

CANADIANS ATTITUDES TOWARDS FINANCING POST-SECONDARY EDUCATION: WHO SHOULD PAY AND HOW?



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CANADIANS ATTITUDES TOWARDS FINANCING POST-SECONDARY EDUCATION: WHO SHOULD PAY AND HOW?

Toronto, ONTARIO – According to an Ipsos-Reid survey conducted on behalf of the Millennium Scholarship Foundation, nine in ten (90%) Canadians think that the cost to a student of a university education is a good long-term investment.

Most would (59%) estimate that the cost of investing in one year of undergraduate university tuition in their province, not counting books, fees or living expenses would be over \$4,000, while three in ten (30%) guess that it would cost less than \$4,000. With the remaining 11% of respondents saying they don't know. After being informed that the average income for a high school graduate is \$34,632, respondents were asked to estimate the average salary of a university graduate, the mean average response was \$42,389.

After being prompted with the knowledge that the average starting salary for a university graduate is \$30,400, respondents were asked what they consider to be a reasonable amount of maximum debt for the average student. Two in ten (19%) say up to \$10,000 is a reasonable amount of debt for a graduating university student, 33% say \$10,000 - \$20,000, 20% say between \$20,001-\$30,000, and 10% say \$30,001-\$40,000. One in ten (11%) think that students should graduate with no debt at all.

But most Canadians do not expect students to go at it alone when financing their post-secondary education. Three in ten (28%) say that parents should be financially responsible for their children's post secondary education for the entire length of their first degree/diploma, 12% say parents should pay for four years of post-secondary studies, 6% say three years, 12%



say two years, and 11% say one year. On another hand, three in ten (28%) say parents should not be assumed to contribute anything because it is the student's responsibility.

Asked to identify from a list of options how they think students should be supported in the payment of their post-secondary tuition costs and fees, one-third (34%) of Canadians advocate "subsidized government need-based loans available for all students." One-quarter (25%) is in favour of "subsidized government need-based loans available for middle and high-income students, but grants that don't have to be repaid for low-income students." One in five (19%) feel that "subsidized government need-based loans available only to the lowest-income students" would be the best way to support students, and 17% think "tuition should be free for all students." Just 3% say "nothing should be done."

When it comes to paying for housing or room and board during their time at college or university, four in ten (40%) Canadians say "needs-based government loans for all students" is how they think students should be supported. One quarter (23%) would choose "needs-based government loans only to the lowest-income students," and another one in five (22%) say "needs-based government loans to the middle and high income students but grants that don't have to be repaid for low income students." One in ten (9%) think that all "students should be given non-repayable grants." One in twenty (6%) say "nothing should be done."

Considering how to bridge the gap that often exists between students' financial needs and the level of support they have available to them, two-thirds (64%) of Canadians would like to see the difference made up by "governments increasing loan limits for students." One quarter (26%) say that "students should earn more money by working more hours during the school year," while 8% believe that students should "borrow money from a bank."



Respondents were given a hypothetical comparison where they could compare students of different post-secondary disciplines. In this comparison they were asked which of the two students they would award a \$5,000 non-repayable grant. The highlights are:

- Six in ten (63%) would choose to give the \$5,000 to a student graduating with an education degree and a debt of \$20,000 as opposed to a dentistry student with a debt of \$90,000 (33%).
- Six in ten (58%) would give the \$5,000 to a commerce student with yearly education costs of \$15,000, in comparison to four in ten (38%) who would give the grant to a law student with yearly education costs of \$40,000.
- A further six in ten (59%) would chose to give the non-repayable grant of \$5,000 to a medical student with yearly education costs of \$50,000, while four in ten (38%) would choose to give it to a journalism student.
- Finally, half (47%) would choose to give the \$5,000 to a engineering student with a debt of \$45,000, with the other half choosing to give the money to a medical student (50%) who owes \$110,000.

