

## education: Newfoundland government swallows massive student debt

*Nadya Bell, The Muse (Memorial U.)*

The Newfoundland government is starting to feel the pinch of student debt in a real fashion, now that accountants have included \$220 million of student debt on the provincial tab.

Many people are worried the province's strained finances will lead to an increase in tuition if university and college funding is decreased.

Last August, CIBC decided they would no longer be involved in the student loan business, and the province agreed to officially take over the student loan program on April 1, 2004.

The hopes of students and officials are that the government will improve the structure of the provincial student loan system, which students have often complained is both slow and difficult to use.

"We're optimistic about this whole exercise. It's very new, and there may be issues that will have to be worked on as time goes on, but we see this as being clearly in the students' best interest," said John Ottenheimer, minister of education.

Ottenheimer says this is an opportunity to improve services to students. He figures the application procedure will not change much, but that services will be improved when the system becomes a locally run program, as opposed to one administered on Bay Street.

To take over the program, the government must borrow \$220 million to buy the student loan debts from the private bank currently holding the loans. This is the total of all student loans held in Newfoundland and Labrador since 2000.

The expense does not bode well for the province's finances, which are currently the subject of much controversy. On January 5, the Newfoundland government released the results of an external financial review of the province's finances, and Premier Danny Williams delivered a State of the Province address.

Williams painted a grim picture of the province's finances in his address:

"If this [situation] continues, we are in very real danger of drowning in our own debt. We can only conduct collective bargaining based upon the fiscal realities that we all face, and we should only reach agreements that we can afford. Otherwise, we merely postpone the inevitable," he said.

Many people take this to mean that government cutbacks in the next budget will lead to a tuition increase in the future for students in Newfoundland and Labrador.

"My concern is that they may cut funding or freeze funding to the university, and the university would have no other choice but to raise tuition," said Gerry Reid, Liberal opposition critic for education.

The Conservative Party was firm in their commitment to a tuition freeze during the election campaign. And despite the speculation about cutbacks, Ottenheimer does not anticipate an increase in post-secondary tuition.

"In these times of trimming the fat and streamlining, there's a lot to be concerned about," said Keith Dunne provincial chair of the Canadian Federation of Students, who also expressed the concern that the cutbacks could cause a repetition of the tuition increases seen in the early 1990s under the Clyde-Wells government.

Student Jackie Adams is also concerned about the rising cost of university.

"It's outrageous," she said. "I can't afford books, but I need them, so I'll probably have to do without food," she said.

According to NDP leader Jack Harris, the Conservative government's deficit numbers are actually predictions for next year, and they include the \$220 million loan and other future expenses.

## Province swallows student debt

*Opposition worries debt overstated to justify tuition raise*

By Nadya Bell

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Concerned about the cutbacks causing a repetition of the tuition raises of the early 1990s under Clyde Wells, Canadian Federation of Students' (CFS) provincial chair Keith Dunne said: "In these times of trimming the fat and streamlining, there's a lot to be concerned about."

Student Jackie Adams is also concerned about the rising cost of university. "It's outrageous," she said. "I can't afford books, but I need them, so I'll probably have to do without food."

However, the Conservative government's deficit numbers are actually predictions for next year, and they include the \$220-million loan and other future expenses, according to NDP leader Jack Harris.

The Liberals did not include the \$220-million in their budget estimates for 2003 because the loans are not assumed by the government until April 2004, after the current fiscal year.

This led many to speculate that the government is deliberately overestimating the provincial deficit to justify extreme cutbacks in public services.

"I believe it was done to make the debt seem as large as it could possibly be. They wanted to have the worst case scenario to present to the people of Newfoundland and Labrador to justify as much cuts as they could," said Harris.

Reid was more skeptical about the validity of the budget predictions. "It's just pulled out of a hat to inflate the deficit for this year so he could do the things that he wants to do, that's to freeze wages and maybe increase tuition."

"This \$220-million is not the bogeyman that they've made it out to be. And I think quite honestly that they've used it to a certain extent to their advantage to inflate their numbers," said Dunne.

For all of the \$220-million to be a long-term debt, it would mean that no students paid back their student loan. After the default rate, estimated at 25 per cent, the government is left with \$55-million of outstanding or bad debt.

As the government guaranteed all student loans when the system was run by a private bank, the cost of defaulted loans is not new for the government.

Dunne says the government is sending the message that students are negligent in their debt, when student loans actually have a better return rate than other loans. He also says when the default rates are dealt with internally, instead of paid to a bank, the government will actually save money by administering the loan system.

Harris said the revised budget was an accounting change, and doesn't affect the financial situation of the province. Unpaid loans are still going to be a cost to the province, as they were previously when the provincial government guaranteed the loans.

Harris was also cynical about the tone of the government's budget predictions. "I think the special review, the so-called outside review, was a waste of money, and that the auditor-general knew all these things, including the issue of student debt."

"These were not new items. These were things that were ongoing matters inside the department of finance that were well known about, and did not need to be included into government revenue or governmental obligations this year," he said.

The real issue was lost, according to Dunne. "They've offloaded \$220-million of debt onto individual people in Newfoundland and Labrador."

"The changes to the federal way of doing things under Paul Martin back in the early- to mid-90s is all part of what has created the high student debt . . . and the \$220-million is clear evidence of it," said Harris.

"It has created a bogeyman out of the student loan system, because, basically, while this is a one-time purchase of the student loans from the banks, this is actually, in the long run, going to save the government money," said Dunne.

Reid says the Liberals planned to further reduce tuition beyond the 26 per cent decrease over the past three years.

Ottenheimer is looking forward to his meeting with CFS student leaders in Gander this weekend, and there will be a signing agreement within the next few weeks to formalize the handover of the student loan system.

**Students Sign Debt Wall 1/29/04 (Doug Learning)**

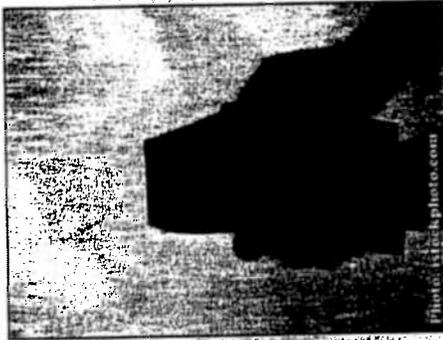
Frustrated Memorial University students are being given a chance to write their personal stories on a 'debt wall' located in the university centre. MUN Students' Union Spokesman Thom Duggan says it's part of a lead-up campaign to the Canadian Federation of Students National Day of Action, February 4th. He says the new Williams government needs to be made aware of how serious the student debt problem is with the average debt pegged at about 30 thousand dollars after completing an undergraduate degree.



A previous student protest

# The Bankruptcy File

ALISON MINARD News Contributor



Students who are bankrupt may not be out in the cold if a current Charter challenge mounted by the Canadian Federation of Students (CFS) succeeds. Michael Conlon, director of research at the CFS, recently gave a talk at Dalhousie on the Bankruptcy File, a Charter challenge that his organization is spearheading. The talk was organized by David Wallbridge, a member of the Social Activist Law Students Association (SALSA), in order to raise awareness within the student body.

Conlon discussed a little-publicized amendment to the Bankruptcy and Insolvency Act (BIA) in 1998. This change in legislation prevents students with loans from declaring bankruptcy for a period of 10 years. In response to the BIA amendment, the CFS has mounted a case against the federal government in order to prove that this prohibition of bankruptcy for those with student loans goes against the Canadian Charter of Rights and Freedoms.

More specifically, Conlon and his colleagues believe that the new legislation violates the Charter because it is discriminatory. They argue that it discriminates against all students with government loans, and in particular those who receive low wages or are unemployed for reasons beyond their control.

David Wallbridge supports the position of the CFS. "It comes down to a basic level of human dignity. We should be treated the same as all other Canadians. If someone with a student loan finds himself in some sort of terrible financial state that he can't get himself out of, he should be able to obtain bankruptcy protection from his creditors," he said in an interview.

If student loans are deemed too risky without a bankruptcy

prohibition, opponents of the legislation fear that the student loans program will become more about financial gain than social aid.

The CFS also believes that the federal government did not provide enough data to support the change in policy. Furthermore, Conlon said that the request by the Senate Committee on Banking, Trade, and Commerce to decrease the period of prohibition from 10 years to five years suggests that the current legislation is more severe than it needs to be.

In order to challenge the legislation, the CFS has selected an individual to serve as a "test case." The person selected is female and is currently employed. The CFS hopes to demonstrate that she is unable to make loan payments because her salary is insufficient. Conlon and his colleagues believe that the case could be considered particularly discriminatory toward women, because it is widely acknowledged that there is a discrepancy between the salaries of men and women.

The CFS has submitted a written argument to the Ontario Superior Court of Justice and is currently awaiting a hearing.

# Students picking up province's bills

By CAROLINE BOSCHMAN

Lethbridge Herald

**T**he numbers tell the tale of what's behind rising tuition costs and it has nothing to do with inflation or an increase in pension contributions.

"Students today are paying costs that the government of Alberta has stopped paying," said Bryson Brown, president of the University of Lethbridge Faculty Association.

Based on numbers supplied by the Canadian Association of University Teachers (CAUT), per-capita spending on post-secondary education in Alberta dropped 25.3 per cent between 1992-1993 and 2000-2001.

"This is the third largest per capita drop in the country over that time period, after Ontario and P.E.I., and leaves us ranked fourth in Canada in per-capita expenditures, despite being by far the richest province in terms of per capita revenues," Brown said.

While the situation has been more stable in recent years it doesn't make up for the cuts.

At the University of Lethbridge, provincial grants made up 74.8 per cent of operating revenues in 1992-1993. In contrast, provincial grants made up 54.5 per cent of operating revenues a decade later.

"It has been politically easy for the provincial government to make these cuts because universities are reluctant to protest loudly in case the province reacts negatively, while faculty and students can be dismissed

as special interests," Brown said.

Meanwhile, faculty associations and other organizations, such as CAUT and student associations, say the rising fees mean students come out of school with record levels of debt and a university education is out of reach for many.

Post-secondary funding isn't just an Alberta issue. Across the country students are being asked to dig deeper. A recent edition of the CAUT Education Review says Canadians are paying some of the highest tuition fees in the industrial world. For similar publicly-funded institutions, only American and Japanese students paid more.

The funding of post-secondary education will be put under a microscope Saturday in a forum at the U of L.

The Faculty of Management has lined up a series of speakers and panelists discuss student tuition fees and funding for post-secondary education.

While some people have advocated for free tuition others say higher fees are necessary for quality education. The forum will allow for debate on both sides of the issue.

Representatives from the Canadian Association of University Teachers, the Canadian Federation of Students, the Parkland Institute and other educational organizations will be on hand.

The forum, to run from 9 a.m. to noon and from 1 p.m. to 3 p.m. in the University Recital Hall at W570 at the U of L.

## Students buried in debt

A day after Prime Minister Paul Martin promised in the House of Commons to make it easier for more people to attend post-secondary institutions, thousands of students across the country staged a national day of protest over rising tuition fees and increasing student debt.

For students, Mr. Martin's government is promising grants to help pay for the first year of university or college education and a "learning bond" is being offered to low-income families as an incentive to save for their children's post-secondary education.

While this is a start, any university or college student will tell you this is only a drop in the bucket.

The Canadian Federation of Students, which organized Wednesday's protests, estimates the average cost of tuition across the country for a four-year undergraduate degree is \$17,000, not including living expenses and books. In the late 1980s, for example, that same education would have cost about \$5,000.

It is not unusual these days for students to graduate with \$40,000 in debt after having to borrow money to pay for tuition, books and living expenses. And repaying that loan, even with the favourable interest rates offered on student loans, can be a great burden to those just starting out in the working world.

It was during Mr. Martin's era as finance minister in the 1990s that \$3.3 billion in transfer payments for universities and colleges was cut. The goodies he promised Tuesday will not be enough. It is time for the federal government to re-invest in higher education either by getting tuition fees under control through increased transfer payments to the provinces or by giving out more federal grants to students.

## Bankruptcy law discriminates: student group

By SUSAN AITKEN

HALIFAX (CP) - Drowning in debt and feeling like second-class citizens, some Canadians carrying hefty student loans say their rights are being violated, and they're challenging bankruptcy laws under the Charter of Rights and Freedoms.

The Canadian Federation of Students is waiting for its day in court after it launched a charter challenge on behalf of people like Mark O'Meara, who owes \$30,000 in student loans.

O'Meara and all student loan debtors are currently lumped in with criminals and deadbeat parents as the only citizens with restrictions on declaring bankruptcy.

"I don't think anyone wants to declare bankruptcy," said O'Meara, who has a master's degree in counselling psychology. "It's not something I ever dreamed I would have to do."

Serious health problems mean O'Meara can't make enough money working part time to make loan payments. But unlike most Canadians with unmanageable debt, he must wait 10 years from the day he graduated for his Canada student loans to be discharged.

If that debt had been racked up on credit cards or bank student loans, he'd have a nine-month wait and then get a fresh start - and the Canadian Federation of Students calls that discrimination.

"What the law does is treat those who take out student debt differently than every other debtor in the country," said Mike Conlon, director of research with the CFS.

The group's case argues that sections of the Bankruptcy and Insolvency Act "impose a burden on Government Student Loan debtors that is not imposed on others." They say that violates the charter's equal treatment guarantees.

To win the challenge, the CFS must prove the "law imposes differential treatment between the claimant and others."

"The law is fundamentally unfair," said Conlon. "It affects the most vulnerable citizens - we're talking about the bottom of the economic barrel."

While the majority of the 350,000 Canadians who take out Canada Student Loans each year repay their loans in full, those who don't are disproportionately women and single parents. Those groups have the most trouble repaying their loans and are most in need of a fresh start, said Conlon.

"This law really sends a message to the poorest Canadians: 'If you can't afford to pay the upfront costs, or you're not absolutely sure you can pay a loan back, then don't bother coming, because we will hound you for ten years and make your life miserable.' "

The federation's case received a boost in November 2003 when a Senate committee review of the Bankruptcy Act recommended reducing the waiting period for discharging student loans to five years from 10 and introducing the option of a hardship hearing for people with extreme circumstances.

Credit Counselling Canada also has called for a "significant reduction" in the wait time, which it says leaves debtors in an unhealthy state of limbo in which they cannot move forward, but also cannot pay back.

"The purpose of the Bankruptcy Act," said O'Meara, "is to give people a fresh start. I was not given a fresh start."

Prior to 1997, O'Meara would have been given a clean state because student loan debt was treated the same as all other debt.

But after much consultation on how to combat rising rates of defaulting on student loans, the Bankruptcy and Insolvency Act was changed to place a two-year block on discharging student debt. By 1998, that period had been extended to 10 years.

"The change happened overnight, with no data whatsoever, and no consultation," said Conlon.

The only rationale ever given for why the period was extended without consultation was one from the director of the Canada Student Loan Program, which Conlon said smacked of stereotyping student loan debtors.

David Cogliati told the Federation's 2002 national meeting that "students today are paying for the abuses of previous students. The reason those bankruptcy laws came in was it became a national sport to declare bankruptcy the day you graduated and simply void all your student loans."

Cogliati did not respond to requests for an interview.

His statement, said Conlon, and the justification for the law are typical of the perception that student debtors are lazy, freeloading profiteers.

"It's particularly galling to see MPs, many of whom didn't incur a nickel of student debt, passing judgment on the most economically marginalized Canadians who did have to take out a loan to fund their education," he said.

The case is expected to be heard before the Ontario Superior Court sometime before July 1, but the ministry in charge of the Bankruptcy Act says changes are in the works.

"The Senate committee recommendations are currently being reviewed by the (Industry and Trade) Department in order to bring forward some recommendations later this year," said Gilles Gauthier, spokesman for Industry Canada.

The Senate committee report, however, came with a warning for those considering college or university.

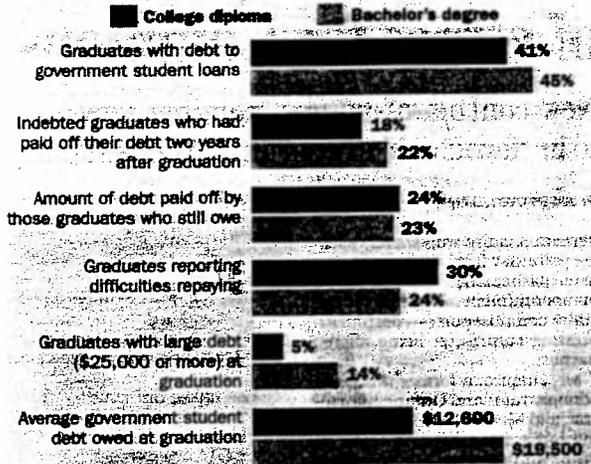
"Investing in a post-secondary education is an increasingly risky undertaking," it said. "There is no guarantee that the investment made in post-secondary education will yield the expected return on that investment."

As for O'Meara and his mega-debt, he's optimistic the Bankruptcy Act will be found to be discriminatory and the rules changed.

"I will turn this around," he said. "But when I really needed help, it wasn't there."

**Student debt**

A Statscan survey shows that university graduates in 2000 have incurred 30-per-cent more student debt than graduates of 1995, but can pay it back more easily because of lower interest rates.



SOURCE: STATISTICS CANADA

THE GLOBE AND MAIL



DONALD WEBER/THE GLOBE AND MAIL

Adam Jones, a Ryerson University student in Toronto, said yesterday the thought of going further into debt for his studies frightens him.

# Graduates' debt up 30 per cent

But Statscan says jobs, low interest rates helping to ease the student-loan burden

BY CAROLINE ALPHONSO  
EDUCATION REPORTER

University students are saddled with an ever-increasing debt load, but a new study says they are still able to manage it once they graduate.

Statistics Canada said yesterday a stable job market and low interest rates have helped undergraduate university students repay their loans, which can reach as high as \$30,000.

"There's the idea out there that everybody is in debt and they're all in debt to huge amounts. But half of the graduates don't have any debt at all, and a lot of the ones that do have debt are managing pretty well," said Mary Allen, a senior analyst at Statscan.

Still, that doesn't mean students aren't buried under huge debts, especially as tuition continues to

climb across the country.

Results from the study on the class of 2000 showed that students owed about \$20,000 by the time they graduated, 30 per cent more than the class of 1995 and almost a whopping 80 per cent more than students in 1990.

"Paul Martin exacerbated this problem in the recent federal budget by increasing loan ceilings for those already deepest in debt," said Ian Boyko of the Canadian Federation of Students, a student-lobby group. "Grants, not more loans, are what deeply indebted students need."

The Statscan study found that half of those with an undergraduate degree and a college diploma owed money, mainly in the form of government loans. The study, however, did not look at what students in professional programs, such as medical school and law school,

owed — the areas where students incur some of the larger debt loads.

Two years after graduation, one in five had paid off their government loans, usually a small amount, the study found. Those who still owed had paid off about one-quarter of their debt, more than what would be expected of a student on a standard 10-year payment schedule, Ms. Allen said.

She acknowledged that a small number of graduates reported difficulties repaying their debt. But even these students are setting money aside to pay off their loans, she added.

While it's good news that students are repaying their debt, Alex Usher of the Educational Policy Institute, a think-tank based in Toronto and Washington, said the federal agency fails to point out one important fact — graduates now have larger student loans and it will take them longer to get free of debt.

"They're having to do more to get rid of them," he said.

Mr. Usher said the federal government's enhanced interest-relief

program has helped students manage their rising debts. In the program, the government pays the interest on a student loan if a graduate meets certain criteria.

But a stable job market, low interest rates and an improved interest-relief program does little to persuade Adam Jones that he'll be able to manage his debt once he graduates.

The second-year student at Ryerson University has \$20,000 in government loans.

He expects to accumulate more debt over the next couple of years, so much so that the thought of continuing his studies frightens him.

"I can't imagine going to grad school and getting deeper into debt," Mr. Jones said yesterday.

Student groups are pushing for gradually lowered tuitions and a comprehensive system of needs-based grants to help those like Mr. Jones.

"Federal funding cuts and skyrocketing tuition fees are indebting an entire generation," Mr. Boyko said.

# Student debt jumps 90% in last decade

Rising tuition blamed for increase; more students have trouble repaying

BY SARAH SCHMIDT

Student debt jumped 90 per cent in a decade, leaving indebted university graduates in the class of 2000 owing an average of \$20,500, Statistics Canada reports.

The National Graduate Survey, released yesterday, found that while the proportion of graduates who left school debt-free remained constant from 1990 to 2000 (about half of all students graduated with no debt), the more recent grads owed "significantly more" than their predecessors, with many having trouble repaying loans.

In figures adjusted to reflect inflation, indebted graduates owed on average \$10,800 in 1990 and \$14,500 in 1995. By 2000, one in seven graduates left school with loans totalling more than \$25,000, for an average of \$20,500.

The federal government was quick to play down the findings. Joe Volpe, minister of human resources and skill development, characterized the sum as "pretty easy" to repay. "Is \$20,000, \$12,000, \$6,000 too much or too little? Is it manageable? Do people have difficulty with it? If the median income of somebody who comes out of a bachelor degree is \$39,000, carrying a \$20,000 loan ... is not that bad. It's pretty easy. You have to remember that you have loan rates today, interest rates that are running at 3.75 per cent."

The survey shows mixed repayment results for members of the class of 2000.

One in five had paid off their loan within two years of graduation, but those who still owed had paid off only about one-quarter of their debt, and owed an average of \$17,200. Further, one in four graduates reported difficulty in making payments on their student loan.

Students forced to take out private loans on top of government loans — representing 11 per cent of the graduating class — found themselves in the toughest financial position. On average, they owed \$32,300 at graduation in 2000.

That's about how much Amanda Gowland owes. The Ryerson University student is graduating this spring with a \$30,000 debt, even though she supplemented government loans with part-time work to make ends meet. Ms. Gowland's monthly student-loan payment of \$460 begins in November.

"That's always a fear that I have, that I won't be able to make that minimum payment. Very few students make that kind of money getting out of university. I'm going to have to find a job that pays a lot better or start selling an organ."

Statistics Canada cites the rise in tuition fees as the main culprit for the growth of student debt. "The amount you borrow is a function of tuition fees and cost," Mary Allen, co-author and senior Statistics Canada analyst, said in an interview.

After successive years of cuts in federal and provincial transfer payments to institutions, undergraduate tuition fees jumped from a national average of \$1,464 in 1990 to \$3,447 in 2000. This year, undergraduate students paid an average of \$4,025.

The Canada Social Transfer, which helps provinces fund post-secondary education to keep tuition fees down, will increase by 1.6 per cent in 2004-05 and one per cent in 2005-06. This does not keep pace with inflation and expected post-secondary enrolment growth.

The federal government is also increasing student loan limits in 2005, so 185,000 more students can borrow an additional \$280 million each year.

**press review**

**November 19, 2003 to May 18, 2004**

**Student Financial  
Assistance**

**revue  
de presse**

**du 19 novembre 2003 au 18 mai 2004**

**Aide financière aux  
études**

PEACE RIVER BLOCK DAILY NEWS

Wednesday, October 22, 2003

## Students permitted to earn more under student loan changes

VICTORIA (CP) — B.C. students can now earn almost three times as much during the school year before it affects their student loan eligibility.

But while the provincial government trumpeted the change as a positive, student organizations said Tuesday it was just another way for the province to offload costs.

"Students are going to be relieved to have a little more money, but the money will come from working more, so there will be less time to study," said Summer McFadyen, B.C. chairwoman of the Canadian Federation of Students.

The new guidelines announced this week by Advanced Education Minister Shirley Bond allow students to earn up to \$1,700 during the school year without it affecting their loan eligibility.

Previously, the first \$600 earned during the school year was exempt, but 80 per cent of earnings afterward were deducted from student loan eligibility.

The increase in the amount students can earn before it affects their loan eligibility doesn't cover the tuition increases over the past two years at

B.C. institutions, said Julian Strongitharm of the Camosun College Student Society.

"It seems the government is using this to justify tuition fee increases," Strongitharm said.

Some tuition have gone up about \$1,700 in two years, he said.

Bond said the government has discussed the issue with students from across British Columbia.

**A16** THE PROVINCE · Wednesday, October 22, 2003

## More loans to pay tuition

VICTORIA — Post-secondary students will be able to earn more money without reducing their eligibility for student loans. The change means about 12,000 post-secondary students will be eligible for \$4 million more in student loans, Advanced Education Minister Shirley Bond said yesterday.

But Summer McFadyen of the Canadian Federation of Students said students would have been better off had the government not allowed huge increases in tuition.

# Province eases student loan criteria to allow for increase in earnings

BY KIM WESTAD  
Times Colonist staff

Students can now earn almost three times as much during the school year before it affects their student loan eligibility.

While the provincial government is trumpeting the change as a positive, student organizations say it is yet another way the province is offloading costs to those trying to get an education.

The increased amount students can earn doesn't even cover the tuition hikes over the past two years, said representatives from student groups.

"Students are going to be relieved to have a little more money, but the money will come from working more, so there will be less time to study," said Summer McFadyen, B.C. chairwoman of the Canadian Federation of Students.

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But the increase in the amount students can earn before it affects their loan eligibility doesn't cover the tuition increases over the past two years at B.C. institutions.

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said Julian Strongitharm of the Camosun College Student Society.

"It seems the government is using this to justify tuition fee increases," Strongitharm said.

Some tuitions have gone up about \$1,700 in two years, he said.

"So people are basically having to work more and spend less time on studies. I feel this is sort of a ploy they're using to justify tuition increases," Strongitharm said.

