



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-FOURTH LEGISLATURE

Bill 25

An Act respecting financial assistance for students

Introduction

**Introduced by
Mr Claude Ryan
Minister of Higher Education and Science**

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EXPLANATORY NOTES

The object of this bill is to establish a legislative framework for the implementation of a financial assistance plan for students composed of two programs: the loans and bursaries program for full-time studies at the postsecondary level, and the bursaries program for part-time studies at the university level.

The bill provides that financial assistance is available to students at the postsecondary level who wish to continue their studies but whose financial means are insufficient according to the rules established under this bill. It also provides that the amount of financial assistance is determined primarily according to the amount established as the contribution of the student and, where that is the case, of his parents or his spouse.

In addition, the bill establishes an examination committee for exceptional cases and grants discretionary powers to the Minister with respect to such cases.

Bill 25

An Act respecting financial assistance for students

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

CHAPTER I

DEFINITIONS

1. The following programs of financial assistance are hereby established:

(1) the loans and bursaries program for full-time studies at the postsecondary level;

(2) the bursaries program for part-time studies at the university level.

2. For the purposes of this Act,

“parents” means the father and mother of the student;

“sponsor” means a Canadian citizen or a permanent resident other than a parent or spouse who sponsors the application for landing of a permanent resident within the meaning of the Immigration Act (R.S.C., 1985, chapter I-2);

“spouse” means the person who is married to the student and not legally separated from him, or who lives with the student in a de facto union and with his child or the child of the student;

“student” means the person who pursues postsecondary studies;

“year of allocation” means three trimesters: a summer trimester, an autumn trimester and a winter trimester, of

approximately three months each, beginning on the dates fixed by the educational institution attended.

CHAPTER II

CONTRIBUTORY NATURE OF THE PROGRAMS

3. The programs are contributory in nature. Eligibility for and the amount of financial assistance are determined according to the amounts established as the contribution of the student and, where applicable, the amounts established as the contribution of his parents, his sponsor or his spouse.

4. A student is deemed to receive a contribution from his parents or his sponsor, as the case may be, except if

- (1) he is or was married;
- (2) he has or has had a dependent child who is or was his;
- (3) he lives in a de facto union with another person and with a dependent child;
- (4) she has reached her twentieth week of pregnancy;
- (5) he has obtained a bachelor's degree from a university in Québec or has accumulated 90 credits in a single course of studies which is recognized by the educational institution;
- (6) he is pursuing Master's or Doctoral studies in an educational institution which is designated by the Minister for the granting of loans and bursaries or loans only;
- (7) he holds a third cycle diploma from a conservatoire de musique or a conservatoire d'art dramatique in Québec;
- (8) he holds a bachelor's degree or the equivalent obtained outside Québec, or has successfully completed four years of studies on a full-time basis at a university outside Québec with a view to obtaining such a degree, or has successfully completed three years of studies on a full-time basis at a university outside Québec with a view to obtaining such a degree after having obtained a college diploma in Québec;
- (9) he has provided for his own needs and resided elsewhere than at the place of residence of his father, mother or, as the case may be, his sponsor, for at least two years, excluding any period during which he was in full-time attendance at an educational institution;

(10) he has, for at least two years, held remunerated full-time employment or received, for such employment, benefits under the Unemployment Insurance Act (R.S.C., 1985, chapter U-1);

(11) he is unmarried and his parents or his sponsor are deceased.

For the purposes of any subsequent application for financial assistance, a student having lived in a de facto union with another person as in subparagraph 3 of the first paragraph for 24 consecutive months or more, or a student having been pregnant for a period of 20 weeks or more shall continue to be considered as receiving no contribution from his or her parents or sponsor.

5. For the purposes of the loans and bursaries program, the contribution of the student shall be established according to the minimum student contribution, if any, together with his foreseeable and actual income, on the conditions and in accordance with the rules prescribed by regulation for each form of assistance.

The regulation may, according to the form of assistance, establish a minimum amount of contribution and determine the conditions for a reduction of or exemption from such a contribution.

6. For the purposes of the loans and bursaries program, the contribution of the parents or of the sponsor shall be established on the conditions and in accordance with the rules prescribed by regulation for each form of assistance, according to their actual income, the number of dependent children and the exemptions provided for by regulation for themselves and their dependent children.

In addition, in the case of an application for a bursary, a contribution based on the assets of the parents or of the sponsor, established on the conditions and in accordance with the rules prescribed by regulation, shall, for the purposes of computing the bursary, be added to the contribution of the parents or of the sponsor.

