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COMMITTEE

ON

COMMUNITY SERVICES

Tuesday, March 3, 2009

Committee Room 1

Canadian Federation of Students

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COMMUNITY SERVICES COMMITTEE

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WITNESSES

Canadian Federation of Students

Kaley Kennedy, N.S. National Executive Representative

In Attendance:

Ms. Kim Leadley
Legislative Committee Clerk

HALIFAX, TUESDAY, MARCH 3, 2009

STANDING COMMITTEE ON COMMUNITY SERVICES

1:00 P.M.

CHAIRMAN
Ms. Marilyn More

MADAM CHAIRMAN: I'm going to call to order the Standing Committee on Community Services. Before we get underway, I just want to express the sorrow and regret that I know we all feel on the death of our colleague, Michael Baker. I'm just wondering, in a tribute to him and the many contributions that he has made to our province, if we might stand and have a minute of silence.

[One minute of silence was observed.]

MADAM CHAIRMAN: Thank you. I just want to, on behalf of our committee members, express our deepest condolences to his wife, Cindy, to his boys and to the rest of his extended family.

Okay, let's get underway. As you know, our topic today is the Canadian Federation of Students and we have Kaley Kennedy representing that group today and welcome, Kaley. Perhaps we'll introduce ourselves to you and Leonard, would you like to start.

[The committee members introduced themselves.]

MADAM CHAIRMAN: I believe, Jamie, we're to congratulate you. I guess you're joining our committee as a permanent member.

MR. TREVOR ZINCK: Temporary permanent. (Laughter)

MR. JAMES MUIR: No, I'll be here for another three years, the way it's going so don't worry about it. (Laughter) What is it, three years we have?

MR. KEITH COLWELL: You're going to re-offer, are you? (Laughter)

MADAM CHAIRMAN: We're pleased to have you on a more regular basis, so I just wanted to recognize . . .

MR. MUIR: Thank you, Madam Chairman. I will make a judgment after the meeting is over. (Laughter)

MADAM CHAIRMAN: So Kaley, we'll invite you to give your presentation and then we may have some points to clarify or questions.

MS. KALEY KENNEDY: Hi everyone, my name is Kaley Kennedy and I'm the Nova Scotia national executive representative of the Canadian Federation of Students. The Canadian Federation of Students is a student organization that represents students from coast to coast, it represents just over 500,000 students across the country. We fight for affordable and accessible post-secondary education.

For more than a decade undergraduate tuition fees in Nova Scotia have been the highest in the country. Mostly due to chronic government underfunding to universities, students have had to bear the burden of their education more now than in the past. Tuition fees and compulsory fees in Nova Scotia - by compulsory fees, we're talking about ancillary and auxiliary fees that students are required to pay - these add, on average, about \$6,500 for one year of undergraduate study in the Province of Nova Scotia and that remains the highest in the country.

As tuition fees have increased over the past 15 years we've also seen a decline, until very recently, in the amount of student financial assistance available. In 1993, the grants program in Nova Scotia was cut, and a needs-based grants program was just reintroduced in September 2008. That left students in Nova Scotia without any form of non-repayable, up-front financial assistance for about 15 years.

During that time, there was a brief period where there was back-end assistance through a debt remission and debt forgiveness program. But the debt forgiveness program was cut when there was money given through the Millennium Scholarship Foundation to student assistance and then the debt remission program that was introduced after that was very ineffective in that it was underutilized and students had to apply for it.

As a result, what we have now is a needs-based grants program that provides 20 per cent of a student loan as a non-repayable grant. That program is estimated to cost about \$8 million; however, it's not near what the program that was cut in 1993 would be worth now. It was worth \$10 million at the time and when factored for inflation, would be worth

about \$13 million. Even though we have seen the introduction of a new needs-based grants program, that grants program is still significantly below what the program was in 1993.

While tuition fees and expenses have been going up and available assistance has been going down, clearly we have seen an increase in student debt, so Nova Scotia students have some of the highest debt loads in the country. On average, a student from Nova Scotia graduates with \$28,000 of student debt after their first degree and over one-third graduate with more than \$30,000 of student debt. The most recent report from the Maritime Provinces Higher Education Commission reports that in the Maritimes overall, one-quarter of students report having debt loads after their first degree of over \$40,000. In terms of the issue of student debt, what that has meant is that many students are effectively shut out of post-secondary education because they simply can't afford it.

The Canadian Federation of Students, along with our coalition partners, the Association of Nova Scotia University Teachers and the Nova Scotia Government and General Employees Union commissioned a poll about 18 months ago that found that 30 per cent of people in Nova Scotia who were polled said that they or someone in their family had chosen not to go to post-secondary education because it would mean taking on too much debt. That number is the same number that we saw in a similar poll that we conducted in 2005 that asked the same question.

As a result of student debt, there have been a number of issues that face the province because of increasing student debt. We've seen that a lot of students who graduate from Nova Scotia choose not to remain in Nova Scotia because of high debt loads. The Maritime Provinces Higher Education Commission has reported that the majority of students who leave the province after graduation are doing so because of financial reasons, the primary ones being that they have to go to higher-paying jobs to pay off their student loans, they are going to move back in with their families or they are going to go to a province where there's lower education costs for graduate school.

[1:15 p.m.]

In addition, the Youth in Transition Survey that was conducted by Statistics Canada and Human Resources Development Canada found that of those who didn't attend post-secondary education it was financial barriers that were identified as the number one reason. In that survey that I was talking about before, 90 per cent of Nova Scotians said they were worried that young Nova Scotians would not be able to attend post-secondary education, specifically because of high tuition fees and inadequate financial aid.

While Nova Scotia has faced this problem of high student debts, it has also faced the declining enrolment problem. The MPHEC has identified that there is a correlation between increasing tuition fees and declining enrolments. If you look at the evidence from other provinces, such as Newfoundland and Labrador, and Manitoba, where tuition fees have been frozen in both provinces for about 10 years now, that those provinces have been able to curb declines by reducing tuition fees. It's important to know that a lot of students

from Nova Scotia are now leaving for Newfoundland, for that purpose. For example, since 1999, when Newfoundland and Labrador first froze tuition fees, the number of Nova Scotian students attending university in Newfoundland has increased over 800 per cent.

As a result, we're recommending for the government, on the education side, and the Department of Education, that they need to immediately reduce tuition fees for all students. Currently there is a plan to reduce tuition fees for students studying in Nova Scotia who are from Nova Scotia but we're calling on the government to do it for all students and to do it immediately, to address the issue now.

Right now the timeline is that those tuition fee reductions will not be completed - or tuition fee rebates, really - will not be completed until 2010-11. We're also recommending that the government provide a grants program that distributes funding based on need, that's 50 per cent of the current loan, as opposed to 20 per cent. We're recommending that unmet need, due to disability-related and child care-related costs, be considered separately, as to provide full funding to provide those expenses. So, for example, in Quebec they have a program where they provide a child care allowance as a grant, if you're attending school and have a dependent and are a low-income student.

Now the reason why this is important is that those costs fall outside of what student financial assistance usually considers in terms of costs when you consider the ceiling. So there's a ceiling of how much student financial assistance can be obtained and that's \$12,200, I believe, or \$12,400. Because if you factor in these costs, that need goes above that limit. Those costs then are not covered. While this is going to change somewhat on the federal side in the coming September, when the new grants program is rolled in, it hasn't been - or there are still some issues with how that is set at the provincial level, I guess.

So today, my main topic of conversation is access to income assistance for students. While these policy decisions, on the education side, have had an impact on all students, they've really been especially hard on what I'm going to refer to as high-needs students. Specifically I'm talking about single-parent students and students with disabilities.