When considering a general list of things that could or could not be done to help students, one third (34%) of respondents say that “guaranteeing spaces for all qualified students” should be the number one post secondary education priority, while a similar portion (29%) think “reducing or eliminating tuition fees.” Two in ten (21%) say “improving access to loans and grants,” and 14% think “ensuring access to post-secondary education for traditionally under-represented groups” should be education priorities.



More than nine in ten (94%) Canadians agree there should be opportunities for post-secondary education for every qualified high school graduate who wants to go pursue a post-secondary education. But, when asked to rank on a five-point scale how confident they are that there are opportunities for post-secondary education for every qualified high school graduate who wants to go, only three in ten (28%) say they are confident. The same proportion (30%) say they are not confident that these opportunities exist. The remaining 42% are neutral and 1% don't know.

These are the findings of two Ipsos-Reid/Millennium Scholarship Fund polls conducted between August 12th and August 14th 2003 and September 9th and September 11th 2003. The telephone surveys are each based on a randomly selected sample of 1055 adult Canadians. With samples of this size, the results are considered accurate to within ± 3.0 percentage points, 19 times out of 20, of what they would have been had the entire adult Canadian population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. These data were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to the 2001 Census data.

Nine in Ten (90%) Say University Education Is A Good Long Term Investment

According to nine in ten (90%) Canadians the cost to a student of a university education is a good long-term investment. This contrasts against just one in ten (9%) who believe that a university education is not a good long-term investment. Only 1% or respondents say they don't know.

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- Residents of Quebec (94%) are the most likely to believe that a university education is a good long-term investment, followed by residents of Saskatchewan/Manitoba (90%), Ontario (89%), British Columbia (87%), Alberta (87%), and Atlantic Canada (87%).

Six in Ten (59%) Estimate Tuition In Their Province Costs Over \$4,000

Six in ten (59%) Canadians estimate that one year of undergraduate university tuition in their province, not counting books, fees or living expenses would cost over \$4,000, while three in ten (30%) guess that it would cost less than \$4,000. Broken down into individual categories: 21% guess that it would cost up to \$3,000; 9% say \$3,001-\$4,000; 16% say \$4,001-\$5,000; 7% say \$5,001-\$6,000; 4% say \$6,001-\$7,000; 7% say \$7,001-\$8,000; 11% say \$8,001-\$10,000; 14% say more than \$10,000. The remaining 11% of respondents say they don't know.

- No demographic variations in opinion are apparent for this issue.

So, What Should A University Graduate Expect to Earn?

After being informed that the average income for a high school graduate is \$34,632, respondents were asked to estimate the average salary of a university graduate. One-quarter (26%) believes that the average annual income for a university graduate is up to \$35,000; 37% say \$35,001-\$45,000; and 31% think that the average university graduate can expect to make more than \$45,000. The remaining 6% of respondents do not volunteer an opinion.

- No demographic variations in opinion are apparent for this issue.



But, How Much Debt Should Students Be Expected To Take On?

After being prompted with the knowledge that the average starting salary for a university graduate is \$30,400, respondents were asked what they consider to be a reasonable amount of maximum debt for the average student. Two in ten (19%) say up to \$10,000 is a reasonable amount of debt for a graduating university student, 33% say \$10,000 - \$20,000, 20% say between \$20,001-\$30,000, and 10% say \$30,001-\$40,000. One in ten (11%) think that students should graduate with no debt at all. A very small proportion (3%) does not volunteer an opinion.

- No demographic variations in opinion are apparent for this issue.

How Much Should Parents Have To Pay?

But considering that current student aid programs assume that parents are responsible for contributing to their children's educational costs, respondents were asked how long they think parents should be financially responsible for their children's post-secondary education. According to three in ten (28%) Canadians, parents should be financially responsible for the entire length of their children's first degree or diploma. Just over one in ten (12%) say that parents should pay for four years of post-secondary study, 6% say three years of post-secondary study, 12% say two years of post-secondary study, and 11% say one year of post-secondary study. In contrast, another three in ten (28%) do not believe that parents should assume any responsibility; rather it is the student's responsibility to pay.