Bond said the government has had lots of discussion across B.C. with students about tuition rates.

"Today (the announcement about loans) is good news. In fact, students will be able to earn three times more before it impacts their student loan — we're getting the loan program into line with the rest of Canada. So we think that's a great news

story for students."

The change will result in about 12,000 post-secondary students being eligible for \$4 million more in B.C. student loans, Bond said.

"What this means is that students in British Columbia, while still enjoying tuition rates that are amongst the lowest in Canada, have access to additional student financial assistance. We think that's good news and I'm a little disappointed the Canadian Federation of Students doesn't recognize that 12,000 students will have more accessibility to loans," Bond said.

The student federation is on a province-wide campaign to protest tuition increases under the provincial government.

The "Bring Tuition Fees Back to Earth Tour" will make over 40 stops across B.C. during the next four months.

McFadyen said Tuesday's announcement where B.C. is following what has been done in other provinces is "pocket change in comparison to all the other things they've done to increase the cost of education to students."

The government is shifting the burden to students, she said.

"They cut operating funds, cut per student funding and then turn around and say we'll give you more loan and debt, and you can work more. That's not the direction we ought to be going with post-secondary education."

— With files from Jeff Rud

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Students can now earn almost three times as much during the school year before it affects their student loan eligibility.

While the provincial government is trumpeting the change as a positive, student organizations say it is yet another way the province is offloading costs to those trying to get an education.

The increased amount students can earn doesn't even cover the tuition hikes over the past two years, said representatives from student groups.

"Students are going to be relieved to have a little more money, but the money will come from working more, so there will be less time to study," said Summer McFadyen, B.C. chairwoman of the Canadian Federation of Students.

The new guidelines announced Tuesday by Advanced Education Minister Shirley Bond allow students to earn up to \$1,700 during the school year without it affecting their loan eligibility. Previously, the first \$600 earned during the school year was exempt, but 80 per cent of earnings afterward was deducted from student loan eligibility.

But the increase in the amount students can earn before it affects their loan eligibility doesn't cover the tuition increases over the past two years at B.C. institutions.

**"Students are going to be relieved to have a little more money, but the money will come from working more, so there will be less time to study."**

Summer McFadyen,  
B.C. chairwoman,  
Canadian Federation of Students

said Julian Strongitharm of the Camosun College Student Society.

"It seems the government is using this to justify tuition fee increases," Strongitharm said.

Some tuitions have gone up about \$1,700 in two years, he said.

"So people are basically having to work more and spend less time on studies. I feel this is sort of a ploy they're using to justify tuition increases," Strongitharm said.

Bond said the government has had lots of discussion across B.C. with students about tuition rates.

"Today (the announcement about loans) is good news. In fact, students will be able to earn three times more before it impacts their student loan — we're getting the loan program into line with the rest of Canada. So we think that's a great news

story for students."

The change will result in about 12,000 post-secondary students being eligible for \$4 million more in B.C. student loans, Bond said.

"What this means is that students in British Columbia, while still enjoying tuition rates that are amongst the lowest in Canada, have access to additional student financial assistance. We think that's good news and I'm a little disappointed the Canadian Federation of Students doesn't recognize that 12,000 students will have more accessibility to loans," Bond said.

The student federation is on a province-wide campaign to protest tuition increases under the provincial government.

The "Bring Tuition Fees Back to Earth Tour" will make over 40 stops across B.C. during the next four months.

McFadyen said Tuesday's announcement where B.C. is following what has been done in other provinces is "pocket change in comparison to all the other things they've done to increase the cost of education to students."

The government is shifting the burden to students, she said.

"They cut operating funds, cut per student funding and then turn around and say we'll give you more loan and debt, and you can work more. That's not the direction we ought to be going with post-secondary education."

— With files from Jeff Rud

## Student loan approval policy unfair – CFS

*De-designation could threaten schools in low employment areas*

By Lindsay Harding

As Ottawa puts in place a policy to deny students loans for certain schools, representatives from the Canadian Federation of Students and the Canada Student Loans Program are butting heads, disagreeing over who knows what's best for students.

Last April, administrators of the federal Canada Student Loans Program (CSLP) and the provincial loan distribution programs toughened restrictions on post-secondary institutions for the distribution of student loans.

Currently, post-secondary institutions are required to meet designation requirements before their students can receive loans. Institutions that fail these requirements will be "de-designated," meaning their students will not be eligible to receive loans.

Under the amended designation policy's new requirements, healthy loan repayment rates among a school's graduates will be a condition for obtaining and retaining designation status.

"We've always looked at [designation restrictions] as a student protection issue," said Brad Brohman, CSLP's director of accountability and performance management. "[Post-secondary institutions] must demonstrate that students who are graduating from their school are able to fulfill, in a reasonable timeframe, the obligations of the loans that they've received to go to that school."

However, Keith Dunne, chair of the Canadian Federation of Students' provincial lobby group, says that while he has no problem with the government tightening its leash on private, for-profit post-secondary institutions, the amended requirements could also hurt students and public schools.

"While the federal government may say they are looking primarily at private colleges, that also leaves the door open for them to look at universities like Memorial University, [the Marine Institute], Grenfell, [and] College of the North Atlantic," he said.

"Students . . . are getting worthwhile education, but are not able to find the jobs to pay off their student loans."

Under the new guidelines, an institution will be de-designated if its students' average loan repayment rate slips to 55 per cent, or 16 per cent below the average national repayment rate.

Following these restrictions, Memorial students are currently safe from the axe. According to statistics from 2000, approximately 82 per cent of the school's graduates successfully repay their loans.

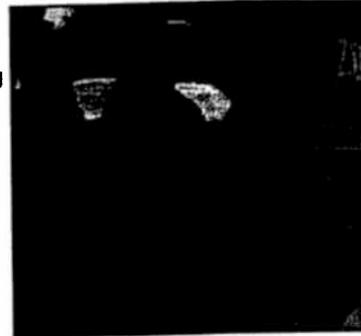
The College of the North Atlantic (CONA) also makes the grade with 81 per cent of all graduates boasting successful repayment rates.

On average, the province's private college graduates are also safely within the framework guidelines, repaying about 63 per cent of all loans.

However, individual campuses, particularly those located in economically depressed areas, could be at risk.

Dunne says students and post-secondary institutions could potentially be penalized for circumstances they cannot control, such as the poor state of the economy. "Students . . . are getting worthwhile education, but are not able to find the jobs to pay off their student loans," he said.

"What if you have a single parent that comes from a low-income family, or is in the low-income community? If it comes down to feeding her child, or paying for heat, and paying off the student loan, then that's not a difficult decision."



However, Brohman says it is reasonable to demand that schools take greater responsibility for the well-being and success of their students, both during their period of study and after graduation. He says that, far from unfairly punishing students, the new policy protects their best interests.

"It's not going to penalize future students. In fact, hopefully those future students will get the benefit of the knowledge that the schools have gained managing the risk and it will be good for the students."

He says both the students and the schools can only benefit if institutions meet the framework's standards. "[If] schools will get more active in helping students make the transition from school to work, or school to another program . . . I think that can only benefit students in the long run," he said.

"In the longer run, there are a number of different factors, but . . . we believe that they're all relatively within the control of the institution [to improve on]."

Dunne says evaluating the quality of education based on such financial indicators impedes a student's right to pursue advanced education independent of any economic payout.

"Education goes from job training . . . to the just kind of general education that is not directly attached to a job. . . . A student's number-one goal may be to do political science, but they're [forced into] changing their life decisions, not because of their personal goals, but because of the financial problems."

*With files from Nadya Bell.*

## Student loans boost deficit, but student federation says money will be paid back - Michael Connors

January 07, 2004

The province added \$220 million to its cash deficit when it decided to take over the student loan program, but student leaders say the cost not as a big a deal as the government is making it out to be.

CIBC administers the provincial student loan program, but the bank announced this year it is pulling out, and the government was not able to find a new company to take over. So the government is buying the program and will begin administering it in April.

That's one of the reasons the deficit was higher than expected, but the Canadian Federation of Students (CFS) says it's not a problem.

Provincial president Keith Dunne says the \$220-million cost of the loans program represents money that has been borrowed by students. While there's always a certain amount of bad debt, most of the money will be paid back to the government.

The CFS had actually been lobbying for years to get private banks out of the loan system, and for government to take it over.

The federation is worried that Premier Danny Williams' warnings of tough choices will mean cuts to education. During the 1990s, students protested rising debt loads and tuition rates.

But in the last few years, Memorial University has enjoyed a 25 per cent tuition cut, and the Liberal government introduced debt reduction measures that would wipe out 40 per cent of a student's loan if they finished their program on time.

Dunne is also worried the public sector hiring freeze will drive university graduates out of the province to look for work.

Skip Fischer, an economic history professor at Memorial, says Williams' State of the Province address on Monday was somewhat misleading.

That's because there was no new information. All the problems were known beforehand, so there was no need for Williams to declare a crisis and a wage freeze.

Dr. Fischer says the best clue that Premier Williams overstated the problem is the fact that the bond rating agencies haven't penalized the province by lowering its credit rating.

He says the premier jumped the gun by announcing a wage freeze before doing a full program review, and worries that it will cause an economic slowdown.

As for the next provincial budget, the Liberals had no problems giving out money in last year's pre-budget consultations. Keith Dunne expects this year's consultations with the Tories to be quite different.

## EDUCATION

# Post-secondary loan limits and grants to rise

## RESP HAS NOT WORKED

BY NORMA GREENAWAY

OTTAWA — The Liberal government made vague promises yesterday to make it easier for low-income Canadians to get a post-secondary education after acknowledging an earlier plan to achieve that goal had fallen short.

The government's goal is to ensure that a lack of financial resources will not be allowed to deny, to those with motivation and capacity, the opportunity to learn and aspire to excellence in pursuing a skilled trade, a community college diploma, or a university degree," the government said in its first throne speech since Paul Martin became Prime Minister.

Without providing any dollar figures, the government said it would raise existing loan limits in recognition of higher tuition fees and work with the provinces to "modernize" the Canada Student Loan Program to ease financial barriers to higher education and training.

It also promised a new grant for

low-income students to cover a "portion" of the first year of post-secondary education. Undergraduate students are paying an average of \$4,025 in tuition fees in the current academic year, up from \$3,749 last year and an average of only \$1,464 in 1990-91.

The Canadian Federation of Students slammed the proposal, say-

## 'STUDENT DEBT IS GOING THROUGH THE ROOF'

ing raising loan limits from the current federal-provincial level of about \$9,500 a year will merely drive students deeper into debt.

"Student debt is going through the roof, tuition fees are going up every year and Paul Martin's answer to that is more loans," said spokesman Ian Boyko. "He's only exacerbating the current problem of student debt and financial barriers. It's just going to make things worse."

In a major concession, the government admitted a program in-

troduced in 1998 to help Canadians save for their children's education had fallen short of expectations for low-income families.

The registered education savings grants (RESGs) was a centerpiece of the so-called education budget brought down in 1998 by Mr. Martin when he was finance minister. Under the program, the federal government contributes 20¢ for every dollar contributed to a child's RESP, up to \$400 a year.

In the speech, the government acknowledged the participation by low-income families has been "disappointingly low."

As a result, it said, the government will "create new incentives that truly work to encourage low-income families to begin investing, right from the birth of their children, for their long-term education."

Statistics Canada reported in November the benefits of the grant program are flowing disproportionately to high-income families. Only one-quarter of families earning less than \$25,000 a year can save toward their children's education. Their median savings — \$2,400 — do not even cover one year's tuition.

The speech also promised eligible expenses for tax deductions will be broadened to include such education tools as computers, and said the government will raise the family income thresholds now in place for qualifying for loans.

*CanWest News Service  
(Ottawa Citizen) with files  
from Sarah Schmidt*

# Program revamp addresses education costs: MP

By Andy Johnson  
ajohnson@northumberlandtoday.com

Allowing college and university students to borrow more money, more easily, is a recipe for disaster, according to the Canadian Federation of Students (CFS).

News of the federal government's plan came in the recent throne speech, and outlined a blueprint to revamp the Canada Student Loans Program to allow better access to middle-income families, increase loan limits, increase family income thresholds, and improve loan terms for part-time students. The Liberals will also institute a new grant program for low-income students to help with tuition in the first year of post-secondary education.

It all sounds good, but the CFS isn't convinced.

"Every time loan limits increase, universities and colleges simply hike fees, plunging students into even deeper debt," said Ian Boyko, national chairperson for the federation. "This is equivalent to a tuition fee increase."

The result of the throne speech commitments, he said grimly, will be increased student debt.

The real solution lies in addressing the root causes of student debt by increasing transfer payments for post-secondary education, reducing tuition fees, and offering grants based on students' needs. Those actions, rather than simply increasing loan limits, will address inequities that

exist in post-secondary education, according to the federation.

Northumberland MP Paul Macklin feels otherwise. He has spent much of the past few weeks sampling the opinions of constituents across the riding, including students. Many of them are concerned about the cost of post-secondary education. He said the throne speech announcements by his party will help.

"It will go a long way to addressing some of those concerns, absolutely," he said, adding many student lobbyists have visited his Ottawa offices, and shared their concerns. The success of the government's plan, however, "will depend on how it ultimately unfolds, particularly in respect to the overhaul process," he said.

Tuition caps, or reductions, are also positive moves towards making education more accessible, but are not a federal responsibility, he said.

"That may be part of the solution, but that part, unfortunately, falls within the provincial sphere. We have to work where we have jurisdiction," Mr. Macklin said.

"We would certainly encourage the province to cap tuition," he added.

Tuition levels, in many cases,

are out of control, Mr. Macklin said. Some students, particularly in the medical field, can expect to rack up more than \$100,000 in student debt.

The review process will likely be done by a committee, with lots of opportunity for public input, he said. The big questions which should be answered, he said, are how much a post-secondary education is worth, and how much

a student can reasonably be asked to pay.

According to the throne speech, the government's steps will level the education playing field.

"The government's goal is to ensure that a lack of financial resources will not be allowed to deny, to those with the motivation and capacity, the opportunity to learn and aspire to excellence in pursuing a skilled trade, a

community college diploma, or university degree." Governor General Adrienne Clarkson said, as she delivered the throne speech.

Details of the throne speech promises will likely unfold in the coming months.

**Martin promises money for student loan programs,**

**Student loan programs will now cover part-time students**

Post-secondary students across the country say Paul Martin's first throne speech as Prime Minister promises no funding for affordable education and encourages more student debt.

In the Feb. 4 speech, the Martin government outlined a plan to increase student loans available under the federal-provincial Canada Student Loans Program. The plan aims to help lower-income students and to ensure that finances don't prevent students from pursuing post-secondary education. But critics say that increasing student loan limits is a sure fire way to see tuition fees rise, as they have been steadily over the past ten years. Joel Duff, Ontario Chairperson for the Canadian Federation of Students (CFS), said issuing more loan money will only mean that students will owe more and pay more through compound interest.

"As finance minister, Paul Martin was responsible for cutting funding for post-secondary education by about \$4 billion and driving up tuition fees," Duff said, referring to Martin's term as finance minister from 1994 to 2002. "Students were quite disappointed because Paul Martin accepts no responsibility for post-secondary school funding. Students had hoped to see some commitments to reinvestment to post-secondary fees. Instead, more students are going to max out a greater amount of student debt." Students worry about not making enough money after graduation to keep up with growing debt.

"I am against the raising of student loan because the burden of the debt they get at the end of their degree is already big enough," said Rita Canales, a Travel and Tourism student at Centennial College. "If you become an engineer or a doctor you make enough money to pay it back but if you're doing social studies, it is less than sure you are going to be able to pay it back."

The federal government wants to work with the provincial governments to create new grants for these students and their families. The Liberals also plan to encourage families to put aside money for their children's college or university education.

There will be some changes to the loan program to allow part-time students to benefit from it as well, but Duff says these programs alone are not sufficient to maintain an affordable education system.

"Any advantage that would have been realized by these changes will be erased by tuition increases unless funding is restored," he said. "Increased loans are a bad solution any way you cut it."

University and college campuses were busy holding forums and awareness events last week, to put pressure on the federal government to restore federal funding to post-secondary education.

These events are the beginning of a national student campaign for the upcoming federal election.

**Student loan approval policy unfair: CFS**

By Lindsay Harding  
*The Brunswickan*

ST. JOHN'S, Nfld., (CUP) — As Ottawa puts in place a policy to deny student loans for certain schools, representatives from the Canadian Federation of Students and the Canada Student Loans Program are butting heads over who knows what's best for students.

Last April, administrators of the federal Canada Student Loans Program and the provincial loan distribution programs toughened restrictions on post-secondary institutions for the distribution of student loans.

Currently, post-secondary institutions are required to meet designation requirements before their students can receive loans. Institutions that fail these requirements will be "de-designated," meaning their students will not be eligible to receive loans.

Under the amended designation policy's new requirements, healthy loan repayment rates among a school's graduates will be a condition for obtaining and retaining designation status.

"We've always looked at designation restrictions as a student-protection issue," said Brad Brohman, CSLP's director of accountability and performance management.

"Post-secondary institutions must demonstrate that students who are graduating from their school are able to fulfill, in a reasonable timeframe, the obligations of the loans that they've received to go to that school," he said.

Keith Dunne, chair of the Canadian Federation of Students' provincial lobby group, said that while he has no problem with the government tightening its leash on private, for-profit post-secondary institutions, the amended requirements could also hurt students and public schools.

"While the federal government may say they are looking primarily at private colleges, that also leaves the door open for them to look at universities like Memorial University," he said.

Under the new guidelines, an institution will be de-designated if its students' average loan repayment rate slips to 55 per cent, or 16 per cent below the average national repayment rate.

Following these restrictions, Memorial students are currently safe from the axe. According to statistics from 2000, approximately 82 per cent of the school's graduates successfully repay their loans.

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However, individual campuses, particularly those located in economically depressed areas, could be at risk.

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"What if you have a single parent that comes from a low-income family, or is in the low-income community? If it comes down to feeding her child, or paying for heat, and paying off the student loan, then that's not a difficult decision."

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well-being and success of their students, both during their period of study and after graduation. He said that far from unfairly punishing students, the new policy protects their best interests.

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"If schools will get more active in helping students make the transition from school to work, or school to another program . . . I think that can only benefit students in the long run," he said.

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EDUCATION

# Student loans simplified

*Canadian Federation of Students welcomes news of streamlined process*

BY BRADLEY BOUZANE

The Telegram

**C**hanges announced to the student loan program Monday promise to make the process easier for students to navigate and less expensive to administer.

For starters, as of April 1, the student loan process will no longer involve financial institutions.

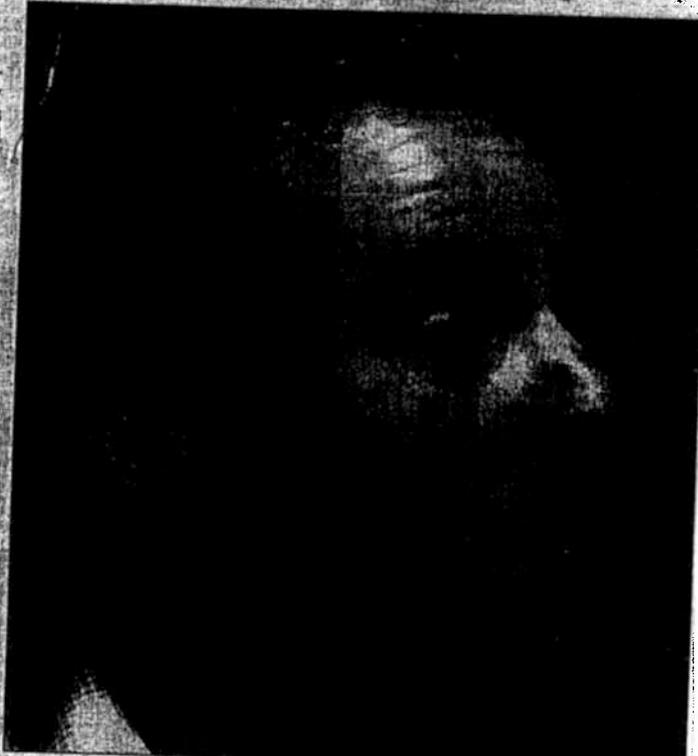
An agreement signed by provincial Post-Secondary Education Minister John Ottenheimer and Paul Bonwick, the Parliamentary secretary to the federal minister of Human Resources and Skills Development, spells out the intent to integrate provincial and federal student loan programs, which will reduce the red tape students often find themselves tangled in.

"Effective April 1, 2004, many individuals with student loans from both governments, as well as new student borrowers, will benefit from the integration of provincial and federal loans," Ottenheimer said at a news conference at Confederation Building in St. John's.

"We will deliver a loan administration system designed around the principle ... of one student, one loan servicing arrangement."

At the end of March, the Canadian Imperial Bank of Commerce's (CIBC) role in the student loan program will cease and loans will be directed through two Toronto-based companies — Edulinx for students attending public institutions and BDP for those attending privately run schools.

Currently, CIBC lends funds directly to students. Under the new agreement, the province will lend students money through the newly formed Student Loan Corp. of Newfoundland and Labrador (SLCND).



Keith Dunne, chairman for Newfoundland and Labrador of the Canadian Federation of Students, addresses the media Monday at Confederation Building in St. John's following the announcement of changes to the student loan program.

KEITH GORBE/THE TELEGRAM

The provincial government is responsible for assuming the \$220 million in outstanding student loans issued by CIBC.

About 33,000 students in the province either are receiving student loans or are in the process of repaying them. Ottenheimer figures the province will save about \$1.5 million annually from the streamlined process.

Keith Dunne, chairman for Newfoundland and Labrador of the Canadian Federation of Students, said he hopes students themselves will benefit from the savings.

"It was interesting to hear the minister say that if there was any cost saving that maybe that could be funnelled back to the students," Dunne told reporters after the news conference.

"Obviously, the best way to funnel that back is to put it directly into the post-secondary institutions, whether that be through core funding, reducing tuition fees or coming up with spe-

cial grants for disadvantaged students. There's a number of ways we can put it back in."

Dunne said a streamlined student loan process is a positive step, though he would have preferred to hear the minister talk about replacing the existing student loan scheme with a program based on government grants for education.

He said student groups will be watching closely to ensure that the new system is run with students' best interests in mind.

"We're streamlining a very complex system. Right now, students have to — in terms of paperwork, forms and in terms of asking questions — contact four and sometime five different institutions to get the information about student loans, and that's frustrating," he said.

"We're hoping this streamline will make it easier for students to navigate not only how to get a loan, but in terms of repaying the loans, so there are certainly a number of advantages. ... But we'll be watching very closely to make sure that this is going to be done properly and the interests of students are at the forefront."

Under the new program, students will only need to fill out one form for

both provincial and federal loans, and will receive only one payment.

"Quite honestly, dealing with CIBC right now and in the past has been incredibly difficult because they're only accountable to their shareholders and not the public," Dunne said.

"With the federal and provincial governments running the system, there's a certain step up in terms of accountability and information sharing."

In Newfoundland and Labrador, 15,000 students currently enrolled in programs are responsible for \$36 million in loans, and there are 18,000 people in the process of repaying loans totalling \$124 million. Each year, a new group of students enters the post-secondary system and borrows about \$35 million to \$45 million in loans.

Newfoundland and Labrador is the third province to integrate the administration of student loans. Ontario and Saskatchewan have already begun the process.

Information sessions on the new system will be held in St. John's, Corner Brook, Happy Valley-Goose Bay and Grand Falls-Windsor, beginning Feb. 24 at the Mount Peyton Hotel in Grand Falls-Windsor.

*bbouzane@thetelegram.com*

**Students Pleased with Loan Announcement 2/17/04 (VOCM News)**

The outgoing president of the Newfoundland and Labrador division of the Canadian Federation of Students says any streamlining of the student loan system will be welcomed. The provincial and federal governments have signed a joint administrative agreement covering student loans. Keith Dunne says the student movement has been lobbying for a similar change.



Keith Dunne

# New loan system makes students happy

BY CRAIG WELSH

The Express

**T**wo announcements in less than a week have student leaders in the unusual position of being happy with the provincial government.

On Feb. 11, Education minister John Ottenheimer announced undergraduate tuition at both Memorial University and the College of the North Atlantic will be frozen for the 2004-05 academic year. Exempt from the freeze are international students, who will see their tuition rise by about 10 per cent.

Then, on Monday, the federal and provincial governments announced a streamlining of the student loan process. That new system will come into effect on April 1.

Among the changes students will see include having to deal with only one agency when it comes to getting, continuing or paying off student loans. As well, the Canadian Imperial Bank of Commerce, which has been running the student loan system for the past 10 years, is now done with it.

Instead, the provincial government will be getting a loan of \$220 million to run the student loan system, in conjunction with the federal government. What will be created is the Student Loan Corporation of Newfoundland and Labrador (SLCNL).

There are 15,000 students attending post-secondary institutions with loans worth \$96 million. There are another 18,000 former students paying off \$124 million in loans.



John Ottenheimer: "Let's remember, this is a loan. This is a creditor, debtor relationship."

Ottenheimer said the streamlined process will save an estimated 60 per cent of the \$4 million a year administrative costs.

"The costs are not anticipated to be what they were in the past. When we were advised that CIBC was no longer in the business of financing student loans, we had to look at other options. The most cost effective proposal that was put forward to us as a government was the very regime that we are now undertaking," he said.

"Obviously there will be some administrative costs to the taxpayer. But it is anticipated to be not close to what it was."