7. For the purposes of the loans and bursaries program, the contribution of the spouse shall be established on the conditions and in accordance with the rules prescribed by regulation for each form of assistance, according to his foreseeable and actual income and the exemptions provided for by regulation.

8. For the purposes of the bursaries program for part-time studies at the university level, the applicable contribution shall be

established by computing, in accordance with the terms and conditions prescribed by regulation, the actual income of the student and, where applicable, that of his parents, his sponsor or his spouse.

CHAPTER III

FINANCIAL ASSISTANCE PROGRAMS

DIVISION I

LOANS AND BURSARIES PROGRAM FOR FULL-TIME POSTSECONDARY STUDIES

§ 1.—*Definitions*

9. For the purposes of this division,

“full-time studies” means, for each trimester,

(1) at the college level, 4 courses or 180 periods;

(2) at the undergraduate level, 12 credits;

(3) at the Master’s or Doctoral level, as determined by the educational institution attended;

(4) for studies at the postsecondary level outside Québec, as determined by the educational institution attended.

“part-time studies” means, for each trimester,

(1) at the college level, 2 or 3 courses or 76 to 179 periods;

(2) at the undergraduate level, 6 to 11 credits;

(3) at the Master’s or Doctoral level, as determined by the educational institution attended;

(4) for studies at the postsecondary level outside Québec, as determined by the educational institution attended.

10. A student who has a major functional deficiency within the meaning of the regulation and who, for this reason, pursues, on a part-time basis, a course of study recognized by the Minister is deemed to do so on a full-time basis.

§ 2.—*Loans*

11. Every person shall be eligible for a loan for full-time studies at the postsecondary level provided that, on the date of his application,

(1) he is a Canadian citizen or permanent resident within the meaning of the Immigration Act;

(2) he resides in Québec within the meaning of the regulation;

(3) he has been admitted to an educational institution designated by the Minister for the granting of loans and bursaries or loans only, in order to pursue on a full-time basis a course of study recognized by the Minister;

(4) he is within the period of eligibility for a loan as established by regulation;

(5) his financial means are determined to be insufficient according to the rules established by this Act.

12. The categories of allowable expenses and the amounts determined as such expenses for the purpose of computing the amount of the loan that may be granted to a student for a year of allocation or, as the case may be, for a trimester, shall be determined by regulation.

13. The maximum amount of a loan shall be established by regulation according to the level of education, the cycle, the number of credits completed and the classification of the educational institution attended.

When an amount determined as the contribution of the parents, sponsor or spouse exceeds the amount determined as allowable expenses, the maximum amount of the loan shall be reduced by the excess amount.

14. The amount of the loan shall be computed by subtracting the amount determined as the contribution of the student from the amount determined as allowable expenses. The amount so obtained may not exceed the maximum amount of the loan established pursuant to section 13.

15. The Minister shall issue, to a student who is entitled to it and who is enrolled or deemed to be enrolled within the meaning of the regulation, a loan certificate, the contents and conditions contained in which shall be determined by regulation, authorizing him to contract a loan with a financial institution recognized by the Minister.

16. A student who is a minor and who receives a loan certificate is deemed to be of age for the purposes of such loan.

§ 3.—*Bursaries*

17. Every student is eligible for a bursary for full-time studies at the postsecondary level provided that

(1) he has obtained the maximum amount of the loan for which he is eligible under the first paragraph of section 13;

(2) he has been admitted to an educational institution designated by the Minister for the granting of loans and bursaries, in order to pursue, on a full-time basis, a course of study recognized by the Minister;

(3) he is within the period of eligibility for a bursary as established by regulation;

(4) notwithstanding the maximum loan already obtained, his financial means are determined to be insufficient according to the rules established by this Act.

18. The categories of allowable expenses and the amounts determined as such expenses for the purpose of computing the amount of the bursary that may be granted to a student for a year of allocation or, as the case may be, for a trimester, shall be determined by regulation.

19. The maximum amount of a bursary is established by regulation according to the level of education concerned and the family situation of the student.

20. The amount of the bursary shall be computed by subtracting the following amounts from the amount determined as the allowable expenses of the student:

(1) the amount determined as his contribution and, where that is the case, the amount determined as the contribution of his parents, his sponsor or his spouse;

(2) the maximum amount of loan for which he is eligible pursuant to the first paragraph of section 13.

The amount so obtained may not exceed the maximum amount of bursary established by regulation.

