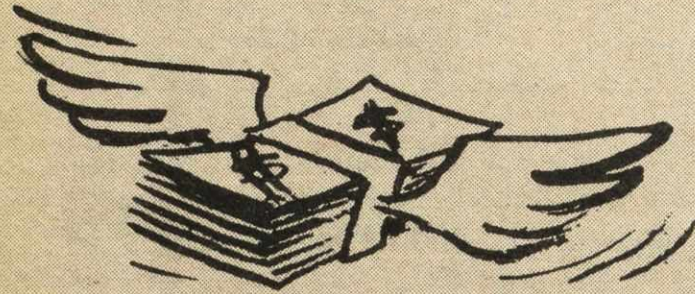


STUDENTS GET SCREWED



Liberal arts out; technical fields in

OTTAWA (CUP) -- Federal funding to post secondary education should shift toward vocational and technical programs with higher employment offerings, according to a confidential Parliamentary study supported by Immigration and Employment Minister Lloyd Axworthy.

Axworthy met September 15 with student representatives to discuss the overall organization of post-secondary education by the Federal Government. John Doherty, executive officer of the National Union of Students, said Axworthy and the Federal Government feel too many students are studying in fields with dismal job prospects after graduation, mainly in general and social sciences disciplines. The trend leaves fewer students in the trades and technology programs needed to sustain the economy.

Axworthy maintained the government would "take away emphasis from traditional trades, and gear it toward trades in Newfoundland and Alberta," said Doherty. Both provinces offer employment in the exploitation of natural resources.

A confidential study, leaked to NDP MP David Orlikow, suggests that "the overall size of the post-secondary sector should be contracted somewhat, and ... resources should be modestly re-allocated from education, general arts, science and social work, to engineering, business economics and technology."

The study, titled "Labour Market Policies in the 80's", maintains that Ottawa's principal interest in funding the post-secondary sector is to produce skilled "labour force entrants". It says some of the money now directed to universities should go to vocational and technical training, but no specific amounts are proposed.

The Axworthy meeting included discussions of proposed federal cuts of \$220 million in the Unemployment Insurance program. According to Doherty, the minister hinted at longer qualification periods for unemployment benefits. Atlantic students, for example, who now require 10 weeks of work before becoming eligible for benefits, could soon need 15 weeks to qualify.

"Students who can hold a job for that long are lucky," said Janet Mrenica, who represented Le Regroupement des Associations des Etudiants Universitaires (RAEU) at the meeting. Axworthy's plans, they said, would nudge people into fields with high employment, rather than being intermittently employed in the fields of their choice.

Doherty said the student leaders had concern for the current federal job creation program, for students and youth. The government currently spends \$200 million annually on summer job projects, and wishes to refocus the direction of the funds.

"When the federal government talks about refocusing," said Doherty, "they are really talking about cutbacks."

The government study suggests that "student fees should probably constitute a much greater proportion of revenue for the institutions than they do now," and claims that tuition hikes should be accompanied by an expanded student loan program.

Axworthy agrees, according to Doherty. "Students will be faced with higher tuition fees if Axworthy's scheme goes forward."

Both Mrenica and Doherty attacked government proposals that, they said, would limit accessibility to post-secondary education. By undercutting the ways students can go to school and increasing loan programs, instead of introducing grants, "it will be a lot harder for women, native people, and students to go to school," said Mrenica.

Axworthy is "going through the motions" of consulting various social interest groups on the shift in funding and job creation, said Doherty. "But he was not very interested."

More consultation with other groups will be necessary, said Mrenica, "especially when just nine groups were present at the meeting. That isn't enough."

Government policy on the funding shifts will be finalized later this month. Any changes must be passed by the House of Commons by the spring of 1982, since the pertinent acts expire at that time.

The reorganization would be linked with negotiations of the Established Programs Financing Act, which the government is proposing to trim by \$1.6 billion. The funding agreement transfers \$22 billion each year to the provinces for health and post-secondary education programs. The existing scheme ends next spring.

by Cathy McDonald

Finance Minister Allan MacEachen said in February, 1980, that he intends to save \$1.5 billion from funds for health care and post secondary education in 1982/83 and 1982/84.

As a result, tuition could tri-

ple in two to three years.

The impetus behind the proposed cuts is an attempt to reduce the federal \$14 billion deficit.

