

Supply—Finance

a very dangerous principle. Indeed, if those grants are interpreted in this way, why then should federal assistance be limited or restricted to universities? Why not give additional help to the provinces by offering federal grants to secondary and primary education or to secondary and primary schools? As can readily be seen, as soon as university grants are interpreted as a financial contribution to the provinces, there is then no valid reason to stop there and to refuse federal assistance to the other levels of teaching institutions. The Minister of Finance may not have fully realized the dangerous interpretation of the statement or the table which was placed on *Hansard*, and also the dangerous implications of the interpretation which he gave to university grants in his budget speech. He has opened the way for federal assistance to all levels of education in Canada, and I hope that he will find it possible today to clarify his position in that respect.

As far as I am concerned, and I am sure not to be the only one on this side of the house to find myself in this position, I cannot accept that interpretation of federal grants to universities. I cannot accept that interpretation because it would justify federal assistance to secondary and primary schools. I want to make it very clear that I am and always will be strongly opposed to such federal grants. The attitude of the Liberal party concerning university grants is very clear and it has been consistent all along the line, not only from the time the formula submitted by Mr. St. Laurent was established, but earlier. We do not say in Quebec that the grants are unconstitutional and in the rest of Canada that they will be continued and increased. Since they were established in 1951 we have always said that such grants were constitutional.

I do not intend to discuss the issue here; I merely want to say to those who sincerely, I am sure, claim that those grants constitute a violation of our constitution that they have only one honourable course to follow, and it is this. They must state their opposition to this budgetary item in most vigorous terms. They must vote against it and they must use every means at their disposal, including a reference to the courts, in order to stop that violation. There is no acceptable alternative available to them if they want to be consistent and to safeguard their honour. They cannot claim that those grants are violating the constitution and at the same time vote for them because nine provinces want them.

However, the Liberal party has never viewed university grants as a federal contribution to the provinces. This system of

grants was established as a direct compensation to Canadian universities for the national and international role that they are called upon to play and which greatly benefits the nation as a whole and the federal government itself. This has been and should remain the sole purpose of federal aid to universities, which is to compensate them for the national and international role they exercise and to enable them to fulfil the essential functions in a more efficient manner.

It is most important, it seems to me, to keep this national purpose in mind because it imposes three definite features of federal action in this general field. In the first place it indicates that federal grants to universities should remain a supplement in university budgets compared with provincial grants, because the main function of universities is exercised at the regional and provincial levels. In the second place, while university grants serve a specific national purpose, there is no such specific purpose to justify federal grants to secondary and primary schools. In the third place, there would be no guarantee that this national purpose—that is, the financial compensation for the national and international role of universities—would be served if additional unconditional subsidies were given to provincial governments in lieu of federal grants to universities.

It is quite evident that federal aid to universities is still an unsolved issue in the province of Quebec and that we should all try to find an acceptable solution. By the end of 1959 the national conference of Canadian universities will hold in trust for Quebec universities the large sum of \$24 million, or approximately that amount. This is a very important and impressive sum indeed, and while Quebec universities have not yet lost that financial assistance, they have not been able to use that money and their progress and development has been hampered on account of that as well as being delayed. This is, therefore, a very important issue.

In attempting to find a solution, however, we should remember the three features that I mentioned a moment ago and which any federal scheme of assistance in this field should retain in order to preserve the national or dominion purpose which was at the origin of that program.

By the way, the hon. member for Quebec South, in an interview reported by the *Montreal Gazette* of September 9, 1958 recognized this dominion purpose and the national role played by universities when he said:

However, Quebec universities, as all other institutions of advanced learning must each year