

Adjournment Debate

The approach taken by this Government was to proceed with the sale of a company to Boeing, a private enterprise, and to ensure that Boeing will maintain existing jobs and to ensure, I have a few notes here, that in Winnipeg the company will proceed with the maintenance—

For instance, in the case of the 747, the Super Jet, facilities in Winnipeg will produce the necessary equipment for this aircraft. The contract will provide 250 jobs and \$11 million worth of economic benefits across Canada, and we at least made sure that we would not be constantly spending public funds.

And I am surprised at the Hon. Member's criticism, especially since we took every precaution to ensure that the transaction would be carried out properly, that the private company would be in a position to carry out its main function which is to manage a company and even make a profit, and to maintain jobs for Canadians, and that is what we need, so that we don't have to spend public funds to the tune of hundreds of millions and even billions of dollars every year. That is what they did and we are still paying for their mistakes.

Of course they have conveniently forgotten about that, but it all means that every year, our children and our grandchildren will have to pay back these debts.

You mentioned vigilance, but where was your vigilance when you were supposed to consider those factors and ensure that the Canadian Government was living within its means and knew where it was going?

You did not have those considerations, and, Madam Speaker, I do not agree with the comments made by the Hon. Member today. I think it is a good deal and I think our actions as a Government were entirely appropriate.

● (1815)

[English]

EDUCATION—STUDENT LOAN PROGRAM—REQUEST FOR CONSIDERATION OF BURSARY PROGRAM. (B) MINISTER'S POSITION

Ms. Lynn McDonald (Broadview—Greenwood): Madam Speaker, on November 4 I raised a question in the House regarding the Canada Student Loans Program and the desperate plight that many students now find themselves in with very high debt loads that they are bearing at the end of their university days when they get into the workforce to start their working careers.

The Secretary of State (Mr. Crombie) was fairly positive in his response. He said that he would be discussing the question with the provincial Ministers of Education. He invited me and other Members of the House to sit down with him afterward to go into the question more thoroughly. I promptly accepted that invitation.

In the meantime, we do not even have a very good idea of how bad the situation is. The last Canada Student Loans

Program annual report was for the year 1982-83. This was before the Conservative Government came into office. We know from *ad hoc* evidence, from the letters we are receiving from constituents, from parents who are telling us the situation of their own children and from the Canadian Federation of Students that the situation is getting tougher and tougher. Debt burdens of \$8,000 to \$20,000 are not uncommon these days.

We have no definitive information. To devise a reasonable plan we have to look at the present situation. We know that the situation is worst in British Columbia. British Columbia does not have a bursary program, it is entirely a loan program. The Canada Student Loans Program was designed to be complementary to a bursary program at the level of the provinces. Any bursaries previously given out by B.C. no longer exist.

The University of British Columbia financial aid department makes the following dire predictions. The average debt of the 1985 graduate was \$10,000. The average debt of the 1984 graduate was \$3,700. The predicted debt of the 1986 graduate is \$15,000. There are some students who have a debt of \$25,000.

The Director of Student Aid at the University of Victoria agrees that British Columbia's student aid program is the worst in Canada. The shortage of aid is causing changes in the types of people who are able to attend university. There are fewer coming from the interior of B.C., which is distant from the university, fewer from low income families and single parents. The causes are obvious. The Social Credit Government cancelled student grants, and immediately there was an enormous increase in the debts. Previously the ceiling was \$1,800 a year and now it is \$5,400 a year. Student fees have tripled in the past five years in British Columbia. The situation is desperate.

● (1820)

In the case of the Canada Student Loans Program, I should like to look at a few facts. Since 1964, 22 years ago, the federal Government has doled out \$3.8 billion in guaranteed loans to about 1.5 million students. Of those 1.5 million students, about 12 per cent have defaulted. Default has a certain connotation. I wonder about the 12 per cent figure. We know that the unemployment rate is about 12 per cent. I wonder whether that is the relevant figure.

The Government has paid \$377 million to Canadian banks to cover defaulted loans. A substantial amount of that has been recovered, some \$179 million. The rest is still owing. Then the collection agencies come into play. Sometimes they are inflexible and sometimes they are positively brutal in their methods of collection. I note that the Government has been willing to forgive other loans but not student loans. I wonder about its priorities.