

MIDDLE CLASS FAMILIES & EDUCATION COSTS

How might we help middle class families and their kids receive more OSAP for post-graduate education?

"My parents are expected to make up the difference in my tuition. It's money that my parents don't have. As an adult, I shouldn't have to depend on my parents until I'm 22."



ON AVERAGE **53%** OF PARENTS CANNOT HELP THEIR CHILDREN PAY THEIR TUITION



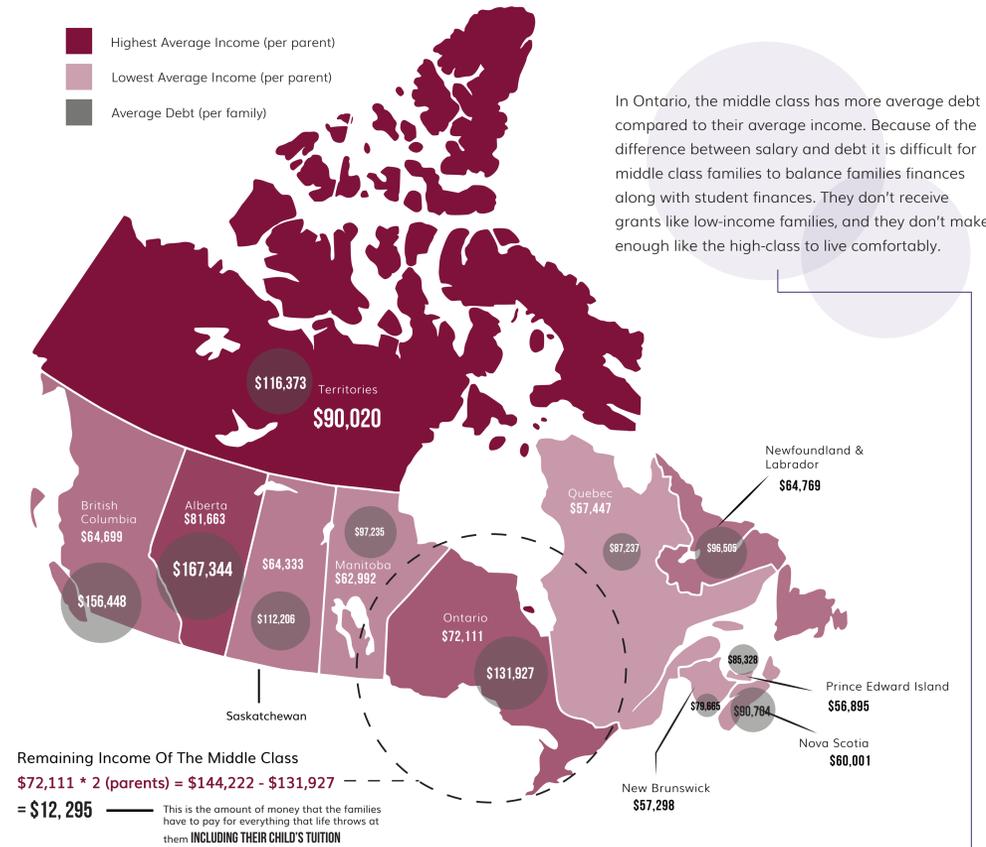
"I don't know why they take our income into consideration, we don't have large chunks of money lying around. We went bankrupt 7 years ago, but the government doesn't ask about that."

80% OF PARENTS ARE CONCERNED ABOUT RISING TUITION
73% OF STUDENTS CAN'T AFFORD SCHOOL WITHOUT LOANS
66% OF PARENTS OPENED UP AN RESP TO PREPARE THEIR KID FOR SCHOOL

"I've tried to balance work and school, but it's just not doable, my marks are dropping. I feel like the stress of having to pay for school myself and balancing work is affecting my mental health."



AVERAGE INCOME AND DEBT OF MIDDLE CLASS FAMILIES ACROSS CANADA (This does not include tuition costs)



In Ontario, the middle class has more average debt compared to their average income. Because of the difference between salary and debt it is difficult for middle class families to balance families finances along with student finances. They don't receive grants like low-income families, and they don't make enough like the high-class to live comfortably.

MIDDLE CLASS FAMILIES HAVE A GROSSING AMOUNT OF DAILY EXPENSES.

