



## *Debt Reduction Programs Across Canada*

This document provides a brief overview of Debt Reduction Program(s) available through the Federal and Provincial Student Assistance Departments. It does not discuss the issue of Interest Relief. For further information on Interest Relief Program(s), please consult your provincial guide to borrowing from your student loan provider (lending institution).

I have taken some liberty with the quoted information by highlighting areas of interest and establishing bullets (where necessary) to aid in the readability of the report. The student assistance information has been downloaded directly from their respective federal and provincial websites, therefore, I take no responsibility for content and clarity.

### ***Federal***

#### **“Debt Reduction in Repayment (DRR)**

If you have exhausted all other options and you have been out of school for five years and are still unable to make your payments, you may apply to have your loan principal reduced if your loan payments exceed a given percentage of your income.

#### **Permanent Disability Benefit**

If you have a permanent disability and are experiencing exceptional financial hardship in repaying your Canada Student loan because of that disability, you may be eligible for the Permanent Disability Benefit.

For more information on these repayment programs, you can visit the CanLearn Interactive Website at [www.canlearn.ca](http://www.canlearn.ca) . Or, contact the financial institution holding any loans negotiated *before* August 1, 2000 or the NSLSC for loans negotiated *on or after* August 1, 2000.”<sup>1</sup>

#### **Canadian Millennium Scholarship Foundation**

The Millennium Bursary Program represents 95% of the awards distributed by the Foundation. They are awarded to post-secondary students who demonstrate merit and have the greatest financial need.

Each year, the Foundation allocates \$285 million in millennium bursaries among the provinces and territories, according to each jurisdiction's share of the population of Canada. Preference is given to the students with the greatest financial need, subject to

the Foundation's merit criteria. Millennium bursaries are fully portable and may be used at any recognized post-secondary institution in Canada.

In order to reduce administrative costs and avoid duplication of existing student need assessment processes, all provinces and territories have agreed to evaluate students' needs and eligibility on the Foundation's behalf. The Foundation grants its millennium bursaries based on information received from provincial and territorial student assistance services.

The Millennium Bursary Program was designed to complement provincial and territorial student assistance programs, therefore eligibility and evaluation criteria may vary slightly between jurisdictions. Please consult our provincial and territorial fact sheets for more details.

The value of the Foundation's millennium bursaries is approximately \$3,000 on average, but may range from \$1,000 to \$4,500. Receipt of a millennium bursary may affect eligibility for other forms of student assistance. Millennium bursaries are considered taxable income, and recipients will be issued T4A forms.”<sup>2</sup>

### **New Brunswick Student Assistance Program**

#### ***“Debt Reduction in Repayment (DRR)***

Debt Reduction in Repayment is available for both federal and provincial student loans. This is a debt assistance measure that consists of the reduction of the principal amount of your Canada Student Loan by the Government of Canada and a reduction of the principal amount of your New Brunswick Student Loan by the Province of New Brunswick, provided that your loan payments exceed a given percentage of your income, that you have exhausted Interest Relief, and that five years have passed since you completed your studies. The maximum reduction allowed is \$10,000 or 50% of the principal of your Canada Student Loan, whichever is less. The maximum reduction allowed is \$4,000 or 50% of the principal of your New Brunswick Student Loan, whichever is less. Borrowers apply for this benefit through their loan provider(s).”<sup>3</sup>

### **Ontario Student Assistance Program**

Currently there is no debt reduction program alternative past the federal DRR Program.

### **Newfoundland Student Assistance Program**

#### **“Debt Reduction Grants**

Effective August 1, 2002 the Newfoundland & Labrador Loan Remission Program will be replaced by debt reduction grants, which provide the following benefits to eligible post-secondary graduates:

- up to the full amount of the provincial student loan may be converted into a non-repayable grant;

- there is no application process - students will be contacted directly;
- debt reduction grants are earned on a semester basis, and students will be notified annually, and;
- special provisions to accommodate students who have extenuating circumstances.

Eligible individuals must:

- graduate from a qualifying post-secondary program that is at least 80 weeks in duration;
- borrow more than \$165 per borrowing week during a given semester;
- be successful in at least 80% of a full-course load in a given semester, except when it has been determined that there are extenuating circumstances, and;
- apply and be deemed eligible to borrow for at least half of the required length of their post-secondary program.

To qualify students **must attend an educational institution within the Province except where approved by the Student Financial Services Division**. Generally, students approved to enroll in less than 80% of a full course load due to extenuating circumstances are eligible for the full debt reduction grant, provided they pass all their courses.

Single parents with a child(ren) under 12 years of age, are eligible for a full debt reduction grant if they successfully complete 4 or 5 courses in a given semester. There may be other situations where students may be eligible for full or partial debt reduction grant if a severe medical condition or trauma contributes in a significant way to their reduced course load.

Students in all such situations are required to submit a formal request to the Student Financial Services Division, complete with supporting documentation. The request can be submitted no later than four (4) months following the end of the semester.