All of this is making Keith Dunne of the Canadian Federation of Students a very happy man.

"I think this is an announcement that is welcomed by students. We've been lobbying for a change like this for years. Quite honestly, taking the banks out of the system cuts down on the complexity of the student loan system. But it's also going to cut down on administrative costs. We were concerned about that as well, with taxpayers' money being funneled into banks," he said.

But along with the process of getting a loan being made simpler, Dunne said it will also be easier to lobby for further changes.

"Instead of trying to lobby a bank we can lobby the federal and provincial governments directly about interest rates and default rates. It's also going to be easier to get information on default rates, on bankruptcy rates, things like this so we can monitor this," he said.

"Quite honestly, dealing with CIBC... has been incredibly difficult. They're only accountable to their shareholders and not the public. We think there is a certain step up with accountability and information sharing. We applaud the government for making this step."

However, the new corporation is still going to have money problems. Even with the administrative cost savings, the government admits it's still going to lose \$20

million a year running the loans program.

Part of the problem is that even with student interest rates between two and five per cent above prime, there are still many people not paying back their loans after graduation.

The default rate is around 20 per cent and that was when CIBC was running the program. As well, many students complained about the tactics used by collection agencies trying to get outstanding loans.

Ottenheimer said the government for now is focused on integrating the loans programs and will deal with collections at a later point. But he is aware of the sensitivities involved in loan repayment.

"From time to time there are calls to my office from students who feel the approaches taken by debt collectors are somewhat aggressive," he said. "We are in the position now where we can work with the service providers. We can work with those individuals who collect and do it in such a way that is much more consumer friendly, while keeping in mind the ultimate responsibility to taxpayers generally. Let's remember, this is a loan. This is a creditor, debtor relationship."

Students with questions about the new system can go to [www.edu.gov.nl.ca/studentaid](http://www.edu.gov.nl.ca/studentaid) or call 1-888-729-1093. There will be an information session in St. John's at the Holiday Inn on March 1 from 7-9 p.m.

## Symbiotic student loans

Provincial, federal governments merge Newfoundland and Labrador student debt

-By Nadya Bell-

One loan, one student. It sounds like a simple concept, yet the idea of harmonizing the federal and provincial student loan programs just arrived in Newfoundland and Labrador.

Provincial Minister of Education John Ottenheimer announced on Feb. 19 that the provincial and federal governments intend to integrate the administration of their loan programs.

This change will happen on April 1, 2004. This is the same day the provincial government will officially buy the province's \$220-million student loan debt from CIBC, the bank that currently holds the loans.

In the past, students had to visit four or five different places to get information for their loans, and even then, some students didn't receive their payments until the end of the semester, long after tuition was due.

"It is a nightmare for students to try to navigate the system," said Keith Dunne, chairperson of the Newfoundland and Labrador chapter of the Canadian Federation of Students (CFS).

Most of the problems students encounter are due to administrative issues that may soon be fixed.

Under the new system, students will fill out the same application as before, but receive one lump sum payment for both loans from the Student Loan Corporation of Newfoundland and Labrador (SLCNL). When changes need to be made in the student's status, or the loan is due for repayment, only the SLCNL needs to be contacted, and one repayment is made.

Dunne hailed the new integrated system as an important improvement for the student loan system.

"There's a number of perks to this system, and certainly, we applaud the government for making this step. But again, we're going to be there every step of the way to make sure things are being done properly," he said.

MUNSU VP Academic Jessica Magalios is unsure of how big a difference students will notice. "It seems like it should result in a lot less headaches for students, so I think students will overall be happy. But it's still a loan, so I don't know how happy students will be."

Students holding or paying back student loans from after 1998, and new students applying for loans, will be brought into the new loan servicing arrangement. The new combined agency will deal with approximately 30,000 student borrowers, some who are in repayment, and others still studying.

"Newfoundland and Labrador will be the third province to enter into such a successful arrangement with the government of Canada, and soon we may see other provinces following suit," said Ottenheimer.

Although started under the Liberal government last year, Ottenheimer presented the agreement as proof of the government's commitment to equal opportunity post-secondary education, and offering a "more streamlined and much simpler loan process."

The new government-run system will be more cost-effective than the current contract with CIBC, and will save the provincial government several millions over the next two fiscal years, according to Ottenheimer.

However, the government will still lose about \$20-million a year in difference between the defaulted student loans and the interest earned on loans. Ottenheimer broached the subject of collection carefully, saying his department is attempting to find a consumer friendly approach to defaulted loans that is reasonable and humane.

As of yet, the issue of collection hasn't been finalized; it may or may not be contracted by the government to an outside agency.

Ottenheimer also indicated that the savings in administration might go back into the program for students, a prospect which excited Keith Dunne.

"There are a number of ways to put it directly back into the post-secondary institutions whether that be through core funding, or reducing tuition fees, or special grants for disadvantaged students," said Dunne.

However, no changes will be initially made to the actual student loan policies, leaving students to satisfy very different loan criteria to qualify for both loans. Under the new agreement, the province will continue to set loan policies itself, but there is the possibility of being able to lobby the government to synchronize the loan criteria.

Chairperson Joel Duff of the CFS in Ontario has found that with the integrated system in his province they were able to convince the governments to make the application criteria the same for both loans over a period

of three years.

Now Duff says when students apply for loans, the procedure is much simpler and quicker, as officials only have to check the one set of criteria. Also, when the changes were made to the loan criteria, it was usually to the advantage of students, meaning longer grace periods for repayment and lower parental contributions.

"That was a lot of hard work. It meant that students had to be constantly at the table arguing our case and on just about every point we managed to bring in the better of the two policies. In that sense, it's been a good thing to bring in harmonization," said Duff.

Provincial NDP leader Jack Harris is wary about the new integrated loan agency being a privately contracted federal company in Ontario. He said it remains to be seen if they deal with student's problems effectively, but it should be a modest improvement.

"I think the integration is going to take a lot of headaches away from students in the sense that they're going to deal with one agency, particularly when it comes to dealing with problems," said Harris.

"It's definitely much easier [now in Ontario] for a student to apply, to be able to figure out how much they're going to get, and for that money to get to their bank," said Duff.

"I think you're going to see in most provinces, if they haven't fully harmonized, that's probably a matter of time before they bring in the same criteria."

The provincial government has started an extensive information campaign to notify students about the integration, including individual letters to loan holders, and providing information sessions, a website, email address, and toll free number for questions.

The province's integration of the loan system and buyout of the loans from CIBC is a national trend which has seen governments easing back into offering students money out of the public purse.

In March 2000, the federal government announced that they would change to a direct lending program, instead of the banks. Although this only spoke for the federal level, gradually the provinces have been buying back their loans programs.

"We were finding that students didn't really value the role of the financial institution," said Rob McLeod from CIBC, explaining why the bank has been moving away from the student loan business.

"We are very interested in getting young people, but it was a function of the fact that the system had become quite complicated and certainly students were recognizing that and telling us that," said McLeod.

However, both Duff and Dunne have said that the bank would not continue with the system because they were not making enough money as a for-profit company to justify the venture.

Duff says banks were a disastrous experiment, and they "championed some of the most regressive changes to the loans program," including credit checks and bankruptcy act changes.

In Newfoundland and Labrador, when student loans were previously held by CIBC, the government guaranteed them, meaning that the bank would collect the interest on loans, but the government would pay for any defaulted loans.

Students have had problems with the bank-administered student loan system, especially from the CFS point of view, as Dunne says it is difficult to make a privately run institution sympathetic to student concerns. Even small things like acquiring information on default or bankruptcy rates will be easier to when working with a government agency, according to Dunne.

"Taking the banks out of the system as the minister alluded to is certainly going to cut down on the complexity of the student loan system, but also it's going to cut down on administrative costs," said Dunne.

Harris agreed with Dunne. "I think [the student loan system] should be handled directly by government as opposed to by the banks. This was an experiment that didn't work out very well, apparently for the banks as well as for students."

Paul Bonwick, parliamentary secretary to the minister of human resources and skills development, was also present to sign the provincial-federal integration agreement on behalf of Paul Martin.

Bonwick commented on the prime minister's throne speech, which announced the government's intention to raise student loan limits as a solution to problems in the student loan system. Loan amounts have not been adjusted since 1992.

"[Paul Martin] is recognizing that it is not satisfactory enough to increase the level of debt, but certainly students have some sense of responsibility to bear some of the costs [of education] and one of the ways we can do it is increasing the ceiling on the student loans," said Bonwick.

But Duff had serious issues with this method of dealing with student debt, saying: "We already take too much responsibility. Here in Ontario we pay about 40 per cent of our operating budgets of our colleges and universities. That's twice as much as we paid 10 years ago."

"Increasing loan limits merely provides an alibi for tuition fee increases, because increasing loan limits is one way to make it possible for students to pay more, because there's a way they can delay the pain," said Duff.

# Student loan limit to rise up to 42%

Proposed measures could also ease  
qualifications for recipients

BY SARAH SCHMIDT

In the first increase to student loans in a decade of escalating tuition rates, the federal government plan to boost the borrowing power of college and university students by up to 42 per cent beginning next year.

The dramatic hike is one of the two scenarios currently under consideration for the Canada Student Loans Program.

The federal government announced in the throne speech earlier this month it would raise existing loan limits by an unspecified amount so students could borrow more to help cover the rising cost of post-secondary education.

The current loan limit is \$165 per week of study, which translates into annual student borrowing of \$1.7 billion through the federal student loans program. CanWest News Service has learned the federal government is considering raising the weekly limit to \$210 or \$235.

This would allow students to borrow up to \$13,294 per year, instead of the current cap of \$9,350.

Since the current limit was established in 1994, federal and provincial funding for post-secondary education has dropped and Canadian undergraduate tuition fees have jumped by 99 per cent to fill the funding gap, from \$2,023 to \$4,025.

Conservative estimates indicate at least one-quarter of all student borrowers have need in excess of the current lending limits, forcing some to take out private loans with higher interest rates.

Conceding many students are ineligible to receive student loans because the government assumes their parents can contribute toward their post-sec-

ondary education, the government will also make it easier to qualify for a student loan. The government's modelling shows that up to an additional 20,000 students will be eligible to receive a student loan under the plan.

Student groups acknowledge the current loan limits are outdated, but complain the move simply means unmanageable debt loads at graduation. According to a 2002 study, among students who borrowed to attend university the average debt at graduation stood at \$21,200.

Experts, meanwhile, say Canada's student aid program requires an overhaul rather than just tinkering to meet its goal, which is to ensure access for all qualified Canadians to post-secondary education without suffering undue financial hardship.

"They've chosen loans over grants in the short term, and that just represents a massive increase in student debt that disproportionately affects those at the lower end of the income scale," said Ian Boyko, chairman of the Canadian Federation of Students.

"There's need out there that's not being met, so this will help," said Ross Finnie, a leading expert in student aid at the School of Policy Studies at Queen's University. "But it's tinkering with the current system. You're still going to have to address the wasted money. That's more than tinkering."

All provinces except Quebec run their own provincial student aid programs in harmony with the federal program. The arrangement — provinces cover 40 per cent of the total cost of the student aid programs — means limits on provincial loans will also have to rise to maintain the historic 60/40 funding share.

# Public money for public school: Harris

*Don't 'force kids into' private post-secondary programs*

BY BRADLEY BOUZANE  
The Telegram

The provincial NDP leader warned Monday of a crisis in funding for post-secondary education institutions and says the money the government spends bailing out some private college graduates should be diverted to the public system.

Jack Harris says if he had his way, he would delist some private college courses, put more money into the province's public institutions to offer more options, and make private colleges ineligible for student loans.

"Government has got to start funding the public system, making programs available to people and not force kids into these private programs," Harris said at a Monday morning news conference at Confederation Building in St. John's.

"Yes, delist these courses, but that's not enough ... they have to give students the options to get a post-secondary education. I would create a public college system that gave an opportunity to every student who was qualified to a post-secondary education.

"I would eliminate for-profit post-secondary education as a student-aid option."

Harris said more than half of defaulted student loans in the province involve private college students — amounting to more than \$17 million of the projected \$33 million the provincial government will end up repaying this fiscal year for students unable to pay off loans themselves.

Meanwhile, just slightly more than a third of students at the province's two major public institutions combined find themselves in the same boat. Students at Memorial University account for about 22.5 per cent of defaulted student loans, while students at the College of the North Atlantic make up almost 12 per cent, according to projected figures

of those institutions to find jobs, and once they do find jobs, they often don't pay well, which makes repaying student loans difficult, and sometimes impossible.

The province pumps about \$800,000 each month into defaulted student loan accounts, money the provincial chairman for the Canadian Federation of Students says could be better used in

**"They have to give students the options to get a post-secondary education. I would create a public college system that gave an opportunity to every student who was qualified to a post-secondary education. I would eliminate for-profit post-secondary education as a student-aid option."**

NDP Leader Jack Harris

for the fiscal year ending March 31.

Since 2000, nearly 60 per cent of 4,738 defaulted student loans in the province involved students from privately run colleges. Defaulted loans are categorized as accounts that have neglected a minimum of 12 monthly payments.

According to data from the Department of Education's student financial services division, roughly 23 per cent of defaulted loans at private institutions involve colleges that are now defunct.

When it comes to repaying loans, as of June 30, 2003, more than \$97 million had been repaid by approximately 15,000 students.

Students from private career colleges accounted for about 24 per cent of that total, while students from MUN and Col-

lege of the North Atlantic combined made up almost 53 per cent. The rest of the students attended institutions outside the province.

the public system. "This past month alone, \$800,000 — that's the amount the provincial government had to pay off in defaults," Keith Dunne said following Harris' news conference.

"If you follow the logic, over half of that is from defaults from the private college system. That's over \$400,000 a month that this government could be saving and putting back into the public system. ... This government needs to take a really hard look at funding the private college system and what that means for taxpayers' money in this province."

Dunne and Harris say the lower level of education provided by many private colleges makes it harder for graduates

of those institutions to find jobs, and once they do find jobs, they often don't pay well, which makes repaying student loans difficult, and sometimes impossible.

"If you couple a low quality of education with a high debt load, then your ability to get out of that's, quite honestly, impossible," Dunne said.

Dunne said cuts to public education funding have led private colleges to attempt to fill a void by offering programs and courses that were axed at other institutions. He said private schools then make a profit from what should be regulated and provided through the public system.

Harris said College of the North Atlantic has suffered the most from public funding cuts.

Since 1993, he said, the college has lost half its teaching staff, as well as some 260 courses, and five College of the North Atlantic campuses have closed.

Harris maintains the government should increase funding for public institutions.

"Government has been sponsoring private, for-profit education systems in this province for over a decade," the NDP leader said.

"If the government were serious about examining where it spends its money it should examine the waste occurring with private colleges and the human suffering it causes.

"Young people have enough challenges to face without being victims of government policies gone wrong."

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**Fighting Government Cuts 5/14/04 (VOCM News)**

Punch drunk from government cutbacks over the past few weeks, rural Newfoundland is fighting back. The Human Resources and Employment office in Bay L'argent is one of many that will go, but the mayor of Grand le Pierre is starting a petition to try to save it. Paul Bolt told VOCM Niteline with Bas Jamieson that they need the office.

Meanwhile, one Liberal MHA warns transportation depots could be cut next week. Roland Butler says several depots which house personnel and vehicles for road maintenance are about to be closed or scaled back. The Port de Grave MHA told VOCM Niteline that a number of highways depots will get the 'Williams axe.' He says the cuts by government this year will pale in comparison to what's around the bend in next year's budget.

The Canadian Federation of Students says the \$1.1 million dollars cut from the government's summer job creation program is another attack on young people. Federation chair Jessica Magalios wants a meeting with Human Resources and Employment Minister Joan Burke to talk about the summer job funding situation. Magalios says the cuts will mean the elimination of one in three student summer positions in Newfoundland and Labrador.

# Student-aid assessment process misguided, report says

BY CAROLINE ALPHONSO  
EDUCATION REPORTER

University students receive less money from summer jobs and from their parents than government loan programs assume, says a study released yesterday.

The report by the non-partisan Educational Policy Institute comes as Prime Minister Paul Martin is expected to announce reforms to the Canada Student Loans Program in the March 23 budget.

Alex Usher, vice-president of the Educational Policy Institute and co-author of the report, said that the federal and provincial governments assume parents contribute a certain amount toward their children's education. Many, however, cannot meet this expectation, he said.

Parental contribution is a key measure in the assessment process to determine whether a student can receive a loan.

Mr. Usher reviewed previous research on the impact of the Canada Student Loans Program on university access since it was created 40 years ago.

Undergraduate students are paying an average of \$4,025 in tuition, up from \$3,749 last year.

Parents are contributing less than their counterparts 40 years ago, in terms of both proportion and real amounts of money, the study found.

Financial support from parents now makes up 17 per cent of a student's budget, down from 35 per cent when the program was first implemented. In real dollars, it's down by more than one-third, the report said.

The expected level of parental contribution varies from province to province. In Manitoba, for example, a two-income family with a pre-tax income of \$80,000 is expected to contribute \$10,000 to their child's education. "No one is doing that," Mr. Usher said. "It's very, very high."

One explanation could be that taxes are eating up more of a family's income now than when the program was created, he said.

The report also found that students are saving substantially less from summer jobs, and many are working part-time during the school year.

Mr. Usher said he believes that summer employment is not as lucrative these days.

Student-aid programs assume a minimum contribution from summer income regardless of what the student actually earns, Mr. Usher said.

"If you don't make that money, then tough. A drop in summer income means students are less likely to actually be able to make their expected contribution and therefore are less likely to be able to make ends meet," he said.

About 350,000 people a year receive Canada student loans, with the amount based on a recipient's ability to pay.

But about half receive the maximum amount, suggesting to officials that the loans are not meeting the needs of students.

The Throne Speech promised to improve the student-aid program by increasing loan limits.

But the Canadian Federation of Students, long-time advocates for freezing tuitions, said this will just push student debt higher. They suggest, instead, to increase grants to low-income students and transfer payments to the province for postsecondary education.

# Aid plan for students is lauded

**JOHN MINER, Free Press Reporter**

More help for students from lower-income families won praise from university and college administrators, but the federal budget was harshly criticized by some student and teacher organizations. Federal Finance Minister Ralph Goodale announced new grant and loan programs, including a new Canada Learning Bond that will provide up to \$2,000 for children born after 2003 in families with incomes under \$35,000.

The bond starts with a \$500 grant at birth with \$100 a year added up to age 15. Interest on the money accumulates tax-free in a registered education savings plan.

Other measures included:

- A new grant of up to \$3,000 for first-year post-secondary dependent students from low-income families.
- An annual up-front grant of up to \$2,000 for eligible students with disabilities.
- Changes to the Canada education savings grant next year in which the federal government will match 20 per cent of contributions to registered education savings plans, up to \$400 a year and \$7,200 in total.
- Changes to the student loan program to cut the contributions expected from middle-income families and raise loan forgiveness ceilings for people struggling to repay loans after graduation.

"I'm very pleased the government has recognized there is a need for more financial support for low-income families," Fanshawe College president Howard Rundle said.

Rundle said previous strategies have concentrated on loans to students, which adds to their debt burden.

"It was really putting them behind a significant eight-ball before they got going in life," he said.

Greg Moran, vice-president academic at the University of Western Ontario, said the array of budget measures should remove some of the education barriers for students from low-income families.

"We were pleasantly surprised," he said.

"We think there are elements in the budget that are not only good for the university, but good for the students."

But the Canadian Federation of Students, which represents 450,000 university and college students across the country, said the measures will only increase student debt and lead to more tuition fee hikes.

"Higher loan limits will allow universities to raise tuition fees, not help students make ends meet," said national chair Ian Boyko.

The Canadian Association of University Teachers also warned that the budget would not improve access to universities and colleges.

"There's nothing in this budget that tackles the real challenge of how the federal government can better fund universities and colleges so that tuition fees can be brought down and more spaces for students can be created," said association president Victor Catano.

# Millennium scholarship access in N.S. assailed

By **RICK CONRAD**  
Education Reporter

The Canada Millennium Scholarship Foundation should give itself a failing grade on its mid-term exam, a student leader said in Halifax on Wednesday.

David Hare, Nova Scotia representative with the Canadian Federation of Students, was one of 40 people invited to the foundation's consultations.

"Its mandate is to increase access but what we've seen here in Nova Scotia... is that it hasn't lived up to its mandate of increasing access," Mr. Hare said in an interview.

Halifax was the foundation's ninth stop on a planned 20-city tour across Canada to get feedback on its \$285-million-a-year bursary program and how to improve it.

The foundation is halfway into its 10-year mandate.

Laura Chapman, the organization's associate executive director, said its goal is to improve access to university and to help reduce students' debt load.

"We give our money to the neediest of the needy," Ms. Chapman said. "But that really means we give it to the people with the highest costs. Is that really the right way to think about it or should we be looking at something that's more income-based?"

She said through its consultations, the foundation was told that it must try to gear its bursary program more toward students from low-income back-

grounds while remembering those from the lower-middle income bracket.

The average bursary awarded in Nova Scotia this past year was \$2,000 to \$3,000 per student. About 3,600 Nova Scotia students get \$9 million each year.

The Hamm government got in trouble in 2002 for cutting student aid by more than \$7 million since the federal awards were introduced in June 1999.

The foundation withdrew its threat to pull the program from Nova Scotia when the province pledged to increase student aid spending.

The Tories unveiled a \$5.1-million debt-reduction program last March.

But Mr. Hare says students are still waiting for a loan remission program to replace the \$10-million fund the province axed in 2000, shortly after the foundation began its work.

And because of that, students are finding it tougher to find the money to go to university, he said.

"As a private foundation, it doesn't really have the enforcement ability to... hold the province to task on agreements," Mr. Hare said.

Ms. Chapman agreed the only enforcement power the foundation has is to withdraw funding, which ends up punishing students.

"That puts us in a bind. It puts us between the province and the students and that's a real concern to us."

(rconrad@herald.ca)

# Student: fix flaws before revamp

Says scholarship program a bust in N.S.

## EDUCATION

By Cathy Nicoll - The Daily News

**T**he Canada Millennium Scholarship Foundation should "get its own house in order in Nova Scotia," before talking about revamping the program, says the provincial representative of the Canadian Federation of Students.

"The province is still not living up to the agreement that it signed initially. So obviously, we're very concerned, and think that more folks should be trying to improve the many flaws in the program as a first step before undertaking such an ambitious agenda," David Hare said yesterday.

Nova Scotia got into hot water with the foundation because it axed a \$6-million loan-remission program when it received \$9 million from the scholarship program, set up in 2000.

The province replaced the money only after the foundation threatened to yank the scholarship fund, which was meant to help reduce student debt.

### Students paying

Hare said the province replaced "a \$10-million program with a \$5-million program" after years of no aid at all.

"They're not living up to the agreement. Students are the ones who are paying for (then-finance minister) Paul Martin's 'education budget,' where we haven't received a net gain," he said.

The foundation's board of governors was in Halifax yesterday, consulting with students, parents



SCOTT DUNLOP

**SEAN RILEY:** Foundation holding "a mid-course readjustment exercise."

and financial aid administrators about the program.

Sean Riley, president of St. Francis Xavier University and a member of the board of directors, said this is a cross-country "mid-course re-adjustment exercise."

The foundation still has \$2 billion to disperse over the program's remaining five years.

"My personal concern is very much about equality of opportunity ... We know that low-income families are under-represented at university," Riley said.

"My own focus is to be reassured that we're doing the best we possibly can for equality of opportunity. I think that's a deep, deep Canadian value."

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# University funding boost

10 schools share extra \$8 million

By DAVID JACKSON  
Provincial Reporter

Nova Scotia universities got a four per cent bonus from the Hamlin government at the end of March.

Finance Minister Peter Christie announced Monday that the province found an extra \$8 million for 10 schools, an amount he thought would help them keep tuition increases to a minimum.

"Are they fully happy with that? I'm sure the answer is no, but it certainly helps them a little bit, and that's what we are trying to do," Mr. Christie said.

He also announced another \$750,000 for the province's library boards.

The boost for universities comes after the Hamlin government cut their funding by \$1 million in November. In total, the universities received \$213 million in provincial funding in 2003-04.

Opposition critics said the \$8 million won't help students shouldering the highest undergraduate tuitions in the country.

"It's not going to be passed on to these kids. They're not going to see a big difference in their

**LOOT LIST**

A breakdown of the \$8 million universities received March 22:

- \* Dalhousie — \$2,978,971
- \* Acadia — \$642,532
- \* Saint Mary's — \$550,728
- \* St. Francis Xavier — \$450,000
- \* University College of Cape Breton — \$339,154
- \* Mount Saint Vincent University — \$204,554
- \* NSCAD University — \$184,821
- \* Nova Scotia Agricultural College — \$139,227
- \* University of St. Anne — \$128,000
- \* University of King's College — \$118,442



Students walk down the steps at Dalhousie University in Halifax on Monday. The provincial government has announced additional funding for post-secondary education. (PETER PARSONS/STAR)

ready announced increases of 4.5 per cent and four per cent, respectively. Dalhousie University's board of governors will decide on a 7.25 per cent bump tonight.

"Really, it's just a little window dressing before the budget is announced," Mr. Glavin said.

Acadia University received \$642,532, roughly one per cent of its \$80-million budget. University spokesman Scott Roberts said no decision has been made

on where to spend it, but every little bit helps.

"We see it, certainly, as good news," Mr. Roberts said. He said Acadia is finalising its budget for the 2004-05 year.