21. In no case may the amount of a bursary be paid to a student unless the student is enrolled or deemed to be enrolled within the meaning of the regulations.

§ 4.—*Management of a loan*

22. For the purposes of this subdivision, “period of exemption” means the period beginning on the date on which the borrower obtains a first loan, or on which he becomes a full-time student again after having ceased to be so, and ending

(1) on 1 April, for a borrower who completes or abandons his full-time studies during or at the end of the preceding summer trimester;

(2) on 1 August, for a borrower who completes or abandons his full-time studies during or at the end of the preceding autumn trimester;

(3) on 1 January, for a borrower who completes or abandons his full-time studies during or at the end of the preceding winter trimester.

23. The Minister shall pay to any financial institution which has made an authorized loan the interest on the balance of such loan at the rate fixed by regulation, as long as the borrower is a full-time student and during his period of exemption.

For the purposes of this section, the word “student” includes

(1) every person who has already obtained a loan under this Act and who is enrolled on a full-time basis in a secondary school or in an adult education centre within the meaning of the Education Act (1988, chapter 84) or the Education Act for Cree, Inuit and Naskapi Native Persons (R.S.Q., chapter I-14), or in an institution governed by the Act respecting private education (R.S.Q., chapter E-9) which provides general or vocational education at the secondary level;

(2) with the authorization of the Minister, every person who pursues postdoctoral studies or a training period recognized by the Government, and a person who takes part in a sports training program recognized by the Ministère du Loisir, de la Chasse et de la Pêche.

24. The borrower must begin to reimburse his loan to the financial institution in accordance with the terms and conditions prescribed by regulation when his period of exemption expires or, if he is in a precarious financial situation within the meaning of the regulation, from the time and in accordance with the terms and conditions prescribed by regulation.

25. Upon application by a borrower, the Minister shall reimburse to the financial institution that part of the loan determined by regulation which was contracted by the borrower during his Master's or Doctoral studies in an institution to which the Act respecting educational institutions at the university level (1989, chapter 18) applies, provided that the student completes such studies within the period of time prescribed by regulation and obtains official certification thereof.

26. In the event of the death of a borrower, the Minister shall reimburse the amount of the loan to the financial institution.

27. The Minister shall reimburse to any financial institution the losses in principal and interest resulting from an authorized loan.

28. The Minister is subrogated by operation of law in the rights of a financial institution to which he makes a repayment under section 26 or 27.

29. Recovery of an amount owed shall be prescribed by five years from the time it becomes payable.

However, the prescription shall be interrupted if the debtor resumes his studies on a full-time basis.

30. The Minister shall send a formal demand to any debtor by way of a notice stating the amount of and the reasons for exigibility of the debt.

A formal demand under this section interrupts the prescription.

DIVISION II

BURSARY PROGRAM FOR PART-TIME STUDIES AT THE UNIVERSITY LEVEL

31. For the purposes of this division, "part-time" means, in a trimester, a minimum of 6 and a maximum of 11 credits.

32. Every person is eligible for a bursary provided that, at the time he applies for assistance,

(1) he is a Canadian citizen or a permanent resident within the meaning of the Immigration Act;

(2) he resides in Québec within the meaning of the regulations;

(3) he has been admitted at the university level by an institution to which the Act respecting educational institutions at the university level applies, in order to pursue studies on a part-time basis;

(4) he is within the period of eligibility established by regulation;

(5) his financial means are determined to be insufficient according to the rules established by this Act.

33. The categories of allowable expenses and the amounts determined as allowable expenses for the purpose of computing the amount of the bursary payable to a student for a trimester shall be determined by regulation.

34. The amount of the bursary shall be computed by subtracting the amount determined under section 8 as the applicable contribution from the amount determined as allowable expenses.

35. In no case may the amount of a bursary be paid to a student unless the student is enrolled or deemed to be enrolled within the meaning of the regulations.

CHAPTER IV

GENERAL PROVISIONS

36. In order to qualify for financial assistance for studies at the postsecondary level, the student must apply to the Minister within the period of time prescribed by regulation, and supply the Minister with any document, medical report or information required to examine his eligibility, to establish his contribution and the other contributions which apply to him, and to compute the amount of financial assistance.

The Minister shall examine duly completed applications and render his decision.

37. The student has an obligation

(1) to inform the Minister without delay of any change in his situation that may affect the amount of financial assistance;

(2) to transmit to the Minister any required declaration which is necessary for the purposes of this Act.