Debt reduction grants are calculated on a semester basis as follows:

For students who pass a full course load:

- Grant is equal to the amount borrowed in excess of \$165 per borrowing week, and is applied directly against provincial loan.

For students who pass 80% of a full course load:

- Grant is equal to half the amount borrowed in excess of \$165 per borrowing week, and is applied directly against provincial loan.

Note: Changes to course load in a given semester may affect eligibility for debt reduction grants.

### **Loan Remission**

Although the Loan Remission Program will be replaced by debt reduction grants effective August 1, 2002, during the next two years, graduating students are eligible for either debt reduction grants or loan remission.

The Government of Newfoundland & Labrador remits a portion of the provincial student loan to the lender, thereby reducing the student loan debt for qualifying graduates. Students must apply for Loan Remission within 12 months of their final period of study end date, as showing on the last provincial student loan.

Students qualify for Loan Remission if...

- they graduate from a qualifying program of study of at least 80 weeks in duration;
- they graduate within the number of study periods normally specified for completion of that program, plus a grace period;
- their combined loan debt exceeds a minimum debt threshold defined as the greater of: \$22,016 for programs of study with 128 borrowing weeks or less; or \$172 per week times the total number of borrowing weeks for programs of study with more than 128 borrowing weeks.

In addition, if **students graduate from a program outside the Province**, they must meet one or more of the following conditions to qualify for Loan Remission...

- their program of study was not offered in the Province
- they were enrolled in graduate studies
- the program was substantially different from any program available in this Province
- they did not meet the minimum entrance requirements for the program in this Province, but did meet these requirements for the same program at this out-of-Province institution they applied to enter the program within this Province, but were denied due to limited enrolment in the program they received transfer credits toward or advanced standing into the program, resulting in reduced program length
- their spouse was undertaking studies outside the Province for which he or she is eligible for Loan Remission as a result of one or more of the above criteria being met

### **Early Childhood Education Grants**

Purpose:

The ECE Grants Program is intended to:

- reduce student debt for EC educators who generally have low wages and find it difficult to repay student loans;
- improve recruitment and retention within the program;
- increase the number of qualified EC educators working in the field.

**Amount of Grant:**

The Government of Newfoundland and Labrador will pay to the holder of the Newfoundland and Labrador Student Loan (i.e. convert previously issued loans into non-repayable grants) an amount:

- not greater than the principal balance of the Newfoundland and Labrador Student loan upon consolidation;
- not greater than the potential maximum Newfoundland and Labrador student loan borrowing for the program (i.e., loans accrued from other programs will not be considered).

**Note:**

Eligible students are responsible for repayment of any remaining Newfoundland and Labrador student loans in addition to the Canada Student Loan balance owing.

**Eligibility Criteria:**

In order to qualify for the ECE Grant eligible candidates must:

- have applied and negotiated a Newfoundland and Labrador student loan to attend an approved 2 year ECE program **within the province**; and,
- have borrowed for a minimum ½ of the scheduled length of the program; and
- graduate from an approved 2 year ECE program within the province; and,
- complete the program in a “timely manner”, defined as the scheduled length of the program plus one additional academic year as defined by the Student Financial Services Division; and,
- obtain full time employment (30 or more hours per week on average) in a licensed childcare centre or licensed family home childcare for a period not less than 24 months within Newfoundland and Labrador immediately after graduation. (Students must prove employment status prior to Grant being issued.)
- have assessed need equal to or higher than the threshold established by Student Financial Services.

**Note:**

If need changes a student's eligibility may be affected. In the event eligibility is affected, students will be notified

**Application/Awarding Process:**

There is no Application Form required. The Student Financial Services Division will create, from those who have applied for student financial assistance by the deadline date, an eligibility list based on the highest weekly need (minus tuition) each academic year. Students will be notified by the Student Financial Services Division if they make the eligibility list.

**Grants will be awarded when:**

- graduation has been confirmed; and,
- employment status has been confirmed.” 4

**Prince Edward Island Student Assistance Program**

Currently there is no debt reduction program alternative past the federal DRR Program.

**Nova Scotia Student Assistance Program**

Currently there is no debt reduction program alternative past the federal DRR Program.

**British Columbia Student Assistance Program****“Loan Forgiveness Program for Nurses, Physicians, Midwives and Pharmacists**

## FAQ

1. What is the Loan Forgiveness Program for Nurses, Physicians, Midwives and Pharmacists?

In recognition of the increasing need for skilled medical professionals in underserved communities, the Province of British Columbia has implemented the Loan Forgiveness Program for Nurses, Physicians, Midwives and Pharmacists.

This program has been designed to provide British Columbia Student Loan forgiveness to students graduating from accredited nursing (including licensed practical nursing), medical, midwifery and pharmacy schools **who agree to practice full, part-time or casual in a public health care facility in an underserved area of British Columbia for three years**. In return for working in an underserved area for 3 years, registered graduates who began their final year of study on or after August 1, 2000 will have all outstanding BC Student Loan debt forgiven at a rate of 33% per year of practice. The province will also pay any outstanding interest that accumulated during the year after registration into the program.