Mike MacNeil, Chairperson of

the National Union of Students (NUS), said the decision to cut will be made this October when the federal budget comes down. Although the agreement to transfer funds to the provinces

is not open for change until April 1982, he believed the decision to cut funding when April rolls around will be made shortly.

"We don't have God's will of a chance to stop it if it gets to Parliament" he said. The student

marches are therefore taking place now, before the budget decisions are made.

"Students have to show support across the country. The cuts concern us the most," MacNeil said.

Although the federal transfer funds cover medicare, hospital insurance and post secondary education, the indications are

strong that most, if not all, of the cuts will be made to education. Monique Begin, Minister of Health and Welfare, said that major cuts would be to the "elitist" PSE system. She said in a CBC interview last November that PSE "is a candidate for savings..." She made assurances that significant reductions in the health care component of EPF would not be made.

A \$1.5 billion cut represents 43 percent of federal funds for post-secondary education.

A parliamentary task force established to review MacEachen's proposal was highly critical. The Special Committee on the Federal-provincial Fiscal Arrangements reported on August 31 that the social programs supported by federal

funds were too important to be cut by any amount.

While some people are relieved to hear this and are confident that the report will have a major effect on the government's decision, others are more skeptical, namely students.

MacNeil said the task force was merely a smoke screen to pacify public protest while the government continues towards its original goals. Perhaps it is best put by MacEachen himself addressing the task force,

"It would be really not much of interest to me to have a whole array of proposals that are not related to the expenditure pattern that I have laid down and intend to follow."

MacEachen told the task force

that the transfers to the provinces has grown over the years, representing an increase in the strength and political leverage of the provinces vis a vis the federal government. MacEachen therefore wants to strive for a "more satisfactory" political and fiscal balance between the two orders of governments, and wants more "accountability and visibility" for the federal government's funding of necessary social programs.

Dalhousie President Andrew MacKay said that universities are "very concerned" at the prospect of reduced funding. The prospect is very real, and politicians would probably follow Begin's statement to make the major cuts in education, he said.

However, MacKay was hopeful that the cuts would not be as serious as projected.

"I'm a great optimist," he said. "People aren't prepared to see universities wither on the vine."

The federal proposals to reduce transfer funds would have an ordinate effect, especially on Atlantic universities, according to MacKay. While the proposal is to allocate more funds to science, technical and business education, this is an area where the Atlantic is weak and would not receive as much funds as other provinces.

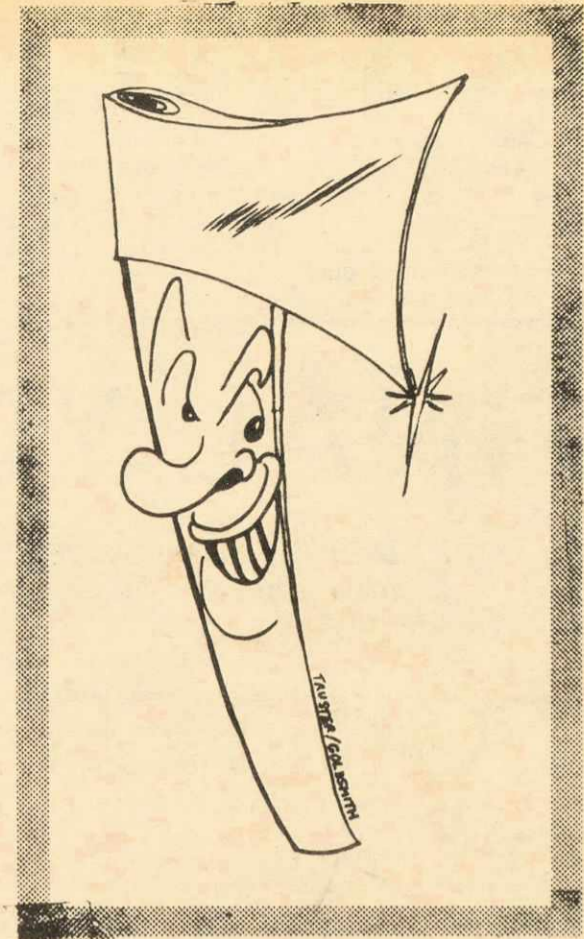
In the case of major cuts, Dalhousie would attempt to find other sources of funding, and some of the burden would ultimately shift to the students in increased tuition fees, said

MacKay.