38. After having been notified in accordance with the provisions of paragraph 1 of section 37, or after having been otherwise informed

of a change which may affect the amount of financial assistance to be granted to a student, the Minister shall reconsider the duly completed file of the student and render his decision.

However, in no case may the reconsideration reduce the amount of or cancel a loan which has already been contracted.

39. The Minister may, where an application is produced after the time prescribed or where the provisions of paragraph 2 of section 37 have been contravened, refuse an application, reduce the amount of or cancel the financial assistance, or demand the reimbursement of any financial assistance already paid in the form of a bursary.

However, in no case may the Minister reduce the amount of or cancel a loan which has already been contracted.

40. Any person who, without being entitled to it, has received financial assistance in the form of a bursary, must reimburse the amount to which he was not entitled to the Minister without delay, unless an agreement as to terms and conditions of reimbursement has been reached with the Minister.

Sections 29 and 30 apply with respect to an amount owed under this section.

41. The following persons are not eligible for financial assistance for postsecondary studies:

(1) any person who, pursuant to section 28, must reimburse an amount received as a loan, as long as this amount has not been reimbursed;

(2) any person who, pursuant to section 40, must reimburse an amount received as a bursary, as long as this amount has not been reimbursed, unless an agreement as to terms and conditions of reimbursement has been reached with the Minister;

(3) any person who, without being entitled to it, received financial assistance as a result of a false declaration or an undeclared change which, if declared, would have had the effect of rendering that person ineligible or reducing the amount allocated, for a period of two years from the date on which the Minister becomes aware of the false declaration or omission, or until the amount is reimbursed if this is not done within two years.

42. The Minister may grant financial assistance to a person who is not eligible for a reason other than those mentioned in paragraphs

1 to 4 of section 11, in paragraphs 1 to 3 of section 17, in paragraphs 1 to 4 of section 32 or in section 41, or who, although eligible, would not be entitled to sufficient financial assistance, if he considers that the pursuit of his studies by that student is otherwise jeopardized.

However, the financial assistance granted under the first paragraph shall not exceed the maximum amounts determined under the first paragraph of section 13 or under section 19 according to the form of assistance.

The Minister must include a statement of the financial assistance granted under this section and the reasons for such payments in the annual report which he must produce under section 13 of the Act respecting the Ministère de l'Enseignement supérieur et de la Science (R.S.Q., chapter M-15.1.1).

43. An examination committee for exceptional cases is hereby established. The members of the committee shall be appointed by the Minister after consultation with groups representing the personnel of educational institutions, the students and the socio-economic communities.

The term of office of such persons shall be specified in the deed of appointment.

44. Before rendering a decision under section 42, the Minister shall submit the application to the committee and obtain its advice.

45. The committee may adopt rules for its internal management. Such rules must be approved by the Government.

46. The Government may authorize the Minister to make an agreement with any person, partnership, corporation or government department for the purpose of facilitating the carrying out of this Act.

CHAPTER V

EXAMINATION AND INQUIRY

47. A person generally or specially authorized by the Minister to act as an examiner for the carrying out of this Act may require and obtain any information or documents and examine and make a copy of such documents.

48. In no case may an examiner be prosecuted for any act performed in good faith in the exercise of his functions.

49. The Minister or any person designated by him as an investigator may inquire into any fact to which this Act or the regulations thereunder apply.

50. For the purposes of an inquiry, the Minister and the investigator have the powers and immunity of commissioners appointed pursuant to the Act respecting public inquiry commissions (R.S.Q., chapter C-37), except the power to order imprisonment.

51. On request, the examiner or investigator shall identify himself and produce a certificate signed by the Minister attesting his capacity.

52. No person may hinder an examiner in the exercise of his functions, in particular, mislead him by concealment or false declarations, or conceal or destroy any document which may be useful for an examination.

CHAPTER VI

PENAL PROVISIONS

53. Every person who makes a statement he knows or should have known to be incomplete or to contain false or misleading information or who transmits a document which is incomplete or which contains such information so as to

(1) render himself eligible for financial assistance for students;

(2) receive financial assistance which can no longer be granted or which is greater than the assistance which may be granted,

is liable to a fine of not less than \$250 and not more than \$1 500.

54. Every person who contravenes a provision of section 52 is liable to a fine of not less than \$250 and not more than \$1 500.

55. Every person who, by his act or omission, assists another person in committing an offence under this Act is guilty of the offence as if he had committed it himself if he knew or should have known that his act or omission would likely result in aiding the commission of the offence.

