

Government Orders

Also the students do not always have the incentive to use the resources in the best possible way. Much of their education is funded indirectly by taxpayers and many times those people have not had the benefit of an education. They might be taxi drivers or clerks in grocery stores. They are funding education through their tax dollars for people who will go on to be doctors and lawyers and who will earn tremendous incomes.

It is also important that there be an incentive in place to encourage young people to get jobs that will help them pay back the money they borrowed in the quickest possible way. When there is incentive like that they go out and do exactly that. They end up trying to get jobs that will pay more. Those are ones that inevitably are the most productive for the economy.

The question I guess is: How do we fix all this? Bill C-28 will just scratch the surface of the problem. It will help a bit. In other ways I would argue that it is part of the problem. I will say more about that in a moment.

Our party supports taking the \$2 billion or so paid directly to the universities and giving it to 650,000 university students in the form of vouchers. Universities would be forced to compete to get students to come to their institutions with their \$3,000 vouchers.

Can we imagine what that competition would do? I can see now how universities would be running around the countryside telling prospective students about their teachers and how their best teachers spend so much time in the classroom because they want to give the best possible education to the students coming there.

How different that would be from today when very often many of the best teachers are the ones who sit in their offices, write papers and make a contribution but not the primary contribution they could make, the most important one. That is one of the great advantages of a voucher system.

Another thing a voucher system would do is make teachers, colleges and universities more accountable. If they knew that in a much more direct way than presently they would be rewarded on the basis of how many students they attracted to universities and colleges, we can imagine how much effort they would put into preparing their classes.

We can also imagine how much effort the universities and colleges would put into ensuring the graduates of those institutions would get jobs. That would be a major selling point. When they went out to the high schools around the country and spoke to students they would say that last year out of the nursing school, for example, 85 per cent of the nurses got jobs within six months. They would say that is why students should take nursing at their school, because it is a great school and people actually go on to get jobs that actually exist.

How different that is today. For instance, I know in my own province of Alberta we had a situation just last year at a school of physiotherapy. There was a great demand for physiotherapists in the province but people could not get in. On the other hand there was lots of room in some other schools where there was no demand for the graduates of those schools. We really had things reversed. We had lots of resources going into that institution to train people for jobs that did not actually exist. That is a shame. It is a tremendous waste.

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Meanwhile, if students were given the opportunity to get a student loan regardless of the income of the student's parents and if that loan was repayable contingent on their future income and done through the income tax system so that they could not avoid it, the proper incentives would be in place to encourage the most prudent use of that loan.

Those students would know that if they got a job that paid well, they would end up paying off their loan much more rapidly than if they went into, to use a pejorative term, a basket weaving course or that type of thing. It would take forever to pay off their loan. It would be a disincentive for them to pursue that type of course in a university.

I would also argue that the university would soon get rid of those types of courses and focus their resources in areas that are going to be best for students and ultimately for the country. We would also see students study harder. We would not have as many professional students as we have today. They are in the minority but still some students use to their advantage the fact that so much of the university is funded by taxpayers and only about 20 per cent by the students.

We might even see the best universities and colleges charge more for their services if they had a record of quality, if they had a record of putting people into jobs. However they could never ever charge more than the market could bear.

The result of all this would be a much leaner and much more efficient system of universities and colleges whose very existence would depend on their ability to provide excellent services. As I mentioned before, Bill C-28 begins to address this by allowing for pilot projects to establish income contingent repayment in some of the provinces. This is a very timid step that the government has taken.

Countries like Sweden, Australia and New Zealand have gotten into these programs in a big way and have been very successful. It is true that getting the banks to assume a risk premium is a positive step and that is something that Bill C-28 does. All it does really is make a bad system more efficient. It is still a bad system. We still have to look at getting into the income contingent payments in a big way.