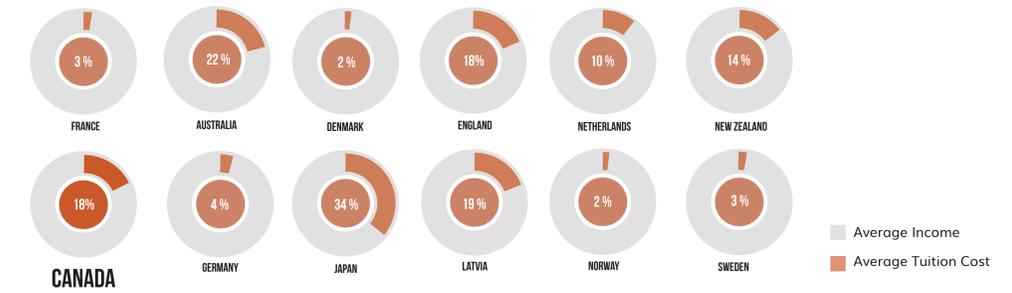


OSAP INCOME CUT-OFF THRESHOLD

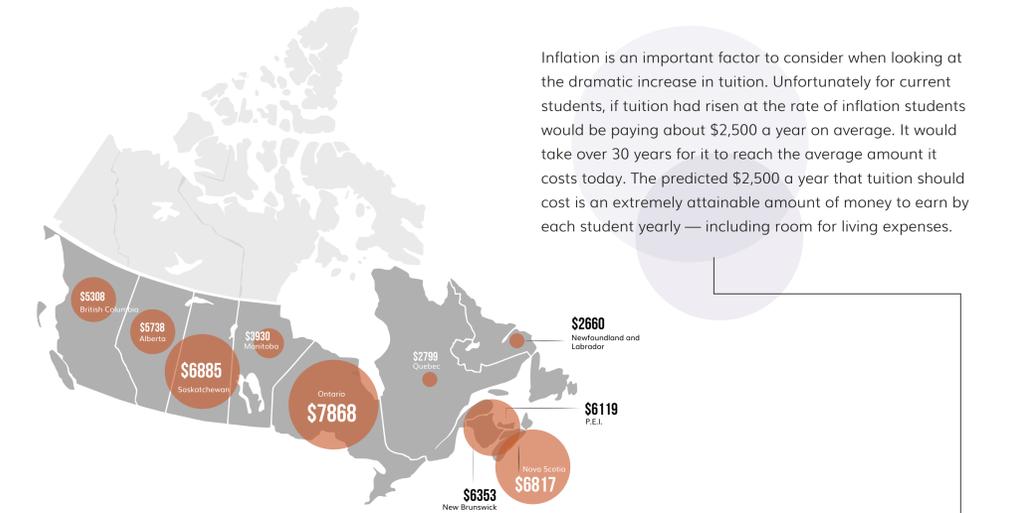
Family Size	1	2	3	4	5	6	7+
2014 Income	\$44,220	\$61,909	\$76,857	\$87,465	\$95,698	\$102,414	\$108,104

OSAP (Ontario Student Assistance Program) is a program that offers post-secondary students the financial help they need to pay for school. This money is provided by the Ontario and federal government. To be eligible you must be a Canadian citizen, permanent resident, and/or protected person. You may not be eligible for OSAP if you have enough financial resources to cover your expenses, don't meet the academic progress requirements, and/or if you state your income is one amount and there is a significant difference from official files. The OSAP threshold for middle class families depends on the number of people in the household and how much income the family makes per year. The amounts shown in the chart above express the cut off point for a family to receive OSAP based on their family size.

AVERAGE TUITION AROUND THE WORLD



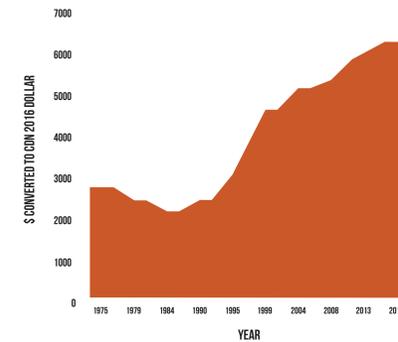
AVERAGE TUITION BY PROVINCE



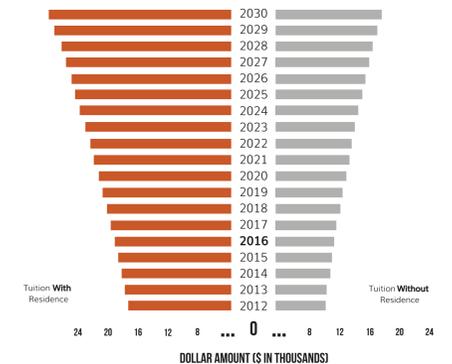
Inflation is an important factor to consider when looking at the dramatic increase in tuition. Unfortunately for current students, if tuition had risen at the rate of inflation students would be paying about \$2,500 a year on average. It would take over 30 years for it to reach the average amount it costs today. The predicted \$2,500 a year that tuition should cost is an extremely attainable amount of money to earn by each student yearly — including room for living expenses.

PAST AND FUTURE TUITION PRICES

AVERAGE PAST TUITION (College & University)



FUTURE COST TUITION (University)



THE SOLUTION

Change OSAP regulations when middle class families are applying for loans.

By creating a separate form for each income quintile we still gather all the necessary information, but we add a human element to it as well. If the student falls under the middle class quintile a new form will be provided during the OSAP application process.

We hope to consider every situation the middle class may face. For example: bankruptcy, outstanding credit card debt, mortgage, etc.

Although students may end up with a higher loan, they'll be less stressed when it comes to school finances.

Olivia receives enough OSAP to cover tuition and live comfortably throughout the school year without working a part-time job.

Parents are able to pay off their debt due to the fact that they don't have to help their children with tuition costs.



Program entry is becoming more competitive due to the fact that more students can now afford post-secondary education.

Canada's graduation rate status has improved, due to the fact that more students can attend school due to more loans being given.

Graduates are now getting better post-secondary employment, due to the fact that their grades have increased.

They can now pay off their debt more efficiently.