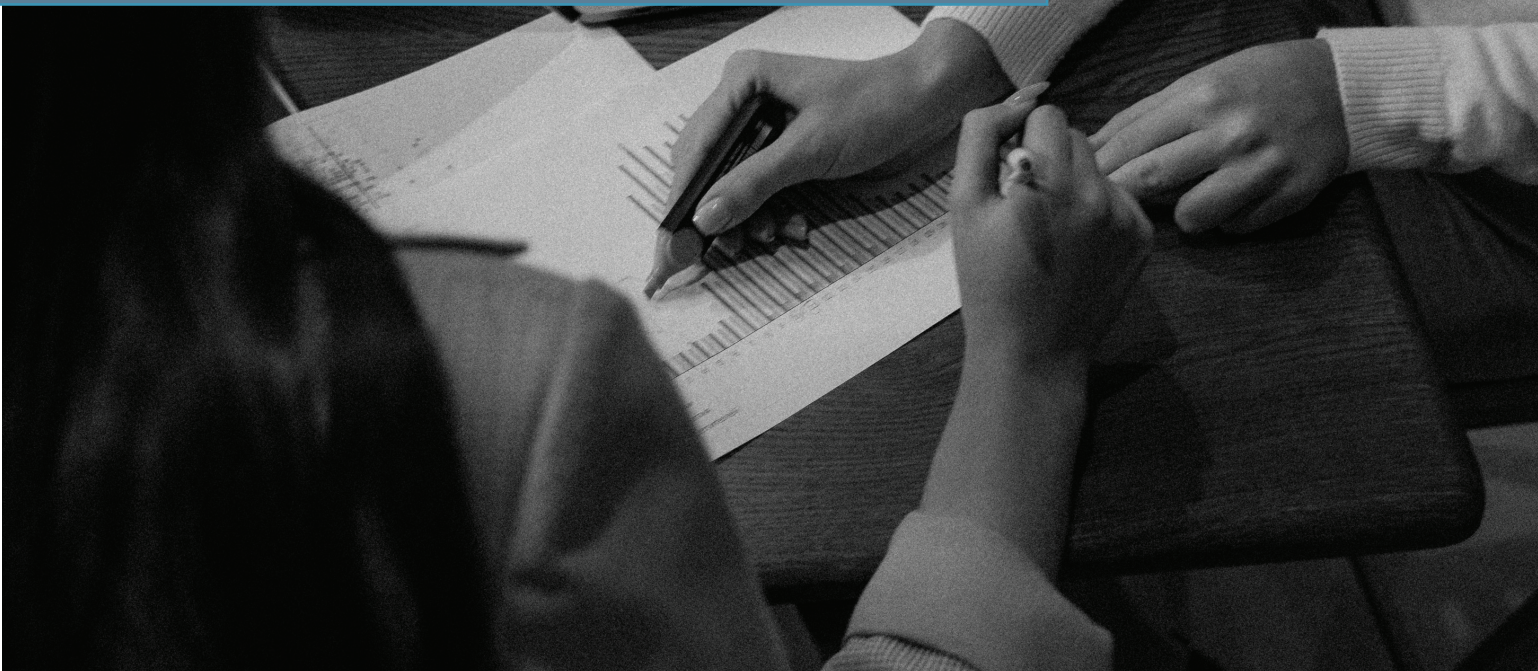


## 2023 Pre-Budget Consultation

### Undergraduates of Canadian Research-Intensive Universities

Undergraduates of Canadian Research-Intensive Universities is a coalition of student associations from across Canada. We represent over 270,000 students from nine U15 universities. We advocate for affordable, inclusive, and high-caliber undergraduate university education with opportunities for increased access to undergraduate research.

The federal government needs to support the youth of today as they contribute to the future of Canada, its workforce, and its economy. We are pleased to present UCRU's recommendations for the federal 2023 budget.



## Summary of Recommendations

### Student Financial Aid

- Permanently eliminate interest accruals on federal student loans by investing \$551.3 million year over year
- Invest in the Canada Student Grants such that the maximum receivable is permanently increased from \$3,000 to \$6,000.
- Permanently increase the Repayment Assistance Plan threshold from \$40,000 to 50,000.

