

Budget 1998




*Building Canada
for the 21st Century*

The Canadian Opportunities Strategy

Canada Millennium
Scholarships

February 1998

Canada¹³¹




“There can be no greater millennium project for Canada and no better role for government than to help young Canadians prepare for the knowledge-based society of the next century.”

*Prime Minister Jean Chrétien
September 24, 1997*

Increasingly, Canadians will need higher levels of knowledge, skills and education to find better jobs and increase their standard of living. This is true for all occupations, at all levels, in all sectors – from factory to farm, from software to sales, from medicine to mechanics.

The facts speak for themselves. Since 1981, jobs for Canadians with high school education or less dropped by two million, while those demanding higher qualifications increased by more than five million. Canadians with more education have better job prospects, greater job security and higher earnings.

That is why the government is introducing the **Canadian Opportunities Strategy** in this budget – to make the knowledge and skills Canadians will need for better jobs and a better standard of living in the 21st century more accessible and more affordable.



“This investment in the future of our country is the result of our successful battle against the deficit. It is an investment that will pay for itself over and over again in the years ahead.”

*Finance Minister Paul Martin
1998 budget speech*

Canada Millennium Scholarships

Canada Millennium Scholarships are the centerpiece of the Canadian Opportunities Strategy.


More than 100,000 scholarships will be awarded to full- and part-time students each year over 10 years through an initial endowment of \$2.5 billion.

This is the single largest investment ever made by a federal government to support access to post-secondary education for all Canadians.

Legislation will be introduced to create the **Canada Millennium Scholarship Foundation** as an arm’s-length body to manage the endowment and to award scholarships.

These scholarships will increase access to post-secondary education for low- and middle-income Canadians, to prepare them for the knowledge-based economy of the 21st century.

Once established, the **Canada Millennium Scholarship Foundation** will consult with provincial governments and the post-secondary education community. The goal will be:



to award scholarships by the Foundation to individuals in a manner that avoids duplication in any province, to build on existing provincial needs assessment processes, to complement existing provincial programs and, most importantly, to significantly increase access to post-secondary education everywhere in Canada for low- and middle-income students.


In particular, the Foundation will have the authority, subject to mutually agreed needs, merit and mobility criteria, to contract with appropriate provincial authorities for the selection of those recipients in a province to whom the Foundation will award Canada Millennium Scholarships.

How much will they be?

- More than **100,000 students** will receive scholarships. For full-time students, scholarships will average **\$3,000 a year**; scholarships will also be available for part-time students.
- Individuals can receive **up to \$15,000** over a maximum of four academic years of study towards undergraduate degrees, diplomas or certificates. This could reduce the debt load that many recipients would otherwise incur by over half.

Who will be eligible?

- Canada Millennium Scholarships will be awarded to individuals who need help financing their studies and demonstrate merit.
- Canadians of all ages, studying full- or part-time, in publicly funded universities, community colleges, vocational and technical institutes, and CEGEPs will be eligible.


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- Awards will help recipients to study away from home, particularly outside their province, and support limited terms of study in other countries.

What is the role of the Foundation and who will run it?

- The Foundation will be managed by a board of directors made up of private citizens. The government will ensure that a student is among them. The Council of Ministers of Education, Canada, representing provincial governments, as well as the post-secondary education community, will have a role in identifying directors.
- The Foundation will decide how best to design and deliver the Canada Millennium Scholarships within the mandate given to it.
- The Foundation will have the discretion to adjust the average amounts of scholarships over time, as well as the total a person can receive.

When will the scholarships be available?

- The Foundation will begin to award scholarships in the year 2000.




“We should have a great millennium project for Canadians. What would be better than a permanent legacy of support for our young people? It’s the best investment any country could make.”

*Robert Prichard
President, University of Toronto*

The Canadian Opportunities Strategy

The *Canadian Opportunities Strategy* contains important measures to enhance affordable access to knowledge and skills.

- **Canada Millennium Scholarships** will increase access to post-secondary education for over 100,000 students of all ages each year, and will be available for both full- and part-time studies.
- **Canada Study Grants** of up to \$3,000 a year will help over 25,000 needy students with children or other dependants.
- For the first time, all students will get tax relief for interest payments on their student loans.
- Improvements to the **Canada Student Loans Program** will help those facing financial difficulties in repaying their debt.



- Funding will be increased to the three **granting councils** to support advanced research and graduate students.

- Tax-free withdrawals from **RRSPs** for life-long learning will help Canadians upgrade their skills or learn new ones through their working lives.

- The **education credit** and **child care expense deduction** will be extended to part-time students.

- A new **Canada Education Savings Grant** will be provided to families who save for their children's education through **registered education savings plans**.

- To support **youth employment**, funding will be more than doubled for youth at risk who lack basic education and job skills, and employers will be given an employment insurance premium holiday for additional young Canadians hired in 1999 and 2000.

- Access to the **information highway** will be expanded to more schools and communities.



How can I get more information?

For further information, call 1-888-781-0000 (TDD: 1-800-465-7735) between 8 a.m. and 10 p.m. eastern time Monday to Friday. Information is also available on the Internet at: **<http://www.fin.gc.ca/>**

Copies of this brochure and other information regarding the *Canadian Opportunities Strategy* will be available at post-secondary institutions across Canada.

You can also obtain copies of this brochure or other budget papers from:

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