November 17, 2010

The Honourable Jim Milloy
Minister, Ministry of Training, Colleges and Universities
3rd Floor, Mowat Block
900 Bay Street
Toronto, ON M7A 1L2

Dear Minister Milloy,

Please be informed that at its meeting held on October 6, 2010, Lambton County Council passed the following resolution concerning the barrier of no debt clearance in place for Ontario Student Assistance Program loans:

a) That the Warden, on behalf of Lambton County Council, correspond with the Minister of Training, Colleges and Universities recommending changes to the Ontario Student Loan program such that there is a debt clearance afforded to individuals in default consistent with the federal student loan program to empower low-income Ontarians to break out of the cycle of poverty.

b) That the Warden, on behalf of Lambton County Council, correspond with the Minister of Community and Social Services recommending changes to Ontario Works rules to extend eligibility to persons disqualified from the Ontario Student Assistance Program to empower low-income Ontarians to break out of the cycle of poverty.

c) That the correspondence noted above, be forwarded to Municipal Clerks requesting endorsement of the recommendations, and that such endorsements be forwarded to the respective Ministers.

d) That the Warden be requested to arrange a meeting with area Members of Provincial Parliament to secure their assistance in the pursuit of the necessary regulatory changes.

Education is seen as one of the keys to transitioning out of poverty and into long-term, viable employment. The pursuit of post secondary education is very costly in Ontario and financial assistance is a necessity for a person living in poverty.
However, many people living in poverty are unable to access post-secondary education due to a previous Ontario Student Assistance Program (OSAP) default. These are people who have attempted to pursue post-secondary education in the past but were not successful for any number of reasons including but not limited to family violence, lack of readiness, child care challenges and transportation issues. Subsequent low paying employment or social assistance did not afford the financial means for repayment and the paperwork involved to apply for OSAP repayment deferral status was often overlooked during the struggle to make ends meet and survive each day with low financial resources.

After a default, a student can request debt clearance for the federal loan portion which allows access to additional federal loans. Upon completion of the post-secondary educational program, the debt from both the previous and the current federal loan is outstanding and arrangements are made to begin repayment. However, there is no corresponding process for the provincial portion and as a result students are not eligible to receive any further funding from the Ontario Student Loan program. This provincial policy creates a significant systemic barrier to individuals in poverty and will continue to do so if not addressed.

I urge the Provincial Government to remove the systemic barrier facing those living in poverty and allow debt clearance on the provincial portion of the Ontario Student Loan Program in line with the federal process, thus affording people in poverty an additional opportunity to secure post-secondary education and commence their plans to exit poverty.

Sincerely,

Jim Burns
Warden

cc: Bob Bailey, M.P.P. Sarnia-Lambton Riding
    Maria Van Bommel, M.P.P. Lambton-Kent-Middlesex Riding
    Municipal Clerks