

# FAQs

## About the New Ontario Student Assistance Program (OSAP)

**Q. What does “make average tuition free” mean for students with need? Will tuition be free for all students with family incomes under \$50,000?**

**A.** The changes to OSAP will result in over 200,000 students having free tuition — defined as grants from OSAP that equal or exceed the average cost of tuition. This includes students from families with incomes under \$50,000 and many with incomes over that amount.

“Free average tuition” means a student will receive OSAP grants that will equal or exceed:

- ✓ the actual tuition for an undergraduate arts and science university program in Ontario;
- ✓ the average tuition for a high cost university program, such as engineering; or
- ✓ the average tuition for a regular college diploma program across the province.

While average tuition will be free for students with need from families with incomes of \$50,000 or lower, this will not be true for every student at this income level. Some students will not have enough financial need (e.g., they may have large scholarships) to qualify for grants that equal or exceed the value of an average tuition, as their financial need will be fully met before their grants reach that value.

**Q. Why is this threshold set at \$50,000 for families and at \$30,000 for a single independent student?**

**A.** The thresholds for Ontario aid vary by family size because the same amount of income goes further when there are fewer people in the family to support. A single independent student only has costs for one person, while a family of three or four has significantly more costs. For this reason, measures of low-income typically vary by family size.

The threshold will be set at \$50,000 for the most common family sizes (a family of two, three or four people), and then will increase by \$5,000 per additional family member for larger families.

**Q. How will middle-income families benefit from the new OSAP?**

**A.** Middle-income families will find it easier to qualify for Ontario student aid and may receive more assistance (a loan and/or grant). The government will ensure that students who would have been eligible for the 30% Off Ontario Grant will not be worse off.

The changes to parental contributions, which will be in place by 2018–19, will increase the income threshold at which OSAP expects a parental contribution. This means that parents will be expected to contribute less of their money towards their child’s education – their children will instead be supported through interest-free and low-cost loans through OSAP.

**Q. How will mature students benefit from the new OSAP?**

**A.** All types of full-time postsecondary students, including mature students and students in graduate programs, will be considered for the new OSAP. Eligibility for the new OSAP grants



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will not depend on the number of years someone has been out of high school, or the program level.

**Q. How will married students benefit from the new OSAP?**

- A.** The new OSAP will be available to all eligible students who are enrolled in OSAP-approved full-time programs. This includes married students and students with children. The number of years someone has been out of high school will not be a consideration in determining the grant amount.

The Ontario weekly assistance levels will increase to \$450/week (up from \$355/week in 2016–17) for students who are married or have children. These levels will continue to be indexed to inflation.

Starting in 2018–19, Ontario will reduce expected financial contributions from the spouses of married students. This will make it easier for married students to receive OSAP.

**Q. Will the 30% Off Ontario Tuition Grant still be available?**

- A.** The government will repurpose funding from a number of provincial grants currently provided through OSAP, including the 30% Off Ontario Tuition Grant. No eligible students will receive less non-repayable aid than they are eligible for now under the 30% Off Ontario Tuition Grant.

The new OSAP will be more responsive to family size than the 30% Off Ontario Tuition Grant. Grant funding will be available to families with incomes above \$160,000, as the income threshold will increase with additional family members. For example, for a family of four, the new OSAP will provide non-repayable aid to students from families with annual incomes up to \$175,000.

The new OSAP will also be available to all types of students, including dependent students, mature single students, married students and students with children.

**Q. Will the new OSAP be limited to students who are less than four years out of high school?**

- A.** No. The new OSAP will be available to all eligible students who are enrolled in OSAP-approved full-time programs, including dependent students, mature single students, married students and students with children.

**Q. What are the residency requirements for the new OSAP?**

- A.** OSAP is open to an Ontario resident who is a Canadian citizen, permanent resident or protected person. The full definition of 'Ontario resident' for the purposes of OSAP is available on the OSAP website. Go to [ontario.ca/osap](http://ontario.ca/osap) and click on "OSAP Definitions".

There will be no change to the definition of an Ontario resident for the new OSAP. OSAP will be available to Ontario students who enrol at a public postsecondary institution in Ontario and other Canadian provinces; however, Ontario residents who enrol in private institutions outside of the province or institutions outside of Canada are only eligible for the Canada portion of OSAP assistance.

As is currently the case, an exception is made for deaf students who are attending OSAP-approved out-of-country institutions where the language of instruction is American Sign Language.

Students who are residents of other Canadian provinces and are studying in Ontario would receive financial assistance from their home jurisdiction.

**Q. Exactly which grants are being replaced under the new OSAP?**

- A.** The 30% Off Ontario Tuition grant, the Ontario Access Grant, the Ontario Child Care Bursary, the Ontario Student Opportunity Grant and the Ontario Distance Grants will be replaced under the new OSAP.

**Q. Is the government eliminating all provincial grants provided through OSAP?**

**A.** No. The government is consolidating a number of OSAP grants. Some special purpose grants, such as Ontario Distance Grants for students who live in remote and rural areas of the province will be included in this consolidation, but distance-related costs will continue to be recognized.