2. Who can apply for loan forgiveness?

Any nursing, physician, midwife or pharmacist students who began their final year of study on or after August 1, 2000, and graduate in the 2000/01 program year or later will have all outstanding British Columbia Student Loans forgiven in return for working in an underserved community for three years.

3. What basic eligibility criteria are there?

- (a) Students must be employed (full-time, part-time, and/or casual/on-call) at a public healthcare facility in a designated underserved community within BC.
- (b) Students must have an outstanding British Columbia Student Loan in good standing.
- (c) Students must have graduated from an accredited post-secondary institution.

- (d) Students must have started their final year of study on or after August 1, 2000
- (e) Students must not be in full time studies.

#### 4. How does the application process work?

Loan Forgiveness applications are available through the Student Services Branch (see contact information at end of this document). Students must complete their application and forward it to their BCSL lender for completion of the lender's section. The lender will then return the application to the student.

**An application for loan forgiveness must be submitted to the Student Services Branch (SSB) at the beginning of each year of employment.** Second & third year applications must be received by SSB within 6 weeks of the applicants' anniversary date.

Along with the initial application, an original letter from the public health care facility the applicant is employed in must be submitted confirming employment.

An official sealed transcript indicating graduation requirements have been fulfilled must be included with the student's first applications for loan forgiveness.

At the end of each 12 months of employment, within 6 weeks of the applicants' anniversary date, the applicant must submit a letter from their employer confirming that they have completed 12 months of employment. A reminder letter will be sent out from the Student Services Branch prior to the registrant's anniversary date.

#### 5. What is an "Anniversary Date"?

An applicants 'anniversary date' is one year from the date the application was received complete in the Student Services Branch. Students will be asked to send in employer documentation confirming they have completed one year of employment in an underserved community along with another Loan Forgiveness application to continue in the program. This must be received within 6 weeks of the applicant's anniversary date.

#### 6. How much loan forgiveness might be received?

Students must apply for this program on a yearly basis. The student's British Columbia Student Loan debt will be reduced by 33% for each of the 3 years they agree to work in an underserved community. Only those students who complete 3 years of employment will have all of their outstanding British Columbia Student Loan forgiven.

#### 7. When will my interest free status begin?

Eligible applicants will have their BCSL put into an interest free status at the beginning of each year of practice after receipt of the completed application for starting or continuing in the program along with confirmation of employment.

Interest on your BC Student Loan is paid from the first day of the month following the date your complete application was received at the Student Services Branch, or your consolidation date whichever is later.

If a student does not complete a full year of practice, the interest that has accrued on their British Columbia Student Loan will be capitalized into principal and they will be responsible for payment of the higher balance.

#### 8. When and how will my loan forgiveness be paid?

Within 6 weeks after the applicants' anniversary date, the applicant must provide SSB with employer documentation confirming that they have completed 12 months of employment within a public health care facility in the designated community. SSB will then calculate principal payment and the interest accrued for that year and forward to student's lender(s) holding the BCSL account via Electronic Funds Transfer.

The student's BCSL debt will be reduced by 33% annually pertaining to the completed year served after receiving the appropriate employer documentation. Written notification will be issued to the applicant from the Ministry indicating the amount of loan forgiveness approved and the effective date of the payment.

#### 9. What documentation is required?

- a) An application for loan forgiveness must be submitted at the beginning of each year of employment including,
- b) A letter confirming employment (full time, part time and/or casual/on call) in a public health care facility in an underserved community in British Columbia.
- c) An official sealed transcript indicating graduation requirements have been fulfilled must be included with the student's first application for loan forgiveness.
- d) At the end of each full year of practice students must submit a letter from their employer confirming that they have completed a full 12 months of employment.

#### 10. Will I have to make payments on my loan?

Qualifying students will not have to make principal or interest payments on their British Columbia Student Loan while they are participating in the Loan Forgiveness Program for Nurses, Physicians, Midwives and Pharmacists. The Province of British Columbia will pay the interest on their behalf from the date a complete application is received by the Student Services Branch. Interest on your BC Student Loan is paid from the first day of the month following the date your complete application was received at the Student Services Branch, or your consolidation date whichever is later. If a student does not complete a full year of practice, the interest that has accrued on their British Columbia Student Loan will be capitalized into principal and they will be responsible for payment of the higher balance.

11. Which communities are considered underserved?

The following is a list of underserved communities as determined by the Ministry of Health Planning (PDF format).—*not listed in document, must go to website cited at end of report.*

12. What happens if the applicant does not stay in an underserved community for 3 years?

If you do not complete a full year of employment in an underserved community, the interest that has accrued on your BCSL debt will be capitalized into principal and you will be responsible for payment.

If a second, and/or third application for subsequent years of loan forgiveness is not received within 6 weeks of the applicants 'anniversary date', a letter to your lending institution will be generated advising that you are no longer participating in the program and that you will be responsible for resuming principal and interest payments on your outstanding BCSL.

