

Inquiries of the Ministry

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I did look into it, and possibly I may be permitted to answer the questions fully. First of all, early in the first week of September all the documents necessary for provincial education authorities and for the banks to proceed with the student loans plan were distributed from Ottawa. Second, about 300,000 brochures were sent out at the same time, outlining the basic facts about the plan, for distribution to educational institutions and to bank branches across Canada.

Third, the advertising program in the press and on the radio was begun later that week, that is later in the first week of September, as soon as the machinery was in readiness. This was a tight schedule for everybody concerned but the main goal, which was achieved, was to make the loan plan available to students as soon as possible before the start of the academic year.

I think last week the hon. member for Danforth referred to an article in the *Toronto Daily Star*, which I believe was based on a few isolated instances and which drew the conclusion that the plan was not working smoothly, or that it was involved in red tape. My information is quite different, Mr. Speaker. I have been advised by the responsible authorities in Ontario that organization for the administration of this plan is complete and is functioning well. Reports from other provinces are to the same general effect.

While I am dealing with this question, Mr. Speaker, perhaps I might refer to a point raised by the hon. member for Winnipeg North Centre, who asked about the form used by the authorities in Manitoba by which the students apply for certificates of eligibility. Under the act the provincial authorities must satisfy themselves that the student has attained a satisfactory scholastic standard and is in need of a student loan. The method and procedures by which the provincial authorities satisfy themselves on these points is quite properly a matter for them to decide, and that was provided for in the legislation.

Because of the pressure of time some provinces are using application forms which had been in use for previously existing provincial student loan plans. In the case of Manitoba it is made clear, I am informed, that the parts of the form dealing with the co-signature or guarantor of a loan is not to be used in the case of loans under the Canada Student Loans Act. A part of the application form in Manitoba deals with the financial status of the student, or of his parents if he

is still dependent on them. However, I am informed that in no case is the student required to obtain the approval of his parents under the Canada Student Loans Act.

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Is there any reason why Manitoba cannot be supplied with copies of the loan application form that appears as schedule B to the regulations under this act, so this confusion can be avoided?

Mr. Gordon: I think this confusion is exaggerated, Mr. Speaker. From the inquiries I have been able to make today I am informed the province has been supplied with these forms.

NATIONAL DEFENCE**REDUCTION IN UNIVERSITY NAVAL TRAINING UNITS**

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, may I direct a question to the Associate Minister of National Defence and ask him whether the Department of National Defence has decided to close down, within a month, the Royal Canadian Navy university naval training units at St. Dunstan's University, St. Francis Xavier University and Acadia University, as well as three others in other parts of the country?

Hon. Paul Hellyer (Minister of National Defence): Mr. Speaker, I announced in the house last fall at the time our estimates were under consideration that there would be a reduction of 50 per cent in the expenditure for university reserve officers of the three services. This is now being implemented, and this report which appeared in the newspapers refers to just part of the reorganization. Perhaps, under the circumstances, I might take the question as notice and give a full statement of the reorganization tomorrow or the next day.

Mr. MacLean (Queens): A supplementary question, Mr. Speaker. I would like to ask the minister whether in reviewing this situation he will also inform the house how the decision was arrived at as to which units are to be closed down, and whether representations were heard from the universities concerned or from any local representatives.

Mr. Hellyer: Mr. Speaker, I think my full statement will satisfy the hon. gentleman, and perhaps we could leave supplementary questions until he has heard it.