

News

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Rioux, a Junior Agent at the Branch. "But if someone wants to open an account at our Branch we can arrange to deposit loan money very quickly," said Rioux.

Rioux said the Caisse Populaire provides bilingual services and has many anglophone customers. "About 40 to 50 students have taken advantage of our services," he said. "We perhaps would have gathered more business at UNB if we had placed a personal representative at the Business office on Monday and Tuesday of last week."

At least one student said service at the Caisse Populaire on Regent Street was quite fast. "I opened an account and left the bank in less than one hour with money in my pocket from my student loan" said Johnstone.

What is clear is that the service is uneven depending on which one of two banks students deal with—CIBC or the Caisse Populaire. Both Conservative Leader Denis Cochrane and NDP Leader Elizabeth Weir agree that the new system needs improvement. "Students need their loan money just as soon as possible. Hopefully there will be improvements very soon," said Cochrane in an interview with the *Brunswickan* this week.

At least one student has expressed extra difficulties in receiving loan money from CIBC. Lamrock, a former Chairperson of the Canadian Federation of Students, had, at press time, been waiting 16 days.

"My loan form went to CIBC January 4th and I'm still waiting although I expect to receive it this week. In the meantime, my rent cheque has bounced," he said.

"They used the wrong transit number for my TD Branch and this caused endless details," he said. "Finally, CIBC has promised to deliver my student loan by cheques and by courier this week."

Administrators have their own problems about the new system. "We were concerned about certain features of the new system and whether it would create administrative problems and problems for students," said Durling. "Budgets are tight and we wanted to be sure that our revenues would arrive in a timely fashion. We are also concerned with the credit checks that will be instituted next year for students aged 22 years of age and over."

A student applying to law school, for example, could be denied a loan at the last minute after being accepted into the program. It is a good example, but Francois Rioux, Director of Student Services with the provincial government said the credit checks will take place.

"The Banks will institute the check but loans will be denied only in the worst cases," said Francois Rioux. "We're looking at applicants with credit problems like bankruptcies or foreclosures. We won't be too concerned about applicants with certain credit card problems," he said.

But the delay of credit for students aged 22 and above is a concern for one opposition leader. Weir told the *Brunswickan* this week all students should have access to credit for education purposes.

"Many students come from low income families and this could be a problem. Access to credit should not be privatized and controlled by the banks as would appear to be the case if this policy is eventually implemented."

It appears Saint Thomas students might be prepared to take legal action if the credit check policy is implemented. "The Student Council has asked our lawyer to review the matter because it might be a case of age discrimination under Canada's Charter of Rights and Freedoms," said Lamrock. "But we're reviewing the matter, although we have not been provided a legal opinion as of yet."

The provincial government, for its part, is not guaranteeing any student loans for the banks, although federal student loans come with this guarantee. As a result, the banks will be assuming all the student loan risks.

"We decided not to guarantee the loans because the federal experience has not been good," said Francois Rioux. "There have been too many student loan defaults costing the tax payers plenty of money. We believe it's not in the interest of delivering cost efficient programs to guarantee the loans."

Since the banks are taking the risks, many believe the cost of repaying student loans will be higher. "That's not necessarily the case," said Francois Rioux. "We'll have to see. Time will tell as to whether there will be an impact on the long term borrower."

The Canada Student Loan Program may serve as a point of reference in this case. Students repaying their loan currently pay a rate of interest of 8.625 percent. This rate is fixed for the entire seven year period of the loan repayment. Each year the federal government sets the fixed rate on August 1st for all new loan repayments.

Under the New Brunswick Student Loan System, students would repay their loan with a floating prime rate plus two and a half percent or a fixed prime rate plus five percent. The provincial system may be more expensive.

For his part, Lamrock is annoyed that student groups were not consulted before the new loan system was implemented. "The student stakeholders were not consulted and we still have justifiable concerns," he said. "We hope they'll consult us more actively in the future."

For her part, Weir is absolutely convinced that the provincial government intends to get out of the student loan process altogether, a move she thinks would be ill advised.

