



## NEWS RELEASE

---

For immediate release February 27, 2008

### Federal Budget Lacks Substance for Students

**Athabasca University Students' Union** – AUSU, representing nearly 40,000 students annually taking distance education across the nation, is pleased the federal government has realized that student loans need to be more accessible to part-time and non-traditional students, and that taxing scholarships and bursaries is counter-productive. However, AUSU is disappointed with the paucity of this budget when it comes to preparing Canada for a knowledge economy.

The much announced Canada Student Grant Program provides no dollar increase for three years over the soon-to-be discontinued Millennium Scholarship Program, and AUSU notes with concern that the federal government has indicated it will model the new program on the Canada Student Loans program, even though they have also committed \$123 million to revising that same program to deal with "complexities and gaps in the current system ... preventing students from obtaining financial help" (chapter 3c)

AUSU is also concerned that the federal government has made no commitment to reduce the punishing interest rates students must pay, in lack of recognition of the public benefits post-secondary education provides. Additionally, the increase in transfer payments for post-secondary education continues to run below the rate of inflation in Alberta, where Athabasca University is based.

Vice-President External, Karl Low states: "they've promised over \$400 million for more police officers, despite Statistics Canada saying 2006 showed our lowest overall crime rate in 25 years; 10.2 billion dollars in debt repayment despite Canada having the lowest net-debt to GDP ratio of any of the G7 countries; and the best they could do for post-secondary students was to promise to fix one program that's known to be broken, and potentially break one that isn't? What about students whose parents haven't gone to school? Research has shown that they fear taking on huge debt loads and that their parents can't afford RESPs in the first place. If we want to compete in a global knowledge economy, we need to be willing to pay for the higher-education arms race."

#### **Media Contact:**

Tamra Ross  
Executive Director, AUSU  
1-800-788-9041 extension 2905  
executivedirector@ausu.org