

Student loans anyone?

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Not unlike most other

students today, you are probably concerned with how you're going to pay back your student loan after you graduate. Well, the gov-

ernment of Canada has a few ideas regarding this subject and the Canadian Federation of Students (CFS) strongly

urges that you read this article so you know exactly what you may be facing in the near future as a student, and then a graduate with more likely than not a fairly substantial debt in your name.

Income Contingent Loan Repayment Programs, or ICLR plans, have been proposed as a loan program that sets the repayment of the student loan debt with a pre-determined percentage based on an individual's annual income over a designated period of time. Support for an ICLR program was initially contemplated in 1955 by economist Milton Friedman who saw the ICLR as an excellent way to fund post-secondary education through user fees. Friedman also suggested that governments should establish an 'education market' where capital, in the form of loans, would be made available to students as individual purchasers of their education.

Many supporters of the scheme, which is designed to make repayment of student loans contingent upon one's level of income after graduation, propose it is an impartial and efficient way of offering students financial aid. However, the Canadian Federation of Students (CFS) along with numerous others including faculty associations, anti-poverty associations, labour councils, unions, and even banks condemn this so-called student aid program.

Basically, it is known that ICLR plans do not appreciate the socio-economic realities facing students today, such as huge debt loads, high unemployment, and many living at or below the poverty line. They especially do not consider those harsh realities facing women, all ethnic minority students, students with disabilities, students with parental obligations, among others. It is also known that ICLR plans take student aid responsibilities and control away from the government, which in turn causes the loss of

equity and equality. This program also transfers money from the students, governments, and families for the gain of private financial institutions.

There are several crucial factors about ICLR plans that are 'conveniently' not reported by supporters of the program.

First, the principal or the full amount of the original loan is not reduced contingent upon one's income level and must still be repaid in the full.

Secondly, Graduates with a lower level of income will be forced to take much longer to repay their loan and will therefore be paying a great deal more interest payments than those graduates with high incomes. (This fact also sheds light on the notion that some jobs are obviously 'more valuable' than others, which sends the message to students that we should all be entrepreneurs and big business owners despite our interests).

Thirdly, ICLR plans have historically gone hand in hand with the implementation of higher tuition fees.

Fourth, ICLR plans have their sights set on becoming a way to replace public funding for post-secondary education, and therefore would inevitably mean that the Canadian post-secondary system will be set up like the American-style two tiered system where those who have the means can pay more to get a higher quality education.

Workable alternatives to the ICLR plans have been proposed by such groups as the CFS and it is crucial that the students not be deceived by any claims about how 'great' the program is supposed to be.

ICLR plans will only increase the financial barriers to a post-secondary education, and therefore take away from the premise that post-secondary education, which is becoming a necessity today, should be a right for all students, and add to the idea that only a privileged few are reserved this right.

AUDITIONS

Theatre Society
Will be holding
auditions

Thursday Jan 22
To
Sunday Jan 25

Times will be posted
at the BREEZWAY



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