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## **\$25 million in student assistance changes to support post-secondary students**

### ***Increased living allowance, no vehicle restrictions part of package***

*Edmonton...* Significant changes to the student assistance program totaling \$25 million will be implemented by the Alberta government before students begin classes this fall.

"These changes are part of government's ongoing efforts to make post-secondary education more affordable. We want to encourage Albertans to continue their studies and assisting them financially is one important way in which we can support them," said Doug Horner, Minister of Advanced Education and Technology.

"As a result of these initiatives, more students will qualify for financial assistance and the amount of assistance each student receives will increase. More specifically, these measures address student concerns about the rising cost of living and the need for a vehicle in many employment situations."

The changes include:

- increasing living allowances by 14 per cent (the first double digit living allowance increase introduced by the province);
- eliminating vehicle restrictions (as of August 1, a student may own a vehicle of any value; currently, a student with a vehicle worth more than \$5,000 has his or her financial assistance reduced by the vehicle's value over the \$5,000 maximum);
- increasing the annual student loan limit to \$13,000 from \$12,440 (the Alberta government has increased its loan limits annually for 14 consecutive years); and
- reducing parental contributions (all provinces and the federal government have agreed to this change subject to the availability of funding. Parents are expected to help pay for their child's education if he or she has been out of high school for four years or less, unless their child has been working or available to work full-time for two years).

These measures are part of government's Affordability Framework, which includes immediate and long-term initiatives to make post-secondary education more affordable to students. The framework was developed as part of *A Learning Alberta*, which sets out the long term vision and policy directions for the advanced education system.

Students will also benefit from an increase in the education tax credit, which grows by 26 per cent from \$475 to \$600 per month for full-time students and from \$143 to \$180 per month for part-time students. The estimated benefit for parents or students is \$3 million in 2007, increasing to \$10 million annually in future years.

This announcement is an important action under Premier Ed Stelmach's plan to build a stronger Alberta. Other priorities for the government are to govern with integrity and transparency, manage growth pressures, improve Albertans' quality of life, and provide safe and secure communities.

For more info: