



**Higher
Education**
STRATEGY ASSOCIATES

The 2024 Federal Budget

A Higher Education Strategy
Associates Commentary

April 16, 2024



**CANADIAN
BUDGET
COMMENTARY**



Higher Education Strategy Associates (HESA) is a Toronto-based firm providing strategic insight and guidance to governments, postsecondary institutions, and agencies through excellence and expertise in policy analysis, monitoring and evaluation, and strategic consulting services. Through these activities, HESA strives to improve the quality, efficacy, and fairness of higher education systems in Canada and worldwide.

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Table of Contents

INTRODUCTION	1
RESEARCH	2
Council Funding and structure	2
SCHOLARSHIPS AND FELLOWSHIPS	4
INNOVATION AND AI	5
STUDENT SUPPORT	7
Student Housing	7
Financial Aid.....	8
Youth Mental Health Fund	11
INDIGENOUS STUDENTS	12
Accessing Post-Secondary Education	12
Indigenous-led Skills and Employment Training	12
Employment and Social Development Funding.....	13
Investing in First Nation, Inuit and Métis Researchers	13
First Nation Adult Education	14
INTERNATIONAL STUDENTS.....	14
TRAINING AND WORK-INTEGRATED LEARNING	15
Youth Programs	15
Work-Integrated Learning.....	16
VARIA.....	16
Canada Pension Plan	17
CONCLUSION	18

Introduction

On April 16, 2024, Finance Minister and Deputy Prime Minister Chrystia Freeland rose in the House to deliver her fourth - and the Trudeau government's eighth - federal budget. The backdrop to the budget was a year in which the Liberal Party's poll numbers fell precipitously, in part because of widespread anger about the price of housing, which in turn has been blamed in part on ever-rising numbers of international students.

The government made its move on student visas in late January. But since the [Fall Economic Statement](#), if not last August's cabinet retreat, it's been clear that Housing was going to be the be-all and end-all of this budget. The Government is clearly pitching this as a budget for Millennials and Gen Z (the two age categories where Liberal voting intention has fallen the furthest), even if most of members of Gen Z are still in their teens. But making a dent in the country's housing situation costs money, and the government has also been making it clear that there is not a lot of new money available. Even with the government committed to finding \$15 billion in operational savings over the next five years, and despite rumours swirling about new wealth- or income taxes on upper-income Canadians, a housing-heavy budget would probably mean very little in new funding for anything else.

And that was a real problem for the post-secondary sector. In 2022 and 2023, inflation ate away nearly all of the extra funds the government invested in the three granting councils, and the 2023 budget simply blanked any new requests for funds as well as a long-anticipated increase in funds for graduate student stipends. Expectations for this budget among the Ottawa cognoscenti swung wildly in the weeks leading up to April 16, particularly with respect to research. Would the recommendations of Frederic Bouchard and the rest of the members of the [Advisory Panel on the Federal Research Support System](#) – more money, but with an added council to handle shared services/programs and focus on “challenge” research – carry the day? Or would some other arrangement and sequence of reform/funding be implemented instead?

Research

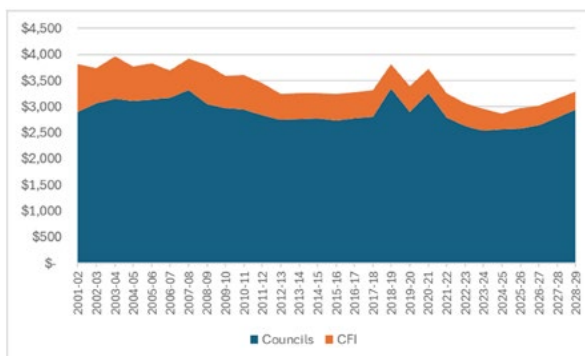
COUNCIL FUNDING AND STRUCTURE

The budget proposes \$1.8 billion in research grants over five years, the bulk of which is backloaded in years 2026/27, 2027/28, and 2028/29. The budget also announced a new “Capstone Research Funding Organization”. The tri-council will continue to exist under this new organisation, with the new organisation slated to help advance internationally collaborative, multi-disciplinary, and mission-driven research.

