



CANADIAN FEDERATION OF STUDENTS
FÉDÉRATION CANADIENNE
DES ÉTUDIANTES ET ÉTUDIANTS



Members' Advisory **Federal Budget 2017**

March 2017

Canada's Innovation Agenda

On March 22, the federal Government tabled a budget with a significant focus on making Canada a world leader in innovation. With 246 mentions in the document, innovation is declared as being essential to drive economic growth and solve the big challenges that face Canadians and our communities.

Although Budget 2017 delivered new investment for Indigenous learners and funding for skills and jobs, it fails to take innovative action to address high tuition fees or student debt – two major issues impacting students across the country.

As the Government states, the success of this innovation agenda requires "one of the smartest, most skilled and most creative workforces in the world". Finance Minister Bill Morneau lauded that Budget 2017 will "help Canadians get the skills they need to drive our economy forward". In a country where more than 70 percent of new jobs require some form of post-secondary training, an innovation-focused Budget must include bold, transformative strategies to reduce the financial barriers to pursuing higher education and skills training.

Support for Indigenous Students

To help Indigenous people acquire skills to succeed and be able to "contribute to stronger economic growth in Indigenous communities, and in Canada as a whole," the Government will:

- Increase funding to the Post-Secondary Student Support Program by \$90 million over two years, beginning in 2017-18.

Students are happy to see the Government fulfill its broken election promise and invest in Indigenous peoples' pursuit of post-secondary education. Ever since this funding for Indigenous learners was excluded from the Trudeau government's first budget in 2016, students have organized to hold the Government accountable. We launched a national petition drive, mobilized for a National Day of Action, appeared before House and Senate committees and met with more than 150 Members of Parliament and Senators. Students working together, united through the Federation, made it impossible for this promise to be broken twice. While this investment is not enough to fund every First Nations, Métis and Inuit learner, it is estimated that an additional 4,600 people will receive funding.

Funding Indigenous students shouldn't be a choice the

Government gets to make. Access to post-secondary education is Indigenous peoples' inherent and treaty right. An innovative approach to support Indigenous people would fulfill Canada's nation-to-nation responsibility and ensure that all Indigenous learners are able to pursue a skilled trade, college or university without cost.

Improvements to Canada Student Grants and Canada Learning Bond

In Budget 2017, the Government proposes a series of measures to build a skilled workforce by helping Canadians gain the skills they need to succeed in the workforce, including:

- Increasing access to Canada Student Grants for part-time students by creating a single national income threshold for eligibility that will be higher than the existing thresholds, (which currently vary across provinces), and investing an additional \$59.8 million over four years to accommodate a larger pool of eligible part-time students. This change will come into effect in 2018 and will make an additional 10,000 part-time students eligible for grants;
- Expanding eligibility for Canada Student Grants to include students with dependent children. The higher national income threshold will make approximately 13,000 more students with children eligible for grants in 2018-19. To support this expanded eligibility, the Government will invest an additional \$107.4 million over four years;
- Developing a pilot project to explore how to make it easier for adult learners to qualify for Canada Students Loans and Grants, costing \$287.2 million over three years; and
- Reallocating \$12.5 million over six years to explore new ways to increase awareness of the Canada Learning Bond and reduce barriers to access for low-income families.

Improvements to the Canada Student Grants program are welcomed and will have a positive impact for part-time students and students with dependent children. The changes follow substantial increases to Canada Student Grants that the Federation secured in Budget 2016.

Rather than tinkering with expensive piecemeal reforms, such as the Canada Learning Bond and Canada Student Loan Program, which are proven to not make education

more accessible to low and middle-income families, a truly innovative approach would have been to address the high up-front costs (tuition fees) students must pay in order to gain the skills they need to be competitive in the labour market.

Jobs for Young People

In Budget 2017, the Government commits to helping students "make the transition from school to work and get a strong start in their careers," by:

- Investing an additional \$395.5 million over three years for the Youth Employment Strategy. Combined with the funding committed in Budget 2016, the YES will help an additional 33,000 vulnerable youth develop skills to help find work or go back to school, create 15,000 new green jobs for Canadians between 15 and 30 and 1,600 new job opportunities for youth in the heritage sector;
- Investing \$12 million in the creation of new co-op placements and work-integrated learning opportunities for post-secondary students enrolled in science, technology, engineering, mathematics and business programs;
- Providing \$221 million over five years to Mitacs - a not-for-profit organization that facilitates partnerships between post-secondary institutions, government, community organizations and industry – to create 10,000 work-integrated placements for graduate students; and
- Eliminating unpaid internships in federally regulated sectors that are not part of a formal educational program and ensuring that students doing unpaid internships as part of their educational program are entitled to labour standard protections, including maximum hours of work, weekly days of rest and general holidays.

Increased job opportunities and training for young people, including graduate students are welcomed in Budget 2017. After years of lobbying, we are excited to see progress in our fight to end unpaid internships, and will continue advocating until all unpaid internships are eliminated, including those that are part of a formal educational program. Students hope that this will set an example for other youth employers, as there continues to be an estimated 300,000 people working unpaid internships every year in Canada.

An innovative job strategy for young people must address the student debt crisis in Canada that hinders students' abilities to take entrepreneurial risks, pursue further training and participate in and help grow the economy. Budget 2017 fails to address mounting student debt, which has collectively reached over \$28 billion.

Canada's Research Capacity

Budget 2017 commits to supporting and expanding Canada's post-secondary and federal research capacity, recognizing that in order to be a world leader in innovation Canada must be a world leader in its research capacities. Changes include:

- Investing \$117.6 million over eight years to create 25 new Research Chairs;
- Establishing a Chief Science Advisor who will provide advice on how to ensure that government science is open to the public, that federal scientists are able to speak freely about their work and that science is effectively communicated across government; and
- Investing an additional \$10 million over two years into the Community and College Social Innovation Fund, which funds partnerships between colleges and polytechnics and community organizations and businesses.

The establishment of a Chief Science Advisor is welcomed, as it reinforces and supports the government's commitment to respecting federal scientists' academic freedom and evidence-based policy. However, we will continue to advocate that the Advisor should report directly to Parliament, as Parliamentary Science Officer, and not to the Prime Minister.

Budget 2017 misses an opportunity to restore and invest in basic, fundamental research and include bold reinvestments in the tri-council agencies, allowing the granting councils to adequately support the research endeavors of graduate students and researchers across all disciplines.

Additional Commitments of Note in Budget 2017

Mental Health

The Government will invest \$5 billion over 10 years to support mental health initiatives and improve access to mental health support for over 500,000 young Canadians. The Government is still working on a plan on how these funds will be spent and the Federation will lobby for targeted funds to improve mental health services on post-secondary campuses.

National Strategy on Gender-Based Violence

To help address and prevent gender-based violence, the Government will invest \$100.9 million over five years to establish a National Strategy to Address Gender-Based Violence. Part of this funding will go to creating a centre of excellence within Status of Women Canada and better aligning existing resources to address gender-based violence. The Federation will continue to ensure that this strategy addresses gender-based violence on campuses and supports front-line campus and community efforts.

Childcare

Starting in 2018-19, the Government will invest an additional \$7 billion over 10 years to support and create more high-quality, affordable childcare spaces across the country. Though it is exciting to see a multi-year funding proposal for childcare, the annual funding increases, which do not jump significantly until 2021, are not enough to create a fully affordable, accessible system of childcare. The Federation will work with coalition partners to lobby for additional funding needed to establish a system of childcare that effectively addresses the needs of parents and children across the country.