### Student Employment

- Develop international student-specific streams within the framework of the Youth Employment and Skills Strategy and the Canada Summer Jobs program.
- Increase work-integrated learning opportunities for international and domestic students alike by reinvesting \$239.8 million into the Student Work Placement Program.
- Amend the Canadian Experience Class (Express Entry) program such that international students are able to count part-time employment experience while they are full-time students towards their permanent residency.

### Mental Health

- Make targeted investments into student and youth-centric digital mental health initiatives by providing the provinces with matched investments.

## Student Financial Aid

**Recommendation 1:** Permanently eliminate interest accruals on federal student loans by investing \$551.3 million year-over-year.

The average post-secondary qualification in Canada costs approximately \$26,000 over 4 years.<sup>1</sup> For many low-to-middle-income student borrowers, the interest they pay on top of the principal would create even further financial instability. This added interest debt in combination with a minimal focus on grant expansions has adverse impacts on the Canadian economy.

During the 2022 federal election, the Liberal party committed to permanently eliminating interest in Canada Student Loans to support young Canadians pursuing post-secondary education. This commitment would benefit over 1 million student loan borrowers, saving the average borrower over \$3,000 throughout their loan.<sup>2</sup> UCRU calls on the federal government to support young Canadians and their financial futures; investing in young people is investing in the Canadian workforce and economy.

**Recommendation 2:** Invest in the Canada Student Grants such that the maximum receivable is permanently increased from \$3,000 to \$6,000.

On top of the pre-existing issues of student loan interest rates, COVID-19 has exacerbated the need for the federal government to provide increased grants to students through the Canada Student Grants program. Although Budget 2021 provided recent graduates with relief specifically through the Repayment Assistance Plan, it does not consider student savings. A

particularly concerning report states that 68% of students cited that they were concerned about using savings as a result of the pandemic which would have long-term financial impacts like delaying home or car purchases.<sup>3</sup> UCRU calls on the Federal Government to permanently increase support provided through the Canada Student Grant by increasing the maximum receivable to \$6,000.

**Recommendation 3:** Increase the repayment assistance threshold for single Canada Student Loan borrowers from \$40,000 to \$50,000.

While the removal of interest rates and increases to CSG maximums comes at a high cost, the financial stability of students is a public good and must continue to be seen as one. Encouraging students to attain a post-secondary education is essential to the macroeconomic success of Canada. On the contrary, interest on student loans acts as a discouraging factor for many young people hoping to pursue post-secondary education. Moreover, students must be given time to find stable and supportive jobs before repayment begins. This measure would give students additional time to stabilize their careers in the Canadian workforce before repaying large amounts of debt.



## Student Employment

**Recommendation 1:** Develop a specialized category for international students within the framework of the Youth Employment & Skills Strategy and Canada Summer Jobs.

The Youth Employment and Skills Strategy and Canada Summer Jobs federal work programs are vital in providing students with jobs and experiential learning opportunities. As of August 1, 2021, Canada Summer Jobs alone has created over 160,000 jobs for young people in Canada. Additionally, approximately there are over 220,000 job placements through the program over the 2021 and 2022 seasons.<sup>4</sup> In budget 2021, the federal government reaffirmed its commitment to providing more jobs for students through increased investments into these federal work programs, with the hopes of creating 215,000 additional high-quality work opportunities.<sup>5</sup> Furthermore, in budget 2022, the government included a key ongoing action of committing more than \$3 billion over three years to support nearly 500,000 new job and training opportunities, to help young Canadians gain valuable work experience.<sup>6</sup>

Although this has been immensely beneficial for domestic students, international students are currently excluded from this benefit. As it stands, to qualify for either program, individuals must be Canadian citizens, permanent residents, or a person with refugee status.<sup>7</sup> This eliminates most, if not all, international students from being able to participate. International students are valuable members of our communities who contribute to Canada's economy and should be afforded opportunities to gain

work experience through student-focused programs.

International students face many financial hardships throughout their time in Canada, which makes it even more difficult for them to stay after graduation. International student tuition is typically three to five times higher than domestic tuition. This means that finding employment is even more critical for our international students. By developing specialized skill categories for international students within existing frameworks of the Youth Employment Skills Strategy and Canada Summer Jobs Program, international students can gain valuable work experience in Canada, all while earning a living wage.

**Recommendation 2:** Increase work-integrated learning opportunities for international and domestic students alike by reinvesting \$239.8 million into the Student Work Placement Program.

The government's support for co-ops and internships through the Student Work Placement Program is invaluable to facilitating career opportunities for students. However, employers cannot currently access these programs when hiring international students. This can cause an unfair hiring bias towards domestic students which denies international students the same valuable experiences.

On top of providing training to enter the workforce in the future, Canadian work experience helps international students to prepare to apply for a post-graduation work permit. In order to address Canada's skilled labour shortage, which continues to persist as a result of the pandemic, we must work



to retain our students after they graduate.<sup>8</sup> To incentivize employers to hire international students, UCRU recommends that the government continue its \$239.9 million investment into the Student Work Placement Program and create a specialized stream of jobs available for hiring international students in addition to domestic students. This program is essential to increasing accessibility to work-integrated opportunities and should be available to all students.

**Recommendation 3:** Amend the Canadian Experience Class (Express Entry) program such that international students are able to count part time employment experience while they are full time students towards fast-tracked permanent residency.

UCRU believes that immigration is a key contributor to Canada's culture and economic prosperity. After studying in Canada, international students have become acquainted with the community, gained valuable work experience, and often wish to stay and enter the Canadian workforce. However, these students face many barriers to permanent residency. Currently, work experience obtained while studying full-time cannot be counted towards a students' permanent residency.<sup>9</sup> Rising costs of international tuition, concerns about traveling to pursue their education, and a shrinking job market all make it more difficult for international students to settle in Canada after they have finished their degrees.

Almost 50% of all international students surveyed in 2015 worked full or part time in order to finance their studies.<sup>10</sup> Being unable to count this work experience towards permanent residency would result in unnecessarily lengthening their

path to residency. By removing this restriction, international students could obtain permanent residency either before or soon after they graduate, depending on their application time. This would only further incentivize them to stay and work in Canada once they complete their studies and continue contributing to the Canadian economy.

## Mental Health

**Recommendation 1:** Make targeted investments into student and youth-centric digital mental health initiatives by providing the provinces with matched investments.

The COVID-19 pandemic continues to present long-term adverse impacts on students and young people. The overwhelming majority of post-secondary students (70%) expressed that they were experiencing stress, anxiety, and/or felt isolated in a survey conducted by Canadian Alliance of Student Associations in May 2020.<sup>11</sup> In the same survey, 60% of students reported feeling worried about the pandemic and 82% felt worried about their futures.<sup>12</sup> A pre-pandemic study reported that almost 64% of university-aged students felt that things were hopeless, with over 88% feeling overwhelmed, 69.6% feeling lonely, and 51.6% feeling so depressed that it was difficult to function.<sup>13</sup> The pandemic has further exacerbated the mental health crisis amongst young Canadians and specifically post-secondary students. A key solution to many of the COVID-19-related and standalone mental health issues that students and young people face is the promotion of easily accessible digital mental health services.

Although Budget 2022 proposes providing \$140 million over two years to Health Canada for the Wellness Together Canada, there are still clear barriers in place for students when attempting to access traditional mental health supports.<sup>14</sup> These barriers include long wait-times, a shortage of mental health professionals, culture and language barriers, and stigma-related concerns. Living in

rural areas is also a large barrier for many Canadians in accessing mental health support services.

Digital mental health support serves as a key solution to these barriers as they provide youth with a more accessible alternative while individuals with pre-existing concerns are currently prioritized. These support services also extend access for Canadians living in rural areas. It is critical that digital mental health support be included in universal health coverage as young people, especially students, may not have the ability to pay out of pocket. Making targeted investments into students and youth-centric digital mental health initiatives by providing provinces with matched investments is essential in creating long-term sustainable digital support systems for students. Engaging students as a stakeholder in this conversation, providing funding through working with provinces, and equipping students with the necessary resources to combat any mental health issues from early on all constitutes as necessary investments needed to improve the mental health of students.

