

Discussions on the aircraft may or may not proceed. Those questions will need to be asked and answered in the future.

REPORTS ON RECORD OF VARIOUS COUNTRIES COMPILED BY
FOREIGN AFFAIRS DEPARTMENT—GOVERNMENT POLICY

Hon. Noël A. Kinsella: Honourable senators, if I recall correctly, the Red Book made another promise, to the effect that reports on various countries would be prepared by officials in the Department of Foreign Affairs pertaining to the human rights records of those countries and that those reports would be tabled in Parliament. If that promise were kept, then, based on the technical data which such reports should contain, our ability to ask intelligent questions would be much improved.

Can the Leader of the Government in the Senate advise this chamber whether that remains government policy? If it is, then when might we expect to receive those country reports? Finally, is Turkey in that report this year?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I will speak to my colleague the Minister of Foreign Affairs and try to get specific answers to your questions.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, I have two delayed answers. One is in response to a question raised on February 14, 1995, by the Honourable Senator Brenda J. Robertson regarding regional development, application of similar rules in all provinces. The second response is to a question raised in the Senate on November 17, 1994, by the Honourable Senator Ethel Cochrane regarding post-secondary education.

REGIONAL DEVELOPMENT

APPLICATION OF SIMILAR RULES IN ALL
PROVINCES—GOVERNMENT POSITION

(Response to question raised by Hon. Brenda J. Robertson on February 14, 1995)

Effective April 1, 1995, FedNor business incentives will focus on repayable loans as opposed to grants.

FedNor's new policy on repayability of contributions is consistent with the policies of the other Regional Development Agencies and the direction announced in the recent federal budget.

FedNor's financial assistance and business services will continue to focus on the needs of small and medium-sized enterprises. Non-funded client services and service standards will receive increased emphasis.

POST-SECONDARY EDUCATION

GROWTH IN REVENUE FROM EPF TRANSFERS TAX POINTS—
POSSIBILITY OF TRANSFER TO INSTITUTIONS

(Response to question raised by Hon. Ethel Cochrane on November 17, 1994)

The Established Programs Financing Arrangements were introduced in 1977 to replace previous federal-provincial cost-sharing arrangements for health and post-secondary education.

The funding of post-secondary institutions is strictly a provincial responsibility, and the post-secondary education portion of the EPF transfers has always been unconditional. Thus provinces can allocate the resources to PSE or other responsibilities according to their own priorities.

Nevertheless, the data show that all provinces spend more on post-secondary education than they receive in EPF-PSE from the federal government.

EPF-PSE transfers consist of tax and cash components. The tax transfer represents the current equalized value of a certain number of personal and corporate tax points ceded by the federal government some years ago.

In the current year, the value of the total EPF-PSE transfer is estimated to be \$6.18 billion, of which \$3.80 billion is in the form of tax transfers and \$2.38 billion is in the form of cash.

Details of current EPF-PSE cash and tax transfers for the four Atlantic Provinces are attached, along with projections for 1995-96.

As announced in the Budget, transfers in support of health, PSE and social assistance (the Canada Assistance Plan) will, as of 1996-97, be consolidated into a single Canada Social Transfer (CST), thus enhancing the flexibility with which provinces can utilize the available resources.

Later this year, the Minister of Human Resources Development will work with provinces to develop, through mutual consent, principles and objectives that could underlie the CST.

In 1996-97, the value of the Canada Social Transfer will total \$26.9 billion including an estimated \$14.1 billion in tax transfers. For 1997-98, the CST will total \$25.1 billion, of which an estimated \$14.7 billion will be in the form of tax transfers. No figures have been provided beyond 1997-98.

For 1996-97, provincial allocations for the CST will be based on the 1995-96 distribution of EPF and CAP transfers. Amounts for the Atlantic Provinces are attached. CST allocations for future years will be determined at a later date, following consultations with provinces.