

# Nova Scotia politics: The summer in review

BY DANIEL CLARK

For those who spent the last four months in Halifax, the summer of 1997 will be remembered for Tourists, Drought, and Politics. The first two are simply par for the course, but the third was explosive.

The political heat wave began almost immediately after the 1996/97 school year ended. Prime Minister Jean Chretien called a Federal election, and the race was on. The election was most memorable in the Maritimes for the complete rejection of both political insiders, and the Liberal Party in general.

On June 2nd, longtime Nova Scotia politicians such as David Dingwall, Terry Donahoe, Mary Clancy, and Doug Young all lost their jobs. For Halifax MP Clancy, patronage quickly took over, and the newly re-elected Prime Minister awarded her the sought after position of Consul-General to Boston.

Of his defeat, former health minister Dingwall could only say, "I'm going to be back looking for a job, so if you have any openings in the me-

dia..."

The two winners on election night were easily the Progressive Conservatives and the New Democratic (NDP) Party. The Conservatives finished second in the popular vote and multiplied the number of seats they held in the House of Commons by ten. 13 of their 20 seats came in Atlantic Canada.

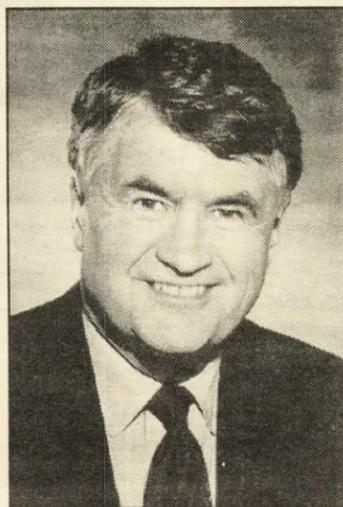
Halifax native Alexa McDonough and her party had a strong night. They regained official party status and captured seats across the country. It was the NDP who played giant killer, with their candidates responsible for the defeat of Dingwall, Clancy and Young.

Jean Chretien's federal election call somewhat overshadowed provincial politics in Nova Scotia. News of Premier John Savage's decision to step down, after his personal approval rating fell into single digits, fell on deaf ears even though the two announcements came within a week of each other.

Soon after Savage's announcement, former Provincial Health and Finance Min-

ister, Bernie Boudreau, announced that he would be running for Savage's job.

It was soon made clear that Boudreau would not have an easy time of it. Russell



Russell MacLellan: The New Premier of Nova Scotia.

MacLellan (an 18 year federal MP), Halifax native Bruce Holland, and Pictou bad girl Rosanne Skoke all joined the race for leader of the Nova Scotia Liberal Party and subsequently Premier of Nova Scotia.

In the lead-up to the July 12th convention, where the leader was elected, most of the controversy came from the camp of Ms Skoke. A

former federal backbencher, Skoke has made headlines since she was first elected in 1993.

The former Pictou lawyer became a champion of homophobic values when she campaigned to keep sexual orientation out of the Human Rights Act as a prohibited ground of discrimination.

Skoke financed her leadership campaign with \$10,000 of her own money, after she was defeated earlier this year by her own constituent caucus in her bid to return to the House of Commons.

One of the highlights of her campaign was her version of the Liberal Red Book — the Manifesto 2000. The focus was a return to family and Christian values.

The focus of the campaign vis-à-vis issues came from Bernie Boudreau and Russell MacLellan who argued over the validity of the current Liberal policies and Boudreau's status as a Savage spokesperson. In the end, the battle for the leadership came down to these two men.

After the first ballot, Holland turned his support over

to MacLellan. MacLellan then proceeded to win the leadership in the second ballot with 5,539 votes. Boudreau captured 3,148 votes, while Skoke finished third with 1,189 votes.

MacLellan was elected on his determination to end Savage-era party politics, and return to the issues which affect Nova Scotians. Some analysts have already doomed MacLellan (who has to hold a provincial election by May 1998) as John Savage's Kim Campbell. Campbell was Prime Minister following the less than popular Brian Mulroney. She was dealt a brutal defeat in her first federal election.

However, MacLellan is determined not to go down without a fight. When he was recently criticized by McDonough for not being more aggressive in the recent First Ministers Conference he replied, "Alexa needs more to do with her time... It may gall her, but even Alexa McDonough cannot change the fact that I'm the new Premier of Nova Scotia."

## Royal Bank gets all the business

Continued from page 1...

Scotia Representative of the Canadian Federation of Students, said she found CIBC's proposals "interesting." She concurred with CIBC's recommendation that the government should increase student grants, though she felt that the problem with the student loan program was much deeper than CIBC indicated.

"The problem is with the fact that financial institutions are trying to make money from a social program," Squires said. "The government does not attempt to make money off of other social programs like health care and social assistance, so why do they pass [student loans] off on financial institutions who attempt to do that with education?"

Squires suggested the loan program be improved in more radical ways than McCreath recommended. Among the most important improvements would be automatic loan remission or forgiveness, so that students who are unable to pay their loans upon graduation would not be

forced in to bankruptcy. In the event that a student is unable to pay back the loan, Squires suggested the government could kick in the amount needed in the form of a non-repayable grant.

Squires also maintained that the government should review its current policy regarding students who hold part-time jobs while collecting student loans. Currently the government allows a student to make up to \$600.00 per term without having to take any reductions from the loan. Eighty per cent of what the student makes over \$600.00 is deducted from the student's next loan installment.

Under the program envisioned by Squires, students will be allowed to earn up to \$1500.00 per term from a part-time job without having to take a student loan reduction, and only 40 per cent of the money which the student earns above that amount would be subtracted from the student's next loan installment. This would help to mitigate the current high rates

of student loan defaults and bankruptcy.

Although the government student loan program is under fire from both financial institutions and student groups, Rob Foster, staff member of Royal Bank's Corporate Media Relations Department, was more sanguine about the present loan program.

"Like any government program there is room for improvement," said Foster. "But we are happy with the present program and we think it is being run in a satisfactory manner."

It is not clear whether the Royal Bank's satisfaction with the program is genuine or merely a result of lack of exposure to its logistics. The

Royal Bank's contract is relatively new compared to CIBC's and so they are still in the position where they are doing more lending than collecting.

Foster remarked that the aim is not really to make money off the program itself. But he did say that there are fringe benefits in the form of building a portfolio of clients from the groups of students who take loans from the Royal Bank.

McCreath was skeptical of this putative fringe benefit. He said that often times a student loan is a less than pleasant experience for a student which might discourage students from continuing to bank with the they received a loan. He also suggested that the

risks involved in giving loans to students far outweigh any positive benefits which might follow from it.

Foster said that there will be between 10,000 and 14,000 more students seeking loans from the Royal Bank this fall — added to the students who currently receive their loans from the Royal Bank. He reassured, however, that this would not cause a long delay in loan processing or administering.

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