Dalhousie received almost \$4 million, the only school to get more than \$1 million since its budget is so much larger than other schools. University officials wouldn't comment on the funding Monday.

Students said the extra money should benefit them directly, in

the form of lower fees.

"Without extra money in fees, access is further compromised, and student debt increases," said David Hare, Nova Scotia's representative on the Canadian Federation of Students executive.

"It is time for university presidents to put access first and put this increased funding toward freezing and reducing fees."

Mr. Muir said the extra \$8 million isn't part of university funding for 2004-05 and said

speculation about a one per cent base funding increase will be discussed in the budget, expected as soon as Thursday.

Mr. Muir didn't mind compromising on the 2005-06 budget, saying it's government's intention to add \$8 million to universities' base funding in that year. He also said his department is working with universities to come up with a multi-year funding plan that should help reduce tuition increases.

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**press review**

**November 19, 2003 to May 18, 2004**

# **Provincial Budgets**

**revue  
de presse**

**du 19 novembre 2003 au 18 mai 2004**

# **Budgets provinciaux**

## Budget consultations pointless: Liberal

WebPosted Jan 9 2004 07:43 AM NST

ST. JOHN'S — The Liberals say pre-budget consultations that begin next week will be a sham because the PC government's commitment to cost-cutting leaves little room for meaningful input.

Finance critic Anna Thistle says Monday's address by Premier Danny Williams made it clear the PCs have a plan to attack the deficit, and no amount of public input will change that.

"I would think that decisions have already been made, we've seen that," she says. "We haven't seen any evidence to the contrary."



Anna Thistle

Finance Minister Loyola Sullivan says the government is entering a period of restraint, he still wants to hear from the public.



Loyola Sullivan

"We want to hear their suggestions: what they think is the best use of an expenditure; where they think we should cut something; Where they think it's not serving a public function," Sullivan says. "I mean they are the consumers of the services that we provide."

- From Jan. 5, 2004: [Premier vows public service wage freeze](#)

The Canadian Federation of Students shares the Opposition's skepticism about the consultations.

Representative Keith Dunne says he will make a presentation, but he's not sure of the value.

"The question that I have is, are these decisions already made? Is this pre-budget consultation process going to be a system of smoke and mirrors?"

- Finance Department: [consultation information](#)

The pre-budget consultations begin Monday in Labrador City, and wrap up in St. John's on Jan. 27.

## B.C. hits historic target by balancing books, promises proud Olympic ride

**Dirk Meissner**

The Canadian Press

Tuesday, February 17, 2004

VICTORIA (CP) - British Columbia buried its reputation as a bad money manager Tuesday and served notice it's about to reap the rewards of ongoing surplus budgets and a triumphant Olympic ride.

Finance Minister Gary Collins presented a \$30.2-billion budget that projects a \$100-million surplus this year and forecasts surpluses of \$275 million and \$300 million for the next two years.

The budget contains no new tax increases, but post-secondary education students will lose government grant money to help fund a much-needed expansion in school spaces, Collins said.

government was able to balance its budget despite being hit with \$1 billion in extra unexpected costs, he said. Forest fires, floods, SARS, mad cow disease and changes to federal equalization payments all stressed the province's bottom line.

The budget speech was an enthusiastic endorsement of the Liberal government's tough spending regimen of the past three years.

"Today marks a turning point in the history of British Columbia - a day that future generations will recall with pride," Collins said.

The budget speech was full of praise for the balancing feat and sounded at times like Collins was about to award himself the first gold medal of the 2010 Winter Olympics, which Vancouver is hosting, said political scientist Norman Ruff of the University of Victoria.

But it appears voters on the left and right of B.C.'s volatile political spectrum have already moved beyond the government's three-year-old balanced budget promise and are looking to the future, he said.

"He's met his target, congratulations, but people's attitudes will be so what, now what," Ruff said.

British Columbia was in financial trouble when the Liberals won the May 2001 provincial election, Collins said.



**B.C. Finance Minister Gary Collins delivered the 2004 budget Tuesday.**

### More:

- [2004 Budget online](#)

### Budget Highlights:

- Balanced budget of \$30.2 billion; \$100 million surplus forecast
- Provincial debt rises to \$39.5 billion; up \$1.6 billion from 2003-2004.
- No new taxes
- Economy forecast to grow by 2.8 per cent in 2004 and 3.1 per cent in each of the following two years.
- Health care spending will increase \$1 billion

A decade of previous New Democratic Party government during the 1990s saw British Columbia slide from the top economy in Canada to the worst, he said.

The Liberal government job and spending cuts initiated shortly after the election helped the province crawl out of a deficit pit that peaked at \$4.4 billion, he said.

"That transition is complete," said Collins, indicating the period of massive job and program cuts is over.

The government cut 11,813 jobs - about one-third of the civil service - and ministry budgets were reduced by an average of 25 per cent. The health and education budgets were not cut.

The B.C. Business Council applauded the government's balanced budget, but warned that even though the Liberals are sticking to their spending targets health care costs continue to rise.

"To me, as a business analyst, health care is a black hole, you can pour limitless amounts of money into it," said business council spokesman Jock Finlayson.

The provincial debt this year is forecast to total \$37.8 billion, \$3.6 billion lower than forecast, but still higher than the \$17 billion it was in 1990.

The Liberals inherited a province in financial trouble, Collins said.

"While the rest of the country was doing well, British Columbia is not, and a steady flow of people were leaving, heading east or south," he said. "That was what we inherited. That is how the province looked when we came to office, less than three years ago."

The budget does little to bridge the growing divide between B.C.'s poor and the wealthy, said Jim Sinclair, president of the B.C. Federation of Labour.

"There's a real gap growing in this province and this budget just makes that gap get bigger," he said. "The middle class is disappearing in this province and that's a problem."

The budget forecast B.C.'s economic growth at 2.8 per cent this year and 3.1 per cent in each of the following two years.

B.C.'s economic growth is still near the bottom in Canada, but economists are predicting the province will be pushing for the top of the heap within two years, Collins said.

B.C.'s rising job growth - tops in Canada in the last two years - hot housing market and the booming energy sector, fuelled by a oil and gas bonanza in the northeast, is rebuilding the economy, he said.

The budget surplus allows the government to target health care and education for spending increases, said Collins, but the extra

over the next three years.

- Education spending will increase \$418 million over the next three years.
- Spending on transportation will rise \$1.3 billion over three years.
- Threshold for house eligible for full homeowner grant of \$470 (\$745 for seniors and people with disabilities) against property taxes rises to \$585,000 from \$525,000 due to rise in property values
- \$55 million will be set aside for initial construction on Olympic venues

### In quotes:

*"The (Premier Gordon) Campbell Liberals obviously expect to get a lot of revenue from slot machines. They have even structured the budget on slot machine principles - a select few are winners while the vast majority are losers."* -

George Heyman, president of the B.C. Government and Service Employees Union.

*"This budget sets the province on a course for fiscal stability and prosperity, securing the health and education programs British*

money will go to students and patients and not doctors and teachers who want pay raises.

Education spending will increase by \$313 million over the next three years, with the government using some of the money for seismic upgrades on earthquake-shaky school buildings, he said.

Post-secondary school students will lose their loan grants to help the government get started on its \$105 million plan to build 25,000 extra post-secondary school spaces by the 2010 Olympics, Collins said.

The government will give universities the \$30 million in student grant money to offset tuition fee increases or build spaces, he said. The grant program will undergo a review to ensure students can alleviate their debt or are able to cash in when they graduate, Collins said.

A student spokeswoman called the grant cuts devastating and speculated some students will cut short their education because they can't afford school.

"It was a great program that helped low- and middle- income students finish college and university and to be told that's being eliminated is a real slap in the face," said Summer McFadyen, Canadian Federation of Students spokeswoman.

The budget includes an increase in the homeowner grant threshold to buffer B.C.'s rising house prices.

The increase in the grant threshold to \$585,000 from \$525,000 means 95 per cent of B.C. homeowners will continue to receive the full grant, Collins said.

B.C.'s Olympic commitments will receive \$106 million from the budget. Budget savings allow the government to invest \$55 million in venue operations and \$51 million will be provided for the start of venue construction, representing 20 per cent of B.C.'s venue obligations, said Collins.

"Hosting the Olympics is an honour and an amazing opportunity to tell the world our story," he said. "We also want to tell the story of good fiscal management."

***Columbians expect.***" - Richard Rees, CEO of the Chartered Accountants of B.C.

***"The best advice the B.C. Liberals can give working families is to buy a lottery ticket."*** - Jim Sinclair, president of the B.C. Federation of Labour.

***"Clearly this province needs to take aggressive steps to make B.C. competitive with provinces such as Alberta and it's disappointing that there were no signals in this budget that more tax relief is on the horizon."*** - Laura Jones, Canadian Federation of Independent Business vice-president for B.C. and the Yukon.

***"In 2001, the Liberals wilfully unbalanced the books with their tax cuts. Now they've rebalanced them on the backs of our children, students, women, seniors, the poor and the bottom three-quarters of taxpayers."***  
- Green party Leader Adriane Carr.

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# CNC students furious after Liberal budget cuts grants

by BERNICE TRICK  
Citizen staff

Students at the College of New Caledonia are reeling from the B.C. government's budget announcement that eliminates student grants.

"CNC students are facing disaster thanks to college policies, but mostly due to the fault of the government," said Rob Mealey, the resource co-ordinator for the CNC Student Association.

"We're going to see a lot of students across B.C. dropping out of universities and colleges because they can't afford to go."

Mealey said student grants, which are the portions of student loans that don't have to be repaid, "went to the neediest students."

"Not everybody got student grants because it depends on their income and their family's income, but a lot of people relied on the grants to get by. We're estimating the elimination of grants will add more than \$20,000 to the debt of the average high-need student, and university students with children will graduate with \$70,000 pre-interest debt — up from \$30,000 in 2001-2002," Mealey said.

Shirley Bond, Minister of Advanced Education, said students "will still have access to the same amount of

money in the form of student loans, but not grants."

"We're going to spend those (grant) dollars in institutions to mitigate the possibility of tuition-fee increases," Bond said.

"Institutions are expecting less funding this year, but we want to send them as much funding as possible to benefit all students," Bond said.

She said other provinces give students remission grants at the end of their education, and she's asked her

staff to research those models and look at a program where students can apply for loan remission or course completion grants.

"That would be more in line with other provinces," said Bond, who added it's important to remember that the taxpayers of B.C. "currently pay 70 to 80 per cent of the cost of post-secondary education."

But Mealey said students feel they've been "hoaxed" by the government.

"They had us believing they were going to work hard to improve access by increasing student seats by 25,000. The fact is many of those seats had already been announced. They are not new."

Today B.C. students pay more than \$650 million in user fees for post-secondary education which "is a \$200 million increase since the Liberals

**"We're worried education will be exclusively just for the rich."**

— Rob Mealey

**"Students will still have access to the same amount of money."**

— Shirley Bond

came to power," Mealey said. "We estimate by 2006-07, students will be paying at least \$400 million a year more in tuition fees."

"We're really worried that education will be exclusively just for the rich. As it is, we're now going to become the second most expensive province in Canada for education — only behind New Brunswick," he said.

CNC students are preparing a presentation to the board of directors during a meeting Friday.

"In light of the budget speech, we will demand that CNC freeze tuition fees, stop cutting staff and have no more privatization of services like parking on campus," Mealey said.

The spokesperson for UNBC's Northern Undergraduates Student Society could not be reached for comment.

— See related story on page 5

## **Students protest budget**

Kwantlen University College students held an all-night protest vigil last night in advance of the B.C. Liberal budget today.

The Kwantlen Students Association members bound themselves in chains and planned to spend the night in the cold to protest "the unreasonable bonds of high tuition and student debt" placed on the province's university students.

Students planned to wear the chains until after the budget speech, removing them only if the budget offers relief on tuition or student loans.

## Post-secondary grants terminated

**Janet Steffenhagen**

Vancouver Sun

*Tuesday, February 17, 2004*

Provincial grants for post-secondary students will be terminated as part of a plan to increase spaces in universities, colleges and institutes starting this year, the B.C. government said Tuesday.

While students cried foul, the government said the money saved will help create 3,217 new seats in 2004-05, mainly in the Surrey-Fraser Valley area and Kelowna. Both areas have significant post-secondary space shortages compared to burgeoning student populations.

This year, 13 per cent of full-time students at public post-secondary institutions - 23,378 out of 300,000 students - qualified for grants. The total grant-and-loan program cost \$165.4 million. Details of the new arrangement are expected to be announced in coming days.

All parts of the province will eventually benefit from a plan to add 25,000 post-secondary seats by 2010, government officials said as Finance Minister Gary Collins tabled the 2004-05 provincial budget. Discontinuing the grant program in August will free up an extra \$30 million that post-secondary institutions may use to create student spaces or ease tuition fee hikes, Collins said.

A spokesman for the University Presidents' Council of B.C. welcomed promises of new spaces and assured students the extra money will soften tuition fee hikes this year. Fees are still likely to rise, but not into the 30-to-40 per cent range as had been expected, said council president Don

**Avison.**

Rick Coe, president of the Confederation of University Faculty Associations of British Columbia, said post-secondary funding in the Liberals' three-year spending plans is sadly inadequate.

"The throne speech promise of 25,000 new spaces turns out to be a sham," he said, noting the pledge of \$105 million won't be available until 2006-07 - after the next election. "This year, all the new money for universities, colleges and institutes comes entirely from (cancellation of) the student grants and that's mean-spirited," he said.

Cindy Oliver, president of the College Institute Educators' Association, and Summer McFadyen of the Canadian Federation of Students deplored the redirection of grant money.

"It's unconscionable that they would try to build a system on the backs of students," Oliver said.

McFadyen predicted the loss of grants would mean fewer poor students in higher education.

Collins said B.C. is the only province, apart from Quebec, still providing grants. First-year students were recently disqualified and grants were restricted to those in later years. Disadvantaged students will have access to the same amount of financial assistance as before but it will be in loans not grants, he said.

The Liberals intend to provide new interest-relief and debt-reduction programs for those overwhelmed by debt at the end of their studies, Collins said.

Collins admitted termination of grants will result in a heavier debt load for students, but said it is necessary in order to begin increasing student spaces this year. The government declared seat expansion a priority in last week's Throne Speech, saying students who graduate from high school with a 75 per cent average deserve access to university. Last fall, students needed an 85 per cent average to enter the arts program at the University of B.C. and 87 per cent for sciences.

Across the province, educators said they were turning away thousands of highly qualified students because of space shortages. To reach its goal of 25,000 new spaces, the government says it will add 3,217 new full-time seats in 2004-05 followed by 8,594 in the next two years. An additional 13,189 seats will be created in 2007-08 and beyond.

According to budget documents, post-secondary funding will climb by \$40 million in 2004-05, partly because the Liberals cancelled a three-per-cent cut announced in advance last year.

Coe said that means funding will be about the same as last year - less if inflation is taken into account. But Avison said the extra money shows government heeded the pleas from post-secondary institutions.

# Students give B.C. Liberals failing grade

■ Elimination of grants in budget will force some to take on more debt and others to forgo schooling, say student leaders

By JOYCE LANGERAK  
Penticton Herald

**M**any students will graduate with crushing debt loads now that the B.C. Liberals have eliminated grants to post-secondary students, says the president of Okanagan University College's Penticton Campus Student Association.

"It's appalling," said Tree Kennedy on the Penticton campus of OUC Wednesday.

The Liberals say they will create 25,000 new post-secondary spaces by 2010. However, the new spaces come with a cost.

On Tuesday, the government announced that \$30 million earmarked in the past for student grants will instead go to colleges and universities to offset tuition fee increases or open new spaces.

"I currently have about \$15,000 accrued debt from the student loan system already," said Kennedy, a second-year student.

"Without grants, they're looking at basically doubling the amount of debt I'll be graduating with."

Kennedy had thought she would graduate about \$25,000 in debt. Now, it could be closer to \$50,000, she said.

The maximum student loan is just under \$8,500 a year. In the past, \$4,000

of that would be forgivable grant money.

"When you applied for a student loan, it's automatic. You'd get the student loan portion from the federal government, and then the provinces would supplement with a grant portion to make up the entire loan," explained Kennedy.

She estimated about 75 per cent of post-secondary students take out student loans.

Furthermore, tuition fees at OUC have skyrocketed. Two years ago, they were \$700 a semester. This coming September, tuition will cost more than \$1,900 per semester.

"A lot of students are going to be looking at post-secondary education as inaccessible. It's forcing a lot of lower- and middle-income students to reconsider their future," said Kennedy.

In presenting the budget Tuesday, the Liberals made it sound as if they were being generous, added Kennedy.

"But if you look at the numbers, a lot of the money is not available until 2006-07 and the Liberals might not even be in power then. It's almost like they're bribing people to vote for them, and that's not right."

The elimination of grants will affect about 24,000 students in B.C., said Summer McFadyen, B.C. chair

of the Canadian Federation of Students in Vancouver.

"We're pretty confused about what their motivation is," said McFadyen of the Campbell government. "The only thing I can think of is they don't care whether low- or middle-income families can send their kids to school."

The non-repayable grants run from \$3,500 to a maximum of \$8,000 a year, she noted.

"The government is saying it will provide spaces. Spaces for whom? They're not saying the money must be used to create spaces. It can be used for anything," McFadyen said.

McFadyen's analysis of the budget shows that by 2006-07, per-student funding will be down by 8.4 per cent, and that's on top of the removal of the grants, she said.

In Penticton, there are only 70 applicants for spaces at OUC, said the B.C. chair. Last year at this time, there were 280.

"The thing we're going to be looking at is the legality of cancelling the program. The B.C. government has a contract with the federal government that it will use the millennium funding to provide non-repayable grants."

The millennium funding was to remain in place until 2010, she pointed out.

■ See also TUITION/page A2

# Students upset by chopping of grants

By Keith Fraser  
Staff Reporter

Cutting \$30 million in grants for post-secondary students in order to help pay for more spaces at universities and colleges got a thumbs down from students and professors yesterday.

In last week's throne speech, the Liberal government announced plans to accommodate an additional 25,000 post-secondary students by 2010 — a move widely applauded.

But that goodwill evaporated yesterday when Finance Minister Gary Collins explained that the money from eliminated grants would help pay for the spaces.

A promise to "expand

access" to student loans did little to mollify students. Already struggling with tuition hikes, they'll face a much higher debt load when they graduate.

Hardest hit by the loss of the needs-based grants will be students from low- and middle-income backgrounds in rural areas, say student leaders.

"For many people, the result will be they chose not to go to college or university," said Summer McFadyen, B.C. chairwoman of the Canadian Federation of Students.

"They'll just decide that for them, it's not worth it, that they don't know if they'll ever pay their debts off."

Oana Chirila, president

of the University of B.C. Alma Mater Society, noted that many students are already close to maximizing their loans.

"It's quite a step backward because we saw in the federal throne speech last week that Paul Martin is committed to reinstating [federal] grants for first-year students," said Chirila.

"Hopefully, that will be a first step toward reinstating grants to improve access and opportunity for all years, not just first-year students. But the province here in B.C. just seems to have done the exact opposite."

Rob Clift, executive director of the Confederation of University Faculty Associations of B.C., said officials were "fairly optimistic" after the provincial throne speech, "but after seeing the budget today, it's a really dishonest and mean-spirited budget."

"Although these new spaces are being created, the government isn't giving us enough money to do the job. What money they are giving us, they've stolen from students by eliminating the student grant program."

An announcement that the government is increasing the K-12 education budget by \$313 million over three years was criticized by the B.C. Teachers Federation, which said more than half of the increase will not occur until the third year.

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# End of grants could soften tuition hikes

By Ian Bailey  
Political Reporter

VICTORIA — Advanced Education Minister Shirley Bond yesterday defended the government's move to cancel the province's student grant program, suggesting the move could actually mean lower tuition fees.

And a spokesman for B.C.'s university presidents agreed.

"The dollars that go from that program will be sent to institutions who were, in fact, expecting fewer dollars to be transferred to them this year," Bond told the legislature, one day after the budget eliminated \$30 million in grants for post-secondary students.

"We expect the transfer of dollars to institutions to mitigate some of the tuition increases that were expected, and I expect institutions to look closely at their decisions about tuition based on the decision made yesterday."

Don Avison, president of the University Presidents Council of B.C., said the change in provincial policy means tuition fees will likely rise by less than the 30 to 40 per cent expected.

"It will give us the capacity to moderate down the tuition levels," Avison said in Victoria. "There will be increases for the next academic year, but not to the same order of magnitude we expected."

The government said the



Leo Basso — The Province

There could be some relief for the students who demonstrated in Vancouver Feb. 4.

cut in student grants would help begin paying to create 3,217 new post-secondary seats next year. In 2004, 13 per cent of B.C.'s 300,000 post-secondary students qualified for grants.

Student leaders have sharply suggested the plan, coming atop the Liberal move to unfreeze tuition fees, will pump the costs of attending college or university so high as to deter students from attending.

B.C. undergraduate students pay the third-lowest tuition fees in Canada — \$2,240 per year, which is well below the national \$3,733 two-semester average.

Bond's comments came as

the Liberal government began defending the balanced budget, with the premier and finance minister leading the charge.

In Vancouver, Finance Minister Gary Collins was roundly applauded by representatives of the Vancouver Board of Trade.

"If you don't balance the province's budget, then somebody else ends up making your choices for you," Collins said.

In Surrey, Premier Gordon Campbell got an enthusiastic welcome from several hundred business people at the Northview Golf Club.

"I'm here to say our best is ahead of us," said Campbell.

"British Columbia is moving forward."

The budget calls for a \$100-million surplus without any tax increases but it does count on increased revenue from B.C. Hydro.

It estimates B.C. Hydro's net income will more than double to \$388 million next year — a forecast that includes the impact of a 7.23-per-cent interim rate increase effective April 1.

Spokeswoman Elisha Moreno said the rate hikes are the first in 10 years and are required to upgrade old infrastructure, acquire new energy and cover the prices of market energy.

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# Budget tells grants

Province says expanded student loan program will pick up some of the slack

By Leahy Kates  
Times Colonist Staff

The provincial government will scrap its \$80 million-a-year grant program for poor and middle-income university and college students later this year, Finance Minister Gary Collins said Tuesday.

In a move deemed as an attack on the underprivileged, Collins said the government will give a huge chunk of the grant money to academic institutions.

"They can use it for two things," he said. "They can use it to mitigate tuition fee increases. They can also use it to increase capacity."

Collins, who noted that only B.C. and Quebec currently offer grants, said the government will soften the blow by expanding the student loan program, which will eat up some of the \$80 million.

Down the road, government will also tackle rising student debt by offering loan relief, as well as completion grants that will encourage students to finish their programs, he said.

Students, professors and the Opposition characterized the plan as a "mean-spirited" attack on young people already faced with rising tuition rates and existing debts.

"It's absolutely devastating," said Sumner McPadyen, B.C. chair of the Canadian Federation of Students. "The grant program ensures that low and middle-income students could get into college and university and not graduate with overwhelming debt."

Under the grant program, McPadyen said students got about \$3,500 a year, or up to \$8,000 if they had a child.

The removal of the grants could add about \$20,000 on average to those students' debt load, she said.

"For many people, it means not going to college and university, because they're unable to take on that debt."

Cindy Oliver, president of the College Institute Educators' Association of B.C., called the program cut "pathetic."

"Students rely on those grants," she said. "As small as they may be, it's extra money they have to live on."

She accused the government of robbing Peter to pay Paul and said there's nothing to ensure how institutions will spend the money.

"There's no parameters around that, there's no directive, that that's what they must do," she said.

"The bottom line is that you can't build a system on the backs of students."

About 23,000 students or five per cent

of the post-secondary population qualify for the grant program, which is projected to cost about \$80 million in 2003-2004.

The government plans to kill it in August — mid-way through the fiscal year — for a savings of about \$30 million.

Don Avison of the University Presidents' Council of B.C. said he understands students' concern at losing the grant money.

But he said the government's renewed commitment to post-secondary education will help colleges and universities hold down tuition hikes next year.

"Some institutions have been looking at tuition increases in the order of 30 to 35 per cent," he said. "This will help us to moderate down the impact of tuition increases."

"I do expect it to have a significant and a positive impact keeping the level of tuition much closer to the 15 or 18 per cent threshold."

Tuition fees have shot up dramatically in B.C. over the past two years, but are still about middle of the pack when compared to those of institutions across the country.

Avison also said the government is now moving in the right direction by making room for more students at a time when increasing numbers of them will be trying to get into academe.

The government announced in its throne speech last week that it will increase the provincial education budget by \$105 million over the next three years to make room for 11,811 more students.

Collins revealed Tuesday that \$30 million is slated for 2005-2006 and \$75 million for 2006-2007. None of it arrives next year.

Collins said the spaces will grow at twice the population growth rate for people aged 18 to 29.

NDP Leader Carole James said scrapping the grant program amounts to another broken Liberal promise.

"They're not providing access for university and post-secondary students at all," she said. "They're removing grant programs and they're saying you're going to be paying more in tuition."

In the kindergarten to Grade 12 budget, the government announced that, as part of a province-wide review of seismic needs, operating money for minor upgrades to schools will increase by \$15 million to \$23 million in 2006-2007.

Based on the review, a further \$50 million per year in capital spending is slated for major seismic upgrades in 2006-2007.

kines@island.net

# Grants for students cancelled

**\$30 million may be used to increase spaces or ease tuition fee hikes**

BY JANET STEFFENHAGEN  
VANCOUVER SUN

Provincial grants for post-secondary students will be terminated as part of a plan to increase spaces in universities, colleges and institutes starting this year, the B.C. government said Tuesday.

