

Established Programs Financing

ments slash their expenditures, especially the federal Government, one can be sure that the entire educational system suffers. Nor can the slack be picked up elsewhere. There is only so much room for cost cutting. As a result of seven consecutive years in which governments' operating grants per full-time student have declined in constant dollar terms, universities have not only cut their expenditures to the bone, they have also had to cut the bone itself.

In my own region, the maritime provinces, governments are expecting the universities to manage this year with grants of which the actual value after allowing for inflation is 30 per cent less on a per student basis than it was in 1976-77. Approximately 60 per cent of the incomes for the governments of the maritime provinces is derived from the federal Government, so clearly the source of the problem rests at the federal level. Nowhere is the problem more evident than in the area of Established Programs Financing for post-secondary education, the very subject we are debating today.

Let us not make any mistake about it, the debate is not merely over a matter of numbers and statistics. At the heart of the problem is the future of a whole generation of Canadians. The federal Government, by imposing narrow-minded restraint in this area of public policy, is compromising the quality of education and training available to our young people. For example, in my Province of Prince Edward Island where I am most familiar with the problem, government funding at the University of Prince Edward Island in 1980-81 amounted to \$5,638 per full-time student. That is reduced to only \$4,386 in 1983-84 which is a very substantial drop. It is true that those figures have been adjusted to the national Consumer Price Index, but the fact is that university expenditures have been rising at a much faster rate than the CPI in general, especially in such cost-intensive areas as scientific laboratories, supplies and staff salaries, with the aging professoriate.

At a time when per full-time student grants are being slashed by approximately \$1,100 in real terms, student enrolment is actually increasing throughout the Maritimes by about 25 per cent. Therefore, universities are being required to do more with less. Enrolment in the maritime provinces skyrocketed from 30,473 in the 1979-80 academic year to 38,170 in the 1983-84 academic year.

The result of this underfunding is that the quality of education is fast deteriorating. The University of Prince Edward Island is no longer hiring new staff though there is a serious need for staff in several areas. In fact, the overall staff has been reduced in recent years. In the face of such staff shortages, classes must be made bigger and students have been given less access to the personal counselling that is so important to a quality education.

The same applies not only to teaching staff but to resource and support staff as well. A case in point is the library staff which has been slashed from 32 to 23 full-time personnel since 1974-75. The library is forced to reduce substantially its purchases of volumes. Given the fact that the library is the heart of any university, the resource and information centre of the university, one can see the profound effect this is having on

the quality of education. But in Prince Edward Island, the University of Prince Edward Island library is not only the heart of the university, it is the major knowledge, information and resource centre for the entire province.

A parallel funding crunch is being faced by other sectors of the University of Prince Edward Island and other maritime universities. The crunch of reduced funding in biology and other fields is having a profound and lasting effect on the quality of education available to each student.

The universities in the Maritimes have calculated that from 1976-1977 to 1981-1982, they needed an increase in government funding in the range of 71 per cent merely to maintain services and the level of education that they were offering. Instead, during that same period they received only approximately 50 per cent more. This year they will require about a 12 per cent increase just to stay where they are, much less to improve the quality of education in light of the knowledge explosion and manpower requirements. The legislation under debate now will restrict increases in federal contributions to 6 per cent.

To their credit, the maritime provincial governments are coughing up an increase of approximately 7.3 per cent to help pick up the slack. But those governments are badly strapped; they are not in a position to make up the total difference in the face of the restraint which is being imposed on higher education spending under this Bill.

• (1240)

In conclusion, I denounce the Government for paying lip service to restraint. To the extent that it is exercising restraint, it is doing it on the backs of young people who require a quality education in this increasingly competitive world.

Ms. Mitchell: Did you vote for the six and five?

Mr. McMillan: No, I did not.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I would like to make a few comments with respect to Bill C-12. It is another Bill which amends the Federal-Provincial Fiscal Arrangements and Established Programs Financing Act, 1977. However, it must be viewed in the context of federal fiscal transfers of moneys which have continued from Confederation. In itself it is a topic of incredible interest and great fascination for people who take the time to review the history of these transfers.

Canada is a federation with a split jurisdiction. It is also split in terms of population density and in terms of resources. The fiscal strength of each province is substantially different because of resources which might be hot at one point in history but cool at another. If we look at the history of cash flows, we see in the early days that an enormous amount of money flowed in from the Atlantic region; then a tremendous amount flowed in from Ontario; and, more recently, an enormous amount has been flowing in from the west. While regions might be net contributors to the nation at one time, often at some point they have to receive funds. Surely that is the