There will also be a few grants/bursaries that continue to be provided separately:

- ✓ Bursary for Students with Disabilities
- ✓ First Generation Bursary
- ✓ Aboriginal Postsecondary Education and Training Bursary
- ✓ Ontario Part-time Grant
- ✓ Living and Learning Grant (funded by the Ministry of Children and Youth Services and delivered through OSAP)
- ✓ Graduate scholarships

In addition, federal Canada Student Grants will still be available.

**Q. OSAP expects a \$3,000 contribution from students towards their education. Is this a reasonable amount?**

**A.** The government of Ontario considers post-secondary education to be a shared investment and responsibility between students, their families, the government and postsecondary institutions. Students are expected to help contribute to the costs of their own postsecondary education.

The student contribution is not a “price of admission” into OSAP – we don’t ask students to provide the government a cheque for \$3,000 before OSAP funds flow to them.

The \$3,000 contribution is about the equivalent of a student working 17 hours a week at minimum wage for 16 weeks. This can be achieved over a typical summer period for college and university students.

Students can also apply other resources toward their required contribution including savings (OSAP exempts up to \$3,000 in savings so they

can be used for the contribution) and part-time work while studying at a postsecondary institution.

This expected contribution is automatically waived for certain groups of students (e.g., students with children; student/spouse on the Ontario Disability Support Program or Ontario Works).

There is also an OSAP review available for students who demonstrate that they are unable to make this contribution (either fully or partially) and have made reasonable efforts to do so. Reviews are administered by the financial aid offices at postsecondary institutions.

**Q. Will the amount of aid provided through the new OSAP increase each year by inflation or by the amount that average tuition goes up? Will it go up at all?**

**A.** OSAP indexes all of its supports. Living supports are indexed to inflation, and tuition supports are indexed to changes to average undergraduate arts and science tuition and average regular college tuition levels.

**Q. Will the changes to OSAP be available to students enrolled in OSAP approved private career colleges and other private institutions in Ontario?**

**A.** Yes, as long as they meet all other OSAP eligibility requirements. Students must be enrolled in a program at a private institution that is approved for OSAP purposes.

**Q. Can students take only the grant portion of OSAP and no loan?**

**A.** Yes. OSAP gives students the option to receive their grants and take out their full OSAP loans or take no loan.

**Q. Does “no Ontario student debt” mean these students will have no student loan debt at all?**

**A.** No. OSAP funding includes grants and loans from both the government of Ontario and the government of Canada.

The annual amount of Canada Student Loans a student receives depends on need but would not exceed \$7,140 for a typical two-term, 34 week study period. In many cases, the amount of Canada Student Loan will be reduced by one or more Canada Student Grants that the student may be eligible to receive.

**Q. With the elimination of the Tuition and Education tax credits, what happens to students who do not qualify for OSAP and no longer receive these credits?**

**A.** Students who lose access to the Ontario Tuition and Education tax credits may benefit from the changes to OSAP, however some students will not.

For example, students attending out-of-country institutions are only eligible for the Canada portion of OSAP assistance – these students could benefit from changes to increase Canada Student Grants. However, they will not benefit from Ontario changes.

In addition, some individual programs that qualify under tax credit rules are not approved for OSAP support.

Students may continue to be eligible for the federal Tuition Tax Credit.

**Q. When will the elimination of Tuition and Education tax credits take effect?**

**A.** The elimination of the Ontario Tuition and Education tax credits will take effect for courses that start on or after September 1, 2017.

For courses taken before this time, Ontario Tuition and Education tax credits can continue to be claimed and any unused credits can be carried forward.

**Q. What does ‘net tuition billing’ mean and how would this be implemented by colleges and universities?**

**A.** Net tuition billing means that a student’s OSAP grant funding and institutional aid would be considered in the calculation of tuition costs

and the student would pay only the difference – the student would only be billed for what they actually owe once OSAP and institutional aid are taken into account.

The government will work with universities and colleges to implement net tuition billing by 2018-19. Net tuition billing will give students a much better understanding of what the “out-of-pocket” cost of tuition is, and will help to better plan for their postsecondary education.

**Q. Will there be any changes to the Student Access Guarantee?**

**A.** Through the Student Access Guarantee, our partners at Ontario’s publicly-assisted colleges and universities will continue to ensure that students have enough financial aid to cover assessed need for expenses directly related to their programs, including tuition, books and mandatory fees that are not fully met by OSAP.

**Q. If I make less than \$50,000, will all my OSAP debt be written off?**

**A.** No. These changes to OSAP will not impact previous OSAP debt.

Going forward, a dependent student whose parent(s) earn \$50,000 or less annually will not incur any provincial debt. However, they may receive Canada Student Loans. A Canada Student Loan would not exceed \$7,140 for a typical two-term, 34 week study period. In many cases the amount of the Canada Student Loan will be reduced by one or more Canada Student Grants a student may be eligible to receive.