Prior to 2000, low-income Nova Scotians could receive social assistance benefits at the same time as receiving student loans from student financial assistance. In 2000, when basically Regulation 67 was introduced - it's on Page 6, the full text - basically what this regulation says is that if you're in a post-secondary education program you're not eligible, unless you fall under a certain program that's offered by the department. So that may be the Career Seek Program, which allows you to go to a program of more than two years, or it might be the Educate to Work Program, which is a program that involves going to the NSCC to further your skills development, or you might fall under the Canada-Nova Scotia Labour Market Agreement for Persons with Disabilities.

Basically what this change means is that it has shut out a lot of high needs students from post-secondary education because they simply cannot get enough under student financial assistance and they can't access benefits that they would otherwise have access

to through the Department of Community Services if they weren't students. Just for example, a 2005 study found that a single parent accessing student financial assistance and all available resources would face a deficit of between \$180 and \$415 a month.

Really there's nowhere for single parents to turn to, to make up that income, whereas an independent student may be able to have a part-time job or work - on average, we see that students work about 15 hours a week in Canada, while they're in school. While that might be available for independent students, when you're talking about a single-parent student who is going to have necessary child care expenses - while some child care expenses would be covered under the department, if you're working and going to school, basically you're doing double time so you're not necessarily just needing a 9 to 5 child care placement. You might be needing child care in the evenings or on the weekends and that additional cost has to be considered, as well as just the time factor, being able to raise a child, go to school and have time to work, in terms of time commitment is somewhat unreasonable.

We know that having access to an education is a key component to having a stable and well-paying job, which is what we want to see for Nova Scotians. So with 70 per cent of new jobs requiring post-secondary education, in preventing people who are on social assistance from accessing university and college, what that does is it prevents them from getting access to those jobs that require post-secondary education.

In the Department of Community Services' own evaluation, that was conducted by Goss Gilroy Management Consultants, the staff of the department identified that the barrier between student financial assistance and income assistance is one of the main reasons why income assistance recipients can't gain access to employment.

Basically the way that the Department of Community Services has addressed the basic understanding of the regulation, which is that if you're a student you shouldn't have access to social assistance, is by introducing exception programs - I mentioned the Career Seek Program and the Educate to Work Program.

The difficulty with these programs is that you already have to be on assistance to gain access to them, so there's no support for the student for - students who are in school right now who are facing income deficits, who are not sure how they're going to stay in school, and then often have to drop out as a result, and whether that's to drop out temporarily and work for a while and then go back to school, or whether that's to drop out and then go on assistance, in both those cases you're not seeing that individual realize to their full potential, in terms of gaining access to gainful employment.

Currently the department denies students under Regulation 12. Even though Regulation 67 is the one that's on employment or on gaining access if you're a student, Regulation 12 is the regulation that says that if you have access to resources from another source, that that's where you need to get them from. The issue, though, is that we've already established that the resources available for high-needs students, simply there's just not

enough. So for low-income, high-needs students there is a gap and that gap can't be addressed by student financial assistance. So, as a result, and under the current regulation, under Regulation 67, it can't be addressed by Community Services. So these students really have nowhere to turn.

We're recommending that Regulation 67 of the Employment Support and Income Assistance Act be repealed. In that case, really the department would still have the opportunity, under Regulation 12, to exclude students who were not high-needs students. So your average student, who is like a low-income student coming to university who doesn't have any dependents and doesn't have a disability, is not going to be eligible even if you remove Regulation 67 because Regulation 12 ensures that if you have access to adequate resources through another means, that that's where you have to go.

I want to make that clear because I think that there's often this perception that if we repeal Regulation 67, that now every student is going to have access to income assistance and that'll mean that the costs of the program will go through the roof, when that simply is not the case.

I want to talk a bit specifically about Career Seek because the Career Seek Program has been, in my assessment, fairly unsuccessful. Where the Educate to Work Program provides funding for students for their tuition fees, as well as their associated costs, the Career Seek Program simply provides living allowances while a student has a student loan. So knowing that education is so expensive, often knowing that student debts are so high, the Career Seek Program really doesn't address that debt aversion, in that students are looking at a possibility of still graduating with over \$40,000 of debt, even if they have access to income assistance, because for their tuition fees and books, they're expected to go to the Department of Education for those costs with student loans. So there is that difficulty.

The other thing that is not often recognized is that the living allowance provided under the needs assessment for student financial assistance is higher than the living allowance allowed for under the Department of Community Services. So what this means is that if you are a dependent student, or what's referred to as a dependent student - which is someone who has just moved out from their parents' house and is attending university or college - you are given actually a higher living allowance than someone who is on social assistance who is a single individual. So the same characteristics, both sides, the living allowances are different.

Even if, under the Career Seek Program, you're receiving - I mean we've talked to the departments about communicating and making sure that no students lose here, so I think that that's important, but there are challenges here that the Career Seek Program faces that the Educate to Work Program doesn't really face, because of how it's funded.

Now if you take into consideration the possibility of increasing the grant under the Department of Education grants program to 50 per cent, which could be done entirely by

taking away the graduate tax credit - if you took away the graduate tax credit and reallocated it to front-end assistance, that would pay for an increase of the grants program from 20 per cent to 50 per cent.

Now if you take that into consideration and then you consider that the Department of Community Services and the Department of Education could work together to provide the provincial portion of a student loan as joint funding between the Department of Community Services and the Department of Education, your per cost of each client who is involved in the Educate to Work Program and the Career Seek Program would be the same annually, but you would have to factor in the fact that someone would be in a program for three or four years, as opposed to two years - one or two years for a college program. So the costs here are not unbelievable and what this would mean is that you would address two issues. One is that you have people on social assistance who need access to skills training so that they can enter the workforce, so this would help ensure better opportunities for both college and university programs for those people.

[1:30 p.m.]

Then, in addition to that, you would also ensure that the people who are already in school, right, so those are the people are currently rejected under Regulation 12 and Regulation 67 - they would also have access to social assistance, so they could continue their education. What that would mean is that you would be providing a short-term amount of relief for what would be a long-term benefit for the province. These people would go into employment where they would be working, hopefully in environments where they were able to pay taxes, they would be contributing to the economy, they wouldn't be drawing on social assistance and that should be the focus, the focus should be moving forward with a long-term vision.

So we know that welfare rates are appalling in this province and that we, through policy, are forcing people to live in poverty. One of the only options that people have is to educate themselves to get a better job so that they can pull themselves out of poverty or come out of poverty. Denying people on income assistance and denying students access to income assistance really puts another barrier in place that prevents people from getting out of that cycle.

I want to stress that this policy doesn't just affect the people who are in school or being shut out of the system right now, but also often their children. The MPHEC found that parental educational attainment was one of the strongest indicators of a child's ability to attend and pay for post-secondary education. Basically, the policy as it stands is perpetuating a cycle. That means that the people who are shut out of university now continue to be shut out, as opposed to creating a way for people to break the cycle of poverty and ensure that their children are also being able to contribute to society through employment and civic involvement.

In order to ensure the economic success of Nova Scotia and ensure that we are providing people with the training that they need to get jobs in a knowledge economy, which is what we are in right now, we need to ensure that there are supports for low-income people, be they already in school or be they on social assistance and trying to get into school.

So that's all I have in terms of presenting, but I'm open to taking questions.

MADAM CHAIRMAN: Thank you very much, Kaley. Leonard.

MR. LEONARD PREYRA: Thank you, Ms. Kennedy, it was a great presentation and a great tour of the horizon in terms of educational issues, especially as they relate to students and the economy and the current economic situation that we face.

You didn't cite something that was distributed by the CFS last month and that was the student debt in Canada. I was shocked to see that student loan debt at the moment stands at \$13 billion, I shouldn't say at the moment because I went in there last night and it was ticking away and it was \$13 billion on January 21st, but that's just for the federal student loan part. There are some provinces that have a lower provincial debt, do they not? So if the students were a province they would be among the highest risk category in terms of loans and it was shocking to see how quickly that number was going up last night. What is the current gap between the province and the federal average in terms of tuition fees? Is it around \$2,000?

