

Feds, provinces change student aid criterion

OTTAWA (CUP) — After months of talks, the federal and provincial governments have come to an agreement on changes to Canada's student aid system.

But the deal is somewhat of an anticlimax, because the major program student organizations had lobbied for was already dead in the water by the time education ministers met with Secretary of State Serge Joyal in Victoria Jan. 23.

The federal government had already decided, probably in December, to abandon plans to for the first time give bursaries as well as loans to students. That scheme would have pumped up to an extra \$250 million into student aid, on top of about \$200 million in existing federal loans.

The decision to scrap federal bursaries came as a bitter but not

surprising disappointment to the Canadian Federation of Students (CFS), according to executive officer Diane Flaherty. She said the bursary program fell victim to general cost-cutting.

Still, students weren't left completely bereft of good news.

Flaherty said the federal government will not announce the Victoria agreement until the Throne Speech, probably in March, but secretary of state bureaucrats told CFS the details.

They said Joyal agreed to three major changes to student aid if the provinces guarantee that student aid programs would be maintained or increased. The charges are:

- Part-time students will be eligible for student aid for the first time;
- The most needy students will receive an extra \$56 to \$100 per

week in loans;

- Graduates who because of financial difficulty cannot meet their repayment schedule will have their loans repaid by the federal government.

"Apparently, Joyal's conditions met with tremendous applause," said Flaherty.

So is this good news?

"When you take into account that we were planning to get a new bursary program, it's terrible news," Flaherty said. But she added that the extension of aid to part-time students is great news, "Something we can certainly claim victory for because we have been lobbying for it for a long time."

Flaherty was also pleased that the federal government will cover for graduates who cannot repay their loans, particularly those who are unemployed. She said the NDP has been pushing for this since November, especially MP Mark Rose (Mission Port Moody), and thought this might be a response to the party's questions in the House of Commons.

She was not so keen about the larger loan limits. The amount of new money under that proposal would be only \$10 million, versus the \$250 million hoped for under the axed bursary scheme. She also said raising the loan ceilings does not make post-secondary institutions more accessible, because students are reluctant to go thousands of dollars into debt with unemployment so high.

The federal and provincial education ministers have not yet reached a deal on federal transfers under Established Programs Financing. The federal government will probably make an announcement on transfers by March, said Flaherty. "It is generally assumed they will impose the six and five per cent limits on education transfers over the next two years."

Student aid: loans, not grants

OTTAWA (CUP) — Governments are not likely to cut back sharply on student aid funding because they fear a middle-class political back-lash, according to Michel Leduc, the University of Ottawa's financial aid director.

Many students who apply for aid "are from average middle-class families who, I believe, make up a majority of the voters," Leduc said.

He said governments are unlikely to cut aid in real dollars because of this voting majority.

But he expects more provinces will follow the Quebec government's lead by putting more student aid money in to loans at the expense of grants. The BC

government is considering putting all its student aid money into loans.

Loans generate interest, which allows governments to trim net expenditures on student aid while maintaining the total level of funding, Leduc said.

He said students' fears this fall that banks would turn them away when they went to negotiate loans have not materialized. Any problems students experienced were probably isolated cases, Leduc said.

The financial crunch from last year's nearly 20 per cent student unemployment "has not yet come, but I still see it in the future," he said. "It's just a matter of guessing when."

Dal's coffeehouse may not live to see first birthday

by Alec Bruce

As students go to the polls to decide for another year who oils the Dalhousie Student Union's political pistons, Mike Crystal is worried that his establishment, the Genesis Coffee House, will be mangled by the incoming council machinery.

"Why am I so frightened?" asks Crystal. "Because after 13 evenings, we're operating at a \$500.00 loss."

The Cafe Genesis, established in September in the west wing of the Grawood Lounge, was supported in large part by council President Peter Rans who felt, "the more events at Dalhousie not tied to alcohol, the better." Incorporated into the Student Union as a 'B' society and under Mike Crystal's management, Genesis was designed to break even. It received no operating grant from Students' Council. A grant charge of \$1.50 was planned to pay for any overhead.

"We didn't need any start-up money," says Crystal. "The coffee house began on credit."

But Crystal never instituted the cover charge calling it "asinine," not in keeping with "the propagation of folk music in the Halifax area." That and the fact Crystal sells all confections at slightly above cost has reduced revenues considerably.

"Although our own staff is volunteer," says Crystal, "we still have to pay SUB and Technical staff."

The \$500 debt worries Crystal because the new council will have to absorb the sum if Genesis is to continue functioning. He's not sure next year's council will want to do this.

"I've talked to a few people," says Crystal. "I've been warned that because the coffee house is a pilot project, it needs to break even."

But the current administration is certain Genesis will operate throughout 1983. John Russell, VP Internal, says the coffee house is not a costly venture for the Student Union to sustain. Although Russell admits he doesn't speak for the coming administration, he nonetheless

claims council is sure to take a friendly attitude towards Genesis next year.

"It's possible council will close the coffee house down," says Russell. "But that's so unlikely. Anyway, by putting Genesis in next year's budget we can make sure it operates next year."

Russell looks forward to a day when all student services like Cafe Genesis will be profitable. To achieve this, he says "we must develop greater thrust to attract a more diverse clientele."


Crystal agrees the only way to solve the money problems at Genesis is to attract more people through "increased advertising." Still, he says, there's only so much you can do with limited resources and a volunteer staff. As the purpose of Genesis was never to make money, Crystal doesn't anticipate the establishment will ever turn a profit. He remains skeptical, in this age of revenue shortages and hit and miss financing, how that fact will rest with council in the long term.

CORRECTION

In a recent issue of this newspaper Beverley Luetchford was listed as winner of the second Ford Mustang in the TransCanada Telephone System's Hello Again Sweepstakes. The winner's name should read **Renzio Purchio of Dawson College, Montreal, Quebec.** The TransCanada Telephone System apologizes for any inconvenience this may have caused.

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