SU to take over Pub

Brunswickan staff

The Student Union Council voted overwhelmingly Wednesday night to approve a proposal to take over operation of the Pub in the Sub.

The pub, formerly administered by UNB Bar Services, was closed earlier this month.

Although specific details of the SU proposal have not been released, Student Union President James van Raalte confirmed that the administration has approved the plan in principle. The administration chose the SU's proposal over that of the only other bidder, the College Hill Social Club.

The SU will now seek the approval of the university's Board of Governors, and then request a license from the New Brunswick Liquor Licensing Board.

A copy of the proposal obtained by *The Brunswickan* indicates that the Pub will have to make at least \$17,000 a month to meet the budgeting expectations of the Student Union. This amount represents about 20% more than were achieved when the Pub operated previously.

Plans to promote the Pub and to stay financially viable include marketing the Pub by promoting its convenient location, and as a venue for entertainment programming and special events.

The SU will rent the space from the university on the same terms as other tenants of the SUB—a flat rate, or a percentage of profits, whichever is the higher amount.

In addition, the proposal includes a bailout clause which will release the SU from its three-year lease if losses become too large.

While van Raalte said the whole motivation behind acquiring a business is to make money, the pub will have to be given some time to become established.

"I'd be happy to see it breaking even after three years," he commented.

He said the success of the pub

will depend on the person who will be hired as a full-time pub manager.

The Student Union is looking for a dynamic, aggressive individual who people will come to identify with the establishment.

When asked how the SU expected to succeed in the venture, when the Pub lost money previously, van Raalte said the Union has several things going for it.

"We can run it as a business, while the university ran it as a service," he explained. "We won't have all of the same constraints as they did."

The Student Union is proposing to continue services to many of its 60 clubs and societies by helping sponsor their events in the Pub. The cumbersome alternative of special occasion permits for liquor related events would become unnecessary.

The SU takeover of the Pub would provide an intimate venue for live entertainment on campus. A smaller venue than the cafeteria, the Pub could host events at a lower cost than those in the larger areas on campus, and the resulting savings could be passed on to the customer.

The Student Union's proposal was based on a recognition that the Pub would be a competitive business, said van Raalte. "We can market it, and because we're a small enough organization we can really focus on the operation more than the previous management system allowed."

The Pub is scheduled to open in September, with the manager's position being filled by August.

Should the Student Union decide not to take over the Pub after all, they would, under the terms of its agreement with the university, be subject to a financial penalty.

"The university will be unable to collect any rent for the space until then," explained van Raalte, "so it's a very fair thing to ask".

The Student Union will also contribute at least 25% of any profits it makes from the Pub to SMART

PACC, to promote alcohol awareness.

The SU reconciles the two programs with the explanation that students who are not drinking at an establishment with a responsible drinking policy won't stop drinking, they will only patronize establishments from whom responsible drinking is not a priority.

SMART PACC will run campaigns interactively with the Pub, and because its mandate will be expanded with the Pub's opening, will benefit from the money obtained from pub profits.

The hope is not that we will make money because students will go to the Pub and drink more, but because more students will frequent the Pub and drink responsibly, said van Raalte.

"SMART PACC, our peer-based helping program, will have hands-on access to the Pub," he said.

The Student Union will rent the equipment in the Pub from the university, and if the proposal can be implemented as planned, it will not mean any student fee increases next year.

"The whole reason we're doing this is to make money, not to jack up fees," he said.

"I think that it's a recognition of the maturity of our organization," said van Raalte.

"It will definitely enhance our visibility."

van Raalte said it would be up to next year's executive and the Pub's management whether or not the name of the Pub would be changed.

He cited the cost of having the names printed on the Pub's beer mugs as one expense which might deter the management of the establishment from changing its name, but according to members of the former management, the Pub's 17 dozen draft mugs disappeared during the old Pub's last day of operation.



A bizarre onslaught of weather Monday caused motorists some problems in climbing the abundance of hills on campus. Here, a car is stuck near the Harriet Irving Library. Photo by Kevin G. Porter