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Tuition Hikes Driving Up Debt

RISING tuition fees have led to an explosion in student debt in recent years, according to a new study released in April by Statistics Canada.

On average, undergraduates reporting student debt owed about \$20,000 in 2000 and college graduates owed almost \$13,000. That's a big increase from just five years ago.

"Students in bachelor programs who graduated in 2000 owed about 30 per cent more than the class of 1995 and 76 per cent more than the class of 1990 (in 2000 constant dollars)," the report concluded. "College graduates with government student loans owed 21 per cent more than in 1995 and 76

per cent more than the class of 1990."

Most education debt was owed to government student loan programs. In total, 41 per cent of college students and 45 per cent of bachelor students graduated with government student loans.

Student groups say the blame for the rapid rise in student debt rests squarely with governments.

"Paul Martin exacerbated this problem in the recent federal budget by increasing loan ceilings for those already deepest in debt," said Ian Boyko, national chairperson of the Canadian Federation of Students. "Grants, not more loans, are what deeply indebted

students need."

The Statscan study also found that nearly one in four graduates is experiencing difficulty in repaying their student loan.

"Both levels of government share the blame for this alarming trend," Boyko said. "Federal funding cuts and skyrocketing tuition fees are indebting an entire generation."

The trend towards greater debt borne by graduates can be reversed with gradual tuition reductions and the introduction of a comprehensive system of needs-based grants, Boyko said.