

Adjournment Debate

money can be made available in two more interim payments before spring seeding in 1992.

These payments are part of a long list of support measures this government has taken over the last six years to help the grains and oilseeds sector. There was a special Canadian grains program in 1986-87 which paid out \$2.1 billion over the two years. In 1988 we provided \$850 million to farmers to deal with the drought. In 1990 we provided a further \$500 million through the special income assistance program.

We recognize that despite these programs—

The Acting Speaker (Mr. DeBlois): Order please.

STUDENT LOAN PROGRAM

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I want Canadians to know why this particular kind of session is being provided. A member asks a question and when the information provided by the minister in response to the question is unclear, insufficient or the minister has not answered the question, we get an opportunity to make the point again. Hopefully this time we get the answers we want.

What was my question? My question was a very simple one. Will the minister remove a 3 per cent administrative fee imposed on student loans? I did point out to the minister that this was an unfair tax and there is not anyone involved in education who would disagree that it was possibly illegal because it asks those who will no doubt pay their loans back to pay a tax for those who do not. Clearly it is immoral.

This is that very tax system in which you, as a poor student in a sense because you would not be borrowing money unless you needed it, need to pay the cash up front before you can get the loan.

I was trying to help the government. I was trying to point out that this is a silly insensitive tax. I recognize that we have had 30 some tax increases and none of them has been particularly popular, but this has got to be the silliest of all.

Will the minister remove this tax? It is as simple as that. The minister said that we had a program available for 27 years and that there had not been a great deal of changes and that he would soon be making recommendations to cabinet and then they would be presented to the House of Commons.

I understand that, but will he or will he not remove that tax? He was given a wonderful opportunity—

[*Translation*]

It is unfortunate that it did not chose to do it. The government talks about globalization, competitiveness, productivity, and then what do they do? They cut in education budgets. There is less money available now for training and retraining, research and development, than there was before. It seems to me that this is the way to go to ensure that we can meet economic, social and other needs of Canadians.

I ask the question again in the hope that this time I will get an answer.

[*English*]

Will this government act now? Will it remove this insensitive tax, this immoral tax, this possibly illegal tax, this tax that is damaging the students who want to return to their studies?

[*Translation*]

Thank you, Mr. Speaker, but I would like an answer, immediately.

[*English*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State of Canada and to Minister of Multiculturalism and Citizenship): Mr. Speaker, to answer my colleague, all taxes are silly especially when you have to pay them.

[*Translation*]

In response to the question of the member for Saint-Boniface about the 3 per cent warranty cost, it is important that I remind my colleague of the parameters of the Canadian Student Loan Program called CSLP.

Firstly, the federal government does not offer loans to students. He gives a warranty to lending institutions that the loans granted by them to full time postsecondary students will be refunded.

Secondly, the program pays the interests on the loan for the duration of the studies and up until six months after their completion.

Lastly, more than 200 000 borrowing students enjoy fixed interest rates and attractive terms of redemption, among other benefits. Since its creation, in 1964, the program has been an important source of support for postsecondary students, with a total amount of guaranteed loans of more than 6 billions granted to more than 1.7 million students.