MS. KENNEDY: It's about \$1,500 now.

MR. PREYRA: That's including the bursary or without the bursary?

MS. KENNEDY: Well, it's averaged. They've averaged the rebate, so for those who don't know, I'm just going to give a short explanation of how the rebate program works. Currently, tuition fees are frozen at the levels that they were at in 2006-07. Then there is a Nova Scotia Bursary Trust Fund that provides a rebate through the universities to students from Nova Scotia who apply from Nova Scotia to university and are studying in Nova Scotia. So students will see this as a credit on their account and the way that has been factored into the Statistics Canada framework of evaluating what the tuition fee costs are, is that they evaluate it the same way they evaluate the Quebec differential fee, which is they average how many students are receiving the rebate and how many students aren't, and then there's a global average that is achieved. I don't know what the limit would be if you took out that factor of the rebate, but it would be higher.

It should be noted that that money was invested in a trust and the money in that trust will diminish at the end of the time period as it has been laid out for when it's going to be spent. At that point, tuition fees are still going to be on the books as being at the 2006-07 levels, so the average right now is about \$1,500 above the national average.

MR. PREYRA: I had a question for you about the Career Seek Program, because to me there is quite a bit of confusion here between what the government is saying about Career Seek and what you're saying in this document. For example, the government, in a document released on spending promises and Career Seek, says that there are approximately 27,000 people on income assistance and that at least 500 people would take it up if income assistance was extended to allow students in a post-secondary program to avail that program. Now you say that there would be 270 eligible. Why the gap?

MS. KENNEDY: When the minister at the time announced changes to the Career Seek Program, after a lot of pressure from students and their families. They changed a couple of requirements, including allowing people who are doing a second bachelor degree to have access. When that was announced, it was also announced that they would do away with the 50 people limit and that of the 27,000 people on income assistance, they estimated that 1 per cent of those 27,000 would be university ready for Career Seek. That number is from a quote from the minister in an article in The ChronicleHerald in the summer.

MR. PREYRA: So the 500 figure doesn't jive with the minister's own projections of 1 per cent?

MS. KENNEDY: No.

MR. PREYRA: The document says that if the cap is lifted, it would take us to 500. In your opinion, is there a cap at the moment?

MS. KENNEDY: No. My understanding is that there is not a cap on the amount of people that can be enrolled in Career Seek. My understanding is also that the department has had applications that have not necessarily been eligible for the program forwarded to them, so that they can work with that person on an individual basis.

MR. PREYRA: Now would it surprise you to know that I checked yesterday with the Department of Community Services and this document projects 500, would it surprise you to know that only 28 people applied over the past year for the program?

MS. KENNEDY: No, that wouldn't surprise me.

MR. PREYRA: So there's a huge discrepancy there between what this document says, what you're saying and what the actual facts are. The document says that the cost of this program, which essentially is what you are calling for as well, would be \$23,600,000. What do you make of that figure?

MS. KENNEDY: My understanding of that report is that the way that number is calculated is by calculating the cost of having a single parent on assistance, times the four years they would be in school, times this 500 people, so I think that we've already established that the department has determined that 270 people would be eligible for the program, so that already significantly reduces the number. Also, those people under Career

Seek currently, you have to already be on assistance. Those people would already be being paid assistance. It's about whether or not their eligibility for assistance continues. So if they don't get access to assistance while they're in school, they can't go to school because there's not enough money. If they get their \$12,000 from the student financial assistance department but they then lose their \$11,000 from the Department of Community Services, then they're still not going to be able to attend post-secondary education, so then they're still going to be back on assistance.

I think that presenting that figure in that way is misleading because I actually read a letter in the ChronicleHerald about this recently, that you're thinking about the next four years that person is going to be on assistance, as opposed to the next 20 years that that person is going to be on assistance. So I think that the 28 people who've applied for the program - one of the issues is that a lot of times the people have to prove through the employability assessment that going to a post-secondary program, whether it is at college or university, fits in with their employability assessment and that has to be worked out with their case worker.

There has often been the idea put forward that this would open the floodgates but the department has so many steps that people have to go through that making these small changes is not going to open those floodgates because people are still going to have to go through the employability assessment and still, at the end of the day, if they can prove that they have a good argument to go to college or university and that's jives with their employment assessment, they're still going to have to get through that process and decide whether or not it's going to be Educate to Work and go to college or Career Seek and go to university.

One of the reasons why the program was initially so difficult was that there were problems around just simple knowledge of the program.

MADAM CHAIRMAN: We'll move on and you can put your name down for round two, as well. Leo.

MR. LEO GLAVINE: Thank you very much, Madam Chairman, and thank you, Kaley, for coming in today and giving us a good, strong overview of where things are.

I know the statistic that I found last - and I think it was based on probably 2007-08 year, when the Maritime Premiers Report on Higher Education came out - there was around 35 per cent of Nova Scotia high school students who felt that due to their economic situation, could not attend university. Is that much the same this year? Have you looked at that recently? That truly is a very disturbing statistic and I'm sure, while I use university, I'm sure for many colleges, community colleges probably much the same. So if we have that many of our students at a time of general declining enrolment, in addition to Career Seek, what do you and the federation see as avenues to make university more accessible?

We pride ourselves on the universities that are here giving us top quality undergraduate degrees and more and more we seem to be counting on foreign students, international students, other students from across Canada, yet we don't seem to be holding on to as many of our own Nova Scotia graduates as what we could be and should be. I'm just wondering, I mean Career Seek is really a stepping-stone, as we know, for a small number - in essence, an important number, there's no question - and as my colleague referenced, probably needs to be accessible to many more than the 28 pickups that we currently have - applications, yes.

[1:45 p.m.]

What do you see as perhaps the next step? I mean some progress has been made on closing the gap on tuitions but what do you see as probably next steps to get that 35 per cent - one-third of graduates and we're talking about students who have the ability, the qualifications to go to post-secondary?

MS. KENNEDY: I think that while there have been gains made, in terms of tuition fees and financial aid, that those gains have not made up for the previous 15 years of problems that we witnessed. So I think that in terms of one of the problems that we see is that the way that the government has approached the tuition fee rebate program is essentially a food stamp program to post-secondary education and what we need is a sustainable tuition fee reduction program that freezes tuition fees and reduces them, not through a trust that's like on the side, but through the base budgeting of the government.

It's important to note that we also fund our universities at \$2,000 less than the national average, so that means that what we're spending per student is less than what they're spending elsewhere and that is where we could improve, we could further reduce tuition fees.

In terms of the financial assistance, I think that we really need to increase that grants program. The way that Newfoundland and Labrador, which has some similar economic and demographic issues, has addressed some of their problems with declining enrolments and their problems with retaining young people, has been through post-secondary education.

Recently, the Minister of Education in Newfoundland and Labrador announced that their strategy of reducing tuition fees and providing a 50 per cent grant of their provincial student loan has been effective at keeping students here and that they wanted to speak out against a report that came out that said that universities should be going to students for more funding, by increasing tuition fees. A report came out from the Educational Policy Institute that said that in this tough economic time, we should increase tuition fees. The Government of Newfoundland and Labrador actually said no, when we're in tough economic times, we also invested in our post-secondary education institutions and what that has meant is that we have a more educated workforce; we're looking at a lot of our

youth staying around who were leaving before and we're actually attracting people to the province.

I think that really what we need to be doing is concentrating on a program that reduces tuition fees and provides better financial assistance, in order that students can stay in Nova Scotia and not to go Newfoundland or not go to Ontario or Manitoba, and also, that after graduation, they're not facing huge debt loads, so they're able to stay after graduation and invest here.

I think I want to note, too, that the graduate tax credit, which is estimated is going to cost \$14.3 million, moving that money to upfront grants would significantly reduce student debt and graduates of university are often - one of the main reasons that they cite for leaving is financial reasons, but then only 1 per cent of those who stay say that they stayed because of the graduate tax credit, which is \$2,000 non-refundable tax credit that you can claim.