Unfortunately, while the headline figure of \$1.8 billion new money for the granting councils sounds impressive, nearly all of it is backloaded well beyond the next election which means nearly all of it is speculative.

The money is scheduled to flow as follows: an extra \$75 million over baseline in 2024-25, \$153 million over baseline in 2025-26, \$286 million in 2026-27, \$517 million in 2027-28 and \$764 million in 2028-29. But at the same time, the Canada Foundation for Innovation (CFI) is suffering a \$100 million clawback of committed but unspent funding for next year, as well as a loss of \$11 million in its basic contribution agreement.

Throw all that together and what you get is a world in which total councils plus CFI spending in 2025-26 will be, in real dollars, ten percent lower than it was back in 2017-18, when the Naylor report was released and we all agreed the system was at the breaking point. Indeed, it will be lower than it was at any point during the Harper government.



The organizational changes to the tri-council are billed as delivering on the recommendations from the Advisory Panel on the Federal Research Support System, which called for the creation of a governance mechanism to achieve the above-listed aims. The government is proposing that this effort to modernise the research support system will come through new legislation, with details to come in the Fall Economic Statement.

Given that this is a legislative change, there is still a lot we don't know about what this will mean. If this new research funding organization is housed under ISED, it seems almost certain that CIHR will be coming out of Health Canada in this new organizational structure. It also seems very likely that talent development programs (Canada Research Chairs and Canada Excellence Research Chairs) will be coming out of SSHRC to be managed by this new organization. Where the Canada Foundation for Innovation (CFI) fits in is less clear, though the Advisory Panel report recommended that it also be managed by this new organization. What this will mean for the granting council presidents is also unknown at this stage – expect to see spirited discussions in Ottawa as this legislation starts taking shape.

The budget also allocated some money (\$6.6 million) to the councils to establish an improved, harmonised grant management system. Notable changes that were not included in budget 2024 include an investment of \$191 million (announced March 13, 2024) to support 230 new and renewed Canada Research Chairships. The Canada Foundation for Innovation's (CFI) John R. Evans Leaders Fund will be allocating an additional \$9 million to the CRC Program to support the research infrastructure needs of 40 Canada Research Chairs.

Also absent from the budget but noteworthy are reductions to the Canada Foundation for Innovation. In March, the CFI issued a special notice that its funding would be reduced by \$101.3 million. This is in addition to the \$11.4 million annual reduction starting in 2025-26. According to the CFI, a number of significant delays in finalising and disbursing awards (which it attributed to inflation, labour shortages, and lingering COVID-related delays at institutions) resulted in their requesting that \$101.3 million that would go unspent by institutions in 2023-24 be reallocated to future years. That request was denied by Treasury.

Despite this, the government did...nothing. Zero. Bupkis. Words that also clearly reflect the government's interest in talent development.

Scholarships and Fellowships

Publicly-funded scholarship and fellowship awards in Canada have been eroded by inflation over many years, putting this country near the bottom of the pack relative to global competitors. The Canada Graduate Scholarship has not increased in 20 years (it has been offering \$17,500 a year since Facebook hired its first employee). Budget 2024 therefore allocates \$825 million over 5 years, with almost \$200 million on an ongoing basis, to increase stipends.

The value of the Canada Graduate Scholarships for master’s students will be increased from \$17,500 to \$27,000. While a welcomed increase, this is still slightly below the low-income cut-off (poverty line) of \$27,500 for a single person household.

