

Mr. Mazankowski also told us that access to the program would not in any way be restricted by the passage of Bill C-76. He said that at the end of March 1993, some \$3 billion worth of loans were still outstanding, payable to the banks and guaranteed by the federal government. He added that more than \$700 million would be advanced to students in the course of the year. Seven hundred million dollars is a lot of money. Furthermore, in 1992 alone, another \$100 million had been added to the program to help needy students.

So it is not quite correct for our colleagues opposite to say that the government which is presenting the bill has a grudge against students and wants to penalize them or prevent them from getting an education. The minister told us that the government's policies since 1984, including tax reform, had led to lower interest rates. We know that the prime rate is around 6 per cent today. This means that thanks to the policies of the present government since 1984, students will no longer have to pay interest rates of 12, 15 or 16 per cent on their loans in 1993-94 and the following two or three years.

I think that we must put this bill and Senator Perrault's amendment in context. The government had to put its affairs in order and must continue to do so and all classes of taxpayers must do their share.

I will not take time repeating everything Mr. Mazankowski told us. Those who check the proceedings of the March 24 meeting of the committee on National Finance will see that Mr. Mazankowski reminded us that spending on education, training, or any other program for students or to train workers has increased every year since this government took power. So it is not quite correct for the people opposite to say that this government does not care about workers and students or anyone else, in the name of deficit control.

I will have an opportunity to talk about this again. If I do not complete my speech on it now, I will be able to do so when we return to the main motion on third reading. I might like to complete my whole speech now, but if I am prevented, I will have to continue another time.

During the sitting on March 24, 1993, I also questioned the \$10-million figure put forward by the government as the cost for 1993-94 graduates from eliminating the six-month interest-free period. Unfortunately, after asking a question about it, the committee did not receive a satisfactory reply.

Yesterday I was told by a senior official in bureaucratic jargon, as you will agree, that if loans for 1993-94 are made in the fall of 1993, eliminating the six-month period might mean more revenue for the federal government. We know that if the

loans are made in the fall of 1993, they will not be due before April or June 1994, at the end of the academic year.

This amount of \$10 million was instead based on a bill that should have been presented and passed in 1992. When the government says that it will save \$10 million this year that could reduce the deficit, it is mistaken. Nothing will be saved. You have a chart, which committee members received, showing that the government could save \$95 million over five years. I think that the potential savings are much closer to \$40 million.

Let us put these figures aside for the time being. Obviously, the elimination of the six-month period in Bill C-76 is not a legislative measure to reduce this year's deficit. And if it is not a measure to reduce the deficit in 1993-1994, in the coming year students will not be penalized. Nevertheless, it is rather remarkable for a government to tell us that since it came to power, it has not been able to review their student loans program but that it intends to do so soon. I hope that there were other programs to review and that they were indeed reviewed, and I also hope that this one will be reviewed in due course.

So, students will not be penalized this year with the elimination of the six-month period. They will not be penalized because even more loans will be made. When these loans become due, they will be subject to a 6 per cent interest rate. I do hope that there is a review of the program.

As others have said, the government thought that this could be a first step toward making students aware of the fact that each citizen must do his share, and I sincerely believe that students, when they make their decision, will view this measure in the general context of austerity, which is necessary not only at the federal level but at every level of government.

Students are aware of what is happening when they read about the measures now being taken by provincial NDP governments and other which had shown no restraint in the last 2 or 3 years and had increases of 12, 13 and 14 per cent in their expenditures, as was the case in Ontario in the last two years and, more recently, in British Columbia. This explains the Ontario government's announcement yesterday and the headline of the *Ottawa Sun* saying that from now on the New Democrats would slash and tax. Maybe this government should have thought about this last year and the years before and should have listened to the best advisors and economists who were predicting precisely the situation in which we find ourselves today.

Members appointed can accuse the government of taking a piecemeal approach.