**Q. What do the OSAP changes mean for graduate students completing Master’s or PhD programs or students in professional programs?**

**A.** The new OSAP will be available to full-time students in all types of OSAP-approved programs. This includes students in graduate and professional programs (including dentistry, medicine and education) that are not currently eligible for the 30% Off Ontario Tuition grant.

In addition, graduate students continue to be eligible for other Ontario government scholarships that are administered separately from OSAP such as the Ontario Graduate Scholarship (OGS) and the Queen Elizabeth II Graduate Scholarships in Science and Technology (QEII-SST).

**Q. Will the changes to student assistance impact all students equally or will the amount of assistance vary depending on family income level?**

**A.** The amount of assistance will vary depending on each student's costs and expected financial resources, with the goal being to ensure they have enough resources to meet their educational costs. The amount of assistance provided through grants will vary depending on a student's tuition costs, family income, family size and financial need.

**Q. Is the government doing anything to increase financial assistance for students in postsecondary studies on a part-time basis?**

**A.** The main focus of OSAP is to provide financial support for students studying in full-time programs. However, support is available for part-time students through:

- ✓ Canada Student Grant for Part-Time Students with Dependents (up to \$1,920 per academic year);
- ✓ Canada Student Grant for Part-Time Studies (up to \$1,800 per academic year);
- ✓ Part-Time Canada Student Loan (up to a maximum of \$10,000); and
- ✓ Ontario Part-Time Grant (up to \$500 per academic year).

**Q. How will Ontario design the program to verify income for students who have parents earning income abroad and would not be claiming income in Canada?**

**A.** Currently, applicants with foreign income are required to provide documentation before the release of OSAP grants. For example, documentation from the tax agency of the country where the

parent earned income, or from the parent's employer would be needed.

**Q. The tuition framework will remain status quo for two more years. Why can't the government update the tuition policy in conjunction with the modernization of OSAP?**

**A.** Ontario is focused on making postsecondary education more accessible by moving forward with the single largest modernization of OSAP in its history, to ensure student financial aid is more transparent and targeted to those with the greatest financial need. This includes the introduction of the new OSAP and a net tuition system. The extended tuition framework provides stability to institutions to facilitate this transformation.

**Q. When can I apply for OSAP and how can I apply?**

**A.** You can start your application for OSAP now. If you start the registration process now, OSAP will reach out to you once the full application becomes available in the spring. You can also see how much OSAP you can get at [www.ontario.ca/osap](http://www.ontario.ca/osap). Additional information can also be obtained at <http://bit.ly/1N6UO6s>.

**Q. How are students assessed for OSAP?**

**A.** When determining how much OSAP a student can receive, the government considers many different factors. These include the student's costs (e.g. tuition, fees, books, whether they are living away from home, travel costs, etc.) and the financial resources that students have available to contribute towards their own education (e.g. family income, savings, etc.) Students can estimate how much OSAP they may be eligible for by using this online estimator tool: [www.ontario.ca/osap](http://www.ontario.ca/osap).

**Q. When is the deadline for application for OSAP?**

**A.** The deadline for applying for OSAP is 60 days before the end of a student's study period. Apply online at [www.ontario.ca/osap](http://www.ontario.ca/osap).

**Q. When does OSAP money get deposited into student accounts?**

**A.** For students who apply for OSAP and submit all of their required documents at least 60 days before the start of school, they should have their OSAP funding a week or two before classes start.

**Q. Are there limits to how often a student can get the new OSAP grant?**

**A.** Under the new OSAP, many existing provincial grants, including the 30% Off Ontario Tuition Grant (OTG), are being replaced with a new up-front grant.

The new up-front grant will include two main components:

1. A 'base' component that will be calculated similar to the current OTG and will cover a percentage of average tuition costs. This component is based on family income, and not based on "need".
2. A 'needs-based' component that will look at the student's financial need (costs minus resources) and calculate any remaining amount of Ontario aid.

There will be a maximum amount of time a student can receive the base grant component, which is for a total of eight academic terms (six years for disabled students, or 12 academic terms).

This maximum will factor in any previous tuition support provided through OTG. For example, if a student received two terms of the OTG in 2016-17, they would be eligible for six additional terms of the OSG-base component.

The need-based component will continue to be available through additional years of study, up to the OSAP lifetime maximum and will ensure Ontario aid stays all-grant for low-income students. The lifetime maximums are 340 weeks for an individual who is enrolled in a program of study other than a doctoral program, or 400 weeks for an individual enrolled in a doctoral program – this is about 10 years of postsecondary school.

Students who are studying at an Ontario publicly-assisted college or university and whose family income is less than \$50,000 are eligible for a top-up grant that ensures their tuition is covered. However, once a student has reached the maximum amount of base grant, they are no longer eligible for a top-up.

For example, if a student is eligible for \$6,000 in grants, but their tuition is \$6,300, they would receive an additional \$300 (if their family income is less than \$50,000 and they are studying at an Ontario publicly-assisted college or university). Once this student reaches their maximum number of base counts, they would not be eligible for the \$300 top-up.