While students cried foul, the government said the money saved will help create 3,217 new seats in 2004-05, mainly in the Surrey-Brasler Valley area and Kelowna. Both areas have significant post-secondary space shortages compared to burgeoning student populations.

This year, 13 per cent of full-time students at public post-secondary institutions — 23,378 out of 300,000 students — qualified for grants. The total grant-and-loan program cost \$163.4 million.

Details of the new arrangements are expected to be announced in coming days.

All parts of the province will eventually benefit from a plan to

add 25,000 post-secondary seats by 2010, government officials said as Finance Minister Gary Collins tabled the 2004-05 provincial budget.

Discontinuing the grant program in August will free up an extra \$30 million that post-secondary institutions may use to create student spaces or ease tuition fee hikes, Collins said.

A spokesman for the University Presidents' Council of B.C. welcomed promises of new spaces and assured students the extra money will soften tuition fee hikes this year.

Fees are still likely to rise, but not into the 30- to 40-per-cent range as had been expected, said council president Don Avison.

Rick Gee, president of the Confederation of University Faculty Associations of British Columbia, said post-secondary funding in the Liberals' three-year spending plans is sadly inadequate.

"The throne speech promise of 25,000 new spaces turns out to be a sham," he said, noting the pledge of \$105 million won't be available until 2006-07 — after the next election.

"This year, all the new money for universities, colleges and institutes comes entirely from [cancellation of] the student grants and that's mean-spirited," he said.

Cindy Oliver, president of the College Institute Educators' Association, and Summer McFadyen of the Canadian Federation of Students deplored the redirection of grant money.

"It's unconscionable that they would try to build a system on the backs of students," Oliver said. McFadyen

predicted the loss of grants would mean fewer poor students in higher education.

Collins said B.C. is the only province, apart from Quebec, still providing grants. First-year students were recently disqualified and grants were restricted to those in later years.

Disadvantaged students will have access to the same amount of financial assistance as before

but it will be in loans not grants, he said. The Liberals intend to provide new interest-relief and debt-reduction programs for those overwhelmed by debt at the end of their studies, Collins said.

Collins admitted termination of grants will result in a heavier debt load for students, but said it is necessary in order to begin increasing spaces this year.

The government declared seat expansion a priority in last week's throne speech, saying students who graduate from high school with a 75-per-cent average deserve access to university.

Last fall, students needed an 85-per-cent average to enter the arts program at the University of B.C. and 87 per cent for sciences. Across the province, educators said they were turning away thousands of highly qualified students because of space shortages.

To reach its goal of 25,000 new spaces, the government says it will add 3,217 new full-time seats in 2004-05 followed by 8,594 in the next two years. Another 13,189 seats will be created in 2007-08 and beyond.

# Cuts to grants "pure insanity"

## Student laments budget cuts

SARAH YOUNG  
ALASKA HIGHWAY NEWS

In this week's budget announcement, Premier Gordon Campbell boasted of his government's accomplishment in balancing the books. But that's little comfort to Northern Lights College student Kim Davidson, who has discovered that the money she receives in grants every year is about to be eliminated.

"It's pure insanity, I have no idea what (Campbell) is doing," said the shaken, single mother of two young boys.

Davidson receives about \$10,000 per year in non-repayable grant money. Even so, she was predicting a heavy student loan debt upon graduating with her bachelor's degree in social work sometime in 2008.

Without the grants, her loan debt just jumped to over \$70,000.

Campbell's "refocusing" of the student grant program is supposed to go towards funding 25,000 new spaces by 2010. Students will still receive the same amount of assistance, but starting in March, it will all be in the form of student loans that must be repayed.

"My first reaction is that it's just devastating," said Lucas Schuller, B.C. campaign co-ordinator for the Canadian Federation of Students.

"The grant program was the only program that specifically focused money to students with the most need. It's completely unconscionable that the government is increasing access by taking money from the most needy."

Schuller added that the \$30 million the provincial government will save each year will not be enough to make a difference to all the schools in B.C.

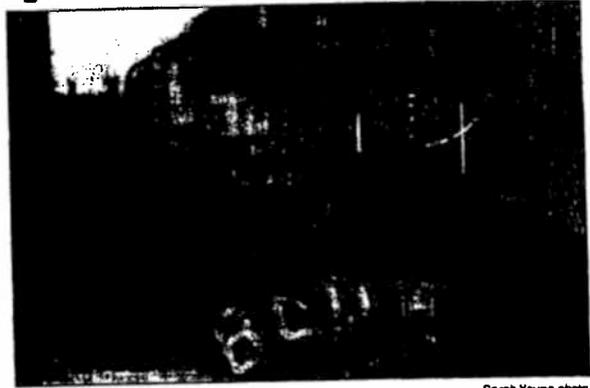
"It's a drop in the bucket for them, but a huge amount of money to students in need," he said.

"It's a crushing blow and I think we'll see a lot of students turning away from post-secondary education."

Eliminating the grant program, Schuller pointed out, would throw the Millennium Scholarship fund into question.

That program was initiated by Jean Chretien in 1998 and widely criticized for its lack of coherent direction.

"It was handed to the provinces with no controls on it," said Schuller. "It was suggested that the money be used



Sarah Young photo

"It's pure insanity," says Kim Davidson of provincial cuts to education grants.

increase access and in B.C., most of it did go towards students in the form of grants."

When asked what the government's new plans are for that federal funding, Schuller said he didn't know.

For now, Davidson is digesting the news and wondering how she'll afford the new debt.

"We don't have to wait here like sitting ducks to see what kind of cuts and changes he'll do to social services," said Davidson. "There's a simple answer: vote him out."

"Oil and gas will always be there, with or without Campbell," she continued. "It's time we looked after our communities and our families."

# Larger debts for students?

Province cuts  
post-secondary  
grants, but increase  
loan access

**SHEILA REYNOLDS**  
*Staff Reporter*

**COLLEGE AND UNIVERSITY** students are either going to be buried in debt by the time they complete their post-secondary education, or choose not to further their schooling at all.

That was the gloomy prediction from teachers and students following a provincial budget announcement Tuesday that eliminated \$30 million in student grants.

The savings, said Finance Minister Gary Collins, will help to create more than 3,000 new post-secondary seats, most of them in the Fraser Valley and Kelowna.

While students and teachers say more access to education is good, it comes on the backs of students who are most vulnerable.

"I think it's horrible that the government is finding money for post-secondary education

by taking it away from the students that need it most," said Nancy Clegg, president of the Kwantlen Faculty Association.

And while she says Victoria's promise of better access to student loans might remove some fear for students, "it's sending a bad message... telling them 'it's okay, just go into debt.'"

The student union agrees, adding the increased financial burden may turn students off higher education altogether.

"It will mean larger loans and some people won't want to go anymore," said Kwantlen Student Association (KSA) president Laura Anderson, adding there are about 3,500 students receiving grants at Kwantlen's four campuses.

Advanced education minister Shirley Bond suggested in the legislature Wednesday the grant cuts could ease tuition pressures at institutions.

Kwantlen's administration has said it is exploring various methods of balancing its budget, including increasing class sizes, and has hinted tuition hikes will likely be lower this fall than the 30-per-cent hit students took last year.

Fees at Kwantlen have

nearly doubled in the last two years. According to figures from the KSA, the cost of obtaining a four-year degree rose from approximately \$8,400 in 2001/2002 to \$14,800 last year.

However, B.C.'s undergraduates still pay the third-lowest tuition fees in Canada - about \$2,240 per year - compared to the national average of \$3,700.

Collins assured the province will provide new debt-reduction and interest-relief programs to financially overburdened students - a concept Anderson said is a "band-aid" solution.

"Instead of creating loan remission programs and forgiving portions of loans, they should have just funded students at a higher per-pupil rate. More seats must come with more funding."

The advanced education budget has been frozen at \$1.9 billion this year and will be increased by \$105 million in the next two years.

Victoria plans to add 25,000 post-secondary seats by 2010. About 2,200 of those will be in 2004/2005; 8,600 more will come in the next two years. The rest have been promised between 2007 and 2010.

# Loss of grants can benefit students

Graduates will carry more debt, but if money is reallocated properly, more will be on campus

**A**s it becomes increasingly clear that a high school diploma is no longer the guarantee of employment that it once was, more and more educators are wondering why the full public funding of education should stop after Grade 12.

The answer, of course, is that there isn't enough money to expand funding and students increasingly have to borrow for their post-secondary education. It is distressing that students are graduating from university with debt burdens in the order of \$80,000 — a burden some of them might not be able to discharge.

Here in B.C. governments have tried to make it easier for those who qualify to find a place on university and college campuses with a freeze on tuition fees and grants for poor and middle-income students.

Now, the Liberal government, having removed the freeze imposed under the New Democrats, is scrapping its \$80 million-a-year grant program, giving some of the money to academic institutions and keeping some to expand the student loan program.

Students and some educators have denounced the grant cut as a mean-spirited blow to those most likely to be unable to afford post-secondary education. About 23,000 students, or five per cent of those in post-secondary education qualify for the assistance — about \$3,500 a year or up to \$8,000 for those supporting a child. The Canadian Federation of Students says the removal of the grants will add an extra \$20,000 to the average student debt load upon graduation. It's obvious that the poorest will suffer most, but there could be benefits to the overall post-secondary popula-

tion. The expansion of the student loan program promised in the budget will provide some relief even if it increases debt-load in the long term.

If universities use their share of the \$80 million — we don't know what that is, yet — to slow down the projected increase in tuition fees, all students will benefit. Institutions preparing to hike fees by as much as 30 per cent next year may be able to hold the increase to 15 or 16 per cent, according to a spokesman for the University President's Council of B.C.

Even more benefit, though, will come if the money is used to expand spaces on campuses. It is the lack of spaces that has caused the admission bar to be raised ridiculously high in this province — to average marks of more than 86 per cent for the next academic year in some cases. B.C.'s tuition fees are lower than those in most other provinces, so students here can't complain they're being unfairly treated compared to their counterparts across the country.

But there are fewer university-age students on campus in B.C. than in any other province. That is the great shame of this province, and the government deserves credit for recognizing this at last. It has pledged to increase the advanced education budget by \$105 million over the next three years to provide space for 11,811 more students.

The mounting debt for university graduates is, indeed, distressing, and governments and academic institutions should be trying to find ways to reduce it.

But the students themselves will recognize that graduating with a debt is better than not being able to get onto campus in the first place.

## Province announces white paper on education

-By Nadys Bell-

The provincial parliament opened last week with jokes, unlimited speeches, and a white paper for post-secondary education.

Typically, a white paper is a small study done by government to learn more about an issue.

Minister of Education John Ottenheimer said he was looking forward to the white paper, although he could not say what the scope or timeline for the paper will be.

Ottenheimer said the purpose of a white paper is to allow post-secondary groups to consult with one another, and allow government the opportunity to look at how the post-secondary institutions in the province interact with each other.

He says they plan to consult with students from all student unions across the province.

Canadian Federation of Students Newfoundland and Labrador chair Keith Dunne feels that the white paper is unnecessary.

"This government has been the opposition for years and they had numerous opportunities to investigate and learn more about post-secondary education," said Dunne, who has been personally involved in consultations with the government for several years.

"I think we have said very clearly over the past number of years that we don't have to pay anymore taxpayers' dollars to figure out that the best way to increase affordability and accessibility is to reduce the financial barriers."

In his response to the speech, Roger Grimes, as leader of the opposition, commented that the throne speech should come with the line "results may vary" at the bottom. He feels that the government's approach has been tried before with widely varying results.



Kristine Cadigan

**Student Group Fears Budget Impact on College System 3/31/04 (Doug Learning)**

The Canadian Federation of Students is expressing concern that the College of the North Atlantic could be forced to cut programs and close campuses in the wake of the provincial budget. Spokesperson Keith Dunne says it's a very real worry. Dunne says they're also worried about the white paper that has been commissioned to examine post secondary education provided by Memorial University and the college.



Keith Dunne

**Budget Brings Education Changes 3/31/04 (VOCM News)**

Some big changes ahead for school boards. The province's largest board will become even larger. The new Eastern Board will cover 127 schools under the Avalon East, Avalon West, Burin and Vista School Boards. There won't be any changes in the Labrador Board, but the Western Board will take in the Northern Peninsula/Labrador South Board, the Corner Brook/Deer Lake/St. Barbe Board and the Cormack Trail Board. The Central Board will include the current Baie Verte/Central/Connaigre and the Lewisporte/Gander Board. The Francophone Board remains unchanged. Government says it will work with the existing school boards to ensure the transition maximizes benefits to students.



NLTA President Fred Douglas says the education system faces a loss of 500 teachers over the next two years, with serious consequences for programs and class size. Douglas says there will be fewer learning options for students in rural areas, and he warns that blending school boards will result in fewer specialists to serve students with special needs.

The president of the Federation of School Councils describes the loss of so many teachers and the merging of school boards as a shocker. Denise Pike says the budget spells trouble at the classroom level. School Boards Association President Vy Parsons says they will continue to work in the best interest of 'the student in the classroom.'

There's some new money for school bussing in the new budget. There is close to three million dollars more. The overall 34 million dollar budget will help finance the acquisition of 19 new school buses for September.

Memorial University President Dr. Axel Meisen says it will likely be May before they decide how to come up with savings detailed in yesterday's budget. The university and the College of the North Atlantic have been asked to reduce expenditures by two million dollars. Meisen calls the cut significant, but manageable. Meisen is pleased the university has been allocated a million dollars in teacher equipment funding.

Canadian Federation of Students spokesperson Keith Dunne says there was nothing to address student debt. He is also worried about what the announcement of job cuts means for graduating students' employment prospects.

NDP MHA Randy Collins says any future for post-secondary students in this province was completely erased by the Tory budget. He told VOCM Niteline with Linda Swain, it's just as well to arrange the travel plans now.

MUN says university operations will not be impacted by a public sector strike. The university will run as normal because unionized MUN staff are represented by different NAPE and CUPE bargaining units than those who work for the provincial government. There may be some picketing at centres shared by the provincial government and the university, such as the Health Sciences Complex but the university says all university staff are expected to report for work each day.

## Budget release spells cures, cancellations, and deferrals

PCs to cut 4,000 public sector jobs in four years

-By Alex Bill-

After the first non-Liberal budget in 15 years, the Conservatives have shown they believe the best chance for economic recovery in Newfoundland and Labrador is tight spending and job cuts.

Although Tuesday's budget contained serious changes in spending to municipalities and education, plus major increases on public service charges, Finance Minister Loyola Sullivan claims: "There are no more rabbits to pull out of a hat for this government."

The 2004 - 2005 provincial budget was anticipated by many as the reaction to studies done by both Price Waterhouse Coopers (PWC) and the royal commission, both of which described the economy of Newfoundland as being completely unstable.



Between cuts to employment, healthcare, and education, rural areas of Newfoundland and Labrador will most likely be hit hardest by government belt-tightening.

"Four thousand fewer jobs, and the minimum in the public system means that more young people . . . who are educated and might look for jobs in the public sector, are going to end up leaving the province," says NDP leader Jack Harris.

The proposed job cuts, which include 1,500 jobs lost to attrition in 2004, have also outraged Liberal leader Roger Grimes "I believe this is a horrific thing; it's the budget and the worst approach to budgeting that I've ever seen in my life."

Although the budget included a plan for an elimination of personal income tax for individuals earning less than \$12,000 and families making less than \$19,000 by 2005, increases in charges and fines may very well have made up the difference by then. Fees for wildlife and automobile license have increased dramatically, as well as essential services such as ambulance and police services.

Memorial and other post-secondary graduates may see the short-term effects of the budget, not only through the \$2-million cuts to MUN and CONA, but also with the elimination of financial incentives for post-secondary graduates who remain in the province.

The Student Investment and Opportunities Corporation has been put under the knife, facing \$3-million in cuts. This is particularly concerning to Canadian Federation of Students (CFS) chair Keith Dunne.

"Non-profit organizations depend on that money for SWASPS, government grants, and student work placements in the summer to help do their work, but that money won't be there."

The K-12 school system faced serious setbacks on Tuesday that may reflect upon the future of the university. 256 teaching positions will be cut in 2005, with another 300 to go the following year.

Grimes, a former teacher himself, believes cutting jobs was the intention of the Conservatives from the very beginning.

"There's 4,000 of them going out the door in the next four years, and they say, 'We will honour our commitment.' I am suggesting that that's the only one they planned on," said Grimes.

Development projects within the education department are also under pressure, as several projects have been cancelled or suspended. A new school planned for construction in L'Anse au Loup has been cancelled, and development projects for Herdman Collegiate in Corner Brook, Mealy Mountain High School in Goose Bay, and Leary's Brook Junior High in St. John's have all been suspended indefinitely.

The government has also combined all school boards, cutting the number of boards from 11 to five in hopes of saving \$6-million. There will now be a school board for Eastern, Western, and Southern Newfoundland, as well as Labrador and a separate board for Francophones.

However, Education Minister John Ottenheimer believes the changes to the K - 12 system are relatively harmless.

The provincial government also took advantage of a federal payout to municipalities to take care of their own burdens, cutting costs to administrative support, finances, and urban and rural planning.

St. John's will also be hit hard in the tourism industry, as all provincial Arts and Culture Centres will be given less money, and more importantly, The Rooms opening will be delayed for an entire year. The money saved by the delay is roughly \$2-million, however the money lost from tourism in comparison is completely unknown.

"I think obviously a lot of people were looking forward to that. . . . I'm sure our entire tourism expectations were related to [The Rooms], maybe people even planned trips around that," said Harris.

Other increases, such as an enlarged tobacco tax, were included in the budget, though all were credited to the dangerous debt situation faced by the province. After all increases to charges and cutbacks to the public sector, the total cash deficit for the budget is \$361.6-million compared to an accrual deficit of \$839.6-million.

Although there has been no serious immediate impact for students in the provincial budget, with cuts to tourism and education, future budgets may not be as generous, as the hopes and dreams for Newfoundland and Labrador rest on the numerous public service charges, such as paying \$5 to write a simple driver's license exam.

## Danny decreases blue fees

Decrease in Memorial's operating budget will have admin looking to cut

-By Nadya Bell-

Memorial University may have escaped major cutbacks in Tuesday's provincial budget, but administration will still feel the conservative pinch next year.

Two-million dollars is cut from next year's operating budget for Memorial and College of the North Atlantic – the money that pays for salaries, electricity, and other maintenance expenses.

Fortunately for students, Minister of Finance Loyola Sullivan left tuition alone for now by reaffirming the tuition freeze for the next fiscal year. But, a \$250,000 white paper on post-secondary education has left student activists worried the report may be used as an excuse to raise tuition.



Minister of Education John Ottenheimer.

### Operating budget cutbacks

In the budget speech, Sullivan requested the \$2-million cut.

"We have asked Memorial University and the College of the North Atlantic to each identify \$2-million in expenditure reductions this year," he said.

However, university president Axel Meisen understood there was little choice in the matter.

"I will have to find ways and means of getting some efficiency. It's not easy, but I think, overall, the university will be able to stay its course of progress," said Meisen.

While Memorial's operating budget will increase next year, the university will not receive enough money to cover the negotiated increase in professor's salaries and inflation, requiring them to make cuts elsewhere.

Last year's healthy increase in the operating budget was \$13-million, compared to \$3.5-million this year. While this year's budget was \$149-million, the university's total budget for next year, including maintenance and operations, will be \$157-million.

"It looks like there's more money going to Memorial, but there's actually more money going into administration," said Keith Dunne, provincial chair of the Canadian Federation of Students.

"I don't think that the funding is adequate to run Memorial at the level that Newfoundlanders and Labradoreans need and deserve," he said.

Dunne said that costs have continued to rise because of higher enrolment and inflation, and revenue has been constant due to the tuition freeze.

Meisen said he will look at the details to see how little money they have, and his administration will look at options for making cuts.

The university is obligated to keep collective wage agreements already in place, but he says some areas could be cut simply as administrative activities – the number of course sections and sizes in particular.

Meisen said the cutbacks will not affect his search for private funding.

"The quest for private monies, either from individuals or from corporations, is an ongoing quest" he said.

NDP leader Jack Harris says the reductions to College of the North Atlantic (CONA) will hurt the institution more than the university because CONA has a much smaller budget.

"It's going to drive more students into the private college systems, there's no question about that," said Harris.

The university has received sufficient funding to complete the current building renovations, including the library roof repairs.

### Tuition freeze, white paper

Minister of Education John Ottenheimer said the white paper will look at the accessibility of the province's post-secondary institutions. As well, he said he will look into whether Memorial graduates could get jobs when they are finished their degree, and the relationship between Memorial and CONA.

"It's an overall assessment of where we are from the point of view of our post-secondary institutions in the province," said Ottenheimer.

But Keith Dunne says the white paper is only suggesting cuts in spending.

"Call a review what you want, I know what a government review means," said Dunne. "They have a goal, which is to cut back expenditures at Memorial University and CONA, and [it] will come up with a white paper that allows for those cutbacks to happen."

Dunne is also frustrated that the timeline for the budget is not yet released, and he thinks there is something "fundamentally wrong" with not including the private colleges in the study.

Axel Meisen said that tuition fee policy would likely be part of the discussions, but he doesn't think the white paper has been commissioned for the "express purpose of achieving savings."

Although the budget said the tuition freeze would continue, Ottenheimer said the commitment is for the next fiscal year, from April 2004 until March 2005.

Students praise tuition freeze extension

Tue Apr 20 2004

By Nick Martin

STUDENT leaders are ecstatic that the Doer government will continue the university tuition freeze and 10 per cent rebate for a fifth straight year. But universities are scrambling to figure out how to balance their budgets after getting an increase of 1.8 per cent in operating money.

Overall, government support for colleges and universities increased 3.5 per cent, thanks largely to a \$4.3 million increase in the college expansion initiative.

The University of Manitoba had previously estimated it would need a 4.5 per cent increase in grants if tuition remained frozen.

Nevertheless, said U of M president Eموke Szathmary yesterday: "It's manageable for us. I'm not sure it's much of a laudatory statement to say it's not as bad as we were fearing. The minister (Advanced Education Minister Diane McGifford) must have fought very hard to get 1.8 per cent."

U of M will fall about \$3.52 million short of a balanced budget. Szathmary did not speculate on possible cuts, but pointed out U of M has some reserve funds.

But, "I don't think you can really get ahead too fast by just managing," she lamented.

U of W acting president Patrick Deane said in a prepared statement that universities work in a "precarious financial situation," but the

budget shows that the Doer government continues to support post-secondary education.

A university spokeswoman said last night that U of W's board of regents will next meet May 3, but she could not say how much the funding leaves U of W short of a balanced budget.

Finance Minister Greg Selinger refused in an interview to say if the NDP would extend the tuition freeze beyond the 2004-05 school year. "One budget at a time -- we'll talk again next year, I'm sure."

Selinger said there has been no decision made on relocating the Assiniboine Community College to the former Brandon Mental Health Centre. McGifford said the money for college expansion will go to the third phase of the downtown Red River College campus, and to new programming across the province, particularly in nursing.

There is also \$1 million in the grants for universities and to Keewatin Community College for the development of the University College of the North.

Student leaders praised the government for keeping tuition at 1999 levels, and for finding \$12.9 million in a tough budget year to rebate 10 per cent of that frozen tuition to students.

"This government has shown its commitment to Manitoba's future," said Sarah Amyot, who takes office as U of W Students Association president this morning.

But Ottawa needs to pump more money to the provinces for post-secondary education, Amyot said.

"We're really excited to see that the freeze has continued," said Amanda Aziz, president-elect of the U of M Students Union. "It's time for the federal government to fall in line" and restore the funding that Ottawa cut during the 1990s, she said.

## Training wage unpopular for employers and students alike

Two years ago, the provincial government introduced British Columbia's controversial "first job wage," better known as the \$6 per hour training wage. Employers using the wage can pay workforce newcomers \$2 less than the \$8 minimum wage, until those employees have gained 500 hours of work experience. Statistics showed that the youth unemployment rate in B.C. increased after the lesser wage was introduced, but the government claimed more youth would be able to find jobs if employers had the option to pay them less.

So now, two years later, are business owners actually taking advantage of the first job wage? Not according to Erin O'Byrne. An instructor and counsellor at the federally-funded Career Shop, O'Byrne assists youth aged 15 to 30 with resumé and job search skills, and helps them find employment. She says during last summer's hire-a-student program, over 1,000 employers advertised jobs with the Career Shop, and "maybe five" offered the \$6 training wage. Right now, she says, all of the postings at the Career Shop pay the full minimum wage or higher. "The training wage hasn't really affected us . . . people don't support it," she says. "It's empowering to know that lack of experience is not a barrier to employment."

At Essents Aromatherapy of Victoria, owner Kim Gillespie hasn't considered taking advantage of the training wage. "With our type of business, there's about three months of training," she says. "People have to learn about the essential oils and how to use them. I think if I was hiring a student I would still start them at the regular minimum wage."

Claire Yoo, owner of Mocambo Coffee, doesn't believe in paying inexperienced workers less, either. Despite their level of experience, she says, her employees need to make ends meet. "We never use that wage," she says. "I don't think people can live off of that wage, first of all."

Even if an inexperienced worker is living with family and has food and rent expenses looked after, two dollars less per hour has an impact. Scott Payne, University of Victoria Students' Society director of services, points out many high school students are saving for post-secondary education, and universities and colleges in Canada are hiking tuition fees.

