

Aid scheme changes said high priority for AFS

By BEV HILLS
Brunswickan Writer

(Adapted in part from Canadian University Press)

A major problem facing some students of post-secondary institutions today are financial difficulties. Not all students are faced with problems of this nature, but in cases it can determine whether or not a student will be able to attend university.

Similar to other provinces, New Brunswick has a student aid program established to "assist students of this province who lack adequate family financial resources to pursue post-secondary education," according to a brochure written by the province. New Brunswick students are entitled to receive maximum of \$2,100 each year if needed. A student must borrow a minimum of \$1,100 before becoming eligible for the bursary portion of the plan. The NB Bursary Plan provides \$700, and if additional financing is necessary, a \$300 loan is available.

The assessment of family and or student resources are used in determining the amount of any award which is based on criteria developed jointly by the federal and provincial governments for the Canada Students Loans Plan.

Only direct educational costs will be considered such as tuition and residence fees, a miscellaneous allowance, the cost pertaining to established local transportation, and the price of one return trip home based on the most economical means available.

Parental contributions are also considered to establish the financial resources and expenses of each family except if a student is married, is a mature student who has been out of school for a set length of time, or is a student involved in post-graduate studies.

Parents are required to submit copies of their previous year's income tax return and their most recent financial statements. Students are also required to participate in the funding based upon an established

summer savings table.

Any significant changes in costs and resources may be considered by the government when unforeseen changes in financing have occurred. An appeal system is in operation whereby if additional aid is considered justified, a supplementary award can be authorized.

In an interview with Mrs. Evelyn Briggs, the Director of Student Aid in New Brunswick, she provided the following statistics.

A total of \$7,389,290 was approved last year in New Brunswick for 6,900 student loans for an average loan of \$1,067. A total expenditure of \$2,620,430 was awarded to 5,048 students who qualified for bursaries. Of these, 1,812 students qualified for the maximum bursary of \$700. A student may borrow a maximum of \$5,600 for a four year program and an overall total of \$9,800 over the students period of education.

The Brunswickan has learned changes will be proposed for the New Brunswick student loans scheme during the spring session of the legislature. Terry Clark, a first-year arts student, was one of the students who participated in the ARS letter campaign requesting lowering of the loan ceiling. The reply she received from premier Hatfield said her request had been passed on to youth minister Jean-Pierre Ouellette who was preparing changes in the student loans act.

Recent announcements at UNB indicate that tuition and residence fees will be going up next year. Book prices are also expected to rise between 20 and 30 percent. It is also expected that the cost of living will rise considerably next year, although estimates vary about the exact percentage.

UNB's Board of Governors unanimously passed the following motion at their last meeting held March 6. "That the University of New Brunswick prepare and present to the Provincial Government a request for

adjustments in provincial loans and bursaries available to university students on the basis of recent drastic increases in UNB residence and tuition fees."

Mrs. Briggs states that the province adjusts loans based on the most current financial information available insuring adequate money is available to students that require loans, so any changes are adjusted.

After a five year absence of any cohesive lobbying body of students in the Atlantic region, the Atlantic Federation of Students (AFS) was formed in Truro, Nova Scotia, in January 1975. It is representative of 12 post-secondary institutions in the Atlantic region.

AFS Chairman Warren McKenzie of UNB has launched a letter campaign to lower the debts of students incurred by present student aid standards. He said that "all New Brunswickers should be given a fair chance to obtain a post secondary education," and "he urged the New Brunswick government to lower the ceiling in existing student aid formulas to a maximum of \$900 per academic year as proposed by AFS. He said that he wanted to stress that this request does not represent a "handout to students of New Brunswick."

In lowering the loan ceiling, any additional expenses should be covered by increased bursaries, he said.

McKenzie is concerned that some students who have the ability and the wish to attend university are not able to do so because of the possible high debt that they could be saddled with after four years of school.

In a hypothetical situation, if a student's earnings combined with parental contributions would cover all but \$300 of expected costs, for example, the student would only have to pay back a \$300 loan.

On the other hand, a student from a lower income bracket with limited parental contributions could possibly face the maximum loan amount of \$1,400.

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Change at federal level needs wide public support

By PETER O'MALLEY
For Canadian University Press

There is a growing uneasiness and frustration in student groups these days concerning expected changes in government student aid policy.

Student organizations fear the increasing cost of post-secondary education will be placed upon the student. Tuition fees will be raised, loans will be increased and grants decreased or cut off altogether, they argue.

The more optimistic predict students will owe \$5,000 to \$6,000 upon graduation. But others, perhaps more realistic suggest a resulting debt somewhere between \$11,000 and \$15,000, depending on the length and type of degree program.

Understandably, student leaders and representatives are demanding a new policy that promises a better deal. But the very structure and machinery operating behind the federal-provincial student aid program makes effective opposition a difficult task.

First of all, most Canadian students have little understanding of how important the role of the federal government is in student aid.

Because the loan scheme is administered by the provinces for the federal government, most student groups go after provincial bureaucrats and politicians when they seek change.

But it is the federal government, although usually in conjunction with the provinces, that formulates the basic student aid policy and is responsible for future amendments to the program.

There is no doubt that pressure on the provincial level is vital to the financial improvement of students. But carrying demands to the federal level could provide long-term benefits.

With that in mind it is necessary to take a closer look at the role of the federal government in the past and speculate on its future position on student aid.

"Policy decisions are now being made by a consortium of federal-provincial bureaucrats"

Though many students may understand the general substance of the Canada Student Loans Act (CSLP) through their own transactions, not much seems to be known of the specific provisions of this statute of Parliament or how it came about.

Passed in 1964, the Act marked the decision of the federal government to get involved financially in assisting students who otherwise would not be able to

attend college or university.

The government was probably influenced by much of the writing and publicity at the time regarding the elitist nature of "higher education" in Canada. Academics, politicians, journalists, and especially parents, called for a change in public policy in post-secondary education. They wanted a system of

financing student education which recognized that schooling beyond the secondary level was not a "privilege" for those whose families could afford it, but a social "right" for those who could prove the ability to attain a degree.

Increased accessibility to post-secondary education became a major political issue as the post-war "babies" came of age in the early '60s.

While it was one thing to make speeches about "universal accessibility", it was quite another to get the government to finance the proposition. Providing students with bursaries, scholarships and other forms of financial grants was consistent with the idea of education as a social right. But simply making it easier for students to borrow to pay for their education was a cheap alternative.

As a result, the Act to Facilitate the Making of Student Loans was enacted. The federal government agreed to guarantee loans for education purposes up to a stipulated amount and to cover the interest payments until six months after the student had finished school. Students had to be "in need" and agree to pay the money back out of future earnings.

The provinces were to administer the loan applications and authorize payments under the plan in accordance with regulations passed by the federal cabinet. These regulations concern the definition of a student, terms of repayment, default procedures and banking transactions.

Under the Act, overall responsibility for implementation of the plan rests with the federal finance minister. Until a change in 1970, the total amount of federal loans to be authorized under the Act and the loan ceiling per student per academic year, was stipulated in the Act itself.

Since then the Minister of Finance has been given a formula to allow for automatic annual increases in the total budget. The loan ceiling, though still contained in the Act, is raised periodically through a "Supplementary Estimates" vote of the House of Commons.

From a political perspective, and from the viewpoint of those interested in improving financing available for students, one of the most significant aspects of the Act is its silence on what constitutes "need" and how it is determined.

Consequently, the major questions of how much "aid" is to be received, whether parental contributions should be a factor, and all other matters relating to whom the CLSP would benefit were taken out of the public forum which Parliament, to a limited extent,

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