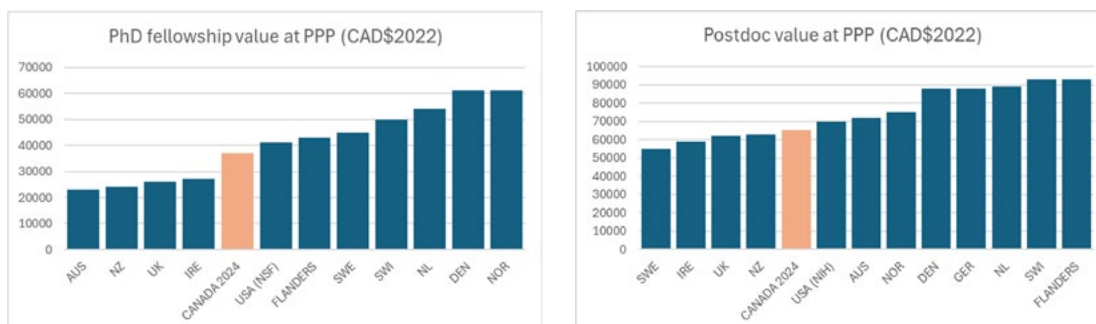
Doctoral scholarships, including CGS, SSHRC, NSERC, CIHR, and Vanier, will now be \$40,000. This is an increase for all but Vanier, which will decrease from \$50,000. SSHRC, NSERC, and CIHR postdoctoral fellowships will rise to \$70,000, putting them on par with the Banting Postdoctoral Fellowship.

Enhanced Scholarships and Fellowships

	Current Programs Annual Award		New Talent Program Annual Award
Canada Graduate Scholarships – Master’s	\$17,500	Master’s →	\$27,000
SSHRC Doctoral Fellowships	\$20,000	Doctoral →	\$40,000
NSERC Postgraduate Scholarships	\$21,000		
CIHR Doctoral Foreign Study Award	\$35,000		
Canada Graduate Scholarships – Doctoral	\$35,000		
Vanier Canada Graduate Scholarships	\$50,000		
SSHRC Post-doctoral Fellowships	\$45,000	Post-doctoral →	\$70,000
NSERC Post-doctoral Fellowships	\$45,000		
CIHR Fellowship	\$40,000-\$60,000		
Banting Post-doctoral Fellowships	\$70,000		

(From Budget 2024, p. 122)

Adjusting these to 2022 dollars and comparing to a selection of awards available in other countries at purchasing-power parity (PPP) this unprecedented boost seems to catapult Canada into the middle of the pack.



Canada is almost unique in allowing universities to deduct tuition from student awards, so a grad student at the University of Toronto, for example, would end up paying around \$6,500 in 2022 dollars before this money actually hit their account. The increase is a definite improvement but junior researchers will not be paid extravagantly by international standards.

There is also an increase of \$20 million/year through 2027-28 for CIHR to support an endowment to increase prize values for the Gairdner Foundation.

Innovation and AI

As Justin Trudeau teased on April 7th, Budget 2024 includes a \$2.4 billion package of measures to Strengthen Canada's AI Advantage. These measures notably include:

- ▶ \$2 billion to increase computing capabilities and technological infrastructure;
- ▶ \$200 million to accelerate the adoption of AI in critical sectors;
- ▶ \$100 million in the NRC IRAP AI Assist Program to help SMBs incorporate AI solutions to scale up and increase productivity;
- ▶ \$50 million to support workers who may be impacted by AI, notably by providing new skills training for workers in disrupted sectors and communities;
- ▶ \$50 million for the creation of a Safety Institute;
- ▶ \$5.1 million for the Office of the AI and Data Commissioner to strengthen the enforcement of the Artificial Intelligence and Data Act; and

- ▶ \$3.5 million over two years, starting in 2024-25, to advance Canada's leadership role with the Global Partnership on Artificial Intelligence.

The April 7th announcement provided no information about the potential implications of these measures for the higher education sector, and today's budget doesn't give us much more information to work with. For instance, it remains unclear who will have access to funds within the new AI Compute Access Funds – if it will be limited to businesses, or if higher education institutions and research centres will also have access to a share of the money. Budget 2024 does state that increasing computing capabilities will “help Canadian researchers [...] access the computational power they need to compete and help catalyse the development of Canadian-owned and located AI infrastructure”, so we can expect that these measures will have some repercussions on the research and innovation sector by enabling researchers working on AI to have access to better technological infrastructures to support their endeavours... although the ‘how’ and ‘where’ remain nebulous. The forthcoming AI Safety Institute will also probably involve researchers working on the safe development and deployment of AI; although the role of higher education institutions and researchers in the development of that institute was never mentioned in current announcements. Furthermore, higher education was not (yet?) mentioned as a “critical sector” in which there is a need to accelerate the adoption of the technology. In contrast, sectors that were highlighted in the announcement include agriculture, health care, clean tech, and manufacturing.