13. What if while I am participating in the program, my community is no longer listed as an "Underserved Community"?

Students who are confirmed in the Loan Forgiveness Program and who have submitted the required employment confirmation documentation after completing one full year in an underserved community, will be accepted for the continuance of the second and third year of employment in that community even if the particular community is no longer referenced in the underserved community list generated by the Ministry of Health.

14. What is a Public Health Care Facility?

A public health care facility is a health facility funded by the health authority (example - hospital, medical center). Retail outlets that employ health professional such as pharmacies, or private walk in clinics, are not considered public health care facilities.

15. Can applicants graduate from any designated University in Canada to be eligible for Loan Forgiveness for their BC Student Loan?

An applicant can graduate from any designated university in Canada and be eligible for Loan Forgiveness as long as they have BC Student Loans.

16. Do graduates in a Residency Program qualify for Loan Forgiveness ?

Graduates employed in a Residency Program qualify for the Loan Forgiveness program if they have met all eligibility criteria.”<sup>5</sup>

**“Loan Remission**

What are the changes to the Loan Remission Program?

For those students with British Columbia Student Loans (BCSL) negotiated prior to August 1, 2000, (Guaranteed and Risk - Sharing) the Loan Remission Program may assist in the reduction of their student loan debt. All current loan remission policies will continue to apply to these loans, such as, the Timely Completion Factor and the Loan Remission Qualifier. The maximum amount of remission a student may receive is combined total of their Guaranteed and Risk-Sharing BCSL.

If a student also has a BCSL negotiated on or after August 1, 2000, (Direct Lend), this loan may be included when calculating a student's total debt, but will not be eligible for loan remission. The Timely Completion Factor will be applied to the Direct Lend loans, but students will not be required to submit a Loan Remission Qualifier (LRQ) for loans negotiated on or after August 1, 2000.

Note: Students are not eligible for loan remission consideration if they have Direct Lend BCSL only.

**Purpose and Intent**

The British Columbia Loan Remission Program is designed to help reduce your BCSL debt to a more manageable level upon graduation.

Payments are made only on the amount of the BCSL principal outstanding as at your study end date.

Loan remission is not applied to outstanding Canada Student Loans (CSL) or other provincial student loans from other provinces.

**Program Goals**

- To encourage personal responsibility.
- To encourage students to successfully complete a program of study.
- To encourage completion of a program of studies in the shortest time possible, which reduces the amount borrowed.

All Loan Remission Program policies, including minimum debt levels, are subject to change without notice.

**Eligibility Criteria****1. Post-Secondary School and Program Eligibility**

Students are encouraged to apply for loan remission after each credential earned. You may apply to receive loan remission if you meet the following conditions:

a) You must have graduated from a public post-secondary or an accredited private school.

Note: Only those private school students who completed their program of study at an accredited private school on or after August 1, 2000, may be eligible for loan remission.

b) You have graduated from a program outside BC and received BCSL that were approved for loan remission purposes.

## 2. Minimum debt levels

You must have received BCSL, CSL, and student loans from other provinces (if applicable) that, when combined, are above the minimum debt levels. Loan remission is calculated by totaling all eligible loans, minus the appropriate debt level, and comparing the balance to the outstanding BCSL amount.

The outstanding principal of your BCSL, CSL and if applicable, student loans from other provinces at the time of your study end date, are added together and used to calculate your debt. However, loan remission is only paid towards your BCSLs.

Minimum debt levels for students completing their studies between August 1, 2002, and July 31, 2003:

- \$20, 000 after earning a 1st certificate, diploma, or degree
- \$25, 000 after earning a 2nd certificate, diploma or degree or 1<sup>st</sup> professional degree (e.g. law, medicine)
- \$30,000 after earning a 3rd certificate, diploma or degree or 2<sup>nd</sup> professional degree
- \$45, 000 after earning a 4th certificate, diploma or degree or 3<sup>rd</sup> professional degree

The loan remission calculated will be paid by the Provincial Government towards your outstanding BC Student Loan (s). You remain responsible for repaying all other outstanding student loan debts.

## 3. Timely Completion Factor

"Timely Completion" is completion of a certificate, diploma or degree within the normal program length (as determined by the school), plus a grace period of one educational year or two semesters/terms depending on your program of study.

Only loans cashed within the timely completion factor may be considered eligible for loan remission. Loans cashed after the timely completion factor has lapsed are not eligible for loan remission.

Students who were single parents for at least 50% of their last program completed and who completed their program on or after August 1, 1997, now have a grace period of two educational years or four semesters/terms depending on the program of study.

In determining how long you took to complete your program, all periods of post-secondary study will be considered including:

- those for which transfer credit was not accepted, and
- those which were not funded at a public institution, and
- part-time studies (5 part-time courses equals 1 semester), and
- study periods from which you may have withdrawn, and
- those taken which are not applicable to a particular program, will be counted in the timely completion factor.

