

Bankruptcy challenge on

Student aims to overturn law

By **RUTHANNE
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St-Paul's University graduate Annick Chenier took the first step last week in a "journey to freedom" — by filing for bankruptcy.

The second step will come nine months from now, when the 29-year-old will seek discharge of that bankruptcy on the grounds that the Bankruptcy and Insolvency Act discriminates against students.

In its February 1998 budget, the federal government amended the act's two-year waiting period to 10 years for former students seeking bankruptcy protection because of their student loan debt load.

At a press conference yesterday, Chenier, a psychotherapist, said while she has been granted \$11,000 worth of debt forgiveness from the Ontario Student Assistance Program, her debt is still overburdening.

After all, her monthly student loan payment is \$631, about 34% of her take-home salary.

"What upsets me is that I am being discriminated against because I had to borrow money to pay for my education," she explains.

"Life is difficult enough as it is for people in my generation. To be further shackled with overburdening debtloads causes even greater emotional distress."

Chenier's lawyers are preparing a challenge based on the argument that sections of the act are unconstitutional, violating the equality provisions of the Charter of Rights and Freedoms.

The act "discriminates against students as a class of individuals," said Todd Burke of Gowling, Strathy & Henderson.

"Treating young people in such a discriminatory fashion creates classes of debtors in this country. Student debt should be treated in the same manner as any other form of debt."

Elizabeth Carlyle, national chairwoman of the Canadian Federation of Students, said only about 1% of student loan holders worldwide declare bankruptcy.

"Under the old rules, there was no stampede by former students to declare bankruptcy," she said. "There's no reason to believe there would be now."

The federation, representing more than 400,000 students across Canada, will offer Chenier "every support we can during this campaign, to the best of our resources," Carlyle said.