We'll need to wait for more details regarding the AI announcements before we can judge how these moves will affect the higher education sector. Budget 2024 does state that “the government will engage with industry partners and research institutes to swiftly implement AI investment initiatives”, so we can reasonably hope that the higher education and research sectors will be appropriately involved moving forward.

The government will need to clarify implications for the higher education sector soon if it wants to truly secure its world-wide AI advantage. Other countries are also starting to release AI strategies, with clear investments in higher education. For instance, Japan's Cabinet Office recently earmarked the equivalent of US\$79 million for 2024 to strengthen AI research capabilities in the country's universities.

Student Support

STUDENT HOUSING

Budget 2024 built high expectations for announcements regarding housing. It's good to see that students have been kept in mind when talking about the lack of affordable housing. In short, Budget 2024 announces:

- ▶ A relaxing of the eligibility conditions for the removal of GST on new student residences for not-for-profit universities, public colleges and school authorities. Budget 2024 states that private institutions are not eligible – although it remains unclear if this also applies to private institutions that are not-for-profit. This measure is expected to cost \$19 million over five years, starting in 2024-25, and \$5 million per year ongoing. This measure will apply to new student residences that began construction on or after September 14, 2023, and before 2031, and that complete construction before 2036.
- ▶ \$1.1 billion over ten years starting in 2024-25 to Public Services and Procurement Canada to reduce its office portfolio by 50%, and prioritise student- and non-market housing in the newly available federal office properties.
- ▶ New reforms to the Apartment Construction Loan Program, notably to extend access to financing for housing projects for students.
- ▶ \$409.6 million over four years, starting in 2025-26, to the Canada Mortgage and Housing Corporation for a new “Canada Secondary Suite Loan Program”, to incentivise homeowners to add secondary suites to their homes through access to \$40,000 in low-interest loans. While not explicitly directed at students, this will likely have impacts on students’ access to affordable rentals.

While it's heartening that student housing is considered an important issue by the federal government, it is hard to approximate how many new units will actually be made available for students based on these announcements.

Budget 2024 also commits to modernise shelter allowances used in the CSFAP formula to determine need. This comes with an estimated cost of \$154.6 million over five years starting in 2024-25, and \$32.3 million per year ongoing. The Government

estimates that this will provide additional student aid to 79,000 students per year. The upside is more money in students' pockets. The downside is that parts of this will be distributed in loans which will inevitably turn into higher levels of debt.

FINANCIAL AID

Canada Student Financial Assistance Program (CSFAP)

A copy-paste of 2023's announcements

In Budget 2023, the federal government announced what it called a “40% increase” in the Canada Student Grant (CSG) program, from \$3,000 pre-pandemic to \$4,200 for the 2023-24 academic year. In reality, this was a significant decrease from the \$6,000 that students had started receiving during the pandemic. Budget 2023 also increased the maximum interest-free student loan from \$210 per week to \$300 per week for the 2023-2024 academic year.

In Budget 2024, the federal government announced that it will extend the CSG of \$4,200 and the maximum student loan of \$300 per week for an additional year (See figures 1 and 2 for the evolution of CSG and student loan maximums over time). Grants for part-time students, students with disabilities, and students with dependents will also be increased proportionately (as shown in Table 2.5 taken from the 2024 Budget). The government presents this as a significant \$1.1 billion investment for 2024-2025 – in reality, it is an extension of an existing program.

This is rather disappointing considering that the federal government had committed in Budget 2023 to “work with students in the year ahead to develop a long-term approach to student financial assistance, in time for Budget 2024” (*Budget 2023*, p. 40). This year’s announcement, which covers only 2024-25, does not feel like a “long-term approach to student financial assistance”.