Dr. Catherine Wallace, Chairperson of the Maritime Provinces Higher Education Commission, would not comment on the possibility of the proposed cuts. She said the mandate of the MPHEC is only to make recommendations as to the financial needs of institutions.

A statement from the Nova Scotia Ministry of Education was not available at press time.

Concurrent with the proposal to cut funds for post secondary education is a desire to encourage student enrollment in technical fields, such as science and engineering, by re-allocating funds. From the federal point of view, this has the advantage of aiding the Canadian economy where expertise is needed.



What the hell is EPF?

sorens in federal/provincial disputes, competing with the constitution and energy talks, it's the Established Programs Financing (EPF) arrangements. But these words don't mean anything. They're long, non-

descriptive and totally miss the point. We're talking big money, and we're talking money in our STUDENTS' POCKETS.

So, please bear with me or my effort will have been in vain. Your ability to analyse, to

understand, to see the light and maybe even to argue intelligently will have been increased tenfold after a brief perusal of the following description of what the hell EPF is.

At one time the feds funded

health and post-secondary education programs on a 50-50 basis with the provinces. What they spent depended on what the provinces spent.

However, this arrangement was found unsatisfactory in a number of ways. For one thing the feds lacked control over their own budget. For another, the poorer provinces tended to lose out on this deal. Also the provinces wanted more control over how they allocated funds among the various programs.

Mike McNeil, Chairperson of the National Union of Students, (NUS) gives this description of EPF: While the formula for calculating the amount of money transferred to the provinces is complex, the principles are simple. There are two basic components of the transfer, cash grants and tax transfers. When EPF came into existence, the federal government gave the provinces "taxing room". This taxing power is permanently transferred to the provinces. The second form of the transfer, the cash grants, depend for their level each year on the growth of the Gross National Product. For provinces which fall below the national average,

they receive additional money to bring them into line with the national average.

EPF supplements the provincial funding for what is deemed to be programs of national importance. The federal government has an interest in the quality of health care and post-secondary education. (PSE). Constitutionally however, PSE is a provincial domain. Therefore EPF is designed so that the provinces obtain funds, but retain the ability to allocate money as they see fit. The feds presently fund 76% of PSE.

Herein lies the dispute. The feds say this lack of accountability for every dollar spent has to change, and argue that since PSE is under provincial authority, the provinces should take more of the financial responsibility. This is therefore an area where the feds want to cut back billions to help trim their \$14 billion deficit.

20 Answers

by John Logan, Student Union President

1. Tuition makes up approximately 10% of Dalhousie University's annual operating budget.
2. Government grants make up about 70% of Dalhousie University's annual operating budget.
3. The provincial government is constitutionally responsible for funding post-secondary education.
4. The federal government is not.
5. Presently, the federal government provides the provinces with money to fund post-secondary education. They do this through a program called Established Programs Financing (EPF).
6. The provincial government has a budget problem.
7. The federal government has (a) a desire that vocational and technical programs in Canada be funded to a greater extent and (b) a budget problem.
8. If EPF payments stay the same and the federal government redirects large amounts of the existing money to vocational and technical programs, then there will necessarily be a massive cut in funding to liberal arts programs. This would mean a very large decrease in funding to Dalhousie.
9. Thinking politicians cut back where they can do so without receiving too much "flak".
10. To politicians, "flak" means (a) votes for another party and (b) bad press.
11. Students traditionally do not give politicians much "flak".
12. Consequently, the federal government has suggested cutting back grants to the provinces to fund education (EPF) by 1.5 billion dollars.
13. The provincial government has no money to kick in.
14. If the university, which already has a very significant operating deficit, is faced with such drastic cuts (up to 40% of the total government grant in Nova Scotia), then they would be forced to cut down on expenses (programs, faculty and staff, etc. ...) and increase revenues (tuition, etc. ...).
15. Tuition could triple over the next two or three years.
16. The more tuition increases, the more difficult it becomes for anyone but the very well-off to attend university.
17. The richest students are not necessarily the most intelligent.
18. Do you want your children to have the opportunity to attend university?
19. Should you need an operation, would you prefer to have the brightest possible surgeon perform it, or the surgeon who could afford the tuition? Be at the Rally, September 30.

