

2001-2002 BUDGET

\$730 MILLION

**INITIATIVES FOR EDUCATION AND YOUTH THAT SURPASS
OUR COMMITMENTS**

Québec City, March 29, 2001 — Deputy Prime Minister and Minister of State for the Economy and Finance Pauline Marois announced in the **2001-2002 Budget Speech** that an additional \$730 million will be allocated to education and youth. This is a major budgetary effort, which surpasses the government's previous commitments.

"More has to be done for our young people to enable them to realize their full potential, which is our most important asset for the future", Ms. Marois said. This effort will allow us to implement the following initiatives, which are in addition to those promised at the Québec Youth Summit.

- An additional \$47 million will be devoted to the action plan for school success, bringing the budget for the current year to \$72 million:

This action plan will make it possible, over the next four years, to hire some 2 000 new teachers and 900 professionals to provide support to teachers in dealing with students experiencing difficulties.

- An additional \$38 million will be allocated to the student assistance program, which is already the most generous in Canada:

Students who work will receive more financial assistance for the same levels of income. Furthermore, part-time students will now be eligible for the loans program, which will cover school supplies and child care expenses.

- A reserve of \$200 million will be created:

It may be used to modernize the network and facilitate the transition respecting the education reform currently under way, particularly through support for teachers and through the purchase of textbooks.

Ms. Marois also announced various tax measures, whose impact will supplement the budgetary effort of \$730 million:

- The tax credit for on-the-job training will be extended for four years and will benefit over 6 000 students annually.
- Scholarships will be fully exempt from tax and the QST credit will be extended to 26 000 more students.

Ms. Marois noted that the budgetary envelope granted to education would make it possible to fully meet the commitments made at the Québec Youth Summit, particularly the performance contracts concluded with universities.

“Québec ranks second among OECD countries in terms of the percentage of national wealth spent on education. The actions undertaken today will allow us to maintain this lead, position ourselves at the forefront of the new economy, and attain the ultimate goal of education, which is to ensure that all our young people have the same chance of achieving happiness and realizing their full potential”, concluded Ms. Marois.

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