

Halifax bank gives students the runaround

by Cathy McDonald

Halifax students trying to negotiate loans this fall are being given the runaround by the Bank of Montreal, according to Peter Kavanagh, Executive Officer of the Student Unions of Nova Scotia.

While loans could be processed within a day or so last year at any local branch, students must now deposit their forms at the Gottingen Street branch, halfway across the city from most universities. The application is then sent to the more convenient Quinpool Street branch for processing, and returned to Gottingen after a delay of two or three weeks.

Centralizing loan processing to one branch in every city is a new Bank of Montreal policy it claims will make the procedure more efficient. According to SUNS, however, this is an example of the banks showing their dissatisfaction with the Canada Student Loans program at students' expense.

"They're penalizing students," said Kavanagh.

The banks want the federal government to up the interest rate on student loans to the prime rate or prime plus one. Currently, the rate equals that paid on Canada Savings Bonds, usually about three percentage points below prime.

Kavanagh claims the Bank either wants to decrease the amount of student loans it gives, or hopes the federal government will be pressured into changing the chargeable

interest rate.

In terms of discouraging students from getting their loans at the Bank of Montreal, the policy seems to be working.

Gary Edwards, a second year law student at Dalhousie, was turned away from the Quinpool branch Tuesday and told to go to Gottingen Street. "I've been a customer here all my life and I never had any problem getting my student loan here," he said. "I haven't got the slightest idea why they're doing this....I'm not going to the Gottingen branch." Edwards said he would try a different bank to get his student loan.

Russell Walsh, Manager of the Quinpool Branch, said he has no responsibility for the people administering Canada Student Loans at his branch. Rather, this year the regional office has sent in its own people to handle the loans instead of the branch's own personnel who handled it in the past.

The processing delay is more than a mere inconvenience for some students. One student needed to get her loan processed within two days to be accepted at the Halifax Business College. Although she had received a loan promptly from the Bank of Montreal last year, she came up against the two weeks' delay. SUNS intervened on her behalf, and the loan was processed immediately as a special case, Kavanagh said.

Three members of the SUNS



SUNS executive members are concerned about student loans procedures taken by the Bank of Montreal (l. to r. - Christine Soucie, Eric Walker, Gazette Editor Ken Burke, and SUNS interim chairperson Peter Rans).

Jordan/Dal Photo

executive met Tuesday with Athol McDonald, Area Manager of the Bank of Montreal. SUNS complained about the rude treatment suffered by students, and the fact

that they hadn't been sufficiently informed as to the changes in their eligibility for a student loan. Commenting on the meeting, Eric Walker, Internal Coordinator of SUNS, said "there wasn't a willingness to see problems as students face them."

According to Walker, one productive point from the meeting is that students who already have accounts with the Bank of Montreal are not supposed to be subjected to the delay in processing. McDonald will be advising administrators of the loans not to stall processing for former clients.

McDonald would not comment to the Gazette on Bank of Montreal student loan policy.

Students are already facing considerable hardship, Walker said, with record unemployment and the changes in Nova Scotia student aid policy that restrict access. He said the stalling tactic of the banks is "adding insult to injury".

The Toronto Dominion Bank has also changed its policy. The amount of money available for student loans has been limited to a 10 per cent increase from last year.

The three other major banks (the Royal Bank, Canadian Imperial Bank of Commerce and Bank of Nova Scotia) are not instigating any changes in the process for getting a student loan.

Senior Vice President of the Toronto Dominion Atlantic Division, James Quigley, responded to questions about this limitation by saying students' complaints "should be taken up with the (federal) government. Not with us."

Quigley complained that although the TD bank was the smallest of the big five chartered

banks, it took more than its share of the student loan market. He said the TD bank was looking after its clients first.

If all the allotted money is loaned out, students who have not had an account with the TD bank in the last six months will have to go elsewhere for a loan.

"There's an excellent chance we'll meet our quota," said Quigley. After that period, "if it's a non-customer we won't be able to help the student." He said loans would be declined until the federal government corrects the amount of interest that the bank can charge.

Not only is the bank losing money by charging lower interest rates, according to Quigley, but he added that there is a lot of overhead costs involved in administering the loans.

SUNS is now looking to the Canadian Federation of Students to act as an advocate in this issue. "We've taken it as far as we can. The real action will have to take place at the national level," said Walker. A letter drafted by interim SUNS chairperson Peter Rans was sent to the Bank of Montreal Board of Directors, outlining SUNS' discontent with the situation.

The blame for difficulties in getting loans should not be placed on the federal government, said Kavanagh. "The banks are greedy," he stated. Kavanagh charged the banks with being short sighted and socially irresponsible. Also, the banks' taking less than the maximum profit acts as an investment in a prosperous, well-educated society, and should be in their best interests, Kavanagh said.

Discount card for Dal students late in coming

by Tom Morrison

Promised to all Dal students during the Canadian Federation of Students (CFS) referendum last year, the CFS Youth Saver and ISIC cards are little-known and still mainly undistributed to Dal students so far this year.

All Dalhousie students paying student fees give \$5 towards membership in the Canadian Federation of Students in their fees. For this five dollars, among other things, Dal students are entitled to receive a Youth Saver Discount Card and the International Student Identity Card (ISIC). However, only a small number of students have received either, or are even aware of their existence.

The Youth Saver Card gives students discounts on purchases at various businesses in Nova Scotia and across the country, and the ISIC serves as an international travelling identification card. The ISIC was previously available for a fee, but since Dalhousie joined CFS, there is no additional expenditure for the card by Dal students. Dalhousie voted 1871-675 to join the national student organization during last March's student elections.

John Russell, Dalhousie Student Union Vice President (Internal), said this situation is not without explanation or remedy. He claimed the DSU executive was too preoccupied with Orientation activities to oversee immediate dispersal of the ISIC. However, they did intend that the Youth Saver Card would be distributed at registration. Russell cited shipping problems as the reason only a limited number of cards arrived at Dalhousie during Orientation.

These cards, about 500 in all, were distributed among registering first-year students while supply lasted. Another shipment of cards has since arrived, which Russell says are available at the Student Union Building Enquiry Desk. Students can collect their card by displaying their Dal ID card.

Of more limited interest (because of its main benefits being to international travellers), the ISIC card requires more paperwork and documentation to obtain. The 1982/83 ISIC card will be available next week at the CUTS office in the SUB. However, all Dalhousie students are still entitled to a card if they so wish.

"Problems with the distribution

of the Youth Saver arise mainly from its being a first-time program," said Russell. He stated that 35 full-size posters would be placed on campus to inform the students why and how they should receive their cards. These posters have been placed around campus this past Tuesday. Russell is hoping for a big response, as "it's important that these cards be distributed in large numbers".

CFS representative Mike Crystal said a failure to obtain these cards "would be utter negligence, with the Youth Saver program being the most expensive currently undertaken by CFS, and the most tangible in terms of benefits".

A campaign undertaken by CFS representatives over the last two weeks in August resulted in 50 to 60 businesses being added to the list of places already giving CFS discounts. This makes a total of 85 discounts available to cardholders from businesses in Nova Scotia, although that figure is less than the organizers hoped for.

Crystal did not expect any distribution problems of this type in years to come. "We also plan to extend the range of benefits in the future," he added.