Evolution of maximum Canada Student Grant (CSG) (\$) over time



Figure 2: Evolution of federal student loan limit (\$ per week) over time



Doubling Canada Student Grants for Full-Time Students, 2014-2024

	Maximum Amount in 2014	Maximum Amount in 2019	Maximum Amount in 2024
Full-Time Students	\$2,000	\$3,000	\$4,200
Part-Time Students	\$1,200	\$1,800	\$2,520
Students with Dependants (Full-Time)	\$1,600 (per dependant)	\$1,600 (per dependant)	\$2,240 (per dependant)
Students with Dependants (Part-Time)	\$1,920	\$1,920	\$2,688
Students with Disabilities	\$2,000	\$2,000	\$2,800

(From Budget 2024, p. 122)

Permanently eliminating credit screening for mature students

In last year’s budget, the government had waived the requirement for mature students to undergo credit screening to qualify for the CSFA program for the 2023-24 academic year. This measure was justified by the fact that various life circumstances might have had a negative impact on the credit history of adult learners, and that this should not hinder their ability to access quality education.

Budget 2024 expands this measure and makes it permanent: an estimated \$18.9 million over five years starting in 2024-25, and \$4 million per year ongoing, will allow roughly 1,000 more students to benefit from CSFA each year.

Expansion of loan forgiveness to more health care, social and education workers

In Budget 2023, the federal government had expanded the reach of the loan forgiveness program to eligible doctors and nurses who chose to practise in rural and remote communities, for \$45.9 million over four years. This year, this measure is expanded to also apply to more disciplines working in rural and remote communities, including:

- ▶ Early childhood educators, for \$48 million over four years starting in 2025-26, and \$15.8 million ongoing. This measure is expected to benefit over 3,000 early childhood educators;
- ▶ Dentists, dental hygienists, pharmacists, midwives, teachers, social workers, personal support workers, physiotherapists and psychologists, for \$253.8 million over four years starting in 2024-26, and \$84.3 million ongoing.

Expanding the loan forgiveness program means that more early professionals who choose to work in rural and remote communities will be able to see their student debt significantly reduced, if not completely erased. This constitutes a significant incentive for health care, social and education workers to work in historically under-served communities.

Tightening the belt for designated educational institutions

Budget 2024 also indicated the government's intention to restrict the list of designated educational institutions at which students can enrol and be eligible for the CSFA program. More specifically, the government announces that it will be reviewing the designated educational institution status of private (but not public) learning institutions. In theory, details on this will emerge in time for the Fall Economic Statement; however, this is a file which has a history dating back nearly 30 years and the federal government has yet to come up with a formula for making this happen which is agreeable to the provinces with which it partners. In addition, The attempt to restrict this policy to private institutions may not survive a legal challenge.

Budget 2024 also announces that students studying at Russian post-secondary institutions will not be eligible to receive Canada Student Financial Assistance, in line with Canada's stance against Russia's invasion of Ukraine and "to ensure federal funding does not flow to institutions that are subject to international sanctions".

RESP and the Canada Learning Bond

The Canada Learning Bond (CLB) provides up to \$2000 to children from low-income families who enter post-secondary education. It does so by crediting a Registered Education Savings Plan (RESP) set up in the child's name with \$500 in the first year and \$100 in subsequent years. Historically, to qualify for most of that money, caregivers needed to open a RESP early in a child's life and file taxes every year. This added an administrative barrier to accessing these funds, notably because many families were unaware that their child was entitled to these benefits.

The notion of making CLB enrolment automatic comes from [a 2016 paper by Carleton University's Jennifer Robson](#) university wrote, a paper HESA reviewed and endorsed [back here](#). More than a decade later, this idea will become a reality: Budget 2024 commits the government plans to amending legislation so that, starting in 2028-29, children born in 2024 or later will be auto-enrolled in a RESP. This will make them eligible for the maximum Canada Learning Bond (\$2,000). The planned amendments will also allow adults to retroactively claim the CLB until they are 30, whereas the current limit is 20. This measure is expected to cost \$161.9 million over five years, starting in 2024-24, with \$148.8 million ongoing.

This should make the impact of the RESP - a tax-sheltered investment account to which the government matches some contributions - somewhat more progressive and hopefully enable more low-income students to access post-secondary education.

YOUTH MENTAL HEALTH FUND

As pre-announced on April 9, Budget 2024 allocates \$500 million over five years starting in 2024-25 for the creation of a new Youth Mental Health Fund. This fund will support community health organizations to provide more care to youth and to increase partnerships and referrals with other organizations in their networks.

