

Honourable senators, I simply cannot understand the logic of my honourable friend. I would appeal to him to think again and think of what he said in the committee when we first discussed this matter, as did Senator Simard. Let us have a look at the program, but for the time being let us keep the program in place until we know what is good and what is bad about the program.

It is not enough to say that the students of this country should be ready to put their shoulders to the wheel and do their share to help control the deficit. Many others in this country should put their shoulders to the wheel long before we ask the students to do so.

Honourable senators, some of my colleagues pointed out yesterday that Bill C-92 — if I recall the number correctly — will allow trusts to be tax exempt for a period until such time as the last descendant dies, but in the meantime they will have that money at their disposal with no tax applicable — free money that properly should come to the government to help reduce the deficit. That money will remain in the hands of the wealthy.

Senator Perrault: Shame!

Senator Molgat: Yet we ask the students of this country to put their shoulders to the wheel — not all students, please note; only those students who need student loans.

Senator Perrault: Just the poor students.

Senator Molgat: The poor students. Those students whose families are able to put them into university, they will not be touched.

• (1420)

Senator Bonnell: They have trust funds.

Senator Molgat: I presume they have a trust. Senator Bonnell, you are probably right, many of them do have trust funds. But those who need a student loan are the ones who have to put their shoulders to the wheel.

Frankly, I am disappointed, Senator Kinsella, with that approach, although I say so more in sorrow than in anger, because, when you came here and I listened to you intently a number of times, I thought, "Here is a reformer. Here is one who, albeit he is sitting behind some arch Tories, some real blue Tories, has in his veins an element of red blood."

Senator Frith: At least pink!

Senator Molgat: I thought he was someone who would be prepared, when it came to these kinds of issues, not to follow their traditional line of: "We will make the poor pay and let the rich take it easy." But that is the approach this bill takes.

[*Translation*]

Hon. Jean-Maurice Simard: Honourable senators, when we received Bill C-76 from the House of Commons, this proposal to eliminate the six-month interest-free period after graduation struck me as somewhat surprising.

On March 4, at the first sitting of the National Finance committee on Bill C-76, I said that I had read the brief submitted by the Canadian Federation of Students and that I intended to put questions to the students themselves, the minister and senior officials, which I did. During the committee's session on March 4, I said that I supported the request made by the Canadian Federation of Students.

I intended to listen, to ask questions, to reflect and to draw a number of conclusions so that I would be able to take a position on this bill. As I listened to the students, to my astonishment we were told that the Commons committee that examined the bill had refused to hear the Canadian Federation of Students. I thought, and I still think, it was shocking that parliamentarians should refuse to listen to a federation that represents 450,000 students.

Senator Corbin: Shame!

Senator Simard: Our committee listened to their presentation. They suggested a review and were prepared to accept a commitment on the part of the government to review the entire Canada Student Loans Program. Perhaps a new program could provide for a grace period for students who default on their payments.

Last Wednesday, March 24, 1993, Mr. Mazankowski appeared before the National Finance committee. He told us there was absolutely no reduction in access to the program and that students who are most in need, especially our students in the Atlantic provinces, will still have access to the program.

I explained that the number of summer jobs and permanent jobs for recent graduates in the Atlantic provinces was much lower than the national average. Since fewer jobs are available, compared with the situation for students in Ontario or other provinces, students in the Atlantic region have tended to resort in greater numbers to the Canada Student Loans Program and debt levels have been higher than the national average.

That is probably why, under Louis Robichaud in the 1960s, the government of New Brunswick introduced a grants program. Students in New Brunswick are indebted to the Robichaud government for adopting a program that still exists today, with a few minor changes. I think it is a program that could usefully be imitated or adapted by the other provinces.