- Residents of Alberta (41%), British Columbia (36%), Atlantic Canada (33%), and Saskatchewan/Manitoba (31%) are significantly more likely than residents of Quebec



(19%) to feel that parents should not be assumed to contribute anything to their child's post-secondary education. One quarter (25%) of the residents of Ontario feel this way.

- Residents of Quebec (43%) are significantly more likely than all other Canadians to believe that parents should be financially responsible for the entire length of their child's first degree/diploma: Ontario (27%), Saskatchewan/Manitoba (22%), British Columbia (21%), Alberta (17%), and Atlantic Canada (13%).
- As age rises the propensity to believe parents should be responsible for the entire length of their child's post-secondary degree or diploma increases (17% 18-25, 25% 26-54, 37% 55+).

So, How Should The Government Support Students In Paying For Tuition and Fees?

When asked to identify from a list of options how they think students should be supported in the payment of their post-secondary tuition costs and fees, one-third (34%) of Canadians would advocate the introduction of "subsidized government need-based loans available for all students." One quarter (25%) would prefer "subsidized government need-based loans available for middle and high-income students, but grants that don't have to be repaid for low-income students." One in five (19%) feel that "subsidized government need-based loans available only to the lowest-income students" would be the best way to support students, while 17% think "tuition should be free for all students." The remaining 5% either think nothing should be done (3%) or don't know (2%).



- Subsidized government need-based loans available for all students are most favoured in Alberta (46%), Atlantic Canada (42%) and Saskatchewan/Manitoba (41%), with Ontario (34%), British Columbia (32%) and Quebec (26%) offering less support.

What About Support For Housing Or Room and Board Costs?

Four in ten (40%) Canadians believe that “needs-based government loans for all students” best describes how they think students should be supported when it comes to paying for housing or room and board during their time at college or university. One quarter (23%) would choose “needs-based government loans only to the lowest-income students,” and one in five (22%) favour “needs-based government loans to the middle and high income students, but grants that don’t have to be repaid for low income students.” One in ten (9%) think “students should be given non-repayable grants for all students.” The remaining proportion thinks that either nothing should be done (6%) or they don’t know (1%).

- Quebecers (37%) are significantly more likely than all other Canadians to believe that needs-based government loans only to the lowest income students is the best option: Saskatchewan/Manitoba (22%), Ontario (20%), Alberta (16%), British Columbia (15%), Atlantic Canada (10%).
- Providing needs based government loans only to the lowest income students is also the most popular option among older respondents (12% 18-25, 19% 26-54, 33% 55+) and among lower income earners (31% <\$30K, 20% \$30K-<\$60K, 18% \$60K+).
- Non-repayable grants for all students is an idea with high traction among the young (19% 18-26, vs. 8% for those over 26).



To Bridge The Gap Between Available Funds and Costs of Education... Two Thirds (64%) Say Increase Loan Limits

When considering how to bridge the gap that often exists between students' financial needs and the level of support they have available to them, two thirds (64%) of Canadians would like to see the difference made up by governments increasing loan limits for students. One quarter (26%) say that students should earn more money by working more hours during the school year. One in ten (8%) believe that students should borrow money from a bank. The remaining 2% don't know.

- Increasing loan limits is most popular among the younger respondents (72% 18-25, 67% 26-54, 55% 55+), and among those with lower income levels (72% <\$30K, 64% \$30K-<\$60K, 63% \$60K+).

Well, Who Deserves Financial Support The Most?

Respondents were given a hypothetical comparison where they were asked to compare students of different post-secondary disciplines; in this comparison they decided which student they would award a \$5,000 non-repayable grant.

Six in ten (63%) would choose to give \$5,000 to a student graduating with an education degree and a debt of \$20,000 as opposed to a dentistry student with a debt of \$90,000 (33%). The remaining 3% don't know.