MR. GLAVINE: Yes, that's a couple of areas, actually, where I was going with my next question, Kaley. I didn't get the statistic from Memorial University this September. I called last September but this year I didn't because, to be quite frank, I found it pretty depressing to find out that there were 1,034 students from Nova Scotia at Memorial University in the previous academic year.

There's no question, I think those two elements of the lower tuition to start out with and the burden of debt, in fact, create the exodus when we have our well-educated young people coming out of university and colleges graduating. In my view I think in Nova Scotia, we missed a golden opportunity to create a real legacy-type of project with a one-time natural resource and that is with our gas resource. If we had to put some of that, I feel, into educating the next generation of Nova Scotians, we would be much better served.

If we look at the progress that Ireland did make, remember, they educated their people first. The high-tech industries didn't come to Ireland because they saw tax breaks, et cetera - they came because they had a well-educated workforce to be able to set up. I think that's an area that we absolutely have to look at in Nova Scotia. We do have 10 or 11 degree-granting institutions and we have to look at other ways of making them more accessible to our students.

With that, however, I did want to ask you before my turn is over about the Career Seek, which is a big part of your focus here today. One of the areas that all of us I'm sure, as MLAs, are hit with from time to time, from a whole range of programs, is that we didn't know that existed; we didn't know it was there. What would your report card be on government actually making this program known to people who are on income assistance?

MS. KENNEDY: I met with the former Minister of Community Services when she was minister about 18 months ago to make recommendations to improve the program. We talked about how the program had been advertised and how it could be better advertised. I

think that the program - I will say that things have improved, but I do think that it's important to note that the Career Seek Program is a bit complex in terms of what it includes, what it doesn't, how it works and how it doesn't.

I found myself, even after changes were announced, talking to officials within the Department of Community Services and within the department of financial assistance and having meetings that would go upwards of two hours, that were just addressing issues that hadn't really been thought about in terms of interdepartmental communication. In terms of how the Career Seek Program has been advertised to recipients, it's difficult to say because that really relies on the caseworker and it really relies on what the caseworker's load looks like, what knowledge of programs the recipient has themselves and that kind of thing. I would say that I don't really have a good enough grasp on what work has been done on that level to make sure that the caseworker is telling the recipient what's going on.

The materials that were produced on the Career Seek Program are fairly clear and I think the department did take a lot of our recommendations in making those better. I don't necessarily think that they're getting out to the places that they need to be getting out to. I think that networks like women's centres and other community organizations - while the materials have been distributed to some of those, I'm not really sure how well they've been explained so that people can talk about the program. I do want to stress that the program is not straightforward. You can't just say, hey, I'm getting income assistance and I want to go to university, I want to be part of this program. It has to be part of the employability assessment and there's a process that you have to work on with your caseworker and then you have to apply and there are a number of different issues there.

One of the ways the department has kind of fixed that is to get all applications or anyone who applies to have those forwarded to the department so that there is some level of knowledge about how many people are inquiring about this program. Because the caseworkers are really the gatekeepers in terms of programs, it's really hard for any statistics to be found on how many people are asking about the program, how many people are wondering about the program and things like that. I do think there could definitely be improvements and by making the program easier to access, then more people would be on it and then more people would know about it.

MR. GLAVINE: Thank you.

MADAM CHAIRMAN: Trevor.

MR. TREVOR ZINCK: Thanks, Kaley, for coming in. I know you've been waiting for a while to get in here. I want to just kind of piggyback on those comments that Leo had made. One of the conversations I had with the minister, after we found out how unsuccessful Career Seek was, was about exactly how it was being communicated. One of the things that we discovered was that most of the applications were being turned down right at the caseworker level. The question that I would pose to the minister at that point

was, how informed were the caseworkers in allowing a person to have the uptake on this program.

One of the things that came out after the first year, the unsuccessful year leading up to the changes, was the fact that we identified the 1 per cent - the 1 per cent never came out, the 270, but one of the things I expressed to the minister was, let's go out and get them. If we're saying there are 270 possible people, that's still a good number, let's be proactive and go out and find these people. To me it comes right from the beginning, when I approach the department for help. When you're sitting in front of a caseworker there has to be an assessment done instead of just the three major questions you get asked, which is the income statement, your place of residence and your last year's income tax return. Tell me the story, if you have somebody that has a little bit of fire in their belly at that point, offer up this possibility - did you know that we have this and these are the steps.

The next problem with the program is actually following those steps, having the person go through those steps and fully understand that here are the checks and balances, these are the people that you're going to be lined up with. A lot of times - and most recently in the last six months - what I've been getting is a number of people come to me who are completely confused as to where they're at now and what they've been promised, so they've never really understood the steps. Twenty-eight is better than two, it's not even 50, but I think if we're more active in that role I think more people on assistance would be able to benefit from it, but it has to start at that very beginning point.

That was just a comment I wanted to make and the minister, in creating the changes, and one of the biggest things the minister told me was that one of the hardest things that Cabinet had to approve was the fact that they reduced it from a year to six months and they allowed that person to stay on income assistance and have their shelter allowance. That was the toughest decision that Cabinet had to make and she fought for that and that does help. Again, it is being aggressive with this. If we want to reduce the numbers, we have to go out and find those people and we know a majority of them are single parents and there's just not enough.

You mentioned that one of your other concerns is the fact that students go out and apply for university, get all the financial needs met as far as their tuition and everything, but then they hit a roadblock and when they hit a roadblock there is no one there to pick them up, so they leave. Do we have an idea of what kind of percentage or number as far as students who would have left because they weren't able to receive assistance?

MS. KENNEDY: Before I answer that, I just want to get back to one thing I should have mentioned earlier. While the program was launched in January 2007, caseworkers were not given instructions on how to administer the program until July of that year, so there was that significant delay. That became clear just through our networks of people who are working with the department on the program and that was one of the barriers.

I think that one of the issues that you identified is the kind of three questions you get asked when you go to your caseworker and the issue, I think, is that there does need to be more staff hired in order to deal with the caseload. We are looking at caseloads where people aren't able to really give appropriate attention to each of their clients because they have too many to look after, too many to be dealing with. So often these programs get forgotten in some ways because it's additional work for the caseworker, it's additional work in time meeting with the client. I don't mean at all to say that the Department of Community Services workers are not doing their job or not dedicated to their work, but when you have a higher workload it often means that you have to cut corners and often it's programs like these that those corners get cut from. The solution to that is not putting more work on caseworkers, but actually by increasing the amount of caseworkers and reducing workloads.

[2:00 p.m.]

In terms of people who get into a program and face a financial barrier that they can't overcome, I don't really have any numbers on that, but the majority of that would be single-parent students, of people who have children and are trying to go through school and maybe they have some money saved up from some work and that gets them in the door, or maybe they got an entrance scholarship and after that the money is gone, they're facing a pretty dire situation.

We worked with a woman who actually was able to access the lone parent student housing program and because of that, that was kind of where she was able to make up her income deficit, in this housing program. She basically faced the ending of that program because of eligibility requirements and she had completed a degree and then was doing a Bachelor of Education degree. She really faced the reality that she might not be able to continue in school, so for her it's a month-to-month thing. If any kind of emergency comes up, that's automatically going to mean that she's dropping out of school.

We know that every campus but one in the province has a food bank on campus. We know that students, your average student is already grappling with poverty in terms of whether or not they're going to pay the rent or pay their tuition fees, whether they're going to buy books or put food on the table. We know that those are issues that are facing students that we work with every day. We know that that's an issue for students who are not just single parents or students with disabilities, but your average students who are really trying to make ends meet.