#### 4. Personal Responsibility Requirement

During each four-month period before classes start (pre-study), you must have:

- worked at least 360 hours for at least minimum wage (180 hours for high school students directly out of high school, or
- looked for work while volunteering at least 10 hours a week at an organization (other than a political party) that requires volunteers to fulfill its mandate, or
- studied full-time (minimum 60 percent of a full course load , 40 percent for students with permanent disabilities), or cared for child(ren) age 11 or under, or been unable to work or volunteer due to a permanent disability, or combination of the above.

If you do not meet your personal responsibility, any loans cashed during the loan period which your personal responsibility was not met, will not be eligible for loan remission.

A Loan Remission Qualifier would have been sent to you with each Notification of Assessment letter issued.

#### 5. Deadline

You must apply for loan remission within one year from your study period end date ( the last day of your studies required to earn your credential - not your date of convocation).

You will not be eligible to receive loan remission unless you apply within this time limit.

Note: The one-year submission deadline is not subject to appeal. Exceptional circumstances cannot be considered when applying this policy.

### Application Process

To prevent delays of your loan remission application, you are encouraged to apply as soon as you are able to submit a completed application form, with the necessary documentation.

Applications are not complete until all required information is received. Incomplete applications will not be considered. A request outlining what missing information is required will be issued and, if necessary, the application returned. Missing information is required within 60 days from the date of the request from the Student Services Branch, or your application will be cancelled.

- a. Complete your application, then send it to the bank or credit union holding your student loan(s) accounts for completion. Your bank or credit union will return the completed application to you.
- b. Include an official, sealed transcript indicating a credential has been granted. Photocopies of official transcripts from any previous post-secondary schools attended are also required even if transfer credit was not granted by the institution granting your credential.
- c. Send your completed application and all required documents to the Student Services Branch.

You will not be eligible for loan remission if your completed application is received after the one year deadline.

Note: If you have an undergraduate degree (other than Bachelor of Education) and a Professional Teaching Certificate, or completed the requirements for a Standard Teaching Certificate, a notarized copy of the teaching certificate must be provided.

Loan remission applications are available at your bank or credit union and the Student Services Branch.

### Repayment Difficulties

While your loan remission application is being processed by the Student Services Branch, you are required to make monthly payments as per the agreement set by the bank/credit union or the British Columbia Student Loan Service Bureau.

If you are having difficulties making your monthly payments, contact your bank/credit union or the British Columbia Student Loan Service Bureau. You may be eligible for interest relief on your BCSL and CSL.

### How Will I Be Informed of the Outcome of my Assessment?

You will receive a written notice of the amount of loan remission to be paid towards your BCSL. You will also receive written notice if your application is denied.

The loan remission towards your BCSL will be paid by the Provincial Government . Payments will be made directly to the British Columbia Student Loan Service Bureau and/or to the bank or credit union holding your BCSL account. If your loan is in default, payments will be made to the Collection and Loan Management Branch.

Payments will be made only on BCSLs. No payment will be applied to CSLs or provincial student loans from other provinces.

#### Who Will Not Receive Loan Remission?

You are not eligible for loan remission if you;

- do not have BCSLs negotiated prior to August 1, 2000; or
- do not have student loans in excess of the minimum debt levels; or
- have a calculated amount of remission eligibility of \$50 or less; or
- do not receive a certificate, diploma or degree eligible for loan remission purposes (contact the Student Services Branch directly if you are unsure if your credential will qualify); or
- are not considered to have been a BC resident in the final year of your program, as defined by the British Columbia Student Assistance Program (BCSAP); or
- graduate from a private training school that is not accredited; or
- do not provide all required documentation.

The Student Services Branch will not process a loan remission application if there is an outstanding audit on a student loan application. You will be required to respond to the audit letter sent by the Verification Unit of the Student Services Branch. Once the audit has been concluded, your loan remission application will be processed. Any student loan overawards will not be eligible for loan remission consideration.

#### Do I Still Have to Pay Off My Loans?

Yes. You remain responsible for paying off your loans. You must make all student loan payments when they are due, even if you have applied for or submit a request for review for loan remission. You remain responsible for paying off all remaining BCSLs, any outstanding CSLs and other provincial student loans obtained elsewhere in Canada.

You will also be responsible for any loans considered ineligible for loan remission due to exceeding the timely completion factor, not meeting your personal responsibility or having been assessed a student loan overaward.

#### Can I Request an Appeal of a Loan Remission Decision?

You can request an appeal if:

- you feel a policy should be set aside because extenuating circumstances were not considered in calculating your loan remission; or

- you were assessed as not meeting your personal responsibility and you feel that you did meet the personal responsibility based on extenuating circumstances; or
- you exceeded the timely completion factor and you feel that policy should be set aside due to extenuating circumstances.

You must provide a detailed explanation of the circumstances and supporting documentation (e.g. information from your doctor).

Your appeal will be considered by the Student Services Branch. If it is denied, you can request in writing that it be referred to an Independent Appeal Committee. The Committee members considering your request for an appeal have the right to uphold or set aside policy. The recommendations of the Independent Appeal Committee are subject to approval by the Deputy Minister.

