

# Student Loans Explained

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## WHO CAN RECEIVE A STUDENT LOAN?

If you are a permanent resident in Atlantic Canada and can provide proof that you are enrolled at an eligible Canadian school, you are able to apply for a government student loan.

## WHAT IS A STUDENT LOAN?

A government student loan is funding from the government (provincial and/or federal) to students pursuing post-secondary education who are in financial need. Your student loan is based on several factors and you need to reapply each year.

## WHEN SHOULD YOU APPLY FOR A STUDENT LOAN?

It's never too early to apply. All students should apply for their student loans at least eight weeks before the first day of classes. It can take up to six weeks to process a student loan application.

## WHERE CAN YOU APPLY TO RECEIVE A STUDENT LOAN?

If you are a permanent Canadian resident, go to the Government of Canada website. Here you will find the steps and information to fill out your application for a student loan.

- Complete **one application** form and submit it to your province of permanent residence.
- You're then eligible for both federal and provincial student loans which can then be assessed.
- After the application is automatically assessed, you will receive a notification that your student loan has been processed.

## HOW MUCH CAN YOU RECEIVE FROM A STUDENT LOAN?

The amount you can receive depends on several factors, including:

- Your province or territory of residence
- Your family's income
- If you have dependents (children, siblings you are the guardian of, etc.)
- Your tuition fees and living expenses
- If you have a disability

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## How do you pay back your student loans?

There is a six-month grace period before you must start making payments on your student loans. Interest will start to accumulate at the beginning of the six-month period. This grace period starts after you finish your final school term, reduce from full-time to part-time studies, or leave school.

You can make payments any time after receiving your loan—and even while attending school—by making lump-sum payments. You also don't have to wait until the six-month period ends—if you pay off your student loan in full before you finish school, you will not pay any interest.

If your income doesn't stretch to cover life expenses, you can also apply for debt repayment assistance each year. If you are approved, the government will pay the interest portion of your student loan or defer your monthly payments until you can afford to pay them.

You're never alone in this. If you have any questions about student loans you can always reach out to any of our trusted credit union advisors or visit [HonestMoney.ca](https://HonestMoney.ca).