- Education students would receive the most grants in Alberta (76%), followed by Saskatchewan/Manitoba (66%), British Columbia (65%), Ontario (61%), Quebec (61%), and Atlantic Canada (61%).



- Canadians with higher levels of education are more apt to choose those with an education degree as deserving of support (46% < high school, 59% high school, 66% post-secondary or college diploma, 70% University graduate).

Six in ten (58%) would give \$5,000 to a commerce student with yearly education costs of \$15,000, in comparison to four in ten (38%) who would give the grant to a law student with yearly education costs of \$40,000. The remaining 4% don't know.

- Older respondents are more likely than younger ones to choose to give the grant to commerce students (45% 18-25, 58% 26-54, 63% 55+).
- Residents of Alberta (64%) are most likely to choose the commerce students followed by British Columbia (63%), Atlantic Canada (62%), Ontario (60%), Saskatchewan/Manitoba (58%) and Quebec (50%).

Six in ten (59%) would chose to give a non-repayable grant of \$5,000 to a medical student with yearly education costs of \$50,000, while four in ten (38%) would choose to give it to a journalism student. The remaining 2% did not volunteer an opinion.

- No demographic variations in opinion are apparent for this issue.

Finally, half (47%) would choose to give the \$5,000 to an engineering student with a debt of \$45,000, with the other half (50%) choosing to give the money to a medial student who owes \$110,000. The remaining 4% say they don't know.

- No demographic variations in opinion are apparent for this issue.



What Do Canadians See As The Number One Priority For Post-Secondary Education?

When considering a list of things that could or could not be done to help students, one third (34%) of respondents say that “guaranteeing spaces for all qualified students” should be the number one post-secondary education priority. Three in ten (29%) think that “reducing or eliminating tuition fees” should receive post-secondary education priority, 21% think “improving access to loans and grants,” and 14% think “ensuring access to post-secondary education for traditionally under-represented groups.” The remaining 1% of respondents does not volunteer an opinion.

- Residents of Quebec (32%) are the most likely to believe that improving access to loans and grants should be the number one post-secondary education priority, followed by Atlantic Canadians (22%), Ontarians (19%), residents of Saskatchewan/Manitoba (18%), British Columbia (17%), and Alberta (12%).
- As income rises support for putting priority on ensuring access to post-secondary education for traditionally under-represented groups abates (20% <\$30K, 16% \$30K-<\$60K, 10% \$60K+). Conversely, as income rises support for guaranteeing spaces for all qualified students rises (27% <\$30K, 33% \$30K-<\$60K, 38% \$60K+).

More Than Nine In Ten (94%) Agree Qualified Students Should Get Opportunities For Post Secondary Education

More than nine in ten (94%) agree that there should be opportunities for post-secondary education for every qualified high school graduate who wants to pursue a post-secondary education. This compares against only 6% who disagree with this notion.



- There are no notable regional variations when it comes to this issue.
- Respondents with a university degree are the least likely to agree with the suggestion that there should be opportunities for every qualified high school graduate who wants to go (96% less than high school or high school, 95% some post-secondary or college diploma, 90% university graduates).

But, Only Three In Ten (28%) Are Confident That Such Opportunities Exist

When asked to rate on a five-point scale how confident they are that there are opportunities for post-secondary education for every qualified high school graduate who wants to go, only three in ten (28%) said they were confident (17% answering 4, 11% answering 5). This is in contrast to another three in ten (30%) who answer that they are not confident (20% answering 2, 10% answering 1). Four in ten (42%) of respondents provide a neutral score of 3, with the remaining 1% saying they don't know.

- Residents of Saskatchewan/Manitoba (35%) are the most likely to be confident that every qualified high school student will have an opportunity to go, followed by residents of Quebec (29%), Ontario (28%), British Columbia (27%), Alberta (26%), and Atlantic Canada (22%).



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