



March 2003 Ontario Budget Education and Training Highlights

New Refundable Apprenticeship Tax Credit for Companies

Corporations and unincorporated businesses in Ontario will be eligible for a 10% refundable tax credit for eligible expenditures in respect of apprentices in a qualifying skilled trade. The tax credit will be increased to 15% for businesses with total payroll costs of not more than \$400,000. An employer will be eligible for a tax credit of up to \$250 per month per apprentice to a maximum of \$6,000 over a 24-month employment period.

Eligible expenditures would be salaries and wages paid after March 27, 2003 to an apprentice in a qualifying skilled trade. Qualifying skilled trades include designated construction and industrial trades as well as the leading-edge trades eligible under the present apprenticeship component of the Co-Operative Education Tax Credit.

The Co-Operative Education Tax Credit would continue to be available to businesses hiring co-op students and post secondary students enrolled in leading-edge technology programs other than apprenticeship programs.

Support for Apprentices

The government is taking three additional initiatives to support apprenticeships, including:

- Adding flexibility for young people who might choose trades training by developing a new model **combining college diploma and apprenticeships**.
- Renewing the successful Lifelong Learning Challenge Fund at TV Ontario, providing \$5 million to develop more **online training projects** in partnership with employers, focussing on apprenticeship; and
- Renewing programs that help **women facing labour market barriers** obtain apprenticeships in the skilled trades, and skills and jobs in the information technology sector.

Educational Technology Tax Incentive (previously existing program)

An additional 15% deduction to corporations, and a 5% deduction to unincorporated businesses is now available for the donation of new teaching equipment and learning technology to post-secondary institutions.

Additional Funding

The Ontario Government is investing \$90 million in Ontario's high schools over the next four years to renew technological equipment, to train teachers and to develop partnerships with employers and colleges.

To make the investments that will enhance the quality of education for students over the double cohort period, Ontario is establishing **Quality Assurance Funds**, one for Ontario's universities and one for Ontario's colleges. The government will provide the college fund with \$60 million in 2003-2004, and the fund will rise each year. The government will provide the university fund with \$75 million in 2003-04, and the fund will rise each year. The province will work with post secondary institutions, faculty and students to develop a performance measurement framework that will govern the funds.