We know that women's centres across the province have volunteer child care programs to make sure that students can get child care so they can go to class without having to face huge expenses. We know that the community has responded by providing programs through volunteer labour to address some of these issues to keep people in school. What we're seeing is there is no support, really, for those students from the government, there's not adequate support, so it falls on the community then to pick up the slack and it falls on students as individuals to try and scramble to find money, whether that's trying to

pick up a job while trying to raise a child, whether that's moving into substandard housing, whether that's having to take time off to work and then come back.

The enrolment patterns in this province are very hard to track right now because we don't have enough data on why people are leaving post-secondary education. We know what dropout rates are, we know that when you look at how many people who drop out come back, that dropout rates aren't actually as bad as we thought they were. The reason for that is that a lot of people have to leave to be able to come back. We know that there are more full-time enrolments, or more FTEs - that's full-time equivalents - even if there are more overall students, there's less FTEs because students are going and taking three or four classes instead of five.

There are several issues that we've seen in terms of enrolment patterns, so it's really hard to kind of zone in on what kind of numbers we're talking about. But we know that they exist and we know that people would benefit from being able to access social assistance for those emergency two years when they're like, I don't have a scholarship now, I need to provide child care for my child, I need to go to school, I need to finish this degree. Being able to provide support for those people, it's not a huge population, it's not 50 per cent of our student population or 50 per cent of our student financial assistance population but it is an important number.

MR. ZINCK: So in high needs, you're talking like the single parents and stuff, mainly?

MS. KENNEDY: Mainly single parents and students with disabilities, so while students with disabilities are covered under the Canada-Nova Scotia Labour Market Agreement for Persons with Disabilities - which is one of the exceptions under Regulation 67 - the problem with that is that if you're, for example, taking a second degree, which is a problem that we encountered this year, then you're not eligible for that. So by doing away with the regulation, then each individual case would be assessed based on need. So, for example, if you had some kind of injury that left you with a temporary disability, or if you all of a sudden had a dependent, because you were caring for a family member or someone who is sick or something like that - there are instances where that comes up elsewhere, but in terms of high-needs students, we're specifically talking, mostly talking about students with disabilities and single-parent students.

MR. ZINCK: I guess the biggest thing that I've seen - and again two things and I'll finish on this - it has to happen right from the beginning. I think we have to change the whole process, the whole mindset when someone is coming to us, as government, for help, I really do. Like I said, 28 is not enough.

What I'm finding really is that people who do get involved in it, and whether it's the Labour Market Agreement for Persons with Disabilities or Educate to Work, we usually get people when they need help and I love when someone comes to me right from the beginning and says, I need help, can you help me? Well, we go visit the caseworker and

then we talk about employability assessment, let's get the ball rolling right now, this person needs help, boom. Then, by that time I can be reassured that this person won't come back to me because the steps are in place.

What I find lately is that I'm getting more people coming to me when they're out of money, when a program has failed, that the communication has broken down and they don't know where the heck they're going to be. That's frustrating for me. I couldn't imagine being the student, wanting to get their education and having that hope squashed. It's getting off the system, how much help are we actually doing? If I have someone who wants to get an education, I'm going to make sure that they darn well understand all the steps and the requirements and the responsibilities that they need to take and what we're prepared to give, as government, so that going in, they've got a direction that they know they're going. Thank you.

MADAM CHAIRMAN: Thank you. Jamie.

MR. MUIR: Thank you. I just want to pick up perhaps tangentially on what Mr. Zinck said. One of the things that I think, if a Nova Scotia student accepts or applies for all of the rebates that are applicable to them, I think it's something like 60 per cent of the Nova Scotia student loan can be worked off or forgiven, is that correct?

MS. KENNEDY: In terms of the programs in place . . .

MR. MUIR: Or is that number high?

MS. KENNEDY: I would say that that number is high. In terms of the way that the system works now - there was a debt remission program and that debt remission program has actually been moved to the front end to provide a 20 per cent upfront grant. So I'm just not clear, are you talking specifically about the Nova Scotia portion or the overall . . .

MR. MUIR: Yes, the Nova Scotia portion, that's correct.

MS. KENNEDY: I'm not familiar with that statistic but I don't know if (Interruption)

MR. MUIR: I can say that I do know it was significant - Dr Preyra would probably know that as well. The reason I mentioned that is that one of the frustrating things for the Department of Education, I guess, would be that students wouldn't apply for this. We put it in the student newspapers, you do this to it and you do that to it, and I'm going to speak as somebody who was formerly the Minister of Education, I would go to caucus and get hammered by my caucus colleagues because people didn't know about this.

I'm not supposed to talk about what goes on in caucus but this was sort of a regular thing, and we got hammered in the Legislature on it, too, so it wasn't as though it was something secret. (Laughter) You can take the horse to water but you can't make him drink.

How do we do that? Clearly I felt that there had been a pretty credible job done- including putting information in graduation packages and all that - to get students to actually be willing to accept the assistance that was available.

MS. KENNEDY: I think the easy answer is that you just don't require an application and that people who are - like the department has significant information to make that decision about whether someone is eligible for a debt forgiveness program and it's really not required that . . .

MR. MUIR: We don't know or the department wouldn't know whether they're working in Nova Scotia.

MS. KENNEDY: But that's the thing - you have to understand what the requirements are. So if the requirements are you get a certain amount if you stay in Nova Scotia and this incentive structure, I would say that that's the wrong way to go about it. What you do is you mediate the causes of why people leave and so, for example, the way that the program works in Ontario is there's a back-end debt remission program in Ontario and if you are a student who does not receive a needs-based grant, then your cap is \$7,000. So if you are from Ontario, if you borrow more than \$7,000, at \$7,000 they give you a grant to cover whatever is left. So that means that no student takes more than \$7,000 of debt per year. So, as a result, no student graduates with more than \$28,000 of government debt. If you received a needs-based grant, then it's at \$6,500, so they graduate with less debt.

The problem of why graduates don't stay in Nova Scotia is because of financial barriers, in terms of financial barriers sustained. If you graduate with \$30,000 of debt, you're not likely to be able to take a job that you might make less at but you might enjoy more, because you're thinking about, well, I have to make this \$400 student loan payment and I also have to pay my rent and all these other things.

The department has made some improvements there, in that, for example, in terms of the repayment assistance program, the way that that's addressed is that you don't have to prove your income in your first six-month interval. So it makes it easier for students to gain access to interest relief, which means that they are not forced to pay huge loan payments right out of school and are able to manage their debt load.

Really what should be happening is trying to reduce debt at the front end, as opposed to trying to make it easier to manage debt later on. Just because you are able to manage debt doesn't mean that you're going to have a lot of income to do things like buy a home, or start a small business or go into - live in a rural area where you might be looking at lower wages. Those are not options available to you if you're able to manage debt but not able to reduce debt.

MR. MUIR: Interest on student loans - you can use that as an income tax credit, is that correct? If you pay interest on student loans, whether it is federal or provincial, do you get an income tax credit for that?

[2:15 p.m.]

MS. KENNEDY: I'm not sure at the federal level but here there's a graduate student . . .

MR. MUIR: Tax credit.

MS. KENNEDY: . . . tax credit that you can claim that's non-refundable, but I'm not sure what you pay on interest factors into that.

MR. MUIR: I'm not sure on that, perhaps somebody else, but I see somebody shaking their head you can't do it. I think you can, I'd have to check that out.

A couple of other questions that are going to seem kind of different to you, we'll get away from that now. We have a lot of universities and our strength is in our diversity and I know diversity is very expensive. The number of students that we have who come from outside of Nova Scotia because of the quality of our institutions drives up the university costs. The federal dollars that flow to education, flow to the originating province, where they come from. Has your organization been at the federal government lobbying that? What kind of response are you getting? We've been doing it for years without a whole lot of success yet, but it would be in terms of \$20 million to \$30 million, something like that roughly, that would be able to flow into the higher education budgets.

MS. KENNEDY: We meet regularly with MPs across the country to discuss issues around post-secondary education and funding as a main issue. We have had a long-standing campaign for a federal funding model that would ensure that post-secondary education has a dedicated post-secondary education transfer that is regulated by a post-secondary education Act, in a way similar to . . .

MR. MUIR: That follows the student.

MS. KENNEDY: That follows a student, yes, that is similar to how the Canada Health Act works and how the transfer portion of the Canada Health and Social Transfer works. The thing that should be noted though is that in terms of the amount of students that Nova Scotia has overall - well we have a lot of students for our size of province - of the overall portion of students across the country, it is still a fairly small proportion. We have about 14,000 students who are not from Nova Scotia, either out of province or students from out of Canada and that represents, I don't know the number, we have about 40,000 students overall across the province in university. These are just university figures.

I think one appropriate statistic is that after the first \$440 rebate was introduced, soon after that the government posted a surplus of over \$200 million that went to paying down the debt and that - it was, I think, \$228 million - not even the entirety of that, but if we had used about 95 per cent of that, we could have eliminated tuition fees for every student in this province. So to just extend that relief from the \$440 to the 14,000 students who were excluded from that first rebate would have cost \$11 million, which is less than 10 per cent of that surplus that was used to pay down the debt was posted, in terms of year end spending. I think it is important that we also look at what choices our government has made in funding education and what choices have been made regarding who gets relief and who doesn't.

It is also important to note that of the students who come from out of province, over a quarter of them stay in Nova Scotia. If we know that one of the main reasons that people leave is because of financial reasons, then it would make sense that we would want to reduce tuition fees for all students so that we could make sure that we are bringing students in. Otherwise, with the declining high school population, with demographics and an aging workforce - we know that we have an aging workforce - Nova Scotia is going to see some serious skill shortage if we don't promote education amongst our students and amongst students from elsewhere to come here and stay here.

MR. MUIR: How much time? One more, okay. I have about four more here, Madam Chairman, I'll have to take out the most important one I guess.

Let me look at it this way - we've got a whole series of very good community colleges around here. Do you think we in Nova Scotia should be looking at - and I'll use the word - the CEGEP model?

MS. KENNEDY: I think that looking at the CEGEP model is not as good a comparison as comparing to British Columbia where there are a number of articulation agreements. There is an overall better integration in terms of the college system and the universities. For example, you can go to Douglas College in B.C. for two years and then go to UBC for two years and come out with a four year degree. This is already happening, I think the Mount is the flagship for kind of that type of programming, where students can do a two-year program, for example, at the community college in Amherst and then go to Halifax and do two years or one or two years to get a three or four year degree.

I think that is something we definitely support - we think it is really helpful in allowing more students to access post-secondary education because you're talking about the community college system has campuses in a lot of smaller communities across the province, so it means that often students can stay at home while they go to school. Also, the community college tuition fees are significantly lower for a two-year diploma program, it's \$2,700 for a year and for an advanced diploma it's \$3,700 a year, which is several thousand dollars lower than the \$6,500 that your average undergraduate student is paying. If on top of that you're not having to move to the city and pay higher housing and living costs, then that's an additional savings. So, in terms of improving access, improving

articulation agreements, ensuring that those relationships are stronger, it isn't an effective measure.

MR. MUIR: Just one final comment which ties into that, if you don't mind, Madam Chairman, is that there is a significant portion of community college students who already hold a first degree.

MADAM CHAIRMAN: Thank you. So, Keith and Leo are going to share Keith's first-round question time.

MR. KEITH COLWELL: Just a couple of things and I'll turn it over to my colleague. My son graduated a few years ago now and a lot of his friends have gone outside the province to seek employment for all kinds of reasons. I've talked to him many times and talked to many of his friends about this, some of the people have gone away and come back to Nova Scotia to work again and the one thing that is common it seems among all of them is they all want to stay in Nova Scotia, number one - that's important because most of them are originally from Nova Scotia - but the other thing they say the big problem is, is that there are no career opportunities here. That's the biggest issue. They say they would take less money and they would stay here, but the career opportunities aren't here. It seems that they have to go away, get some experience and then come back into the workforce here that they've already started their career with some experience and then come back and work. Have you heard that same thing?

MS. KENNEDY: I think that definitely it's an issue. I think there are concerns around having access to jobs that you're being trained for and that kind of thing. I think one of the ways that you see that improved is through things in places where - just talking amongst ourselves identified, there seems to be a need for more community service workers, more social workers. At the same time we also see social workers leaving because there are not actual jobs for them to go to, even though we need more of them. I think we need to identify kind of where there are employment needs as well and then address that.

I want to just touch on your comment that most people want to stay here - I think that's a really important comment. We see a lot of students who, when they graduate with \$40,000 of debt they go to teach English overseas, or I have a good friend who had to move to Ottawa because he graduated with \$60,000 of student debt and couldn't make his \$900 a month payments. I think in terms of career opportunities, I would hope that if we reduce debt that that would mean that students would be able to take on jobs that would be paying less and that would open up more jobs at, I guess, an entrance level.

I think it's also different, though, to say that if someone is going to go away for two years, get experience and then come back, it is a different situation than if someone has to leave for 10 years to pay off the term of their student loan before they can come back. So I think that it definitely has to be part of the larger economic strategy, in terms of accessing post-secondary education as part of a broader economic strategy to ensure that there are

quality jobs here and that we move towards a knowledge economy, as the manufacturing sector continues to suffer.

MR. COLWELL: My son's friends actually are in the information computer technology, that's what they're in. They've actually left the province for experience and one of his friends actually went to Toronto and makes huge loans to businesses. He went to teach English for a couple of years in another area and he just went because he wanted the experience, no other reason. He didn't have to go because of financial situations.

It's unfortunate but I think one of our big problems here is the economic opportunity for students to stay here. You see students who maybe have a bachelor's degree, working at Tim Hortons. I think that's the biggest crime that ever existed. I don't know how they cope with the situation. I see some of them in my constituency office, struggling with student loans and wondering how they're going to deal with those and don't want to leave the province.

As my colleague indicated, a lot of people take the bachelor's degree and then they go to community college so they can get employable skills. That's a pretty scary statement, too, when you think about it, that you take a bachelor's degree and you can't find a job because the requirements are so much higher now for people to get well-paid positions. If you complicate all that with the fact that people in Community Services, which the government has tried to do some things with - I don't think they've done enough, quite frankly - to get people out of that cycle of not being able to improve their situation in the province or wherever they're going to be, by not having a proper education.

So I think when you factor all those things in, it's very, very difficult for young people coming out now. We're going to tie into an economy now that just yesterday it was on the news that they recognize that Canada is now in a recession and the Bank of Canada is going to drop the interest rate to 0.5 per cent, to try to stimulate people to spend money and to businesses to expand and stuff, but if there's no markets, there's nowhere to expand.

What is the feeling amongst the students when they look at this situation where job opportunities that used to be there with some companies aren't going to be there any more, companies that pay well, some that are here and some that are outside of Nova Scotia? What are the students thinking about this? I mean this is a crisis, not just here in Canada, it's all over the world.

MS. KENNEDY: I just want to address a few things; one, in terms of the patterns of university to community college and community college to universities, I don't necessarily think that that's a bad thing, right? When someone goes and does a - maybe they do a Bachelor of Arts in Economics and History or something, and then they go to the community college and they do accounting or a program in general small business work or something that's more, I guess, what we would think of as a more tangible skill. The skills that they learned in their BA program are going to apply to wherever they end up working

after the community college and that will provide them with better upward mobility within any kind of job that they enter.

In terms of the economic situation, I think that one thing that I haven't touched on but is something that we've been very vocal on, at both the federal and provincial level, is that we haven't really seen enough research funding. That's something that does provide employment and stimulus that can be really effective.

