

*Proceedings on Adjournment Motion***BUSINESS OF THE HOUSE**

Mr. Baldwin: Mr. Speaker, I would ask the acting House leader what designs he has on the time of the House for tomorrow.

Mr. Jerome: Mr. Speaker, I do not presume to be the acting House leader, but I can speak on his behalf and say that we propose to commence tomorrow with third reading of this measure.

Mr. Baldwin: If that is finished, what will follow?

Mr. Jerome: We will go to the tax bill, Mr. Speaker.

Mr. Deputy Speaker: Order, please. It being two minutes before ten o'clock would it be the wish of hon. members that we call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

[*Translation*]

**FINANCE—QUEBEC—ALLEGED UNFAIR TREATMENT
WITH REGARD TO STUDENT LOANS**

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, the Canada Student Loans Act was given effect on July 26, 1964 and designed to provide eligible students with financial assistance to enable them to pursue postsecondary studies on a full-time basis.

Under this plan, the Canadian government guarantees grants made to students by designated banks and caisses populaires.

The Canada Student Loans Act calls for the payment of a compensation to any province which administers its own student loans plan.

Since education falls within provincial jurisdiction and that in many cases Quebec is a province unlike others, it did not participate in the federal student loans plan. On the other hand, Quebec contributes to the federal treasury, as do all the other provinces. It is therefore absolutely normal that it should benefit from compensation that is proportionate to its needs and population. I should like to know whether consultations have been held between federal civil servants and their Quebec counterparts with a view to setting up compensation that is as fair as possible, and to developing administrative criteria to favour the students of Quebec as much as those of other provinces.

Many students in Quebec have financial difficulties trying to complete their studies, and it seems some of them have a hard time getting loans under the act. Is that why Quebec ranks fourth among the provinces that avail themselves of the Canada Student Loans Act while it ranks second by population?

So as to invite this government to correct this situation, may I suggest that a review of the entitlement criteria be made in order that Quebec gets its rightful share of these

[Mr. Deputy Speaker.]

loans. So, the question that I had put to this House, on June 2, 1971, referred to this matter. I would ask the Minister of Finance (Mr. Benson) to give an answer as clear as possible on this point, so that we may be well informed and that we can, if required, give the required information to those who claim that Quebec is often the victim of injustices in this field.

[*English*]

• (10:00 p.m.)

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the hon. member seems to be almost completely misinformed about the situation prevailing with regard to the Canada Student Loans plan and its application in the province of Quebec. The Canada Student Loans plan provides for government-guaranteed loans to students who require assistance in their post-secondary education. The program has been in effect since 1964, during which time 656,535 loans aggregating \$398.6 million have been approved in the nine provinces and two territories of Canada that participate.

In addition to guaranteeing the loans, the federal government pays the interest charges while the borrower is engaged in full time studies and for six months thereafter. The borrower then assumes repayment of principal and interest over a period of up to 9½ years. The interest rate is established by a formula agreed between the federal government and the banks which provides for a maximum rate of 1 per cent over the current average yield of government of Canada securities maturing in five to ten years. The cost of the program in the nine participating provinces and territories is, firstly, the interest in course and for six months thereafter and, secondly, claims paid in respect of defaults pursuant to the guarantees.

Quebec does not participate in the plan but it does operate its own program and receives from the federal government a share of the cost of interest payments and loss claims. The formula is established by section 12 of the Canada Student Loans Act and is based on the relationship that the population in Quebec between 18 and 25 bears to the same age group in other provinces. In the loan period of July 1, 1970, to June 30, 1971, Quebec was paid \$9,106,197 under this arrangement. This amount is not to be compared with the amount of loans guaranteed in other provinces but, rather, with the interest and default costs borne by the federal government in respect of those loans.

**POLLUTION—THREAT FROM SUNKEN IRVING WHALE
AND IRVING LAKE—REQUEST FOR PROGRESS REPORT
ON REMOVAL**

Mr. David MacDonald (Egmont): Mr. Speaker, in rising to speak during the adjournment debate this evening I want to say I am disappointed and alarmed because of the lack of interest the government has shown regarding the serious threat posed by the *Irving Whale* which is still rusting on the bottom off the north coast of Prince Edward Island. I am becoming increasingly disturbed because not more than seven or eight minutes ago the Minister of Transport (Mr. Jamieson) was in the House; he was here for the vote which was called just before ten o'clock and he has now left the chamber and I assume