Request for appeal forms are available from your Financial Aid Office or the Student Services Branch. Appeals must include documentation supporting your situation and must be received by the Student Services Branch no later than 6 months from your loan remission notification letter.”<sup>6</sup>

#### **“British Columbia Debt Reduction In Repayment Program**

Effective August 1, 2000, the Province of British Columbia implemented the British Columbia Debt Reduction in Repayment Program (DRR). This program was designed to help former students who still cannot afford to make their student loan payments after Interest Relief has been exhausted and their amortization period has been extended to 174 months.

How Do I know if I'm Eligible for DRR?

- you must have exhausted all available Interest Relief; and
- you must have an amortization period of at least 174 months; and
- sixty months must have passed since your most recent Period of Study End Date (PSED); and
- your BCSL must be in good standing.

For information regarding the DRR application process, please contact us.”<sup>7</sup>

#### **“BC Permanent Disability Benefits Program**

The BC Permanent Disability Benefits Program was implemented on August 1, 2000 to assist permanently disabled borrowers after it has been established that repayment of their BCSL would cause undue hardship, taking into account the financial resources of the family.

Eligibility

Individuals with either a Persons With a Disability (PWD) or Persons with Persistent Multiple Barriers (PPMB) designations as determined by the Ministry of Human

Resources, or those receiving Canada Pension Plan Disability Benefits will be considered under the BC Permanent Disability Benefits Program.

#### Documentation Required

1. A letter from the borrower requesting permanent disability benefits and
2. Written confirmation from the Ministry of Human Resources indicating that the borrower has either a PWD or PPMB designation, or,
3. A copy of a letter from Canada Pension Plan confirming the borrower is in receipt of Canada Pension Plan Disability Benefits.”<sup>8</sup>

### **Alberta Student Assistance Program**

#### **“Student loan relief program**

The province's Alberta Student Loan Relief Program is designed to help keep your student debt loads manageable and to encourage more Albertans to pursue post-secondary learning.

The program automatically provides qualified students with a financial boost in their first year and a helping hand when it comes time to pay back their student loans.

#### How it works

The Alberta Student Loan Relief Program\* is divided into two needs-based benefits. Both benefits are calculated based on your total Alberta and Canada Student Loans. When your combined loans reach \$5,000 per year or \$2,500 per semester, any further Alberta Student Loan assistance may be provided to you as one of the program's two non-repayable relief benefits:

- Alberta Student Loan Relief Benefit – for first-time, first-year, full-time students
- Loan Relief Program Completion Payment – for completing students

\*This provincial program does not replace funds issued under the Canada Student Loan program.

#### **1. Alberta Student Loan Relief Benefit**

The first payment is the Alberta Student Loan Relief Benefit. This benefit is automatically awarded to qualifying first-time, first-year, full-time students and is designed to provide students with a financial boost in their first year and ensure that their debt load stays manageable. You do not need to apply - eligibility will be assessed from your student financial assistance application.

To qualify, you must:

- be a first-time, first-year, full-time post-secondary student;
- receive loan assistance after July 31, 2001;

- complete your first year or, in the case of a program less than a year in length, your first semester of study;
- have been issued more than \$5,000 per academic year (or \$2,500 per semester) in provincial or combined federal and provincial student loans.

Once you have been issued \$5,000 (or \$2,500 per semester) in student loans, any further Alberta loan assistance in your first year will be issued as a Relief Benefit. The benefit will not be applied against your Canada Student Loans.

You will have to repay the full amount of the Loan Relief Benefit, if:

- you do not complete your first year (or first semester if you are in a shorter program) of study, or
- you did not sign and return the Electronic Confirmation of Financial Information letter if you applied for financial assistance on-line

## **2. Loan Relief Program Completion Payment**

The second payment students can receive is the Loan Relief Program Completion Payment. This final payment is automatically awarded to qualifying students at the end of their studies and is designed to provide students with a helping hand when it comes time to pay back their student loans and reduce their overall debt load.

To qualify, you must:

- have completed (graduated or left) full-time studies, and
- have an Alberta Student Loan.

How is the Loan Relief Program Completion Payment paid?

The Loan Relief Program Completion Payment is an automatic payment at the end of your studies only if:

- you received Alberta Student Loans after July 31, 2001, and
- you confirmed your final year of studies on your last Alberta Application for Financial Assistance.

The payment is applied directly to the principal owing, then to interest owing, on your Alberta Student Loans at EDULINX and/or your lending institutions. If you have paid off your Alberta Student Loans in full, the Alberta Government will send a cheque directly to you in the amount of your payment.

What if you did not confirm your final year of studies?

If you did not confirm your final year of studies on your last Alberta Application for Financial Assistance, the Completion Payment will still be paid automatically; however, not until at least 12 months after your last month of studies.

You can avoid the minimum 12-month waiting period by printing off, completing and mailing the application to: Students Finance PO BOX 28000 STN MAIN EDMONTON AB T5J 4R4

#### Other Important Information

If you return to school and begin a new program, any further loan relief will be calculated at the end of the new program using the same criteria. But, you will be eligible for the Completion Payment only.