I just want to take a second to kind of talk about how the government in the U.S. addressed education as part of its stimulus package. They provided more funding for their student financial assistance but also provided more funding to the core funding of their institutions and provided significant research funding, in addition to providing infrastructure funding.

[2:30 p.m.]

I think we need to think about taking a balanced approach to education under any kind of attempts at stimulating the economy, to include that students who graduate with \$30,000 and \$40,000 of debt. What they're not doing is, they're not buying houses, they're not buying cars, they're not spending the money that they have. When you are paying \$300 or \$400 on your student loan a month and \$500 on rent a month, plus you're putting food on the table, you don't really have a lot of income to play with.

I think we need to think about that - the way that we've addressed student debt has impacted our economy to where we are now. We know that people are waiting longer to have children, waiting longer to buy homes. We know that there's more mobility within the workforce, that people aren't staying at their jobs for as long as they were before and a lot of that has to do with the fact that we do have a young - whereas a lot of your colleagues and a lot of people of those generations benefitted from accessible, affordable, post-secondary education programs where you could work for the summer and then pay for your education for the year. People of my generation don't have that opportunity so people have to take on large student debts. As a result, that means they aren't able to do other things with their money.

So in terms of stimulating the economy, I think that we need to be thinking forward and I think it was Mr. Glavine who had talked about Ireland and Ireland eliminated tuition fees and so has Germany and France and other economies. They're still facing economic recession because we're facing a global recession but if you look at the impact, for example, of introducing tuition fees in Scotland and England or in Italy, and actually recently in Germany, you can see the impact that has had on students - not only student enrolment patterns but also students' ability to spend money on other things, what their graduates are doing and that kind of thing.

I think it's important to understand that education is tied into the economy and that we need to think about who is going to university and who is not. We also need to think

about what students are dealing with, in terms of after their graduation, how they're dealing with the debts that they've incurred.

MR. COLWELL: I agree because I think the only way our province is ever going to move forward and our country is going to move forward is through education. The more affordable we make it for students and the more we can retain that valuable resource here in Nova Scotia, the better off we're going to be. That goes for every province in Canada, the more students they can maintain.

I agree with your statement about taking a bachelor's degree and then going to community college, I totally agree with that, but it's unfortunate that a student has to do that today in order to get the skills they need, in some cases, for employment. It says that our economy is not as good as it should be here in this province, that's really very unfortunate.

I'm just really concerned about where the economy is going here. I think your comments about research are very, very important because without research and that research being turned into usable products at the end or usable ideas that can help industry grow and make employment, I think are absolutely critical to the growth of Nova Scotia. Unfortunately, over the years we've been not very successful at doing that in Nova Scotia. One time we had the highest per capita number of Ph.Ds, in Nova Scotia, yet our economy didn't reflect that - the brightest minds but somehow or other we didn't seem to manage to get that from that stage to industry so we could really generate an economy that we could be very, very pleased with. Indeed, we haven't quite made that transition, so I think that's another issue that, as politicians, we have to address and continue with the sole education.

Back to the . . .

MADAM CHAIRMAN: Actually, we're out of time. (Interruptions) So might I suggest, I'd like to take the next five minutes and then we have three people on for round two, if we don't mind limiting, each of those could have five minutes and then we need - you want to be on that list? Okay, well four minutes and then we need to wind up the questioning about five to because we have a little bit of business to do as a committee.

You talked, Kaley, quite a bit about unintended consequences sometimes of public policy. I'm just wondering, in your study of various stats and breakdowns, have you run across any gender analysis? I'm just wondering whether there's any breakdown on whether women and girls are impacted more than men and youth?

MS. KENNEDY: We do know that of the 41,000 lone-parent families, I looked up the census data today, so it's about 45,000 lone-parent families, that 37,000-some odd are headed by single mothers. We do know that impact is going to be greater, that any impact on single-parent families - it's going to be greater on women than on men. We also know that while numbers of women attending post-secondary education have increased over the past several years, that isn't reflected in graduate student programs, that while there are

more undergraduate university students who are women, as you go up the ladder that number falls, so women aren't continuing at the same pace as their male counterparts.

We know that more women than men live below the poverty line and that more households under social assistance also affect women. Because of those factors we can say that this policy actually more adversely affects women than men in the context of the people who it is targeted at.

MADAM CHAIRMAN: I also know that graduating women generally make 71 cents for every dollar that a male with the same degree or the same level of education makes, so it takes them longer to pay back their loans as well.

MS. KENNEDY: Well actually by the Canadian Labour Congress, their numbers on that. The most recent numbers in Canada are 68 cents, so it has actually gotten worse. Basically, a woman who has a bachelor's degree makes 68 cents on the dollar for every male with a bachelor's degree and that's worse than the kind of overall situation of 70 cents.

Also when you look at it, the tables - I think I was looking at tables from 2003 - of average income of a woman with a bachelor's degree is roughly equivalent to the average income of a man with a high school diploma. Really, if women don't have access to post-secondary education, they actually can't make a living wage on average. What needs to happen is there needs to be more access for women because if they don't go to post-secondary education, they're not likely to be making enough money to support themselves.

Also, from the census data I just wanted to note that the median income for lone-parent families headed by women was about \$7,000 less than that of lone-parent families headed by men. A lone-parent family headed by a male, the median income is about \$35,000 and it's about \$28,000 for a lone-parent family headed by a female.

MADAM CHAIRMAN: I think you mentioned earlier in your comments that one of the critical factors in increasing the educational aspirations of the next generation is the educational level attained by their mother, in particular. If we want to have that long-term positive impact, we do have to focus on educating women in this province.

I just briefly want to touch on something that you mentioned earlier and that's how often neighbourhoods and community-based organizations and communities themselves have come in at times of crisis to enable women, in particular, to continue with their education. Certainly two of the most upsetting constituent cases I have ever had were early on in my career as a politician, both involving women who came in, both within, I believe, two months of their graduation date and had run out of money. They were not clients of Community Services, went to Community Services and were told that in order to be eligible for a living allowance they would have to quit their program, apply, get on income assistance and then go back and repeat the year. You just wonder about cost effectiveness

and that kind of rigidity that would interrupt a woman's career path to that extent, just for the sake of a couple of months of assistance. Do you run across cases like that often?

MS. KENNEDY: Yes, that's actually the most common case. Someone who has not necessarily been on assistance who for some reason or another at some point in their degree is facing a financial crisis - they've basically run out of money because they're trying to balance on a very tight budget. What we're talking about is margins, of people who have budgets of, maybe you have \$75 a week outside of your required expenses to do groceries, prescriptions, any kind of emergency spending that might come up. So when you're looking at such tight margins, the slightest inconsistency in spending - an increase in heating rates, an increase in the price of oil, an increase in gas prices - can throw your entire budget off, and you have really no options.

That is why we're saying that we need to repeal this regulation because it's this regulation that gives that rigidity that says, unless you fulfill one of these requirements, you are not eligible. What we're saying is remove that and then you explore each individual case and whether or not they should be eligible for assistance based on their need, like everyone else is assessed. The other thing is that currently the department considers student loans as income. Now last time I checked, my student loan, I have to pay it back, so to actually consider it as income is not I would say, appropriate and doesn't really address what a loan is. You're not getting that money for free, so I think there are a number of things that need to be done to curb that exact problem.

MADAM CHAIRMAN: Thank you very much. We'll move on to round two and I'm sorry, but I'm going to have restrict each person to about three minutes. Leonard.

MR. PREYRA: I'll be quick, I'll use some of my three minutes. Jamie had talked about the criticism that government ministers have taken on education issues, but this may be my last opportunity to spend any time with him and I did want to congratulate him on the college system that developed on his watch, I think it will be one of his great legacies and I want to thank him for that.

I did want to come back to that infamous document that was so poorly researched. You referred to a letter in the ChronicleHerald and I just happen to have it and I want to read the first three sentences here. It says, "I found the Tories' anti-NDP PR campaign highly misleading. The Tories claim it would cost \$23.6 million to allow 500 income-assistance recipients to stay on the welfare system while they earn a four-year university degree. What they don't say is that you would need to subtract from that amount the cost of those single parents being in the system already . . ."

