

# Nfld's \$ 4-million scholarship fund to begin in January

BY DAVID SKINNER AND JEANETTE TAYLOR

ST. JOHN'S (CUP) — Cash-strapped university students in Newfoundland will be eligible for a new provincial scholarship fund by January.

The provincial government announced the \$4-million program last March to bridge the gap between 1999 and 2000, when the federal Millennium Scholarship Fund will kick in. It will provide 4,000 post-secondary students awards of up to \$1,000 each based on financial need and academic merit.

Students attending private colleges and those who leave the

province to finish programs that could be completed here won't be eligible for the fund, which will be administered through the province's student aid office.

The fund will be distributed to students in their second semester as long as their academic standing is decent.

Tracey O'Reilly, president of the student union at Memorial University, was a member of the committee that drafted the criteria that will be used to administer the fund.

She says committee members wanted to make sure high marks would have nothing to do with who will receive the awards.

"There was nothing there for the average student who needs

money and we wanted to get away from the idea of it being solely merit based," O'Reilly said. "That's not to say that academics don't matter, we just want to open doors for people who would normally find them closed."

"There are students who, for example, have kids or work or are involved in student groups, who can't study as much to get the grades that they need for a scholarship," she added.

Dale Kirby, president of the Newfoundland and Labrador Federation of Students, says while

the fund is a start, larger initiatives are also needed to curb student debt.

"What we would like to see is a grant program, like the one [the provincial government] eliminated in 1993, that pays a much larger amount of students' fees while they are at university and college," he said.

O'Reilly says that cutting the grants program in 1993 was a mistake.

"They used to give students enough money for a whole semester and you wouldn't have to pay it back. That obviously reduced

student debt."

Hopefully, the provincial fund will be expanded and will serve as a foundation for the Millennium Fund, she added.

"Either way, students are losing," she said, referring to the fact students considering post-secondary education can either stay away or take on the debt.

"This system, and hopefully the Millennium Fund, will allow people not to take on student debt. It will only be a small amount of money that we can give, but it could make a difference."

## NDP bankruptcy legislation

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declare bankruptcy twice, making it difficult to ever get a line of credit.

But according to Human Resources Development Canada, the point of the new section is to help students, not lock them into debt.

"The way the system worked before, students felt they had to resort to bankruptcy after just two years, which is problematic for the banks and problematic for the students," said Anna Kapiniari, spokeswoman for the ministry.

Kapiniari added that last year's budget extended protection of students to last the lifetime of their loan.

"It's more helpful now. [the 10 year minimum] is there to ensure students are protected when they're having a hard time repaying their loans, and they don't have to resort to bankruptcy."

Elizabeth Carlyle, national chair of the Canadian Federation of Students, says the changes are punitive. The only other debtor demographic which confronts such punitive measures, she says, are those with outstanding alimony and child-support payments.

Student debtors don't deserve these measures, Carlyle says,

pointing out that only \$70-million of the \$3.6-billion of consumer debt in 1995 was due to student loans.

"This whole thing seems so Draconian," she said, adding the changes were not announced very publicly.

Carlyle also criticized part of the legislation that says graduates can be refused credit if they are late with payments by 90 days three times, and rack up a total of \$3,000.

"Students make mistakes," she said.

Many students only learned of the changes, which were buried in last year's budget, as they returned to school this month.

"I never knew anything about this," said Binh Troung, a fourth year biochemistry student at the University of Toronto. "I think it sucks. Interest rates will kill you alone."

"Two years is better for students," said general arts student Olga Baliakina. "Ten years is better for the government."

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