If you applied for financial assistance on-line at any time during your studies, you will have received an Electronic Confirmation of Financial Assistance letter to sign and return. Failure to return this letter will reduce the amount of the Completion Payment you may be eligible to receive.

#### Information Sheet and Example

For complete information about the Alberta Student Loan Relief Program and examples of Loan Relief Program Payment calculations, read this information sheet.

Note: if you qualify for payment(s), they may vary from the examples based on your individual circumstances. For more information about the debt limits established for your academic program, read the Exit Guide.”<sup>9</sup>

### **Saskatchewan Student Assistance Program**

#### **“Saskatchewan Student Bursary**

If you are in your first 170 weeks of post-secondary study ever taken, and your assistance level exceeds \$200 per week of study, you are eligible for this provincial debt reduction bursary.

#### **Canada/Saskatchewan Study Grants for Full-time Students with Dependents**

If you have dependent children, and your need exceeds \$275 per week of study, you will receive this federal/provincial debt reduction grant. It is available for all weeks of post-secondary study.

#### **Remission**

In addition to the above debt reduction benefits, special incentive students may be eligible for a provincial benefit called remission. Remission is available for the first 60 weeks of post-secondary study ever taken, and reduces debt even further. Special incentive students must apply to receive remission, and supply proof that they successfully completed at least 60 per cent of a full course load during the study period. Applications will automatically be sent to eligible students. If you do not receive an application at the end of your study period, you must contact the Student Financial Assistance Branch to obtain one. Applicants must apply within six months of each eligible period of study end date. This deadline will be strictly enforced.”<sup>10</sup>

**Manitoba Student Assistance Program**

Currently there is no debt reduction program alternative past the federal DRR Program.

**Quebec Student Assistance Program****“What About a Loan Remission?”**

You may qualify for a 15% remission or reduction of your student loan debt if you were enrolled in a technical college program or an undergraduate university program, finished it within the prescribed time and were awarded a bursary each year.

There is no particular procedure for loan remissions since AFE sends personalized forms to students who qualify.” 11

**Northwest Territories Student Assistance Program****“Remissible and Payable Loans**

If you received a Remissible Loan, you may have your loan forgiven if you meet all of the following criteria:

- You Provide official transcripts showing that you have successfully completed the required percentage of a 100% full course load.
- You Live in the NWT for at least three continuous months, and continue to reside in the NWT.
- You Complete all required paperwork in order to prove your eligibility for remission.

**Loan Remission Grace Period**

Students who received remissible loans, and did not successfully complete the required percentage of a 100% full course load, may receive one semester of remission under the grace period.

The grace period is valid for only one semester during your lifetime. You would be required to repay all other semesters not successfully completed. If two or more semesters are unsuccessful during the academic year, the first semester is eligible for the grace period.” 12

**Yukon Student Assistance Program**

Currently there is no debt reduction program alternative past the federal DRR Program.

**Nunavut Student Assistance Program**

I was unable to find any detail on the Loan Remission Program available through the Nunavut Student Assistance Website. For further information on this program, please e-mail the student assistance office directly at: [FANS@gov.nu.ca](mailto:FANS@gov.nu.ca)

**Footnotes and Websites cited in this report**

1. Page 18, "Canada Student Loans Program 2003-2004 Information Guide", HRIC -076-03-03.
2. This information can be found on the Canadian Millennium Scholarship Foundation Website [http://www.millenniumscholarships.ca/index\\_flash.html](http://www.millenniumscholarships.ca/index_flash.html)
3. This information can be found on the New Brunswick Student Assistance Website (<https://www.studentaid.gnb.ca/debt-e.asp>)
4. This information can be found on the Newfoundland Student Assistance Website (<http://www.edu.gov.nf.ca/studentaidsystem/help.htm#drg>)
5. This information can be found on the British Columbia Student Assistance Website re: Loan Forgiveness Program for Nurses, Physicians, Midwives and Pharmacists ([http://www.aved.gov.bc.ca/student/services/student/finish/debt\\_red/bc\\_nurse.htm](http://www.aved.gov.bc.ca/student/services/student/finish/debt_red/bc_nurse.htm))
6. This information can be found on the British Columbia Student Assistance Website re: Loan Remission ([http://www.aved.gov.bc.ca/student/services/student/finish/debt\\_red/remission.htm](http://www.aved.gov.bc.ca/student/services/student/finish/debt_red/remission.htm))
7. This information can be found on the British Columbia Student Assistance Website re: DRR ([http://www.aved.gov.bc.ca/student/services/student/finish/debt\\_red/bc\\_debt.htm](http://www.aved.gov.bc.ca/student/services/student/finish/debt_red/bc_debt.htm))
8. This information can be found on the British Columbia Student Assistance Website re: BC Permanent Disability Benefits Program ([http://www.aved.gov.bc.ca/student/services/student/finish/debt\\_red/bc\\_dis.htm](http://www.aved.gov.bc.ca/student/services/student/finish/debt_red/bc_dis.htm))
9. This information can be found on the Alberta Student Assistance Website (<http://www.alis.gov.ab.ca/student/finance/manrem.asp>)
10. This information can be found on the Saskatchewan Student Assistance Website ([http://www.student-loans.sk.ca/Reducing\\_Your\\_Debt/Reducing\\_Your\\_Debt.htm#Remission](http://www.student-loans.sk.ca/Reducing_Your_Debt/Reducing_Your_Debt.htm#Remission))
11. This information can be found on the Quebec Student Assistance Website (<http://www.afe.gouv.qc.ca/english/renseigner/pdf/GenerAng.pdf>)
12. This information can be found on the Northwest Territories Website (<http://www.nwtsfa.gov.nt.ca/chatforum.html>)