I guess that's what you're trying to say - there's no net increase in the amount that they're claiming. Apart from the facts of the document it seems to me that it says that the government would prefer to keep people on the welfare treadmill, that it sees Career Seek as a liability, rather than a way to get people off those welfare rolls. That was my point, the

problem with the facts and what it tells us about the government's attitude towards Career Seek and programs that remove people from the welfare rolls.

I have one more question really, it will probably turn more into a comment, but you released a press release on January 27th that talks about Obama's university package. It seems to me that what you're saying with Educate to Work touches on that, that the infrastructure programs that are in place now don't talk about social infrastructure and how we rebuild social infrastructure, what do we do about access to post-secondary education for older workers, for younger workers who need experience, what do we do about students who are looking for their first jobs, what do we do about students who are looking for their first jobs? What do we do for people who are trying to complete high school, for example?

[2:45 p.m.]

You talked about extending it to other groups but you know Aboriginal people, Africadians, Acadians, first generation students whose parents have never gone to university - all of those groups seem to have fallen between the cracks in these new infrastructure programs. I'm wondering what it is that you would recommend, in terms of social infrastructure?

MADAM CHAIRMAN: Kaley, could I ask if you could possibly keep your responses to a minute, to allow the other questions in this round.

MS. KENNEDY: Can we maybe just - I don't know if this is okay but ask if everyone can ask their questions and then I can respond at the end?

MADAM CHAIRMAN: Yes, not a problem, thank you. Keith.

MR. KEITH BAIN: Thanks, Madam Chairman, just one question for me. I'm interested to know if your association envisions a new or a different role that the educational institutions themselves can play in supporting more Canadians acquiring post-secondary education? Along with the government, is there anything that the institutions themselves can do?

MADAM CHAIRMAN: Okay, do you have a second question, Keith?

MR. BAIN: No, that's it.

MADAM CHAIRMAN: All right, Leo.

MR. GLAVINE: Thank you very much, Madam Chairman, and we'll go the same route. One of the areas that I believe very strongly is that - because if we take a look at the track of the provincial debt from the early 1980s on, and funding for post-secondary education, we see that as the debt increased, funding decreased. It's really only in the last four or five years, since the MOU has come in, that we have again started to increase, year

over year, post-secondary funding. So we have much, much room to make up. Therefore, my belief is that we will just do it in a very small, incremental pattern, will we get tuitions down to the average of where they need to be.

However, I believe an expanded Career Seek, with the revoking of Regulation 67, can, in fact, be very, very significant as part of the poverty reduction strategy. If you take a look at people who become community leaders, who have come out of poverty, who have come out and overcome the anchors in developing careers, they, in fact, I believe have positive multiplier effects in their community. I'm wondering if you would concur with that, as you wrap up your comments today?

MADAM CHAIRMAN: Thank you, and Trevor.

MR. ZINCK: Last Spring the federation went on a campaign to get Regulation 67 done with. Have you heard back with a response from the government?

MS. KENNEDY: Okay, so in terms of issues around social infrastructure - yes, I think we need to recognize that universities provide, depending on who you ask - if you ask the government, they'll say \$1 billion and if you ask the Council of Nova Scotia University Presidents, they'll say \$2 billion - of indirect and direct money into the economy. So we're dealing with a large industry in this province and that investing in post-secondary education, ensuring that there's adequate staffing levels, ensuring that we have enrolment increases, despite high school declines, will ensure that there is what is referred to as social infrastructure, in terms of the education system and building social services.

I think that it's clear that there has been some work in the department to kind of explore what other programs need to come in that would help support additional students, in terms of students with differing needs and that kind of thing. I think that what we were so disappointed about with the concentration on physical infrastructure for universities in the budget and not enough concentration on overall social infrastructure, was that the U.S. had come out with this stimulus package that took a balanced approach and increased research infrastructure, physical infrastructure and social infrastructure in the education system, to make sure that there was a balanced approach. So we think that going through with that balanced approach makes sure that people won't fall through the cracks.

In terms of different roles for the institutions to provide in providing access, I think that it's the role of government to ensure that our post-secondary education institutions are accessible and affordable. Right now our institutions are forced to address some of those issues on their own because otherwise, people wouldn't be able to stay in school. So that's why institutions are forced to kind of fill the gap between government assistance and what students need, by providing needs-based bursaries to students who are in school because the government simply isn't providing adequate assistance for students to attend school.

I think also there is a possibility for the government, the Department of Education, the Department of Community Services, to come together and make agreements similar to

the agreement that they have with NSCC around seats for people in the Career Seek Program, for example. So I think there are ways that they could be involved in that process for sure.

In terms of - Mr. Glavine, your question - first I just want to comment that the other thing is that when you have a more accessible, affordable, post-secondary education system and you have people coming out of poverty, it means that you also have healthier people, you have people who are more engaged with the civic process, you have more people who are not drawing on social services in the same way. So I think that's important to recognize that there's a savings there if you have a healthier population - if you have a population that is not living in poverty, then you also, for example, have a healthier population. If you have a younger population, through bringing people into the university system, you also generally have a healthier population.

We have found that there are detrimental effects, in terms of students' health, from access to education, having high debt loads, that stress levels and issues around, I guess, like just mental health issues, have increased, in terms of amongst students who have higher debt loads.

I think that in terms of the role that people who come out of poverty have in helping their communities, definitely I think that often people - that people who see people in their own communities access programs and get out of poverty are then given more information and able to access better and more information and more anecdotal personal information that helps them also to follow those paths. So I think definitely there's a multiplier effect.

In terms of have I heard a response - we've met, we're just right now trying to meet with the current minister because there has been a Cabinet shuffle recently but the response from government has overall been that we don't want to open the floodgates and that by doing this, this would open the floodgates to a number of people who wouldn't access social assistance and would all of a sudden be drawing on the system. So the response hasn't been particularly positive but that doesn't mean that we give up the campaign. This is a campaign we've been engaged with for several years and we'll continue to be fighting to ensure that these students have access to post-secondary education.

I think that we're looking forward to working with the new minister on this policy. It seems like the minister has been responsive to the need for some changes to the lone parent student program and make that more accessible for students. So there is a possibility, I think, to see this, to see some improvements to this but it's something that the Cabinet as a whole and the government caucus as a whole would have to move forward with.

MADAM CHAIRMAN: Well, Kaley, on behalf of the committee, we want to thank you so much for sharing some of your incredible knowledge on these issues. You're a great representative for the association and we thank you for taking time, from what I know is a very busy schedule, to be with us today, so thank you very much.

MS. KENNEDY: I wanted, just quickly - Leonard mentioned a fact sheet that we had distributed on student debt and I just thought that I would maybe leave these with Kim and Kim could distribute them.

MADAM CHAIRMAN: Yes, excellent. So if I could ask committee members just to stay here for a couple of minutes while we plan our next session, then we can adjourn.

First of all I want to bring to your attention the response to our communication, no actually it's a copy of the response from Minister Streach to the representatives who were here from the Provincial Autism Centre and this was copied to the committee for our information. I just suggest we add it to that file, I don't know if there are any comments or discussion on it. Having none, let's move on to our committee business.

As you know, our next meeting is Tuesday, April 7th and I think we have finally reached the end of the list of topics that were suggested by the three caucuses at our last organizational meeting. I would like to recommend that we use the April meeting as our next organizational meeting and encourage all caucuses to send in their suggestions by Thursday, April 2nd and that will give a chance for our clerk to compile them and we can make decisions at the April meeting, if that's okay with everyone? Okay, I guess there's consensus on that.

Any other business? If not, the meeting is adjourned.

[The committee adjourned at 2:56 p.m.]