make a fixed contribution to the cost of their education ranging from \$1,500 to \$3,000, depending on the student's and family's previous year's income.
- The fixed student contribution will allow students to work and gain valuable labour market experience without having to worry about a reduction in their level of financial assistance.
- These changes will be in place for students entering programs beginning August 1, 2017.

The following are some examples of how various students may be affected by the new student financial assistance program.

Lower income dependent student living at home

The student is a single dependent student and is from a family of four with income below \$60K per year and lives at home during her university studies. Dependent students from lower income families make up 8 per cent of all student loan clients.

	Saskatchewan Grant	Saskatchewan Loan	Canada Loan	Canada Grant	Total Funding		Debt Per Year
					No SAS	SAS	
Current Program	\$800	\$3,200	\$4,000	\$2,000	\$10,000	\$10,500	\$7,200
New Program	\$1,000	\$3,200	\$3,300	\$3,000	\$10,500	\$11,000	\$6,500

This student receives more provincial grant money and less student loan debt under the new model. After four years of study, her student loan debt would be \$26K versus \$29K under the current program.

Dependent student from higher income family

The student comes from a family of three with a family income of just over \$100K. The student is studying a two-year diploma program at Saskatchewan Polytechnic. Dependent students from higher income families make up less than 15 per cent of all student loan clients.

	Saskatchewan Grant	Saskatchewan Loan	Canada Loan	Canada Grant	Total Funding		Debt per Year
					No SAS	SAS	
Current Program	\$0	\$2,000	\$3,000	\$0	\$5,000	\$5,500	\$5,000
New Program	\$0	\$2,200	\$3,300	\$0	\$5,500	\$6,000	\$5,500

This student receives about \$500 more funding under the new program. After two years of study, this student's debt would be \$11K versus \$10K under the current program.