

Students and province pay

by Wes Oginski

The Student Aid program in Alberta is inadequate, according to Percy Toop, research officer for the Federation of Alberta Students.

"32 per cent of Alberta students receive assistance from the Alberta government. 32 per cent of that receive less than the minimum cost of living," Toop told a workshop on "Funding Post Secondary Education: the Feasibility of Direct Grants." It was a part of a conference on federal-provincial fiscal arrangements (EPF), held by the Edmonton Social Planning Council last week.

A federal provincial Task Force looked at Student Aid programs during the summer of 1981. It developed five alternative plans: a Continuation plan, Loan-First plan, Aid Mix Related to Year of Study plan, Income Contingent Repayment plan, and an All-Grant plan.

"My suggestion is that four of these five (plans) are continuations or alterations of the present program, with the exception of a grant program," Toop said.

The present aid program is a loan-reimbursement plan. The student takes a loan from a bank and the government (both provincial and federal) pays the interest until the student has finished his/her post secondary education.

"The present loan base system is unjustified in terms of cost both to the government and

to students it is supposed to serve," Toop said.

Toop explains that the provincial and federal governments spend millions of dollars every year maintaining interest payments for existing loans. Under this system, students do not have to pay interest until they start to pay back their loans when they finish their post secondary education.

"Money given to Student Aid should be given to the students, not banks," he said.

Toop said students should not have to face a high debt load when leaving a post secondary institution. He estimated that students can face a debt load of \$9000, based on the average amount loaned per person over a four year program period.

Jeff Greenberg, policy advisor for the Secretary of State, objected to Toop's figures because they did not include the remission aspect that exists in the present program.

"I recognize there is a problem with it," Greenberg added.

Toop countered that remissions are not really grants.

"The remission program is a grant but a grant with strings attached," said Toop.

"They have strings attached, discriminate against the poor, and do not further the goals of increased accessibility," he said.

Toop explained that students must meet certain criteria to be eligible for a loan. One of these

criteria is a minimum contribution required by parents to the students' education. This and other such criteria discriminate against the poor.

"We are not getting the benefits of a grant program," Toop said.

Phil Soper, University of Alberta Students' Union president, added that the incentive aspect of remissions does not work.

"That (the incentive aspect of remission) was the way it was designed but it actually works backwards," he said. "If the idea of remission is to help people out, it

doesn't. It is the individual treatment that doesn't work."

"I understand (from surveys done for the Task Force) that students are averse to high debt loads, not high debts," Greenberg added.

Toop recommended an all-grant program as the best alternative.

"The Task Force has two objections," he explained. "One, the cost may be too great; and two, this is not likely to be popular with the public. I'm not sure it is a valid objection to an all-grant stance." Greenberg also said the

implementation of an all-grant plan would entail a high initial cost to the government.

"If I understand it correctly...there is an outstanding \$500 million (owed to banks by the government)...It is a lot of money they would have to lay out immediately," he said, "but where would the initial cost come from?"

Greenberg also stressed that the proposed cuts in EPF have not been finalized, and will not be until finance minister Allan MacEachen releases the budget.

"We are rather sensitive and won't say anything until a decision is made."

Just another face in the crowd

WINNIPEG (CUP) — A city committee has angrily rejected yet another proposal to lower bus fares for Winnipeg post-secondary students.

The City Works and Operations Committee voted October 5 to continue to charge students the same as other riders, 60 cents per ride or \$20 for a monthly bus pass. They dismissed as "insulting and immature" a report presented by the students' association presidents of the University of Winnipeg, University of Manitoba and Red River Community College.

That report criticized the lack of statistical evidence supporting the committee's rejection of an earlier proposal presented in August. It presented four alternatives to the present fare structure:

- a monthly student bus pass for \$15
- single ride fare for students reduced to 50 cents
- a four-month package of bus passes for \$60, a saving of \$20
- students' associations to purchase passes in bulk and resell

them to students.

The committee said that the revenue loss and minimal increase in ridership made reduced fares impractical. They also said students did not need reduced fares.

"There is no case to be made that a person cannot get an education because they have to pay \$20 a month for a bus pass," said councillor Johnson.

The student presidents insisted that the revenue argument is invalid, because the City of Winnipeg already subsidizes bus fares for senior citizens, small children and students under 17.

The committee spent little time discussing the proposals in the students' brief. They centered their attention on the "insulting nature of the report."

The student presidents criticized the committee for the "poorly researched" report used to back up its decision. University of Manitoba Students' Union president Tim Rigby suggested that if the committee was using financial data in its report, "then it is not unreasonable to suggest that the

financial data used should be accurate... the 'facts' are so obviously open to manipulation."

Rigby requested the hearings be moved from the committee to city council, so that it "not be subject to the manoeuvrings of a back-room committee."

This statement brought cries of outrage from councillors.

After the meeting, Rigby said, "I came out sounding tougher than I had expected it to be. I wasn't expecting the 'I'm hurt and insulted' response although I did expect a negative response." Asked whether this may have hurt his case, he replied, "We didn't have a case before... we had nothing to lose."

University of Winnipeg Students' Association president John Hutton said, "I am disappointed by the unprofessional attitude taken by the councillors. I am tired of going the paper (brief) route. If I have student support, I will go ahead with more active protest, possibly a demonstration."

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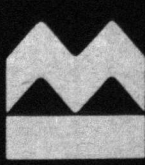
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