

# Student unions form historic pact

BY AMANDA LABONTE AND SEAN RYAN

ST. JOHN'S (CUP) — Student unions at three Canadian universities have joined forces to create Campus Trust, a benefits trust company aimed at increasing buying power and improving students' ability to govern their insurance plans.

Memorial University, Acadia University and the University of Western Ontario registered the Ontario-based company in August.

The three student unions were given 30 days to approve the initiative. At Memorial University, the student union ratified Campus Trust Sept. 23rd in a move it says will save students about \$90,000 this year.

Student union president Tracey O'Reilly says while formal negotiations began in June, the general managers at the three unions had been developing the idea for the company over the past several years.

While student unions have formed other alliances in the past, Campus Trust is the first of its kind in Canada. With \$4-million in

assets, the company will deal in health, dental, auto and home insurance, although O'Reilly says it may eventually branch out into other areas.

"This setup is really good because we have the ability to self-govern our plans; we can tailor our plans the way we want them," O'Reilly said. "We also have the benefits of bulk buying."

A six-member board of trustees will oversee the company, including the

student union president and general manager from each university. Two of the students will serve two-year terms, while a third will only serve for one. All six were randomly selected for the board.

To ensure confidence is maintained in student representatives, any union can replace its trustee at any time.

David Small, a vice-president with the student council at University of Western Ontario, says Campus Trust will provide several advantages for students.

"We're going to see a decrease in administrative fees, increase in accountability, probably a better coverage, and more control over (the insurance plan)," he said.

Acadia students' union president Chris Houston agreed the deal means increased control over funds that go to insurance companies.

"(In the past) a student could come to me and I could tell them where every penny of their student fees go, (but) I couldn't tell them where every penny of their (insurance) fees go," he said. "That was a big concern for us and our students."

Houston added that students won't see changes right away.

"After a year or two, when we get enough reserves, (we'll) either decrease the premiums or increase the benefits," he said. "Then there

will obviously be some benefits that the students will notice."

The only drawback to switching to the new company, O'Reilly says, will be the cost of travelling to the board meetings in Toronto four times a year. But the gains will be well worth it, she says.

"The ability to appoint trustees to the board which administers the plan directly is a very big benefit," she said. "We've had numerous calls from other student unions to get into it, for that reason, because they are tired of companies dictating to them what they are going to have."

While Campus Trust is willing to consider new members,

O'Reilly says, none can join until next semester, since insurance plans can't be switched partway through the academic year.

Student union representatives at the three universities say they've encountered little criticism since introducing Campus Trust to their respective universities.

"We haven't heard anything bad from the students, from the insurance companies, or from the administration," Small said.

"There's really nothing negative that we've come across yet as far as the plan, so there's not really any reason for people not to be excited about it," Houston added.

## Student group challenges bankruptcy law

BY CARLA TONELLI

TORONTO (CUP) — The Canadian Federation of Students is preparing to launch a constitutional challenge of recent changes to federal bankruptcy laws, the national chair of the organization says.

"Given the current state of student debt levels across the

country, this is one more blow that students can not take," said Elizabeth Carlyle, referring to changes to the Bankruptcy and Insolvency Act that were passed last spring.

Those changes extend the waiting period for university and college graduates who need to declare personal bankruptcy from two to ten years.

The federation, which

represents about 400,000 Canadian students, says the legislation violates the Charter of Rights and Freedoms because it treats students differently by imposing discriminatory limitations on their bankruptcy procedures.

The vast majority of students who declare bankruptcy are under age 30 so the new law amounts to age discrimination, Carlyle says.

The federal government was taken aback by the news the federation was pursuing a legal challenge of the bankruptcy legislation.

"I think we're surprised," said Lee Gill, director of corporate law policy at Industry Canada.

"I'm sure the government wouldn't have done this if they thought it was a charter issue," he said, adding it had the best interests of students in mind when it developed the law.

"(The Minister of Finance) made the changes in the interest of making sure students are provided with protections of the new financial aid program," he said.

In the six months since the changes to the bankruptcy bill were passed his office has only received a handful of complaints, Gill added.

But members of the Canadian Federation of Students aren't the only ones criticizing the law.

A private member's bill amending the new legislation is expected to be introduced by Libby Davis, New Democratic Party education critic.

If passed, the bill would undo the new 10-year wait for graduates who need to declare personal bankruptcy.

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