

Established Programs Financing

\$91.8 million under the Bill. Without the Bill it would have received \$94.5 million, a decrease of \$2.7 million.

We are talking millions of dollars. Nova Scotia will receive \$4.1 million less, which will be off budgets that have already been pared to the bone. We know that in that area, the salary level of teachers is not the highest in the land. On the other side of the coin, because of the unfortunate circumstances they cannot take up the slack of these millions of dollars by increasing fees. Unfortunately, the fees in the Maritimes are already the highest in the land. Therefore, the maritime universities get a double whammy.

There is another facet to this equation. We all know that the magic phrase "research and development" is essential to a technological nation in the 20th century. Unless there are dollars going for research and development, we will be faced with atrophy and begin to starve. Even before the advent of Bill C-12, because of the size of many institutions of higher learning, too much was concentrated in too few universities outside of Atlantic Canada. If you cut back on the base in the Maritimes, you also cut back on the potential for increasing the minimal research and development already taking place. To have this happen, with no logical reason for applying six and five arbitrarily across the country, leaves much to be desired.

● (1125)

For a brief time the Pearson Government recognized the historical position of the Maritime universities which educated so many out-of-province students. Given the net inflow and outflow of students, the Maritimes ends up on the wrong side. I am not against students from Ontario, Quebec and the west coming to maritime universities. It was recognized in many briefs to previous Cabinets that there should have been a factor built into the formula to make sure that the maritime universities got a little higher percentage because they educated so many students from outside of the region.

There is also the historic reality that unfortunately so many students who graduated from the maritime region had to leave to find employment and help develop other parts of the country which did not have to pay the cost of their education. There was a very brief moment of sunshine in Mr. Pearson's Government when I and some of my colleagues sold the message, that of the \$5 per capita grant. Some 70 cents was to go to the maritime institutions in recognition of the fact that those institutions welcomed students from other parts of the country with open arms.

I could make a speech on regional development alone, Mr. Speaker. Every government has tried to develop industrial programs and an industrial strategy. Well, you do not do these things in a vacuum. The reality in Atlantic Canada, because of our restricted resource base and until we develop the sea and its resources, which has been historically slow to come, is that we have had the service industry take up some of the slack

because of a lack of great industrial growth. In this way post-secondary institutions have been a real industry in the Maritimes. In my home town Acadia University is the biggest employer. The ripple effect from these institutions is out of all proportion to the dollars involved. That is why it is so important that millions here and millions there are not chopped off.

I only have a couple of minutes left, Mr. Speaker, and it is almost impossible to make that point in that time. This situation is not the fault of Bill C-12, I guess. It is the fact that we ever brought in the Established Programs Financing Act back in 1977. It goes back even further than that, to the day when there was a change from the per capita grant per student administered by universities to, in effect, an unconditional transfer of tax points to the provinces.

My time is too short really to develop this point in my remarks, but I guess we should not be surprised that we had this Act in 1977, or even that Mr. Pearson in October, 1966 made this conversion from per capita grants to unconditional transfers. In the government of that day, I think the Prime Minister's Parliamentary Secretary was the Hon. Member for Mount Royal. I would recommend that everyone read his treatise on federal financing to universities written in 1957. In his dialectical musings he found himself in the same bed with his arch-enemy, Duplessis, tearing strips off the then Prime Minister, Mr. St. Laurent. I cannot read the article to you, Mr. Speaker, but you will find it at page 82 and in 14 more interesting, musing pages of *Federalism and the French Canadians*. The author was totally against post-secondary education at that time and I can only conclude that if that is the case we would never have had medicare.

● (1130)

I want to ask the House why we cannot go back to the fundamentals in Bill C-12 since it is a stop-gap operation for two years. Unless the government of the day—and, we hope, a new government—accepts the challenge of post-secondary education now in the technological age, as the then Liberal Government did after World War II, to move into the vacuum, to give leadership in a field that needs it, then our young people are going to be poorly served by this House.

Mr. Deputy Speaker: Questions or comments? Debate. The Hon. Member for Dauphin-Swan River (Mr. Lewycky).

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, it gives me great pleasure to speak on Bill C-12, an Act to amend the Federal-Provincial Fiscal Arrangements and Established Programs Financing Act, 1977 or, as it is renamed, a Bill that deals with federal post-secondary education and health contributions.

I should like to bring a Manitoba perspective to this debate regarding the negative impact that introducing the Bill will have there at this time. I know the situation has been observed by previous speakers but I would reiterate that it seems rather