"Our take is pretty much the same as it was when the training wage came out," Payne says. "It's unfair and it's particularly detrimental to young people. It's just another example of where Gordon Campbell and his Liberals don't appear to be particularly interested in the future of this province."

The Canadian Federation of Students has just started offering a nationwide student saver program, where participating businesses offer discounts to students, says Payne. He explains the UVSS and other members of the B.C. CFS component are ensuring businesses that offer the training wage are not included in the program.

"We don't support the wage, and we won't involve businesses that pay the training wage," he says. Luckily, he says it isn't a hard rule to enforce. "A lot of businesses themselves are rejecting the [training wage] idea," he says.

A spokesperson for the Ministry of Skills Development and Labour did not get back to *Monday* with updated youth employment statistics by press time.

—Adrienne Mercer

## Williams sworn in as premier, cuts corners on cabinet

*Youth services and post-secondary department linked with education*

By Nadya Bell

Premier Danny Williams and his new cabinet swore to protect the province from foreign invasion and intestine insurrection last Thursday.

The new Conservative government took their oaths – including several archaic terms – as Williams's exclusive 13-member cabinet was unveiled.

Lieutenant Governor Ed Roberts held the official ceremony in Government House, but kept the event in a light tone.

"[Williams] is the first Rhodes scholar, and I believe the first townie, to hold the office of Premier," said Roberts. "Every Newfoundlander and Labradorean joins me in wishing you much success – long may your big jib draw."

In the cabinet, some ministers were given more than one portfolio, reducing it by three members from the 16 under the Liberals. One new position was created, Williams's own Business portfolio, which he calls a fledgling department.

John Ottenheimer was appointed Minister of Education, as well as Minister for Youth Services and Post-secondary Education, meaning the departments will remain separate, but headed by the same person.

The Mines and Energy portfolio and the Forest Resources and Agrifood portfolios were also doubled under former PC Leader Ed Byrne, and new MHA Kathy Dunderdale was brought into the cabinet in the portfolio of Industry, Trade and Rural Development.

Local CFS chair Keith Dunne was worried the departments of youth services post-secondary and education K-12 would be completely combined, so he was relieved that the infrastructure would remain in place, even though Ottenheimer now runs two portfolios.

However, Dunne said he was disappointed that there is no minister solely responsible for youth services post-secondary education, and CFS lobbying efforts may suffer as a result of the combination.

"We've got a lot accomplished in the past couple of years by having an individual minister that we can lobby and meet with who is knowledgeable on the issues, and on the subject area," said Dunne.

The combination of departments makes sense from an organizational point of view, according to NDP leader Jack Harris. Education and Post-secondary Education departments were only recently separated, in 2001.

"Post-secondary education is very important of course, [but] the minister that's responsible doesn't need to be only responsible for that," said Harris. "Size wise, obviously a leaner cabinet is certainly called for and expected."

But many people are waiting to see what changes will be made in the government's first budget next spring, and if Williams will further combine the departments.



Ottenheimer's appointment as education and post-secondary minister pleased many people, who felt the post was well suited.

A French and German teacher at Holy Heart of Mary high school in the early 70s, Ottenheimer served as principal in two other schools in the province. He practised law in St. John's until his election to the House of Assembly in the 1996 election.

Tom Hedderson, previously the opposition critic for youth services post-secondary, was appointed as parliamentary secretary to Ottenheimer, a move that Dunne welcomes.

"We've been dealing with Tom Hedderson fairly frequently over the past year in particular, and he's actually very good on the issues," Dunne said.

Harris also approved of Ottenheimer's appointment, saying he's a capable fellow.

"We know in dealing with [Ottenheimer] in the past, when he was [a] critic for education, that he's also fairly knowledgeable in the area of post-secondary education," said Dunne.

Dunne arranged a meeting with the new minister to find out how the structure will work with Ottenheimer serving for the two portfolios, and to create a working relationship with the new government.

"There wasn't too much information on post-secondary issues given in the election or in the blue book, so we'll be looking to that initial meeting to get some firm commitments on where they plan to go in the coming months and the coming years as government," said Dunne.

Harris expressed concern about two other cabinet appointments, specifically Loyola Sullivan as minister of finance, and Elizabeth Marshall as minister of health and community services.

"These are both two very conservative-minded, hard-nosed people who I would expect are going to look at the bottom line first and foremost, which could be troublesome in the healthcare sector in particular," said Harris.

Speaking just after his appointment to the position of minister of finance, Sullivan said he would wait for the external audit to determine the accuracy of the Liberal government's \$666-million estimate of the deficit.

Sullivan is currently not expecting to balance the provincial budget until year five.

"We're in the process of accessing how we can adequately break the ballooning deficits here, [while] maintaining a social conscience," he said.

Harris and Dunne also raised concerns about the imbalance of geographic representation in the cabinet, as half of the cabinet's members represent the metro St. John's area. Specifically, the minister for Labrador affairs is not from Labrador, but the Northern Peninsula.

"You can't have it both ways. We're going to cut the cabinet back, then obviously, certain portions of the province . . . can be left out of the cabinet as such," said Williams.

The Muse

November 20, 2003

## Conference for like-minded student unionists

Members of student unions across the country are meeting in Ottawa for the Canadian Federation of Students' annual general meeting.

Although the federation boasts a membership of 450,000 students, only about 200 delegates, usually chosen from within student unions, attend the annual general meeting.

The cost is a restricting factor, as it costs around \$800 for MUNSU to send each of their six delegates to the meeting.

However, Grenfell Student Union President Mat Byrne said it's expensive, but well worth the money. Grenfell is sending two delegates, Byrne and Ann-Marie Heinz, to the meeting.

MUNSU VP External Thom Duggan said the meeting is usually a good training ground for people interested in student activism. The week of meetings and seminars covers a range of topics from free trade and post-secondary education policy, to student rights and privatization issues.

As an organization, the CFS will also be working on restructuring issues to decide how to best deal with the current size of the organization, which has grown significantly in the past few years.

*Nadya Bell*



## Offering students winter get-aways

**Michael Citrome**

For CanWest News Service

*Sunday, November 23, 2003*

Students, the pressure is on. Midterms are here, and the end of the semester is around the corner. Then, sweet release.

But will you spend your winter break soaking up hot cocoa in an easy chair, watching Claymation Christmas specials on television?

If you want to take off somewhere exciting this winter break, you have to start planning now. And because, let's face it, cash is an issue, you need to plan on a budget.

Fortunately, Travel Cuts, known as Voyages Campus in Quebec, has the solution.

The national travel agency just for students aims to offer the best prices without a lot of the aggressive marketing that comes with vacation travel.

Travel Cuts doesn't just book vacations; they help students plan their travels with their pocketbooks in mind.

"The best way to enjoy your vacation is to ensure that you have planned it well," said Anne McMaster, a marketing co-ordinator for Travel Cuts.

"If you are travelling on a budget, it's best not to expect five-star resorts and services to be awaiting you at your destination.

"Before you go, do your research and ask yourself what you can afford and what your standards are for comfort.

"Cost-cutting can be part of the fun if you look at it as a challenge."

Frequent travellers use Travel Cuts as a networking tool to meet other rolling stones.

"Travellers love to share their knowledge of where to find the best cheap dinner or hostel in town. While you are on the road, be sure to ask fellow travellers for tips."

McMaster offers proven money-saving tips for student travellers.

"Spend your money wisely. Be practical. Investing in a quality guide and a good pair of hiking boots means that you won't be spending a fortune on Band-Aids and bus fares later.

"Of course, the biggest money saver is insurance. Always travel with insurance, no matter how short your trip may be."

The passport to student travel discounts is something called an ISIC, which stands for International Student Identity Card.



**Students, the pressure is on. Midterms are here, and the end of the semester is around the corner. Then, sweet release.**

"ISIC is the most widely accepted form of student identification around the world and is required to obtain special student rates and discounts from Voyages Campus and Travel Cuts," she said.

"The ISIC also entitles students to discounts on everything from museum admissions to restaurants."

Any full-time student older than 12 attending an accredited school is eligible for an ISIC.

To get it, bring a passport-sized photo and proof that you're a full-time student to a Travel Cuts office, and they'll make the card on the spot.

Once you have it, it's good for up to 16 months.

Normally, the fee for an ISIC is \$16, but if your student union is a member of the Canadian Federation of Students, which owns Travel Cuts, you get it free.

Travel Cuts offers inexpensive travel packages aimed specifically at students. Many have an educational or work and volunteering component.

A new initiative, called Travel With Purpose, is an online catalogue of what Travel Cuts calls "conscience-friendly travel products." This includes health care, education and community development programs, as well as teaching English as a foreign language. It's on the Web at [www.travelcuts.ca](http://www.travelcuts.ca).

But the main appeal of Travel Cuts is its prices. McMaster says she guarantees to beat any available Internet airfare for travel within Canada.

"If you find a better fare for travel in Canada on the Internet, print the available flights and price quote of the total fare including taxes, and bring it into any of our offices right away or phone us and fax us the quote," she said.

Just like that, you'll get a better price. You can also book online at the Travel Cuts site, and deeper discounts are possible if you travel with a group.

Travel Cuts has made a believer out of 21-year-old Marie-Nol Desharnais, a commerce student in Montreal.

"I cannot get better rates anywhere else. It's almost half the price," Desharnais said.

A frequent flyer, she likes the student-oriented service.

"I travel mostly to Florida. I go like five times a year, because my boyfriend lives there. They take time to check the days with you, and they have flexible schedules."

Desharnais said she recommends Voyages Campus to her friends.

"It's the first place I would tell them to go, before anywhere else."



## 社區學院學生 促省府凍結學費

(本報記者周文琳報道)不滿省政府不斷加學費,令莘莘學子在財政壓力重擔下喘不過氣來的溫哥華社區學院學生,促請金寶爾政府立即凍結大專學費,以免本省高等教育淪為富有人家的專利品。本地大專學界準備在二月四日在溫哥華藝術館外舉行大型示威,抗議大專學費不斷上升。

溫哥華社區學院愛德華校園學生會主席舒勒(Lucas Schuller)指出,過去兩年省政府撤銷凍結學費政策下,令不少學生因為無法負擔不斷上升的學費而輟學。這不單止是大專學校的現象,連學費較為低廉的社區學院學生亦不能倖免。

他指出:「不少學生選擇到社區學院進修是考慮到財政因素,他們很多在求學之餘,仍要打工維生,加上學生貸款不能惠及非全職學生,令他們處於兩難局面。」

舒勒指出,過去兩年,社區學院的收費上漲了百分之八十二,一些被視為「熱門」的證書課程,如髮型設計、美容、旅遊專業等,學費加幅更高達百分之三百,令有意進修這些科目的學生望而卻步,以溫哥華社區學院為例,因為旅遊課程學費高昂,以致無人報讀,最終該課程因沒有學生而被腰斬。

他又指出,在學費上漲下,有的學生要做兩份工作,亦有因為無能力修讀全日課程而被迫延遲畢業。

舒勒促請省政府基於公平教育機會的原則,全面檢討現時容許大專院校加費的政策,避免清貧階層因為負擔不起學費而失去藉教育改善自身的機會。

另一方面,全省大專院校學生代表,計畫二月四日在溫市中心溫哥華藝術館外響應全國大專學生行動日,抗議大學學費不斷上升。

*Schools are targeting mediocre students to urge them to set loftier goals. Some kids are surprising themselves*

# 'Maybe I am capable'

BY HEATHER SOKOLOFF

**B**ack in Grade 9, Chris MacNeil did not think university was a place for people like him. He came from the wrong side of town — Winnipeg's poor north end — the wrong high school, and, besides, he did not like studying all that much. Today, he is a second-year commerce student at the University of Manitoba, majoring in business administration, and plans to be the first person in his family to earn a bachelor's degree.

"There is this stigma that you are not going to achieve much because of where you are from," says Mr. MacNeil. "Well, I decided that wasn't true."

When Mr. MacNeil was 15, a teacher urged him to participate in Career Trek, a program based on the philosophy that financial need is not the only barrier to post-secondary education. The program targets students like Mr. MacNeil, with mediocre marks and low expectations, and forces them to plan their post-secondary training in junior high or even elementary school.

During his Grade 9 year, Mr. MacNeil awoke at 7 a.m. every Saturday for 20 weeks and boarded a yellow school bus that deposited him, along with about 200 other junior high students, at one of Winnipeg's universities or colleges. There, he spent the day learning about different careers.

At Red River College he met

aerospace engineers. At the University of Winnipeg he met mineral specialists, landscape architects and detectives. At the University of Manitoba, he met a student who explained how the stock market worked, and he got hooked on business.

In the eight years since Darrell Cole, an anti-poverty activist and social worker, created Career Trek in Winnipeg, about half the program's graduates have gone directly to university or college from high school. Mr. Cole says the number may be higher but the program, which operates out of the University of Manitoba and receives about half its \$250,000 budget from the province, does not have the resources to track all its graduates.

Programs like Career Trek, which also gives families intensive financial planning sessions, have been successful in the United States, but only a handful exist across Canada. British Columbia is the only province to have earmarked funds to expand early-intervention programs. Starting in 2005, 19 B.C. schools will receive \$52,700 a year from the province and the federal government's Canada Millennium Scholarship Foundation to test an early-intervention program developed in San Diego.

Mr. Cole says the earlier kids start setting goals for themselves, the better. Two years ago, he lowered the age of students participating in Career Trek to 10 and 11 year olds.

"I try to avoid the notion that you are going to take kids in high

school and tell them to go to a Career Day once a year, with a handful of brochures, and send them home," he said. "I can't believe anyone seriously thinks that works."

Despite the encouraging results, the early-intervention approach has an unlikely critic. The Canadian Federation of Students, the largest student group in the country, says the programs are a distraction from the real barrier keeping students with modest means out of Canada's institutions of higher learning: rising tuition and the threat of massive debt.

"We don't agree that you can wash away economic inequality simply by positive thinking and career counselling," says Ian Boyko, the federation's national chairman. "Those problems run much deeper, and stem from poor funding for K-12 education and lack of access to needs-based grants for university students."

Mr. Boyko says his organization is skeptical about the involvement of the Canadian Millennium Foundation in promoting the programs in B.C., considering the \$2.5-billion scholarship fund was recently criticized in a government report for failing to improve access to post-secondary education.

Mr. Boyko is concerned provinces will see the programs as a licence to further hike tu-

tion, which has more than doubled over the last decade. Tuition levels in Nova Scotia and Ontario, the highest in the country, have even surpassed student fees charged at public institutions in many U.S. states.

To Mr. Cole, the criticism misses the point. "It's not one thing or the other," he says. "You have to get to the point in your life where the cost of university is even an issue. If you don't graduate from high school, it does not matter what the tuition is."

Parents like Kimberly Delorme agree. Ms. Delorme and her

ence, says her mother.

"I used to have to fight with her to do her homework," says Ms. Delorme, who works on the assembly line at a factory manufacturing window frames. "She would say, 'Oh, why do I have to do this? I'll never be a lawyer or a doctor.'"

"Now it's totally different. She's like, 'Oh, OK, I do use this. I'm going to be a veterinarian.'"

The financial counselling sessions were also a big help. Ms. Delorme learned that university and college tuition do not cost the tens of thousands of dollars she imagined. The Canadian ar-

But cost remains a crucial barrier for many. Seventeen-year-old Jessie Cockruff succeeded in getting accepted to university, but may not be able to afford the school of her choice.

Ms. Cockruff lives in Chilliwack B.C., in the Fraser Valley, an hour's drive from Vancouver. Three years ago, the Chilliwack school board became the first in Canada to bring in the Advancement Through Individual Determination, or AVID, program. Like Mr. MacNeil, when Ms. Cockruff was selected to participate in the program in Grade 9, she never imagined going on to further education, even though

her mother, who never went to university, told her daughter a degree would give her choices she never had.

In AVID, she received daily tutoring sessions with local students from the University College of the Fraser Valley, who pushed her to turn her Bs into As. She also learned how to manage her time and improve her organizational skills. Classmates spent their holidays touring universities and colleges in B.C. and Alberta. Most significantly, Ms. Cockruff was identified by teachers as a student who was expected to perform.

"I started to think, 'Yeah, maybe I am capable of going to university.' I never really thought about that before," says Ms. Cockruff. And she has performed su-

perly. She took the toughest courses in the pre-university stream at her high school and aced them, with a perfect score on her Grade 11 advanced physics exam. Those marks earned her a place at the University of Alberta, where she wants to study psychology, as well as the nearby University College of the Fraser Valley.

"If I wasn't in this program, I would have gone into the easy courses to just get high school over with," she says. But even though the program offers financial counselling services for families, Ms. Cockruff has no savings. She will need student loans and scholarships to foot the \$15,000 a year for tuition, books and living expenses at the University of Alberta. Otherwise, she will go to the local university college and live at home.

Next year, the B.C. government will expand the AVID program to a handful of school boards in the province. Already, 16 out of 19 students in the Grade 12 AVID group at Chilliwack Senior Secondary School have received acceptances from at least one university or college.

Educators stress early intervention programs are for any student with untapped academic potential, regardless of their socio-economic background.

"When a kid says, 'Why do I have to learn math, I hate math,' that's a golden moment for teaching," says Mr. Cole in Winnipeg. "You have to show them how they are going to use math in their career. Or that they need to know

how to spell to be a journalist. "The average kid needs to know why schools is relevant."

Across the country, even schools that do not receive additional funding for early-intervention programs are recognizing the importance of starting career education earlier, and making it more interesting. York Region District School Board, a massive district outside Toronto, started taking Grade 7 students on field trips to introduce them to different jobs last year, including trades that require at least a high school diploma, in an effort to engage students considering dropping out.

In fact, half of high school students who score in the top 40% in math and literacy tests do not go on to further education because they feel disaffected from school, according to research for the Canada Millennium Foundation by Dr. Douglas Williams, the director of the University of New Brunswick's Canadian Research Institute for Social Policy. Most of these high-scoring students are from middle class and affluent families, who report feeling they do not fit in at school.

The funding shocked Dr. Williams, who concluded high schools must be given the resources to do a better job of convincing students that education — especially higher education — is worthwhile.

Until then, early-intervention programs are one way to pick up the slack.

National Post  
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## 'The average kid needs to know why school is relevant'

daughter, Sonja Webb, live in the tiny town of La Broquerie, Man., an area of dwindling family farms where many perceive university as a place for only wealthy city-types.

Ms. Webb completed Career Trek's 20 Saturday sessions last year, only missing twice because the weather was too bad to make the two-hour bus trip to Winnipeg. Now she wants to be a veterinarian. Or possibly a crime scene investigator. Definitely something to do with sci-

ence is actually \$4,025. She also learned financial aid will be available for her children. She is now putting aside a little money every week, and Ms. Webb's grandparents have set up a fund for their grandchildren's post-secondary education.

In Mr. MacNeil's case, he receives loans to cover most of his \$4,000-a-year tuition, and pays \$1,200 with money earned from a part-time job and lives at home. He will graduate with about \$10,000 to \$15,000 in debt.

## McGill student wins fight over anti-cheating website

*Last Updated Fri, 16 Jan 2004 11:11:57*

TORONTO - A student at McGill University has won the right to have his assignments marked without first submitting them to an American, anti-plagiarism website.

Jesse Rosenfeld refused to submit three assignments for his second-year economics class to Turnitin.com, a website that compares submitted works to other student essays in its database, as well as to documents on the web and published research papers.

The site prepares an "originality report" on how the submitted work compares with other documents. It can also evaluate students' papers for spelling, grammar and structural errors.



*Jesse Rosenfeld*

McGill was using the website as part of a trial use of its services, which expired in December. Students submitted their papers to the website for a preliminary evaluation, after which their work was marked by instructors.

Rosenfeld, 19, said he refused to submit his work to the website because it's offensive to most students who are honest and work hard to create original material.

"What I object to most about the policy at McGill is that it treats students as though we are guilty until proven innocent," said Rosenfeld, in a media release from the Canadian Federation of Students.

Rosenfeld also objected to the California-based company profiting from its database of student work.

Rosenfeld initially received a zero on all three assignments. McGill agreed this week to mark Rosenfeld's papers, giving him marks ranging from B+ to C+.

The software behind Turnitin.com was designed by a graduate student at Berkeley University in California, but that school has refused to use it. It has been adopted, however, at several schools in the U.S. and at 29 universities in Canada.

The Canadian Federation of Students says this amounts to allowing technology to evaluate and grade student papers. The group says it's a reaction to ballooning classroom sizes and government funding cuts.

"The reality is that the high monitoring of students really isn't about catching cheaters, it is a substitute for hiring enough faculty members to take the time to read student work," said Ian Boyko, national chair of the student federation.

Written by CBC News Online staff

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# Its hard to think about staying in Newfoundland

By NADYA BELL AND MANDY COOK

Education and nursing students at Memorial all but have their tickets booked, in anticipation of Premier Williams's cutbacks and wage freezes for public sector employees.

On Jan. 5, Premier Danny Williams's first State of the Province address warned that every Newfoundlander and Labradorian must brace for financial hardship, due to the province's growing debt.

PricewaterhouseCoopers, an independent chartered accounting firm, reported a total provincial deficit of \$827-million for next year. Williams singled out public sector wages, benefits, and pensions as a substantial portion of the provincial budget.

"One of the messages we will be bringing to the unions is that there is no money available for salary increases at this time," said Williams. "We will continue with a hiring freeze."

Public sector salaries in Newfoundland, such as those for nurses, teachers, and social workers, are among the lowest in the country. Accompanied with the indefinite hiring freeze, it has many prospective public sector professionals concerned about their future in the province.

"When you look at how much money you owe when you finish school, and if you stay here and make half the money than if you were to move away... it makes it really hard to think about staying [in Newfoundland]," said second year primary education student Wanda Hogan.

Many nursing students had a similar response, echoing Hogan's sentiments that they planned to leave the province when they finished their programs.

The provincial Conservatives promised to address the problem of out-mi-

gration. **CONTINUED ON PAGE 4**

## Looming public sector cutbacks worry students

CONTINUED FROM PAGE 1

gration in the recent election campaign. John Ottenheimer, minister of youth services and post-secondary education, thinks the threat of cutbacks will not scare graduates away from the province.

"Hopefully, that will not happen," he said. "We need our young professionals and well-trained student graduates to show an interest and desire to stay within our own province."

But he is looking for a bit of leeway for his government's policies during their mandate. "This is the first couple of months of what is an eight year mandate, presumably, by this government, and we leave to be realistic," said Ottenheimer.

Debbie Forward, head of the Newfoundland and Labrador Nurses' Union, is already mounting a campaign against the Tory government's announcement. Although wages are important for nurses, Forward's main concern is for an improvement in work conditions, including hours and leave time.

"It'll be a multi-pronged approach. We're still going through the process of bargaining, it being the only process we have to negotiate to try to improve the working lives of nurses," said Forward.

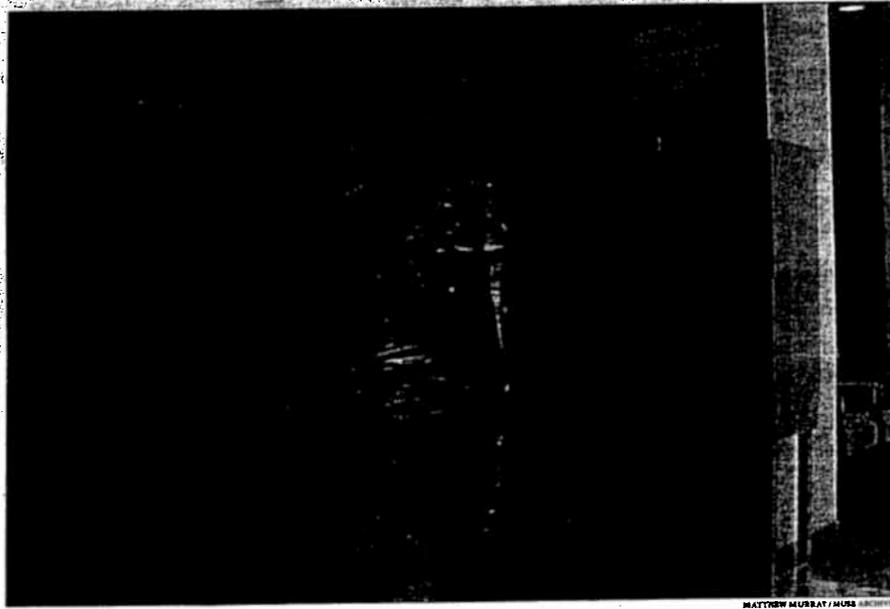
Making the nursing profession possible for students was another of Forward's concerns. "We will be looking at various ways to put pressure on the premier to change his mind, and we'll be looking to meet with him so we can outline to him our concerns."

Keith Dunne, head of the Newfoundland and Labrador chapter of the Canadian Federation of Students, had harsh words in response to Premier Williams's announcement.

"We're educating people to leave," said Dunne. "Without hiring in the public service, people with these debt loads are going to be forced to move away and get jobs at higher rates of pay in other parts of North America and the world."

Members of the official opposition and other government parties, such as the NDP, think Premier Williams's dire perspective on the province's financial situation is causing more harm than good.

"The Tory government is getting people into the idea that there... is going to be a shrinkage of jobs through attrition, and... it's going to perhaps induce students to be concerned about staying in Newfoundland and Labrador," said NDP



If things continue as they have been, this will be the only way Newfoundland will be able to keep nurses in the province. Nursing student shown here is participating in the Shlorens fundraising last September.

leader Jack Harris.

Harris is also concerned that the economic tone of the Conservative government will have a negative affect on investment in Newfoundland and Labrador.

