

The Effects of Rising Inflation on Student Life

SLF

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Inflation has become a growing concern for students in Canada as the cost of living continues to surge. Students are now facing the difficult financial balancing act of pursuing higher education while managing their day-to-day expenses.

One of the most immediate and significant impacts of inflation on students is the relentless rise in tuition fees. Tuition costs have consistently outpaced inflation rates, making higher education increasingly unaffordable for many. The burden of student loans is becoming increasingly overwhelming, leading to financial stress and discouraging potential students from pursuing post-secondary education.

Inflation also takes a toll on students' daily expenses, affecting everything from housing to groceries. As the prices of essential items like food, transportation, and rent continue to climb, students often find themselves with less disposable income. This can force them to make compromises in their quality of life or even seek part-time employment, which can negatively impact their academic performance.

The combination of exorbitant tuition fees and rising living expenses often pushes many students to resort to loans to fund their education. However, the high interest rates coupled with inflation gradually erode the value of money, increasing the real burden of student loans over time. Graduates are left with substantial debts that can

take years, if not decades, to repay, hindering their financial stability and their ability to invest in their future.

The escalating inflation rates can also lead to higher unemployment rates, creating a challenging job market for recent graduates. In a highly competitive environment with limited opportunities, students may struggle to secure meaningful employment after graduation.

Financial stress is a major contributor to mental health issues among students. The pressure of managing increased costs, student loans, and uncertainty about the future can lead to anxiety and depression, having a detrimental effect on students' overall well-being and academic performance.

To ensure that education remains accessible and affordable, it is imperative for policymakers, educational institutions, and the government to collaborate on implementing measures that alleviate the financial strain on students. Several measures should be considered:

- Tuition Fee Freeze:

Implementing policies to freeze or limit tuition fee increases can significantly alleviate the financial burden on students.

- Increased Financial Aid:

Expanding financial aid programs and increasing the availability of grants versus loans can reduce the reliance on student debt.

- Affordable Housing Initiatives:

Investing in affordable housing options for students can ease the cost of living in major urban centers.

- Support for Mental Health Services:

Increasing access to mental health services on campuses can help students cope with the emotional toll of financial stress.

- Encouraging Part-Time Work:

Supporting flexible work opportunities for students can help them offset rising costs without compromising their academic commitments.

While students can turn to government assistance programs, such as student loans and grants, these support systems may not keep pace with the rising cost of education and living expenses. Additionally, eligibility criteria can be stringent, leaving some students without the financial help they need.

Rising inflation in Canada poses significant challenges to students pursuing higher education. From increasing tuition fees and student debt to affecting daily living expenses and job prospects, the effects of inflation are multifaceted. Balancing the scales of inflation and student affordability is not merely an economic issue; it's a fundamental investment in the nation's education and its future workforce.

At SLF, we're here to help.

For more information contact your **SLF Advisor**.

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