

# DON'T TAX 3% MY LOAN!

About half of Canadian post-secondary students depend on the Canada Student Loan Plan (CSLP) to help offset the cost of their education. **With rising tuition fees and increasing living costs, students are forced to incur greater debt loads.**

The CSLP does not meet the needs of post-secondary students and is in serious need of reform. The Federal government's solution to the student debt load crisis has been the introduction of a 3% administrative fee as a measure to "encourage responsible borrowing and deter loan defaults". In effect, this measure is nothing more than a discriminatory service tax.

## THE 3% TAX ON STUDENT LOANS

As of August 1st 1991, a 3% administrative fee will be tacked on to your student loan, so that **if you have borrowed \$5,000 you will in fact be paying interest on \$5,150.**

## WHAT THIS TAX REALLY MEANS IS . . .

Those students who can least afford the cost of a post-secondary education are being taxed for going into debt.

**What this tax really means is . . . An added barrier to post-secondary education.**

**What this tax really means is . . . The Mulroney government does not recognize the current financial barriers faced by students.**

**What this tax really means is . . . This government is not committed to a fully accessible post-secondary education.**

## THE REAL SOLUTION IS . . .

The real solution to the student debt load crisis is **a national system of grants, not loans!**

**The Canadian Federation of Students wants the proposed 3% tax on student loans withdrawn immediately.**

The Federation has called for a meeting of the National Advisory Group on Student Financial Assistance with the goal of reviewing the CSLP and implementing such reforms as an extension of the Interest Relief Programme.

## EDUCATION IS A RIGHT NOT A PRIVILEGE

For more information on the Federation and its activities on the issue of student aid, contact your local student association.