"If people think we're down here wallowing in debt, [they] may not be inclined to come and invest and work in this economy," said Harris.

Opposition education critic Gerry Reid felt the wage freeze was a part of the government's scare tactics about the provincial financial situation. "I don't think the deficit was as bad, or is as bad, as Mr. Williams and group would lead you to believe," he said.

Public spending will also decrease after these announcements, according to Reid.

"Anyone out there today who is working for the public service is not going to spend money if he doesn't know if he's got a job next year or next week, or knowing that his wages could be frozen for two or three years," said Reid.

Forward urged students to take an active role in their future in order to pressure the government away from making drastic cutbacks to the workforce they plan on entering.

"I think that they need to become involved in lobby efforts with government to reverse their decision. I think that they are a powerful voice, they

are the future of our province, and they need to be heard and recognized," said Forward.

"I strongly encourage students to contact their MHA and the premier, and voice to them what this decision will mean in terms of their future in this province," she said.

Ottenheimer confirmed his government is committed to post-secondary education, reiterating the premier's election promise of maintaining a tuition freeze. He also offered an optimistic stance on the province's troubling out-migration problem, noting that last year, Newfoundland and Labrador experienced an immigration of people for the first time in 12 years.

## Layton solicits advice on how to better spend money from corporate tax cuts

By The Canadian Press

The leader of the federal New Democrats is asking Canadians what they'd do with an extra \$4.4 billion.

Jack Layton visited Halifax on Saturday and continued to call on Ottawa to scrap billions in corporate tax cuts and reinvest the money in community programs.

Layton has been touring the country asking Canadians how they'd rather see the tax cut money spent.

He spoke with various community groups and said he'll put their solutions into a plan for budget discussions and the expected spring federal election.

The NDP said it's hoping Martin will announce a reinvestment in community pro-

grams when he delivers his speech from the throne on Monday.

"People here in Nova Scotia are very concerned about ten years of cuts to services and huge corporate tax cuts," Layton said.

"They've made many suggestions of how even just a few dollars could be used so effectively."

David Hare of the Canadian Federation of Students said the money could go towards reducing tuition and establishing a grant program.

Hare said Canadian student debt is among the highest in the world.

Layton accused Martin of putting the country's debt on the shoulders of Canada's students.

## Students 'hurt' when schools try to impress Maclean's

### UBC accused of capping class size to improve ranking

BY SARAH SCHMIDT

The associations representing university students and professors in Canada warned yesterday the influential *Maclean's* university ranking is likely perverting how schools set their priorities.

The warnings come after internal documents at the University of British Columbia

showed senior administrators pressured faculty members to manipulate course enrolments and cap class sizes in an effort to improve the school's standing in *Maclean's* annual university ranking, despite warnings from professors the moves would not improve the learning environment and could actually hurt students.

The correspondence, obtained under the provincial Freedom of Information Act, documents an eight-month effort to limit enrolment in courses.

See STUDENTS on PAGE A2

## Students: Class sizes set with Maclean's in mind

Continued from PAGE A1

The purpose was to improve UBC's fifth-place finish among large research institutions in the 2002 university ranking. It included a suggestion that students be misled about room capacity and an acknowledgement that some could be denied the opportunity to major in a discipline. The effort to use class-size breakpoints set by *Maclean's* also raised concerns that limiting access to certain classes could prevent some students from graduating on time, though the university says this never happened.

*Maclean's* assigns points to universities for the number of students in classes in each interval range. The higher the enrolment, the lower the score: classes with 1 to 25 students earns six points, 26 to 50 earns five points, 51 to 100 earns four points, 101 to 250 earns three points, 251 to 500 earns two points, 501 and higher earns one point.

"The idea is to set the enrolment limit slightly lower than the breakpoint, e.g. If the breakpoint is 50, then we set the maximum enrolment at 46 and do not allow it to go beyond 50," Barry McBride, vice-president, academi-

mic, wrote to deans last June.

"There's a lot of very important academic decisions being made by senior editorial staff at *Maclean's*," said Ian Boyko, chairman of the Canadian Federation of Students. Victor Catano, president of the Canadian Association of University Teachers, said rumours about schools "manipulating data" are rampant. "There is a widespread feeling that universities are doing something to improve the ranking."

Robert Birgeneau, president of the University of Toronto, says no such tinkering goes on at Canada's top-ranked research-intensive university. Mr. Birgeneau warned the school's board of governors in 2002 the university could lose its top spot in the *Maclean's* doctoral/medical category in the coming years because it had a duty to accommodate a huge high school graduating class in Ontario.

Class sizes were going to grow and the university would lose points in the *Maclean's* ranking, he explained. "Our first obligation was to serve the students of Ontario. I felt we had an obligation to students in the Greater Toronto area. I was certain that that would affect our *Maclean's*

ranking, and (I told the governors) they should be relaxed about that," Mr. Birgeneau said.

Carl Amrhein, vice-president, academic, at the University of Alberta, conceded the school "pays quite a lot of attention" to the *Maclean's* ranking, but does not make decisions to maximize its points in the ranking.

"Our approach in dealing with *Maclean's* is we play by the rules that *Maclean's* sets out, but when we see something that we don't think makes sense, we push hard for *Maclean's* to change it."

At UBC, the president of the student union called an emergency meeting of the Alma Mater Society executive for today to discuss the private correspondence of senior administrators, obtained by CanWest News Service.

"The rumours are that most universities are doing something to go up, but we didn't know exactly how UBC was doing it," said Oana Chirila, a fourth-year pharmacy student. She characterized the techniques outlined in the correspondence as "manipulative."

In one directive to the head of the linguistics department,

Margery Fee, UBC's associate dean of arts for students, wrote: "I realize that you have mapped course capacity to room capacity, but now we are being asked to respect *Maclean's* breakpoints in term one, rather than fill classrooms to capacity. I realize by capping these courses, we are, in effect, controlling the number of majors in linguistics, which may not be a good thing."

In another exchange, Ms. Fee wrote to the head of the psychology department: "I have discovered that *Maclean's* only looks at term one. On reviewing your term one classes, I see a few that might be massaged in order to accrue points, provided this works for you. The caps right at the breakpoints are risky if profs (allow additional) students in..."

Bill Bruneau, professor emeritus at UBC and specialist in post-secondary education policy, said there is a larger problem.

"I have a simple piece of advice and that is to ignore the *Maclean's* indicators for the time being, and the second piece of advice, to launch a campaign to show how idiotic performance indicators are."

Mixed Reaction to Throne Speech 2/3/04 (VOCM News)

Prime Minister Paul Martin has laid out his vision for the country in a throne speech opening Parliament. He promises democratic reform, a better future for children and aboriginals and billions for cities and environmental cleanup. Natural Resources Minister John Efford says in relation to Newfoundland and Labrador there was good news for not only the municipalities but also about what government has planned for the offshore industries.



Opposition MP Norm Doyle says the throne speech once again failed to address issues like additional health care funding and the equalization formula.

Local municipalities say the direction appears right, but more is needed. Federation of Municipalities President Herb Brett says a GST rebate is good news, but action is needed to share the gas tax revenue as well. Brett says major funding is required to bring the communities of this province up to standard.

Mount Pearl Mayor Steve Kent says the GST rebate is a minimal gain compared to what the gas tax revenues would bring. Kent says there are other concerns, about infrastructure funds, including making sure any funds that go to the provinces for municipalities, go directly to municipalities.

Municipal Affairs Minister Jack Byrne told VOCM Niteline with Linda Swain details of the GST rebate and any other monies for municipalities won't be known until the federal budget is released.

Gander Mayor Claude Elliott has welcomed news the federal government will give municipalities a full GST rebate on goods and services. Elliott says its been a long time coming. Elliott says an extra 150-thousand dollars a year means concil can do more work around the community.

The Canadian Federation of Independent Business is disappointed. Local CFIB Spokesperson Bradley George says they were disappointed there was no mention of the contributions from the small and medium-sized business community, especially in the area of job creation.

The Federation of Students doesn't sound overly impressed with the throne speech. Newfoundland and Labrador Chairperson Keith Dunne, says increasing loan limits only helps slightly. Dunne says the real result of that will be higher debts for students. On VOCM Niteline with Linda Swain, Dunne says a provincial day of action tomorrow will ensure the provincial government gives post-secondary education a good look during the budget process. Dunne says a rally will be held at the MUN clock tower from 12-2 tomorrow and others will take place in Corner Brook, Labrador City, Happy Valley-Goose Bay, Burin, Grand Falls and other areas.

# Les étudiants de Carleton demandent au fédéral de délier les cordons de sa bourse

Mathieu Boivin  
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À l'image de plusieurs milliers d'universitaires de partout au Canada, une centaine d'étudiants de l'université Carleton ont demandé, hier après-midi, au gouvernement de Paul Martin de réinvestir massivement dans le milieu de l'éducation post-secondaire.

Ces étudiants ont scandé haut et fort durant une courte manifestation que « l'éducation est un bien public, et non privé », et qu'ils veulent voir des changements « immédiatement ». Des manifestations semblables ont eu lieu un peu partout au pays, dans une initiative lancée par la Fédération canadienne des étudiants et étudiantes.

« Quand Paul Martin était ministre des Finances du pays, son gouvernement a coupé pour 3,3 milliards \$ dans les transferts aux provinces, argent qui

était destiné aux universités et collèges canadiens, a soutenu la porte-parole des manifestants, Jessica Squires, qui vient d'entreprendre un doctorat en histoire canadienne à l'université Carleton. Entre 1998 et 2002, l'endettement des étudiants a grimpé en flèche, pour tripler en moyenne par personne. Devant le sous-financement auquel ont fait face les universités et collèges, ces derniers ont dû augmenter leur frais de scolarité d'au moins 150 % ».

M<sup>me</sup> Squires exhorte le gouvernement Martin d'écouter leurs doléances. « Nous voulons que Paul Martin réinvestisse immédiatement les 3,3 milliards de dollars qu'il a coupé dans l'éducation post-secondaire. Ainsi, les universités et collèges pourront baisser les frais de scolarité, pour rendre l'éducation plus abordable à tous. Le gouvernement fédéral a accumulé des

surplus de sept milliards \$ cette année. Il peut se permettre de nous donner cet argent. »

M<sup>me</sup> Squires verrait bien le fédéral offrir une très bonne somme aux provinces, comme il va le faire dans le domaine de la santé, avec ses deux milliards \$. « Il faudra surveiller les provinces, pour que cet argent soit bien redistribué aux universités et collèges, si le fédéral répond à nos demandes. Il ne faudrait pas que cet argent soit dépensé pour autre chose. »

Même si les changements sont difficiles à obtenir auprès des différents paliers de gouvernement, M<sup>me</sup> Squires croit fermement que les efforts des étudiants seront récompensés... un jour. « Le gouvernement de l'Ontario a gelé les frais de scolarité pour les deux prochaines années dans les universités et collèges. Si nous avons pu obtenir ce gain, nous gagnerons notre cause du financement. »



Lindsay Mossman, étudiante en Science politique à Carleton, inscrit sur un « boulet » le montant de ses dettes d'étude.

# Martin buys time on education

**G**ood manners dictate that those chosen for favourable treatment by the Prime Minister should react with gratitude. Smart politics dictate that, even if the offering is small, the thanks should be effusive.

Joel Duff, head of the Ontario branch of the Canadian Federation of Students, refuses to play by the standard rule book.

Neither etiquette nor expediency will induce him to praise Prime Minister Paul Martin for promising to modernize the Canada Student Loans Program. "Increasing loan limits doesn't help students afford their education," he says. "All it does is delay the costs."

Duff does give Martin modest credit for recognizing that Ottawa's student aid program, last updated in 1995, fails to reflect the true cost of post-secondary education. He acknowledges that many students, denied loans because of their parents' income, want the eligibility criteria changed. And he admits that the Prime Minister's proposal to offer a new grant to low-income students entering college or university sounds promising.

"But tinkering around the edges of the loan program will not help students in any meaningful way," he insists. "What we want is a serious commitment to accessible post-secondary education."

That would require a multi-billion-dollar transfer of funds to the provinces, earmarked exclusively for universities, colleges and other training institutions, Duff says.

He sees no reason why Martin, who cut post-secondary transfers as finance minister in the '90s, can't restore them now.

Given the length of Martin's priority list and the slimmness of the public purse, that was never in the cards for the throne speech.

Carol Goar's column appears Monday, Wednesday and Friday.

Students held marches, rallies and study sessions across the country, last week, to call for lower tuition fees. Policy-makers paid little heed.

So it will continue until the next election.

But behind this tiff lies a much more profound clash over the quality and financing of post-secondary education.

On one side are those who believe that every qualified student should be able to attend college or university without amassing a huge debt. Keeping education affordable, they contend, is the best way to capitalize on the nation's brainpower. What taxpayers put in, they get back a hundred-fold in productivity, tax revenues and pension contributions.

On the other side are those who believe that students should invest in their own future. Young people are the primary beneficiaries of their education, they maintain. It is not unreasonable to ask them to go into debt to improve their prospects and increase their earning potential.

Canada straddles this ideological divide, sliding furtively toward the pay-as-you-go model. So far, federal and provincial policy-makers have managed to avoid the kind of showdown that British Prime Minister Tony Blair precipitated, last month, when he proposed a near tripling of tuition fees.

But the pressures building in the system are too powerful to be contained for long.

★ The two-year tuition freeze imposed by Ontario Premier Dalton McGuinty, last fall, has left universities and colleges without funds to keep pace with inflation, cover wage settlements and do basic maintenance.

The provincial government, facing a deficit of \$5.6 billion, is unlikely to make up the shortfall and the federal government isn't offering to help.

That probably means that colleges

and universities will cut corners for two years, then raise tuition fees sharply. Students fear they'll face an explosion of pent-up demand in 2006.

★ Post-secondary institutions, like cities, have been skimping on badly needed repairs to pay their operating bills. The University of Toronto, for instance, needs \$300 million to get its buildings and facilities back into acceptable shape.

If this deterioration is allowed to continue, once-attractive campuses will become visibly shabby, and sensitive scientific equipment will be put at risk. ★ Enrolment in colleges and universities is projected to rise by 30 per cent over the next 10 years. Part of the reason is demographic; the "echo-boomers" are now in their late adolescence. The other part is cultural; the proportion of kids going on after high school is rising steadily.

Post-secondary institutions will either have to expand rapidly, cram more students into crowded lecture halls and labs, or turn away large numbers of applicants.

Martin may be able to buy time by making relatively low-cost improvements to student aid, like the ones he announced last week. But postponing a problem is no substitute for solving it.

The Prime Minister appeared to acknowledge that, in his throne speech. "The answer to improved access must go beyond simply more generous loans because a growing debt load poses its own limits, both psychologically and financially."

But he gave little hint how he intends to keep education affordable, without letting the nation's universities and colleges slide into mediocrity.

Until he does, Duff and thousands of his fellow students will hold their applause.



Carol Goar

**Students struggle for food province-wide**

*By Calum McNeil*

Until very recently the only food bank in Ontario was located at the University of Toronto; the food bank was small, the institution - huge.

The situation has changed dramatically with more than 20 per cent of all Ontario universities now running some sort of food bank service for students.

The Canadian Federation of Students (CFS) director of research, Michael Conlon, says the key issue surrounding student poverty is that "what students are getting on student loans and student grants is not enough to cover escalating education costs."

Conlon says CFS managed to get the Ontario government to agree to a tuition freeze, but faced opposition to the proposal from the Council of Ontario Universities - an organization that lobbies on behalf of university presidents across the province.

"[The resistance to tuition freezes has been] driven by Western, U of T and Queen's. Their primary arguments concern quality of services; they say tuition freezes will inhibit their program funding," he says.

Conlon calls the council's position "naïve" citing evidence from the Harris/Eves government where any tuition fee increase implemented by universities was offset by an equivalent cut in provincial funding.

Brock University President David Atkinson says he both agrees and disagrees with Conlon's assertions concerning tuition fees and provincial funding.

Atkinson, while agreeing with Conlon's assertion that the provincial government has in recent years cut funding when tuition has been raised, also argues that a tuition freeze is not an adequate solution to the problem.

"No one disagrees with the position that the cost of education is becoming prohibitive for many students and that there needs to be a way found to address that issue," says Atkinson. "By concentrating exclusively on a freeze of tuition, however, other equally important issues around the cost of education get ignored."

He also asserts that "to a certain extent, [tuition freezes] give governments a way to get off the hook."

He says once a tuition freeze has been agreed upon by the province, the government can say "okay we've frozen tuition - been there, done that - we've done what you asked us to do, let's move to another item on the agenda."

Both Conlon and Atkinson agree that funding for post-secondary education needs to be increased.

"Ontario's universities are amongst the most poorly funded, not only Canada, but throughout North America. On a per capita basis, I believe the Ontario government invests \$400 in universities. Across the whole of the United States \$800 is invested on a per capita basis," says Atkinson.

Conlon says that the federal level of government has also contributed significantly to the problem, through their cuts in transfer payments to the provinces. "We need to see some movement increasing core funding for post-secondary education," he says.

It is not just tuition, however, that has fuelled the increasing dependency of students on food banks. The

cost of housing has also been a major contributing factor.

"In Toronto, Ottawa, Guelph we have seen a terrible, terrible, crunch in terms of rent - the previous [conservative] government lifted rent control, and rent costs skyrocketed. From 1996 until 2000 housing costs have shot up by 60 percent," says Conlon.

Atkinson echoes Conlon's frustration, noting that it costs students more to live in Brock's Quarry View residence than it does for their tuition.

The cumulative effects of these problems can be seen on campuses throughout Ontario.

At Ottawa's Carleton University the food bank started in 1999 now has twice as many students using it as last year. "This year we are up significantly; we had 35 clients a week on the service last year and we are up to 70 a week this year," says Carleton University Students' Association (CUSA) finance commissioner George Soule.

Soule explains that the food bank service run by CUSA has an operating budget of \$27,000 and was moved to its own location this year. The food bank distributes at least 15 items a week to students and mostly "depends on local food banks for its supplies."

Ruban Chandraboe, administrative coordinator for the CUSA Food Centre, blames OSAP for students' financial problems. "It's definitely OSAP - it's inadequate. It's not enough to pay rent and tuition fees. The price of books is going up significantly so that if you want to buy a book, it will cost you between \$150 and \$200," he says.

Adding to Chandraboe's frustration is a sales tactic whereby each year text books are changed just enough to force students to buy a brand new copy, rather than purchasing a used copy from the previous year.

Atkinson shares Chandraboe's disdain for OSAP.

"We all know OSAP is not working. If I had my way I'd throw the whole darn thing out and start over. We need to create a system where depending upon students' financial need they can be allowed to have the resources to go to university - whether it be in the form of grants, or loan forgiveness if they graduate - I don't care," he says.

The reality, however, is that Ontario is running a sizable budget deficit and the federal surplus is shrinking as the economy grows anaemically. This is a reality that Atkinson openly acknowledges.

"There's not going to be a solution overnight, we know that. The province fiscally can't afford it," he says.

Atkinson says a major problem for Canada is the lack of appreciation paid toward the importance of post-secondary education.

"If you think about parents, the only time they ever really concerned about university is when their kids go there," he says. "Last year was a good example with the double cohort. We had parents calling really concerned and the rest of it, but once their kids graduate they don't give a second thought to it," he sighs. "It's that lack of a second thought that makes it harder for higher education to compete for tax dollars with things like health care or even kindergarten to grade 12 schooling."

## **Straight A students turned away in B.C.**

By DIRK MEISSNER

VICTORIA (CP) - The reason why whip smart students can't get into B.C. universities has little to do with their amazing IQs, but everything to do with a lack of space, said university officials Wednesday.

They were barely able to contain their enthusiasm for Premier Gordon Campbell's plan to add 25,000 post secondary school spaces by the 2010 Olympics. "We're of the view, and I think we're right, that large numbers of students who are in the neighbourhood of 75 per cent or 80 per cent, were beginning to give up," said Don Avison, head of the University Presidents' Council of B.C., representing five universities.

Vancouver's University of British Columbia was actually forced last fall to tell 1,200 potential science majors that their straight-A average in high school wasn't good enough to study at the province's largest university.

B.C. universities have been increasing their entrance requirements for students to make up for serious space limitations, Avison said.

The addition of 25,000 post secondary spaces will bring B.C.'s historically small university space more in line with Canadian averages.

It couldn't come at a more needed time, because B.C. is expected to grow rapidly in the coming years, he said.

"If you look at the demographic increases projected in Canada for the period of time from 2001 up to 2011, B.C. will be the second largest area of increase, second only to Ontario," Avison said.

A six-year tuition freeze by the previous New Democratic Party government produced an increase in students, but post-secondary institutions were not expanded to meet the growing demands, Avison said.

UBC now requires high school students to have an 85 per cent average to pursue a degree in arts, he said. It's 87 per cent for the sciences.

At the University of Victoria and Simon Fraser University in Burnaby, entrance requirements for high school students are 81 per cent and expected to rise, Avison said.

Campbell said his government will add 25,000 new student spaces and tackle the rising entrance standards, which Campbell said would have denied him university access in B.C. when he was a student.

A 75-per-cent high school average should be good enough to get into a B.C. post-secondary school, he said.

The Liberals pledged \$105 million for post secondary expansion, but Avison is expecting more money over the years.

"The indication in the speech from the throne was \$105 million over three years and so it's certainly my expectation that it's a bigger plan over the six years that's contemplated by this plan," he said.

Advanced Education Minister Shirley Bond refused to discuss funding beyond the \$105 million, but indicated the government has a plan to pay for the expansion.

"We will have the funding in place that's necessary to deliver the seats," she said.

The government will table it's first balanced budget next week and more information about the education plan is expected to be in the document.

The Canadian Federation of students said the government's plan to lower entrance requirements at B.C.'s post secondary institutions and make room for 25,000 more students is laudable, but it ignores the needs of students today who can't afford the rising tuition fees or are turned away due to overcrowding.

"It's a problem right now - it's at a crisis level right now - and the government is saying we're going to address this in the next five or six years," said Summer McFayden, B.C. spokeswoman for the students' federation.

"That's just not good enough for high school students and people who were denied access," she said.

The government's plan also doesn't do anything to address the rising tuition fees in B.C., McFayden said.

"The most significant thing that prevents people from going to college or university is finances," she said.

"That is the most pressing issue when tuition fees are nearing \$5,000 a year in B.C."

The government lifted the tuition freeze in 2002 and the cost of a post secondary education has risen dramatically, said McFayden.

But tuition fees in B.C. are currently within the Canadian average, she said.

University fees in B.C. have risen average of 67 per cent to \$3,600 per semester from \$2,100 a semester in 2002, McFayden said.

University college fees have jumped 144 per cent to \$3,100 per semester from \$1,200 a semester in 2002.

McFayden said the government is tackling the space problem, but is ignoring rising costs.

"A good education for who, for everyone or for only those people who are wealthy?" she said.

### Student challenges administration

#### **Student wins a victory over McGill University's plagiarism policy.**

by Jessica Young and Mary Cummins  
Fulcrum Staff

QUESTIONS HAVE BEEN raised regarding new Internet-based plagiarism detectors.

Turnitin.com is a service used by professors to help detect plagiarism. By referencing a database of sampled papers submitted by students, professors can check against Turnitin to identify students who have not properly referenced work through originality reports.

In the opinion of John Barrie, Founder and CEO of iParadigms, the developer of Turnitin, Turnitin offers a myriad of services.

"Turnitin is a family of services designed to handle the entire life cycle of student manuscripts," said Barrie, adding that Turnitin receives over 20,000 papers per day from over 50 countries. "Of the 20,000 papers we receive each day 30 per cent are less than original."

According to iParadigms, some Canadian universities that use iParadigms services include: the University of Toronto, the University of Western Ontario, McGill University, and the U of O.

However, use of Turnitin has recently sparked controversy with students since students' writing is being submitted without rights protection, and there is the unspoken notion that students are being subjected to feel as though they have done something wrong without having been formally charged.

 Jesse Rosenfeld, a McGill second-year international development student, received a zero for his assignments because he refused to hand in his work to Turnitin.com.

"Most students work extremely hard to write papers that are unique and properly referenced," said Rosenfeld. "What object to most about the policy at McGill is that it treats students as though we are guilty until proven innocent."

"We are 100 per cent in strict compliance with Canada's intellectual property rights," said Barrie. "When a student submits a paper to an institution, there is an implicit agreement that the institution can take any step necessary to critique the work of the students."

Rosenfeld's professor, Sonia Laszlo, along with the department chair and the associate dean, "reluctantly" changed their minds and decided to mark Rosenfeld's work.

"I don't blame them for choosing their battles," said Barrie in response to McGill's decision. "And I don't agree with their decision."

Ian Boyko, national chairperson of the Canadian Federation of Students (CFS) believes that Rosenfeld's actions took courage because he stood up for his principles.

"I hope that provides inspiration for other students who see a difference in opinion," said Boyko.

According to Boyko, a major issue lies beyond the control of student property of their work; it lies in funding for universities, which has seen devastating cuts in the past years.

 "Many universities are suffering from a funding crunch and a symptom of that is not hiring enough professors. We don't want to see this as a way to cut corners and use untested technology to replace faculty members and graduate students. They are not getting the attention and feedback they deserve," said Boyko, referring to GradeMark, a service offered by Turnitin, which allows professors to grade papers online.

"It makes the grading process a lot more fair," said Barrie. "Any way to normalize the grades that [teaching

assistants] or professors give from term to term or from section to section actually creates more fairness in the grading process, and any student should be happy to see that happen."

In response to Boyko's claim that GradeMark is a way to replace professors with technology, Barrie said, "It is completely unfounded and shows a basic misunderstanding of how our system works."

"I do not believe 100 per cent in computers grading papers," added Barrie.

Unlike the incident at McGill University, U of O Vice Rector Academic Robert Major explains that the one or two professors using Turnitin.com at the U of O are instructed to advise students to submit their work through this service; however, if a student objects, there are no penalties.

According to Major, there are also professors at the U of O who use EVE2, (Easy Verification Engine). However, the student's paper is not scanned or kept by the company.

Boyko believes that before Turnitin officially comes to campus, administrators need to talk to students.

"There needs to be a dialogue on campus and to come to a resolution that is advantageous for students and their rights to keep academic integrity. It's not going to be done through treating students like convicted criminals," said Boyko.

"I invite a member of CFS to use our systems for a while and educate themselves on the way it works," said Barrie. "I am the last person on earth who would remove the human component from courses."

# Province upgrades advanced education

Throne speech outlines goal of 25,000 more post-secondary spaces, increased accessibility

BY LINDSAY KINES AND JEFF RUD  
*Times Colonist staff*

The provincial government vowed Tuesday to make room for more students in B.C.'s colleges and universities so that anyone with a B average can enter the halls of academe.

In the speech from the throne, Lt.-Gov. Iona Campagnolo announced the government's plan to add 25,000 post-secondary spaces by 2010.

The government said it will pay for the new spaces by increasing the budget for advanced education by \$105 million over the next three years.

Premier Gordon Campbell said the announcement signals that education will be one of the government's priorities now that it has balanced the budget.

"Balancing that budget and starting to create surpluses gives us a chance to start to make some choices," he said. "And our choice clearly is that we have always said that education was a critical part of our agenda. We're going to be investing in education."

The government also said that the budget for kindergarten to Grade 12 education will expand by \$313 million over the next three years, jumping from \$4.86 billion this year to \$5.2 billion in 2006-07. But it was Campbell's plan for post-secondary education that received the most attention Tuesday.

"I think young people deserve to know in this province, if they work hard in high school, that they can get into university and that's a major initiative, a major undertaking, that we've set for ourselves," Campbell said.

Noting that, in some cases, students need a 92 average to get into university, Campbell said: "I don't know about you, but I know that I would have had a lot of difficulty getting into university with a 52-per-cent hurdle. So we've said that that's something that we think is critical for our young people as they build a future."

Advanced Education Minister Shirley Bond said the 25,000 new spaces by 2009-2010 will mean that high school students with a 75 per cent average or better will be able to get into college or university.

*Please see EDUCATION, A2*

- Campbell government taps into Games spirit, A3
- B.C. families look for restoration of services, A3
- The TC's view: Faith in the Olympic spinoffs, A12
- Les Leyne: Health-care expenses weigh heavily, A12

## PROVINCIAL PRIORITIES

### Highlights of Tuesday's speech from the throne:

- By 2010, the province will add 25,000 new student spaces at B.C. colleges, universities and institutes so any student with a 75 per cent average in secondary school will have access.
- All of B.C.'s 361 communities will have high-speed Internet access.
- A new rural health travel-assistance plan to help rural families who must travel to health centres for special care.
- More than \$30 million in one-time funding directed to support new initiatives for sport music, arts, culture, literacy and volunteerism tied to the 2010 Olympics.
- Initiatives to improve literacy.
- Showcasing of images, words and art work produced by British Columbians in government publications and on its Web site.
- New codes of conduct to increase school safety; programs to encourage fitness among children.
- An additional \$16.8 million to help farmers deal with fallout of mad-cow disease, atop \$105-million already committed.
- New unspecified measures to combat the mountain pine beetle.
- A Spirit of 2010 Business Summit this spring to rally businesses, investors and community leaders to talk about Olympic opportunities.

# Education: Increased opportunity

• From Page A1

Students currently need at least an 81 per cent average to get into the University of Victoria; the required average is higher for certain programs.

"We just think that if students work hard and earn a B, they should have the opportunity to enter an institution in the province," Bond said. "That's our goal and we're starting work on that today."

The plan's critics, however, said it offers little relief to students already barred from higher-learning by prohibitive entrance requirements and high tuition.

"They're making a promise for 2010," NDP Leader Carole James said. "They're saying to students hang on. What about the students who are in university and post-secondary now, who are struggling to pay their tuition fees?"

"Are we saying to this existing generation, 'Don't worry about it. We're going to help a generation in the future?' I think that's appalling tactics by a government."

Jude Coates, who chairs the UVic Students' Society, said straight-A students are being excluded right now because there's not enough room for them at colleges and universities.

"The provincial government needs to recognize that they have created this crisis in post-secondary education by underfunding the system," she said. "They need to reinstate and increase that funding immediately, not in six years."

But Don Avison, president of the University Presidents' Council of B.C., said the government's announcement represents a "remarkable commitment" to students.

"It may well be the most significant development in post-secondary education for the last 20 or 25

**"We think that if students work hard and earn a B, they should have the opportunity to enter an institution in the province."**

Shirley Bond,  
advanced education minister

years in B.C.," he said. Avison said it's become increasingly difficult for students to gain access to post-secondary institutions. High school students need an 85 per cent average to enroll in arts at the University of B.C., and an 87 per cent average to get into science, he said.

"Moving that down from those numbers, at a time when the student population is going up, is really a very significant development," he said.

Bond said the government will announce where and how it plans to create those new spaces over the coming months. The throne speech said only that the spaces will be created in the Heartlands and the Lower Mainland.

"It is a matter of dollars, but also a strategy that says, 'Where do we put those seats and who needs them the most?'" Bond said.

Campbell said some of the details will be in the Feb. 17 budget.

"You'll see how that \$105 million is laid out over the next three years," he said.

The government noted in the throne speech that 70 per cent of the job openings in the next decade will require some form of post-secondary education. About 6,000 new spaces have been added in the last two years.

## Students not impressed with throne speech

Last Updated: Feb 11 2004 07:49 PM PST

**VANCOUVER** - A student group says the B.C. government continues to treat post-secondary education as a low priority - despite a promise of more spaces in universities and colleges.

Tuesday's throne speech pledged to increase the budget for advanced education, and create 25,000 new student spaces by 2010.

- [LINK: Throne speech highlights](#)



But Canadian Federation of Students spokesperson Summer McFayden says that time frame does little for today's students.

"I think it's really misleading and unfair to say we know there's a crisis in access, we know that people can't get in and then in the same breath say we're going to try and fix it in the next six or seven years," she says.



McFayden also says the \$105 million the government has committed to post-secondary education now, doesn't even cover previously planned funding cuts.

"We're still looking at a reduction of funding," she says. "Just not as big a reduction."

She notes tuition at some colleges and universities has nearly doubled since the B.C. Liberals ended a six-year tuition freeze.

She says if the government wants to send a message it's

committed to post-secondary education it should reverse tuition to previous levels and re-instate that freeze.

- INTERVIEW: *B.C. Almanac's* Mark Forsythe speaks with Don Avison, President of the Universities Council and Michael Gardner of the Canadian Federation of Students. ☛
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## Students Support Harris 3/9/04 (VOCM News)

The Canadian Federation of Students is supporting NDP Leader Jack Harris' call for government to reinvest in the public education system. Harris says 60 percent of student loans in default since 2000 are from private post-secondary institutions. He says it's costing taxpayers 45 million dollars. Federation spokesman Keith Dunne echoed Harris' concerns. The NDP Leader says education, not profit, should be the goal of the system.



Keith Dunne

## Private colleges victimizing students – NDP

Jack Harris calls for student loan privileges to be revoked from private schools

-By Nadya Bell-

Skipping out on your student loan is not a practice the government condones, but NDP leader Jack Harris says private college students do it all the time.

Last Monday, Harris released default rates – the number of students with bad loans – for all post-secondary institutions in the province, indicating that 60 per cent of student loans in default since 2000 are from private, post-secondary institutions.

In comparison, Memorial University has a relatively low default rate, at 16 per cent for the same period of time, and the College of the North Atlantic (CONA) is even lower at 15 per cent.

Canadian Federation of Students (CFS) representatives agree with the NDP interpretation of the statistics, as the two organizations frequently work together on developing post-secondary policy. However, representatives from the private college system question the statistics' accuracy.

The federal government approved a policy last April which removes a school's loan accreditation, or de-designates them, if their default rates are above 45 per cent.

Though yearly default rates for private colleges are 41 per cent, according to Harris's figures, he suggests the government should not approve private colleges for student loans, as he feels they are not providing education that is useful for students.

"The default rate speaks for itself. If you've got a 40 per cent default rate, that means students aren't getting something for their education that allows them to pay it off . . . and that education that they got wasn't worth anything to them," he said.

Harris says private institutions are a dangerous, quick solution for students who have been denied admission to both Memorial and CONA, and that students are often unable to pay back the loans, meaning the government has to pay it back directly into private pockets.

According to Harris, the default rates represent a government subsidy of \$45-million to the private system – money he says could be better spent on the public system. Programs offered in private colleges could then be incorporated into the public system.

"We want to see CONA put back on the map as the primary source of non-university post-secondary education for students, and they've got to be given the funds to do that," he said.

Keith Dunne, Newfoundland chair of the CFS, agrees with Harris, and hopes the numbers will highlight problems with the pro-profit system of education, and encourage the government to de-designate private colleges for student loan purposes.

Calvin Burton, president of the Newfoundland and Labrador Association of Career Colleges, takes issue with the statistics released by the NDP, and says they do not represent any deficiency within the private system.

Burton says 25 per cent of defaulted loan amounts included in the private college numbers are from schools that were closed several years ago.

When the federal government subsidized retraining programs under TAGS, the private college system had 57 schools. That number has since shrunk to 33.

Private colleges currently have fewer students than public institutions, with only 4,000 current students, compared to the 17,000 attending Memorial.

Students at private colleges frequently hold degrees – and debts – from schools such as Memorial or CONA, but the private school is the name attached to their loan, as it was the last one they attended.

Burton says 82 per cent of the student body in their first year technology program of one school are previous students from Memorial.

"Students are coming in with \$30-, \$40-, [and] \$50,000 loans, and then they automatically get transferred into private college default rates, which is not fair on the industry," said Burton.

He thinks students have a privilege to choose a college or a university, and they should have the option of using a student loan for either system. Burton says the default rate numbers released should not justify de-designating a program.

"If you look at what Jack Harris is saying there, we cannot get the true numbers, because they don't have a formula to set the rate," said Burton.

"I believe that there is room in our province for a strong public system, as well as a private college system."

However, according to Harris, the education system should not be a mixed market.

"I think [de-designation] is a good start," he said. "This is not a consumer situation. This is a government policy choice. I think we've got to recognize that education is a right for students, [and] that that should be delivered, and that the best way to deliver that is through the public system."

Memorial's default numbers may be low compared to private colleges, but MUNSU VP External Thom Duggan says this is because students are able to or must go away for employment.

"I think one of the things that it shows for MUN is that a large portion of public dollars is going to the private system," he said. "They are subsidizing private colleges who are making a lot of money off [of] students' backs."

Harris thinks 15 per cent is still "a little high" for the default rate at Memorial. "If you graduate from MUN, [you] have more options, and some of those options include going away," he said.

According to Harris, access to Memorial or CONA is easier depending on your economic class. He feels students attending private colleges tend to have fewer options than others.

"I think they are being victimized, because they are being required to pay for cost, plus a profit, for some kind of an education," said Harris.

Dunne agrees with Harris. "Quite honestly, we're putting people and families in complete and utter despair, and now that the federal government has backed away with the bankruptcy insolvency act, there's nothing financial that these students can do to get out of the situation they're in."

## Private colleges – educational provider or corporate welfare recipient?

With Keith Dunne, Newfoundland and Labrador chairperson of the Canadian Federation of Students

-By Chris Dinn-

Chris Dinn: What is your opinion of private colleges?

Keith Dunne: Quite honestly, I personally, and the organization I represent, are against for-profit education. We think that education is a right and a social program, and as such, there should be no privatization in post-secondary education. The structure is only 10 years old, so this is not an old system of education. In the mid-80s, there were only three private colleges, and the reason why they exist is because of the neo-conservative agenda of the Wells and Mulroney governments in St. John's and Ottawa, and they would download education onto the private sector to cut down costs and whatnot. In the early '90s, there was millions of dollars cut in aid and training allowances to the College of the North Atlantic because they were going through [a] restructuring phase. To make a long story short, there were cuts to the public colleges that meant increased waitlists, decreased programs, and the private colleges in 1997; when the TAGS (The Atlantic Groundfish Strategy) was brought, private colleges hit their pay day. It's very clear that the only way that these organizations exist is through the backdoor money they receive from student aid and the lax regulations that surround them.

CD: I think the point you're trying to get at is that loan money should not be given to people looking for a for-profit education.

KD: Look, we aren't blaming students. We are not blaming students for the default rates, because these students are often paying three or four times as much for tuition and 85 per cent of them are dependent on student loans. So quite honestly, the way that the federation would want to see things proceed is the government take a hard look at the private college system and understand that a lot of public money is being wasted on and should be put into the public system. I'm not saying we should cut the student loan programs to these students and leave them out in the cold. We are saying that these students are being coerced into these programs under false promises of employment after graduation.

CD: I agree with for-profit education insofar as it offers students choice. I like the free market idea of being able to choose what school I would want to go to.

KD: So you would agree then to a for-profit hospital being open next to the Health Science Centre, and you would give people the option to go to the private system and pay more money. And at the same time, the taxpayers should cover that cost?

CD: Well I don't consider healthcare and education as perfectly equivalent, and that's where my position comes from. Education is connected a lot with freedom of speech and choice. In the case of healthcare, what is good for one person is good for another. If there was a procedure that a hospital could not provide a patient because of religious reasons, it should be permitted for someone to go outside the public system and get that paid for. Similarly, if I want to attend a privately owned college, I would like there to be student aid money, because the government would not be able to properly administer [it]. I [consider] medical care to be much more universal than education, which has to do with choice.

KD: The question of whether there should be choice – there are a couple of ways of looking at that. You can look at the fact that in a lot of cases, many students choosing the public system, but because of waitlists or cuts in programs, we suggest that the government go back to at least 1994 levels of funding in the public system, so that they can provide the highest quality and accessibility to education. Before 1992, you couldn't get a student loan to go to a private college, but that has changed with growing trends in the province. I think that [what] the problem is now is that the system is set up [and] that the taxpayers are left holding the bag. There is very little accountability for public funds going to students in the form of student loans going towards for-profit ventures. There is very little in the way of checks and balances. I understand this notion of choice. If a student chooses to go to a private college, that's fine, but if it's subsidized in with public dollars, there should be more public accountability. Like I was saying before, this is something that has been going on for 10 years now: default rates, lack of work in related fields, lack of security in the job place. This has all been attributed to the private colleges, and the public, through the government, has to maintain some control over this money.

CD: I think that brings up a good point. If you're going to be using public money, there should be something like a consumer protection protocol set up for these private colleges to operate. So basically, if you're going to be paying for an education, you should expect a certain level of quality, and I do support the idea of private colleges like Harvard, but I don't think that these are run with a profit-motive in mind.

KD: Well, like I [was] saying before, I think that education is a right and should be free for everyone. If you look at a dollar spent on public education, it goes to the running of the university and unionized workers. Every dollar that goes into a private college, so much is given to advertising and so much is taken out for profit. The big thing here is quality, and that's what people deserve, and that's what they get out of the public system.

**Student Group Seeks Consultations 3/12/04 (Doug Learning)**

The head of the province's Federation of Students says the prime minister should consult far more extensively with students before revamping the student loan and grant program. Keith Dunne says the prime minister should introduce a federal students grants program similar to one in this province and pump more core funding into post secondary institutions. Dunne says the prime minister has already indicated student loan limits might be increased, but while that might help in the short term, it will just lead to bigger student debt loads overall.



Keith Dunne

# Cut private funding

I read a letter in the April 11 edition of The Sunday Telegram, headlined "Student supports private and public colleges," which defended private career colleges in this province. In his article, Xiao Su suggested private colleges have a definite and appreciated role to play in educating local and foreign students like himself.

I couldn't disagree more. Despite his comparison of private and public systems to "two vehicles running in different lanes to deliver the same knowledge package to the same destination", it is very clear the systems are not partners in creating an effective education system. In fact, the systems are far from being equals.

Of the 64 private colleges operating in the late '90s, many, like the Harbinger School of Business, the paralegal institute and the infamous Career Academy, are no longer with us. In fact, only 18 remain operative. Despite the astonishing decrease, private colleges still remain a feature of the post-secondary education system.

The private college system found its legs during the years of the Clyde Wells government which, with its drastic slashing and burning of public programs, laid the foundations to legitimize a far-reaching privatization agenda.

Wells gave entrepreneurs a great opportunity to feed off the manufactured crisis in post-secondary education by allowing them to swoop in and heroically fill in the gaps in the public system, created by program cancellations and mile-long wait lists. In short, the existence of the private college system is a direct symptom of a very fundamental dysfunction — the systemic underfunding of our public education system.

By definition, private enterprises exist to turn a profit; education or career training is a subordinate objective. A substantial amount of private colleges' revenue goes to advertising and student recruiting, driving up the price of their programs which cost substantially more on a year-by-year basis than comparable public programs.

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**A substantial amount of private colleges' revenue goes to advertising and student recruiting, driving up the price of their programs which cost substantially more on a year-by-year basis than comparable public programs.**

Canada in 1997 before going belly-up in 1998, leaving several hundred students out in the cold.

On the whole, private-college training has proven to be far less beneficial to students. According to many provincial government documents, graduates from the private system have less success obtaining employment in their fields, and they make lower wages and have higher student debt loads after graduation than those from public colleges.

The business method of providing post-secondary education obviously doesn't work. With nearly a half-million

public dollars every month going to cover student loan defaults from private colleges, we need to wonder why government continues to waste taxpayers' dollars subsidizing these flawed business ventures.

We wouldn't tolerate private, for-profit health care in this province. Why do we allow private, for-profit education?

While I congratulate Su on being able to secure employment with a private college diploma, the fact is that there are thousands of disillusioned and financially crippled students who have not.

I believe private career colleges should be deemed ineligible for student loans immediately, and that any students currently in the private system should be transferred out of it. Any programs that could be made worthwhile in the public system should be taken over by it. This is the only socially and fiscally responsible decision.

It is unfortunate Premier Danny Williams and his government, while cutting \$4 million from our public university and college in this year's budget, continues to squander our money on an education model that has been failing students for years, and will only continue to do so.

### Many have closed

Despite this, private colleges typically have a much shorter lifespan than public institutions — many have gone bankrupt with no notice and left their students on the hook for the tuition fees they paid. In 1997, about 50 per cent of all college students in the province were private college attendees; today, only four per cent of them attend these colleges.

Why? A case in recent memory is the private Career Academy which was named one of the best-run businesses in

*Jessica Magalios is a fourth-year Memorial University student. Her column returns June 10.*

## A plague of plagiarists in a cut-and-paste world

By RUSSELL SMITH

Plagiarism is in the news: Journalists at august journals are coming out as fakes in droves. There is a plague of discovery going on that rivals the outing of priests as pedophiles or Toronto cops as crooks. Suddenly everyone's looking at everyone funny. Who is to know what great reporter is for real, after all the evidence of widespread make-believe?

Simultaneously, a controversy is incubating in universities, as students are beginning to protest, for various reasons, the imposition of having to submit their essays to Internet-based copy-catching software. The most popular of these programs is Turnitin.com, created by a group of researchers at the University of California, Berkeley, which reads through an essay to look for phrases that it finds repeated elsewhere on the Web; many professors won't even mark an essay until it has been vetted by Turnitin.

Students at both Ryerson and McGill have launched complaints about this practice, alleging that it is unnecessary intrusive surveillance, or that it exposes the students' own intellectual property to theft itself, or that it "creates an atmosphere of mistrust" and makes them feel like criminals, or is just not nice or something. More sophisticated objections have been raised by students who point out that Turnitin also offers a service that checks for grammar and basic structure, and that some instructors use this foreign and non-academic service as a filter to pre-grade papers before they have to mark them.

Why is plagiarism such a hot issue at the moment? The first answer is: technology. Students find instant essays over the Web, instantly transferable without even the bother of photocopying. They pay for them with credit cards. (In my day, you had to have a seedy cash transaction with a pale graduate student in his smoke-filled apartment.)

Furthermore, the crisis of funding in universities has led to classes without enough teaching assistants, so professors are eager to find quick ways of marking or at least filtering mountains of essays and investigating those that seem suspicious.

Indeed, one of the few serious arguments that have been made against the use of such Internet vetting services comes from the student unions, particularly the Canadian Federation of Students, which have been using the issue as part of their campaign for greater subsidy: The student unions want the work of vetting, grading and investigating to be done by paid people, not by anonymous (and foreign) software.

Conscientious professors should already be on the lookout for particularly poetic or incongruous turns of phrase: It is easy to type a suspicious sentence into Google, within quotation marks, and if it is stolen from somewhere on the Web, its source will instantly appear. Why can't professors just be doing this themselves?

The universities argue back that the problem of plagiarism or of simply bought essays is out of control, and that the students' indignant cries of "guilty until proven innocent" are nonsense.

An associate dean at the University of Toronto made the point, in a student newspaper, that having invigilators present during an exam doesn't imply presumed guilt either.

One of the cultural shifts that universities are trying to deal with is the current cynicism about the value of education. Many more students perceive their degrees as a professional qualification, a service for which they have paid, which will guarantee them a better job. Good marks then become more important than learning. So if you can buy an essay rather than writing it, or pay an "editing service" to correct and improve it before you hand it in, you're getting better value out of your investment. Understanding the subject is of negligible import in this game.

And there is an even larger cultural factor contributing to the crescendo of interest in and disagreement about copying. We live in an age of reference and pastiche, particularly in art and entertainment.

It is hard to explain the paramount importance of originality to people who have grown up with sampling in pop music, and movies whose humour consists of references to previous movies. It's a cut-and-paste world. Even high art -- the gallery installations and avant-garde poetry that are domain of the academy itself, indeed often produced by the same professors now teaching -- increasingly explores the notion of intertext, of homage, of parody. Was T. S. Eliot plagiarizing when he cut and pasted lines from Dante, Verlaine and the panishads into the collage that is *The Waste Land*?

The big difference here, of course, is that those samples and references are obvious. (Indeed, Eliot himself pointed them out in his meticulous and pedantic footnotes.) The parodies of TV shows in dialogue in *The Simpsons* and *Wayne's World* wouldn't be funny if we didn't instantly recognize them. We really wouldn't smile at the art of mash-up music if we didn't appreciate the genius of laying Madonna over Metallica. The whole genre depends on recognition for its effect.

The stolen paragraph in a student's essay, by contrast, is not so honest; it aims at invisibility. To say, well, this is the way of the modern world, is to refuse to try to explain the difference and to deal with a serious professional issue. The threat of Turnitin.com evaluation also serves as a deterrent: Professors who warn their classes that essays will be processed in this way often get a new batch of essays miraculously produced by the end of the week. I have nothing against it. And honestly, guys, if you're not cheating, then what do you have to worry about?

### Students Fear More Cuts 5/7/04 (Doug Learning)

The Canadian Federation of Students fears cuts at the College of the North Atlantic may be just the tip of the iceberg. The college is eliminating 35 jobs and cancelling some programs. Federation Chair Jessica Magalios fears what the Williams Government has in mind for post secondary education and she feels a policy paper on post secondary education currently in the works won't contain good news.



Meanwhile, the Liberals say the cuts at the college prove that no service or program is safe from the PC government's axe. Treasury Board Critic Anna Thistle wonders how Memorial University is going to find 2 million dollars, and whether similar cuts will be made there. Thistle says government should increase funding to post secondary institutions, not reduce it.

## **MEDIA RELEASE**

For Immediate Release  
Monday, February 2, 2004

### **Deeper Student Debt Ahead: Throne Speech**

OTTAWA—Prime Minister Paul Martin's proposal to increase student loan limits is a blueprint for increasing student debt. Increasing transfer payments for post-secondary education, reducing tuition fees, and offering needs-based grants is the most effective solution to addressing inequality access to post-secondary education, say the Canadian Federation of Students and the Fédération étudiante universitaire du Québec.

"Every time loan limits increase, universities and colleges simply hike fees, plunging students into even deeper debt," said Ian Boyko, National Chairperson of the Canadian Federation of Students. "This is equivalent to a tuition fee increase."

The student federations insist that for any new money associated with changes to the Canada Student Loan Program or the proposed grants for first year students, Quebec's fair share must be transferred directly to the Quebec financial aid system. "Quebec students do not want another Millennium Scholarship debacle," said Nicolas Brisson, President of la FEUQ.

The Canadian Federation of Students and the Fédération étudiante universitaire du Québec are also disappointed that the federal government has refused to restore the \$4 billion cut from transfer payments to the provinces for post-secondary education. This money would have allowed Quebec to increase its manoeuvring room to invest in universities and other provinces to reduce their tuition fees.

"Paul Martin has demonstrated that he is staying on the course he took as Finance Minister in Jean Chrétien's government—tax cuts for the wealthy and funding cuts for universities and colleges," insisted Boyko and Brisson.

The Fédération étudiante universitaire du Québec and the Canadian Federation of Students plan to present a common front in the upcoming federal election to make the voice of students heard.

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The Canadian Federation of Students and the Fédération étudiante universitaire du Québec combined represent over 600,000 college and university students.

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