

Canada Student Loans Act

• (5:40 p.m.)

I wish we could have some assurance from the minister that in such cases a period of repayment suspension would be allowed, particularly where solid guarantees are provided to the effect that the individual involved has been trying hard to get work but has been unable to do so. Students who had ambition and who applied for and received loans have encountered real hardships, and if cases like these could be met it would be very helpful.

The third point which I want to mention, concerning students who get into a bad position with a heavy load of debt, has already been dealt with to some extent by previous speakers but I do not think anybody mentioned compound cases, such as the one I encountered involving a young girl student. She had almost finished her university course. She had a debt of several thousand dollars under the Student loans plan, and she told me, "I am married now. When I graduate I want to earn money in order to keep my husband at university, where he is trying to qualify as a doctor. Unfortunately, the only dowry I was able to bring him was this load of debt in the form of a student loan. But what if I become pregnant in the meantime?" Then she looked straight at me and said, "I suppose it could be worse in that case if it were twins or triplets." She regarded this as a distinct catastrophe. I hope there will be provision in the legislation for discretion to be exercised in cases of this kind, which are more frequent than many of us who are older realize.

I also notice that there is provision in the legislation that if a student dies suddenly the government must repay to the bank the amount of principal and interest due by the borrower at the time of his death. I suggest to the minister that there are other kinds of death; there is the death of lingering hope, where students hopes are trampled underfoot after receiving these loans. Discretionary power should be provided in such cases. I hope the legislation will before it is passed be amended and improved in respect of these two or three points. Perhaps the minister would touch on these points in his reply.

Mr. Cliff Downey (Battle River): Mr. Speaker, I listened with a great deal of interest to the remarks of the hon. member for Témiscamingue (Mr. Caouette). Having heard the sweeping suggestions he proposed, I feel a bit embarrassed at putting forward the minimal changes I would propose to the legislation.

[Mrs. MacInnis.]

Bill C-135 is not all I would wish, nor is it all that education requires from the federal government. Nevertheless, I make a point of expressing my approval for and appreciation of the fact that the government is concerned in this area. I sincerely hope that it is the beginning of an activist, pragmatic approach by the government toward the challenge of education and the development of the Canada that so many of us envision for the 1970s. I consider that the amendments proposed by the bill are worthy of support, but I wish to make a few brief comments on them. One proposed amendment extends the definition of a bank to include:

—a corporation that carries on the business of a trust company within the meaning of the Trust Companies Act, the business of a loan company within the meaning of the Loan Companies Act, or the business of insurance within the meaning of the Canadian and British Insurance Companies Act, and that is designated by the Minister on the application of that corporation as a bank for the purposes of this Act.

This is wholly commendable. It substantially expands the number of institutions from which students will be able to borrow funds. It is very much like the amendments passed last session with regard to the Co-operative Credit Associations Act and the Farm Machinery Syndicates Act. Another amendment restricts the availability of loans to foreign students to those qualified as landed-immigrants. Previously, a non-Canadian student was only required to state his intention to remain in Canada after completing his studies. This amendment was not drafted out of malice to those who do not yet wish to become Canadian citizens. That is not why I support it. It is commendable in that it narrows the definition at this time simply because we must apply priorities with regard to public expenditure.

• (5:50 p.m.)

Finally, extending the provisions of the act to include semester students is something which is overdue and is welcomed. The semester is becoming more and more a part of the educational system, of university life in general. The Canadian Student Loans Act has been prejudiced against this system for too long, and the semester student should be included in any such program. Under the legislation parents are not liable to repay interest and principal on loans to their children; that is the sole responsibility of the student. Further, in the event of death or in the event of an assumed death beyond all shadow of doubt, the federal government is