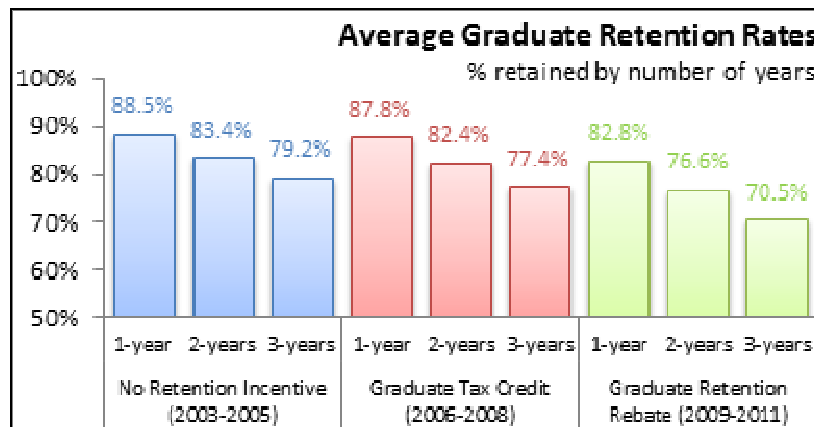


## Refocusing Support for Students and Young Graduates

The Graduate Retention Rebate (GRR) was introduced in 2009 in an effort to keep young skilled workers in Nova Scotia and compete with other provinces offering similar graduate tax credits.

The Graduate Retention Rebate was not achieving these objectives. In fact, figures show that there has actually been a decline in graduate retention rates during the Graduate Retention Rebate period, from 2009 to today. And that those who were claiming the credit were just as likely to move away the next year as those who were not.

The Nova Scotia young graduate retention numbers clearly show there was no improvement in retention during the Graduate Tax Credit period from 2006-2008 (a previous, less generous tax credit) or the Graduate Retention Rebate period from 2009-2011. After seven years of data with graduate credits, there has been no change in the out-migration rates of graduates.



Studies on Canadian migration patterns show tax credits like the GRR do not play a role in decisions about where to live. Wages and the availability of jobs are the most important factors for young graduates deciding where to live. (Retention of Recent College Graduates in New England, New England Public Policy Center at the Federal Reserve Bank of Boston, Policy Brief 09-2)

In 2012, there were 21,732 GRR recipients (both university and college). That year, the program cost \$34.2 million. The cost of the GRR increased to \$42.4m in 2013. Government can simply not afford programs that don't have a return on investment for Nova Scotians.

## **What we're doing differently**

We are now refocusing our efforts to help student and keep young graduates here by reducing the costs of getting an education, and helping create more job opportunities for young graduates.

The province has invested more than \$123-million in student assistance over the past three years, making it easier for students to access post-secondary assistance and graduate with less debt. This year, we'll spend over \$625 million on support for post-secondary students and new graduates. This is an increase of \$13.9 million from last year and an increase of \$168.1 million from 2007-2008.

The 2014-2015 budget includes many new investments for post-secondary students and those graduating into the workforce. Please find attached the 'Post-Secondary Education' budget bulletin.