Mental health remains a significant challenge among post-secondary education communities, and existing challenges have been exacerbated by the COVID-19 pandemic. Post-secondary institutions are often faced with limited capacity to meet the mental health needs of their students, faculty and staff. Investments in community organizations are good news for the post-secondary sector, as institutions already refer some of their community members to outside organizations when they are not able to meet their needs directly.

Indigenous Students

This year's budget is largely a restatement of previous commitments to increasing First Nations Students' access to post-secondary education, particularly for northern First Nations communities, along with a significant increase in the funding for the Post Secondary Student Support Program (PSSSP).

ACCESSING POST-SECONDARY EDUCATION

In 2021, 45% of First Nations people aged 25-64 had attained a post-secondary credential, in comparison to 68% of non-Indigenous Canadians. In an effort to unlock more pathways to postsecondary education for First Nations students, the government is increasing their investment by 18% in the Post Secondary Student Support Program (PSSSP), with a \$242.7 million increase over the next three years, starting in 2024-25. The funding will be dispersed with \$79 million in 2024, \$81 million in 2025 and then \$82 million in 2026. Along with this investment in the PSSSP, the federal government will continue to support Inuit and Métis postsecondary education through their Post-Secondary Education Strategies funded in the 2019 Budget, which invested \$487.5 million over ten years, and \$61.8 million ongoing.

Additionally, the government is continuing its investment in The Dechinta Centre for Research and Learning. The centre was founded thirteen years ago as an Indigenous land-based initiative delivering accredited post-secondary educational and research experiences in the North, particularly for the unique needs of Dene and Inuvialuit communities. The budget includes \$5.2 million over two years, starting in 2024-25, to Crown-Indigenous Relations and Northern Affairs Canada to support the Dechinta Centre for Research and Learning. The 2019 budget included \$13 million over five years, so this investment in the program continues with similar funding of \$2.6 annually, but only with a renewed 2-year commitment.

INDIGENOUS-LED SKILLS AND EMPLOYMENT TRAINING

Since 2017, the federal government has made ongoing investments in skills development - with a focus on education, training and support to transition into employment - with a recognition of the often more challenging pathways Indigenous students

face. This budget does not introduce new money for Indigenous-led Skills and Employment Training (ISET), but references the existing \$99.4 million per year allocated for ISET.

EMPLOYMENT AND SOCIAL DEVELOPMENT FUNDING

Further, the budget provides \$67.5 million over three years to Employment and Social Development Canada (ESDC), for the following initiatives:

- ▶ \$9.5 million to Pathways to Education Canada in 2024-25 to support youth in low-income communities to graduate high school.
- ▶ \$8 million to Indspire in 2024-25 to continue investing in the education of First Nations, Inuit and Métis people for the long-term benefit of their families and communities. In 2022-23, Pathways to Education and Indspire received a combined \$18 million, meaning that this represents a decrease in support.
- ▶ The Supports for Students Learning Program will continue to receive \$50 million over two years, starting in 2025-26, to help ensure students have the support they need in their education to help guide them towards the workforce. Since 2019, this program has provided more than \$245 million in funding to national youth-serving organizations, which offered support to 130,000 youth, including 7,500 Inspire students in 2022-23.

At first glance, the funding to the above programs represents a relative continuation of fundings level, unless you adjust for inflation, which then represents a subtle decrease.

Also of note is an additional \$6 million announced in February 2024 for Indspire for their Building Brighter Futures: Bursaries, Scholarships and Awards Program. This additional funding will allow Indspire to offer scholarships and bursaries to 2,400 Indigenous students to pursue post-secondary education and training.

INVESTING IN FIRST NATION, INUIT AND MÉTIS RESEARCHERS

In addition to the aforementioned increases to scholarships and fellowships, the budget announced an additional \$30 million for Indigenous researchers and their communities starting in 2024-25, with \$10 million each for First Nation, Métis, and Inuit partners.

FIRST NATION ADULT EDUCATION

Although not mentioned in the 2025 Budget, the First Nation Adult Secondary Education (FNASE) program will continue into 2025-26. The Budget in 2021 announced \$350 million over 5 years to expand access for adult learners on reserve nationally and support them to complete or upgrade their secondary education.