56. Every person who, by his encouragement, advice or order, induces another to commit an offence under this Act is guilty of the offence if he knew or should have known that such encouragement, advice or order would likely result in the commission of the offence.

57. Penal proceedings under this Act may be instituted by the Attorney General or by any person generally or specially authorized by him for that purpose.

CHAPTER VII

POWERS OF THE MINISTER AND REGULATIONS

DIVISION I

POWERS OF THE MINISTER

58. The Minister may

(1) establish the list of educational institutions at the postsecondary level designated by him for the granting of loans and bursaries;

(2) establish the list of educational institutions at the postsecondary level designated by him for the granting of loans only;

(3) establish the list of courses of study recognized by him for the purposes of eligibility for financial assistance;

(4) establish the list of financial institutions recognized by him for the purposes of authorized loans.

DIVISION II

REGULATIONS

59. The Government may, by regulation,

(1) for the purpose of computing the amount of financial assistance which may be paid, determine, for each program or form of assistance, the conditions and rules for establishing the contribution of the student and that of his parents, sponsor or spouse;

(2) for the purpose of establishing the contributions mentioned in subparagraph 1, define the minimum contribution, the foreseeable income and the actual income, determine the conditions of reduction and exemption which are applicable and prescribe the methods of computing these elements;

(3) for the purpose of computing the amount of financial assistance in the form of a bursary which may be granted pursuant

to the loans and bursaries program, determine the conditions and rules for establishing the contribution based on the assets of the parents or sponsor;

(4) determine the cases where a person has his residence in Québec;

(5) determine the period of eligibility for financial assistance programs, for each form of assistance, each level of education, each cycle and certain courses of study;

(6) for the purposes of section 10, determine what constitutes a major functional deficiency;

(7) for the purpose of computing the amount of financial assistance which may be paid, establish, for each program or form of assistance, the list of allowable expenses and determine the maximum amounts allocated as such;

(8) determine the maximum amounts of loans according to the level of education, the cycle, the number of credits completed and the classification of the institution attended;

(9) fix the minimum amount below which no loan certificate shall be issued;

(10) establish the maximum amounts of bursaries according to the level of education and the family situation of the student;

(11) fix the minimum amount below which no bursary shall be paid;

(12) determine the content of a loan certificate and the conditions mentioned in it;

(13) fix the rate of interest to be applied to the balance of an authorized loan;

(14) prescribe the terms and conditions of repayment of an authorized loan;

(15) for the purposes of section 24, define "precarious financial situation" and prescribe the time when repayment must begin and the terms and conditions applicable to such repayment;

(16) for the purposes of section 25, prescribe the time limits for completing graduate studies in order to be eligible for a reimbursement and the part of the loan to be repaid by the Minister;

(17) fix the time limits for producing an application for financial assistance and the required documents, and the time limits beyond which an application for financial assistance may be refused or the amount of assistance reduced and the amount of the reduction;

(18) for the purposes of sections 15, 21 and 35, determine the cases where a student is deemed to be enrolled.

The provisions of the regulations made under subparagraphs 1, 2, 3 and 7 of the first paragraph may vary according to the level of education for which the student was enrolled or according to his activities prior to the period covered by the application for financial assistance, according to the number of trimesters during which the student is pursuing his studies or is employed or is neither pursuing his studies nor employed, and the level of education for which he is enrolled, according to the number of trimesters covered by the application for financial assistance, according to the place of residence of the student and, if applicable, that of his parents or his sponsor, according to the family situation of the student and, if applicable, that of his parents or his sponsor, according to whether he suffers from a major functional deficiency, according to whether the student's spouse is pursuing studies or is employed or is neither pursuing studies nor employed, and according to whether the student is sheltered or incarcerated in an institution or establishment.

CHAPTER VIII

TRANSITIONAL AND FINAL PROVISIONS

60. Section 89 of the Health Insurance Act (R.S.Q., chapter A-29) is amended by replacing the words "Student Loans and Scholarships Act (chapter P-21)" in the second line of paragraph *e* by the words "Act respecting financial assistance for students".

61. This Act replaces the Student Loans and Scholarships Act (R.S.Q., chapter P-21).

62. Any loan contracted under the Student Loans and Scholarships Act shall be governed by the provisions of this Act.

63. A debt which is recoverable under the Student Loans and Scholarships Act may be recovered under this Act, except where judicial proceedings have already been instituted in respect of the amount of that debt.

64. The Minister of Higher Education and Science is responsible for the administration of this Act.

65. The provisions of this Act come into force on the date or dates fixed by the Government.