

Management Response to the Student Financial Assistance Review Final Report

INTRODUCTION

The objective of the Student Financial Assistance (SFA) program is to provide Northwest Territories (NWT) students with financial assistance through a combination of loans and grants in order for them to attend accredited postsecondary institutions and programs. A consistent philosophy has been that the program is intended to assist rather than fully fund NWT residents with the cost of obtaining a postsecondary education.

The SFA program receives approximately 2,200 applications and provides benefits to about 1,500 students each year. The NWT has one public postsecondary institution, Aurora College and several private training institutions. Aurora College offers two degree programs, in teacher education and nursing. Most NWT residents who wish to access postsecondary education beyond the certificate or diploma level attend postsecondary institutions outside the NWT.

Modifications to the program have occurred throughout the years. The most recent program review was conducted in 1998 and changes were implemented in the fall of 2000. In 2010, the Government of the Northwest Territories (GNWT) committed to review the SFA program to ensure it continues to meet the needs of NWT students attending postsecondary studies.

The 2011 SFA review objectives were to determine:

- if basic grant, supplementary grant, repayable loan and remissible loan levels are sufficient to adequately financially assist students in pursuing a postsecondary education; and
- how the program helps develop a healthy educated workforce with the skills and resources to meet the needs of our northern communities.

The NWT SFA Review Report highlights a number of key successes with the current SFA program and recommended a number of potential program improvements. It found that: the NWT SFA program did not discriminate based on family income; stayed within its mandate and delivered on its objectives of encouraging clients to be independent and share the responsibility for financing their education; is easier for students to navigate than SFA programs elsewhere; and that the NWT SFA program is one of the best such programs in the country. The Review Report also highlights a number of key findings and recommendations for the Department of Education, Culture and Employment (ECE or the Department) to consider as it considers changes to the SFA program.

The Department's management response outlines how ECE plans to respond to the key findings and recommendations in the NWT SFA Review Report. Some program improvements, such as travel benefit administration, may be acted on over the next year. Other issues, such as those affecting costs, will likely take longer to consider and implement.

RECOMMENDATIONS AND MANAGEMENT RESPONSES

- 1. Introduce a tracking measure that allows for the identification of students who successfully complete a program of study and use this information for future evaluation and tracking regarding program completion.**

ECE Response:

ECE currently tracks the year to year progress of students who are required to document they have met the academic performance requirements to continue receiving benefits.

ECE will examine options on how to track course completion statistics for students receiving SFA benefits.

- 2. Increase the course reimbursement component for part-time students.**

ECE Response:

ECE will evaluate options and the associated costs of increasing the benefits provided to part-time students.

- 3. Consider less restrictive eligibility criteria for part-time students.**

ECE Response:

ECE will examine the merits of the current requirement to income test applicants and the costs associated with changing or removing this requirement.

- 4. Examine whether NWT SFA should continue to provide support to eligible Aboriginal Nunavut students.**

ECE Response:

ECE will examine the practice of providing the Affirmative Action Living Allowance to Aboriginal students who are indigenous to Nunavut.

- 5. Consider increasing the lifetime benefits cap consistent with increase to cost of living and implement options such as revolving with repayable/remissible loan (also see Recommendations 8 and 16).**

ECE Response:

Students are currently eligible for a maximum of 20 semesters of funding from the SFA program and a lifetime limit of \$60,000. ECE will examine the merits of revoking the 20 semester cap and consider a higher or revolving loan limit for students who require supports beyond the existing caps.

- 6. Increase the Disability Grant.**

ECE Response:

ECE currently provides \$1,000 for part-time and \$8,000 for full-time studies per academic year by way of a grant to students with disabilities who are enrolled in postsecondary studies.

ECE will consider options for and costs of increasing benefits to levels that are in line with the Disability benefits provided by the Canada Student Grants Program.

- 7. Introduce online travel booking (where possible and appropriate) and fixed sum to each student who requires travel south of NWT.**

ECE Response:

ECE will develop and evaluate more efficient and cost effective approaches to providing travel benefits such as online booking.

- 8. Increase benefits for tuition, books and living costs to better reflect current costs faced by students.**

ECE Response:

ECE will consider cost increases in tuition, books and living allowances since these benefits were last adjusted, and use this information to determine the amount required to increase benefit levels to be more in line with current costs.

- 9. Expand SFA to include support for ALBE students.**

ECE Response:

The SFA program, like other provincial or territorial SFA programs, funds students registered in postsecondary programs. In addition, the GNWT funds students attending access programs including advanced level secondary studies leading to professions such as nursing or teaching. Adult Learning and Basic Education (ALBE) programs are not eligible for SFA.

ALBE students may, however, also have access to other funding sources including: the Income Assistance and Labour Market Programs administered by ECE; the University College Entrance Program administered by Aboriginal Affairs and Northern Development Canada; and the Aboriginal Skills and Employment Training Strategy (ASETS) administered by Aboriginal governments or organizations.

ECE will explore the merits of alternative approaches and delivery models for ALBE students.

10. Build on community engagement successes and start outreach with students and parents in Grade 9 (enhanced career planning).

ECE Response:

ECE informs high school students about the benefits of the SFA program through its publications and ECE staff attendance at career fairs or information sessions in regional centres. In addition, career planning is provided to students in the elementary and secondary school system.

Starting in 2012-13, SFA staff will work with schools to enhance communication and promote an understanding of SFA program purpose and objectives beginning with students entering Grade 9.

11. Streamline application process for repeat clients.

ECE Response:

All SFA students are required to use the same process to apply for funding on an annual basis.

ECE will explore options for streamlining the application process for continuing students.

12. Enhance SFA communications products.

ECE Response:

ECE will review its communication products and use of media to determine where improvements can be made.

13. Streamline information exchange with third parties who are supporting clients.

ECE Response:

It is standard practice to share information with third parties when authorized by the student. This exchange of information helps avoid duplicate benefits being paid out to students.

ECE will examine areas where the exchange of information can be streamlined in a manner that respects the right to privacy of students.

14. Continue to work proactively with financial staff within ECE and across the GNWT to further improve data and information collection and management.

ECE Response:

SFA program staff will continue to work with ECE finance and Department of Finance staff to improve SFA business processes and systems.

15. SFA students to have priority for GNWT intern type position.

ECE Response:

ECE will share this recommendation with the Department of Human Resources and will work collaboratively within the Government to promote students entering the workforce.

16. Establish a floating ceiling for lifetime benefits limits linked to remission and repayment.

ECE Response:

ECE will examine the merits of revoking the 20 semester cap and consider a higher or revolving loan limit for students who require supports beyond the existing caps.

17. Create a financial incentive that will encourage students to match their field of study with current NWT labour market demands.

ECE Response:

Departments within the GNWT currently provide bursaries or scholarships for students who are pursuing studies in a specialized field (e.g. nursing, aviation).

ECE will work with other GNWT Departments to evaluate whether the current practice of Department bursaries or scholarships is sufficient, and whether other options should be considered to encourage students to select studies in line with labour market demands.

18. Continue to monitor remission rates to better assess whether they should increase.

ECE Response:

Remission of loans is intended to encourage students to return and live in the NWT upon the completion of their postsecondary studies.

ECE will examine the effectiveness of current remission rates and whether these rates should be increased to encourage more students to return to and work in the NWT.