International Students

Budget 2024 maintains the study permit cap announced by Immigration Minister Marc Miller in January 2024, which will reduce the number of approved permits by up to 28% for the groups included under the cap. This measure is intended to manage the rapid increase in international student numbers and alleviate resulting housing pressures. The IRCC has distributed 393,000 study permit applications proportionally across provinces and territories and announced new eligibility criteria for the Post-Graduation Work Permit. This policy has previously been discussed on the blog [here](#).

The budget commits the government to roll out the New Recognized Institutions Framework this coming fall for implementation next year (2025). This is at odds with the government's statement in January 2024, at the time that provincial visa caps were put in place, that the Framework would not be introduced until 2026.

In theory, this initiative is designed to incentivize post-secondary institutions that excel in areas such as the selection and support of international students, including the provision of housing; however, as noted back [here](#), the framework revealed publicly to date is under-theorised and badly-designed. A longer delay might be a good idea.

Lastly, the 2019 Budget had set aside \$148 million over five years for a new international education strategy, which included a pilot program ([Global Skills Opportunity](#)) aimed at increasing outbound student mobility. This pilot program is scheduled to conclude in March 2025. However, the 2024 Budget does not provide any updates or information regarding the continuation or outcomes of this key program, or the international education strategy more broadly.

Training and Work-Integrated Learning

YOUTH PROGRAMS

Canada Service Corps

Back in January 2018, the Government launched the design phase of the Canada Service Corps, a youth service initiative. The rationale for the program was that service opportunities give young Canadians the chance to gain valuable work and life experience, build on what they've learned through their formal education, and give back to their communities in meaningful ways. In the 2019 budget, the government committed to \$314.8 million in funding over five years (starting in 2019–20, with \$83.8 million per year, meaning that any extension of this program would have needed to come with this budget announcement.) Its absence communicates a silent retreat from a significant investment in Canada's youth.

Youth Employment and Skills Strategy

While the government seems to have concluded that that particular investment was not worth sustaining beyond those five years, there is some cause for muted optimism. The Youth Employment and Skills Strategy will receive \$351.2 million, but not until 2025-26. This is divided up between two programs: Canada Summer Jobs, which will receive \$200.5 million, and the Youth Employment and Skills Strategy Program (YES), which receives the balance of \$150.7 million. Given that Budget 2019 proposed to invest \$49.5 million in YES over five years, one might have expected some bridge funding for 2024-25. Budget 2024 did not forget the YES, but we are left to wonder whether bridge funding will be provided, and through what mechanism.

The 2023 budget proposed \$197.7 million in 2024-25 for the Student Work Placement Program. Budget 2024 announced \$207.6 million for 2025-26, but made no mention of the promised \$197.7 million in the 2023 budget. While this is not a gap, it is a curious omission in a document that takes pains to highlight past and current funding.

WORK-INTEGRATED LEARNING

Apprenticeships

The Canadian Apprenticeship Strategy, announced in Budget 2019, strengthened existing apprenticeship supports and programs by helping apprentices and key apprenticeship stakeholders, including employers, to participate and succeed in the market for skilled tradespeople. According to [ESDC's own website, Canada will need over 256,000 new apprentices over the next 5 years to meet demand](#). As a measure to address this need and to encourage people to go into trades, Budget 2024 announced \$100 million of related funding over two years to ESDC. The bulk of it, \$90 million, is reserved for the Apprenticeship Service, which supports employers to hire new first-year apprentices and helps first-year apprentices get the hands-on work experience they need for a career in the skilled trades. The balance is for the Skilled Trades Awareness and Readiness Program, which encourages Canadians to explore and prepare for careers in the skilled trades. This funding would be sourced from existing departmental resources.

Training and Employment Support

There are also some smaller investments worth noting. These include \$39.2 million over two years to Innovation, Science and Economic Development Canada to advance the next phase of CanCode. A further \$50 million is allocated to the Sectoral Workforce Solutions Program, which was announced in Budget 2020 and is geared towards providing new skills and training for workers in potentially disrupted sectors and communities. The \$50 million in new funding is intended to support workers affected by developments in AI. A separate allocation of \$10 million is intended to train more early childhood educators.

Varia

Recognizing Foreign Construction Credentials and Improving Labour Mobility

- ▶ Building on Budget 2022's five-year \$115 million investment in the Foreign Credential Recognition Program, Budget 2024 proposes to provide an

additional \$50 million over two years, starting in 2024-25, to Employment and Social Development Canada.

- ▶ The Foreign Credential Recognition Program helps provide training, work placements, wage subsidies, and mentoring to newcomers for the Foreign Credential Recognition Program.
- ▶ At least half of this funding will be dedicated to streamlining the recognition of foreign credentials in the construction sector to help skilled trade workers contribute to building more homes in Canada. The remaining half funds will support foreign credential recognition in the health sector.
- ▶ These are calls for provinces and territories to urgently streamline their trades certification standards for interprovincial consistency. This includes streamlining requirements in trades, or sub-trades, that have no or limited equivalents in other jurisdictions.

Foreign Health Care Credential Recognition:

- ▶ In October 2023, a commitment was made to facilitate the credential recognition of internationally educated health care professionals. Subsequently, in January 2024, the government announced the provision of \$86 million to support 15 initiatives run by external organisations. These projects are designed to help 6,600 such professionals have their qualifications recognized in Canada.
- ▶ Additionally, the government will allocate \$77.1 million over four years, starting from 2025-26, with the objective of more effectively integrating these professionals into Canada's health workforce. This funding will be used to create 120 targeted training positions, enhance the capacity for assessing foreign credentials, and provide assistance to professionals navigating the credential recognition process.

CANADA PENSION PLAN

Budget 2024 announces some forthcoming amendments to the Canada Pension Plan legislation, notably to start providing partial children's benefits for part-time students.

Conclusion

This budget is difficult to parse.

There's an effective cut to international student mobility. There's an increase in funding to apprenticeships and First Nations' students. This seems like a good trade. And some of the stuff around housing seems reasonable, too.

On student aid, the clear win is on the Canada Learning Bond. This is a long overdue change, and one which is unequivocally to the good. There are some modest improvements to Canada Student Financial Assistance Program (CSFAP) which trade increased allowances to pay for rent in the short term for higher student debt in the long term.

On graduate scholarships, I think the sector has a win with a sting in the tail. The increase in and standardisation of federally-funded scholarships for graduate students and postdocs is both welcome and long overdue. But all those grad students who don't get federal funding? Any increase in funding for them is going to have to come from already-stretched institutional budgets, because boy howdy it isn't going to come from council-funded research grants, which are barely going to keep up with inflation for the next couple of years (see below)

Research...well, this is a hard one. There are some good investments in some institutionally-based science infrastructure (\$400M for the TRIUMF particle-accelerator at UBC, \$85M for the Lightsource at the University of Saskatchewan, \$45 million for the MacDonald Centre at Queen's. However funding for more broad-based infrastructure through CFI was cut by over \$100 million just prior to the budget.

But as for funding through granting councils: how do you evaluate a promise which is long-term good, but short-term inadequate when you know the long-term part probably isn't going to come to pass? Does anyone believe that this government will be in power beyond fall 2025? Does anyone believe a Conservative government would respect this financial commitment? No? Well, then about 87 % of this "historic" announcement on research funding is meaningless. And without that extra \$1.5 billion or so, it turns out that total tri-council plus CFI dollars, in real terms, will be 10% smaller in 2025-26 than they were in 2017-18 – that is, before the Naylor report.

This is not good. In fact, it seems like a continuation of a pattern under the Liberals: lots of good little one-and-done policies, but extreme difficulty in maintaining a sustained effort on the files that matter.

Over the next few months, all the attention will be focused on the tri-council unification process, which has very much been punted into the grass here. There are a lot of unanswered questions about how this is going to work, the most important one being how CIHR can “stay linked” to the Ministry of Health if it is under a single umbrella which presumably answers to the Ministry of Industry, all of which in theory are supposed to be answered by the Fall (though we’ve heard that one before – anyone remember the Canada Innovation Corporation?). Stay tuned.

But as for the longer-term picture? The Liberals will get one more kick at the can next spring. All we can do is hope.



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