**Other Reference Websites;**

- Prince Edward Island Student Assistance Program  
<http://www.edu.pe.ca/studentloan/guide/>
- Ontario Student Assistance Website  
<http://osap.gov.on.ca>
- Nova Scotia Student Assistance Program  
<http://studentloans.ednet.ns.ca/faq3.shtml>
- Manitoba Student Assistance Program  
[http://www.gov.mb.ca/educate/sfa/pages/repaying\\_en.html](http://www.gov.mb.ca/educate/sfa/pages/repaying_en.html)
- Yukon Student Assistance Program  
<http://www.education.gov.yk.ca/advanceded/sfa/index.html>
- Nunavut Student Assistance Program  
<http://www.gov.nu.ca>

Respectfully prepared by

Shelley Clayton  
Director of Financial Aid  
University of New Brunswick (Fredericton Campus)

SC/sc



- [Home](#)
- [What's New?](#)
- [Student Loan Information](#)
- [Online Tools](#)
- [Download Forms](#)
- [Forms to be Mailed](#)
- [Frequently Asked Questions](#)
- [Related Sites](#)
- [Street Cents](#)  
"Saving for School"
- [Contact Us](#)



## Debt Reduction Program Information

### Debt Reduction After Graduation

All students who qualified for a Nova Scotia Student Loan in an academic year beginning August 1, 2003 and beyond can apply for Debt Reduction when they graduate. Any award will be paid directly to the lender, and applied against your Nova Scotia Student Loan balance. All awards are subsequent to the application of any Canadian Millennium Foundation Scholarship Award.

**You must apply within 3 months of graduation.** Applications are available by contacting the Student Assistance Office or by [clicking here](#).

To qualify for the program, you must have:

*will be deducted from your Nova Scotia Student Loan and Debt Reduction will be calculated on the remaining amount.*

#### **Transferring Credits when you switch Programs**

Since Debt Reduction is based on successful completion of the program for which you obtained a Nova Scotia Student Loan, transfers of credits to a new program will only be eligible if a minimum of 3 full credits are transferred per academic year. For example, if a student enrolls in a BA program, but transfers to a BSc program, a minimum of 3 full time credits for each year of the BA program must be transferred for that loan year to be considered for Debt Reduction.

**In addition to the Debt Reduction payment made upon successful completion of studies, you may be eligible for two (2) additional awards.**

#### **Employment Bonus Award**

If you work in Nova Scotia full time, and can demonstrate 50 weeks of full time employment in Nova Scotia in the three year period subsequent to graduation, you can receive an additional 25% of the amount of Debt Reduction for which you received at graduation. You can download and complete the application by [clicking here](#).

#### **Repayment Bonus Award**

If you make 12 payments on your Nova Scotia Student Loan within three years of graduation (full principal plus interest), you will receive an additional 10% of the amount of Debt Reduction for which you received at graduation.

**NOTE:** *The Employment and Repayment Bonuses are anticipated to double beginning in academic year 2006/2007.*

Please contact the [Student Assistance Office](#) for further information on these two additional awards.

<a href="#">Street Cents</a>
<a href="#">Saving for School</a>
<a href="#">Your Personal Information</a>
<a href="#">Contact Us</a>
<a href="#">2005-06 Academic Year - Classes between Aug 1, 2005 - July 31, 2006</a>
<a href="#">2004-05 Academic Year - Classes between Aug 1, 2004 - July 31, 2005</a>
<a href="#">2003-04 Academic Year - Classes between Aug 1, 2003 - July 31, 2004</a>
<a href="#">2005-06 Academic Year - Classes between Aug 1, 2005 - July 31, 2006</a>
<a href="#">2004-05 Academic Year - Classes between Aug 1, 2004 - July 31, 2005</a>
<a href="#">2003-04 Academic Year - Classes between Aug 1, 2003 - July 31, 2004</a>
<a href="#">First Time Applying</a>
<a href="#">Audits</a>
<a href="#">Borrowers in Repayment</a>
<a href="#">Interest Relief</a>
<a href="#">Students With Permanent Disabilities</a>
<a href="#">How your application information may be used, and how to access or change it</a>