

nues ought not be so fixed as to be unaffected by levels of performance. An attempt must be made to reconcile financial security with the provision of rewards for excellence. On the one hand it must be recognized that universities have large needs and that penury will drive universities to mediocrity or worse. On the other hand, it is well to remember that money alone will not ensure excellence. Universities are not immune to shoddiness, any more than other institutions are; and it is salutary for them to have a financial stake in enhancing their reputations. When high standards in teaching and research cannot ease financial strangulation and when lagging performance will incur no financial penalty, the university becomes prey to fatalism, declining morale, and the tolerance of inanition in its professional staff.

These dangers are particularly acute in the existing conjuncture of events in Canada. Canadian universities, as they move into the 1980s will find it increasingly difficult to think in terms of anything but survival. This is partly because in most provinces their incomes, if discounted for inflation, have been dropping for some years and may well continue to do so. But the reasons will be by no means uniquely financial. They will pertain also to falling student numbers and the attendant incapacity to hire new staff. It will be increasingly difficult for them to obtain an infusion of talent, ambition and idealism. Universities face a lengthy period of retrenchment or contraction; and it is important that the design of new funding arrangements should not exacerbate the problems and dangers which are equally the legacy of rapid growth during the 1960s and the anticipated result of no-growth or shrinkage in the next two decades or so. Changes in funding practices for Canadian universities must take account of the difficulties faced by and within the universities at this juncture in their history. Financial arrangements must be such as to encourage internal change and self-renewal, and constant adaptability to the needs of scholarship as well as to the needs of the society which sustains them and which they serve.¹⁷

Although Professor Leslie's comments relate to universities, the Task Force believes that other post-secondary institutions are facing difficulties of the same order. This seems likely to be particularly true for community colleges in their attempts to respond to Canada's immediate and future requirements for skilled technicians in a rapidly changing high technology economy.

Mechanisms for Review and Co-ordination Several groups from the post-secondary sector proposed a public inquiry or royal commission on higher education in Canada. We appreciate the concerns that underlie this proposal—concerns about the

absence of a national approach to post-secondary education and of sufficiently concerted efforts by governments and others involved. However, we believe that the higher education issues facing the country are more likely to be handled satisfactorily through the political process, where solutions can emerge in the context of the realities of the current economic situation, Canada's needs for highly skilled manpower and provincial responsibility for education and post-secondary institutions.

There is widespread agreement that for the rest of the 1980s, the Canadian post-secondary education system will face very difficult problems of adjustment to enrolment changes and shifting demands for the intellectual resources and highly-qualified people to serve the needs of Canadian society. In addition, the country as a whole has interests and purposes that can only be satisfied through vibrant, intellectually active and concerned institutions, their faculties and students. *The Task Force appreciates fully, however, that because education is under provincial jurisdiction, responsibility for coping with change and effectively serving broad Canadian interests must rest with the provinces and their institutions. Therefore, we believe that there should be an effective consultation mechanism to ensure concerted efforts by all concerned to establish and attain the goals that are of mutual interest to both orders of government.*

This necessity was accepted at the conclusion of the 1976 First Ministers' Conference, where it was agreed that the Council of Ministers of Education, Canada (CMEC) and the Secretary of State would meet regularly to discuss questions of mutual interest. It is apparent that this arrangement has not become fully operational, and failure to achieve this goal has tended to undermine the rationale for the commitment of the federal government to continue to provide general support to the provinces for higher education.

It is our hope that this forum can still be made to serve the purpose foreseen for it in 1976, and we urge both orders of government to make a determined effort in this regard. The provincial and federal ministers involved should be able to make a valuable contribution by defining national objectives and by ensuring the harmonization of related activities by both orders of government. *The Task Force therefore recommends that*