- <sup>1</sup>Statistics Canada (2019). “Tuition fees for degree programs, 2019/2020. The Daily. Retrieved from: <https://www150.statcan.gc.ca/n1/daily/quotidien/190904/dq190904b-eng.htm>
- <sup>2</sup>Liberal Party of Canada (2022). Permanently Eliminating Interest on Canada Student Loans. Retrieved from: <https://liberal.ca/our-platform/permanently-eliminating-interest-on-canada-student-loans/>
- <sup>3</sup>Statistics Canada (2020). “How are postsecondary students in Canada impacted by the COVID-19 pandemic?”. Retrieved from: [https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2020032-eng.htm?fbclid=IwAR2Fust6ZXtCuHmFNp29G2T8H\\_WPxmJ7UAmJKZx7FIGzzUveYsqpwNaHvro](https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2020032-eng.htm?fbclid=IwAR2Fust6ZXtCuHmFNp29G2T8H_WPxmJ7UAmJKZx7FIGzzUveYsqpwNaHvro)
- <sup>4</sup>Government creates record number of job opportunities for youth and students across Canada”, Cision Employment and Social Development Canada, August 4, 2021, <https://www.newswire.ca/news-releases/government-creates-record-number-of-job-opportunities-for-youth-and-students-across-canada-897072108.html>.
- <sup>5</sup>“Federal Budget 2021”, Department of Finance Canada, last modified April 19, 2021, <https://www.budget.gc.ca/2021/report-rapport/toc-tdm-en.html>.
- <sup>6</sup>“Federal Budget 2022”, Department of Finance Canada, last modified April 7, 2022, <https://budget.gc.ca/2022/report-rapport/toc-tdm-en.html>.
- <sup>7</sup>“Funding: Canada Summer Jobs - Eligibility”, Employment and Social Development Government of Canada, last modified December 27, 2017, <https://www.canada.ca/en/employment-social-development/services/funding/canada-summer-jobs/eligibility.html>.
- <sup>8</sup>Maan Alhmidi, “Ontario government seeking to double skilled immigrants to address labour shortage”, Global News, November 4, 2021, <https://globalnews.ca/news/8349542/ontario-double-skilled-immigrants-labour-shortage/>
- <sup>9</sup>“Eligibility to apply for the Canadian Experience Class (Express Entry)”, Immigration and Citizenship, Government of Canada, last modified January 7, 2021, <https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/express-entry/eligibility/canadian-experience-class.html>
- <sup>10</sup>Marc Frenette, Yuqian Lu, Winnie Chan, “The Postsecondary Experience and Early Labour Market Outcomes of International Study Permit Holders”, Statistics Canada, September 20, 2019, <https://www150.statcan.gc.ca/n1/pub/11f0019m/11f0019m2019019-eng.htm>
- <sup>11</sup>Canadian Alliance of Student Associations. (n.d.). Campus Mental Health the impact of covid-19 on post ... <https://campus-mentalhealth.ca/>. Retrieved December 22, 2021, from [https://www.campusmentalhealth.ca/wp-content/uploads/2021/06/CIC-MH\\_COVID-19\\_Impact\\_Infosheet\\_EN.pdf](https://www.campusmentalhealth.ca/wp-content/uploads/2021/06/CIC-MH_COVID-19_Impact_Infosheet_EN.pdf)
- <sup>12</sup>Research and Development Toronto District School Board. (n.d.). Back to school: Supporting transitions and RE ... - tdsb.on.ca. <https://www.tdsb.on.ca> . Retrieved December 25, 2021, from <https://www.tdsb.on.ca/Portals/0/docs/Presentation%20from%20Lets%20Connect%20Session%202.pdf>
- <sup>13</sup>Executive summary Spring 2019 - cacuss. [https://www.acha.org/NCHA/NCHA\\_Home](https://www.acha.org/NCHA/NCHA_Home). (n.d.). Retrieved January 1, 2022, from <https://www.cacuss.ca/files/Research/NCHA-II%20SPRING%202019%20CANADIAN%20REFERENCE%20GROUP%20EXECUTIVE%20SUMMARY.pdf>.
- <sup>14</sup>“Federal Budget 2022”, Department of Finance Canada, last modified April 7, 2022, <https://budget.gc.ca/2022/report-rapport/toc-tdm-en.html>.