

*Federal Transfers to Provinces*

Under such a climate, which is properly assessed in this article, post-secondary institutions cannot function. The article goes on:

The federal government encouraged the provinces, through shared funding, to expand the country's system of colleges and universities. If it wants to change the rules, it should do so through negotiation and consensus. Mr. Trudeau's notion of a new and unyielding federalism will do neither side any good.

I guess, Mr. Speaker, I am concerned with perhaps every aspect of our economy which will alter the future of young people, middle-aged people, and the security of the senior people of this nation. We have a problem: any cutback in post-secondary education assistance by this government is going to exacerbate the existing problems, particularly with respect to requirements of high technology. This is a subject which the Minister of Finance and other ministers have belaboured for quite some time. This was to be the future of Canada. Yet today we read in two different papers that Canada may need to bring in up to 25,000 high technology specialists for operations for which we do not have trained people. Is this the time then to suggest to the provinces, the universities and the people of Canada that there should be any reduction whatsoever in the federal contribution to post-secondary education, whether it be a community college, a vocational school, college or post-college? Surely not, Mr. Speaker, at a time when we might need 25,000 specialists if our economy takes the turn we hope it will take. May I call it six o'clock, Mr. Speaker?

**Mr. Deputy Speaker:** It being six o'clock I do now leave the chair until eight o'clock this evening.

At 6 p.m. the House took recess.

**AFTER RECESS**

The House resumed at 8 p.m.

**The Acting Speaker (Mr. Ethier):** Order, please. When the House rose at six o'clock, the hon. member for Carleton-Charlotte (Mr. McCain) had the floor.

**Mr. McCain:** Mr. Speaker, I mentioned that high technology, as the future employer, developer and economic base for Canada, will be most damaged by any cutback of federal funds directed to college education or community college education of those who will be engaged in that industry. There has perhaps never been such a need for recognition that research is necessary to make possible a valley in Canada such as "Silicone Valley" in California where chips are made. In Canada we have the expertise. Around the city of Ottawa, we have some of the leadership, entrepreneurship and general capability to put that into shape. We have the training capability in our colleges and community colleges. If there was ever the need for this to be accelerated, not braked, it is now. The hue and cry from the college crew which is working on this subject matter is that they do not have the amount of money necessary to give this skill, this science, the attention which it presently needs. In the present economic climate in Canada, we are losing to those who will pay more, the minds which could develop Canada as the "Silicone Valley" was developed outside of Stanford University.

This budget and the federal-provincial agreement will deter the development of the very high technology aspect of our society which was so highly played up in the budget presentation and in speeches which followed. We are here negating the principal thrust in the fields of education, science, development and employment. However, there is nothing new about this. As early as 1973, it was my pleasure to be at Guelph University where I had dinner with some of the professors who were very anxious to see graduate work undertaken at Guelph on a larger scale. However, it was not taking place as they wished, and they said, "We have to encourage our students to go to schools outside of Canada to get their post-graduate education. We have not been extended the privilege of doing agricultural research which will encourage a student to get the base he requires in his agricultural education. We do not have the salary, the capability or the research opportunity to attract people". As a result, those faculty members were advising people in 1973 that there was too little research and the pay was too low. They said that Canada was not interested in agriculture. We had a brain drain in the agricultural field. Now those brains in the high technology field will join those brains in the agriculture field, and too many will depart from our presence in Canada at a time when we can least afford it. These are some of the consequences.

I cannot understand why the Secretary of State of Canada, (Mr. Regan) a former premier in the province of Nova Scotia, would give his okay as a cabinet minister to any federal-provincial agreement which will reduce the moneys available for colleges anywhere in Canada, but particularly in the province of Nova Scotia. I cannot understand how that Secretary of State could have so little understanding and knowledge of the educational needs of the Atlantic provinces, having been a premier. I accuse that man of turning his back on the educational needs of Atlantic Canada, in general, and of the province of Nova Scotia, in particular. This is a very serious situation. Few men have had the privilege of coming to the House of Commons with the knowledge possessed by the present Secretary of State concerning the demands and the needs. Few men understand how many people from outside Atlantic Canada, and particularly from outside Nova Scotia, are educated in those universities in the Atlantic area of Canada. Yet they are to be shortchanged by the ultimatum from the Government of Canada while he is the Secretary of State and responsible for that particular item.

• (2010)

Let us go a little further in what the provinces' needs are going to be. The provinces' needs are going to multiply in the particular economic climate in which we find ourselves. For instance, we found that in early 1980-81 corporate profits were declining by 13.5 per cent and unemployment was going up. Is it correct, as has been stated in the press, that in the first quarter of 1982 corporate profits are down 31 per cent from those of a year earlier? Is that correct? If it is not, it is correct in round figures. It is in that climate we now have budget