

Table V-3 (cont'd)*

Federal Share of Funding of Post-Secondary Education Operating Costs
(current \$ thousands)

Federal Transfers to Provinces and Institutions	1967/68	1976/77	1977/78	1980/81	1981/82 ⁽¹⁾
<i>Alberta</i>					
1. Cash less Revenue Guarantee ⁽²⁾	31,530	60,799	97,167	149,853	171,983
2. Cash and Tax less Revenue Guarantee ⁽³⁾	47,376	164,736	188,772	283,679	322,651
3. Total Post-Secondary Operating Costs	71,471	269,037	325,144	436,193	506,745
4. [1] as % of [3]	44.1%	22.5%	29.8%	34.3%	33.9%
5. [2] as % of [3]	66.2%	61.2%	58.0%	65.0%	63.6%
<i>British Columbia</i>					
1. Cash less Revenue Guarantee ⁽²⁾	21,463	54,259	129,487	211,028	237,269
2. Cash and Tax less Revenue Guarantee ⁽³⁾	46,344	180,571	239,491	363,613	409,367
3. Total Post-Secondary Operating Costs	85,958	317,522	350,499	512,692	607,939
4. [1] as % of [3]	24.9%	17.0%	36.9%	41.1%	39.0%
5. [2] as % of [3]	53.9%	56.8%	68.6%	70.9%	67.3%
<i>Canada</i>					
1. Cash less Revenue Guarantee ⁽²⁾	293,802	954,092	1,395,926	2,084,377	2,302,781
2. Cash and Tax less Revenue Guarantee ⁽³⁾	533,483	2,058,201	2,219,379	3,510,832	3,552,469
3. Total Post-Secondary Operating Costs	876,467	3,318,500	3,779,431	5,025,019	5,584,431
4. [1] as % of [3]	33.5%	28.7%	36.9%	41.4%	41.2%
5. [2] as % of [3]	60.8%	62.0%	58.7%	69.8%	63.6%

*This table should be read in light of the discussion of EPF transfers in Chapter III.

Notes: (1) Post-secondary operating costs are based in part on provincial budget figures.

(2) Includes 32.1% of EPF basic and transitional cash payments to provinces plus direct payments to institutions from 1977/78 to 1981/82; less revenue guarantee (basic cash and related transitional cash) from 1977/78 to 1981/82.

(3) Includes federal revenues forgone through the original 1967 post-secondary education equalized tax transfer from 1967/68 to 1976/77; but 32.1% of the federal revenues forgone through EPF equalized tax points transfer from 1977/78 to 1981/82.

(4) Cash portion in lines (1) and (2) in each case includes 32.1% of EPF contracting out abatement to Québec for post-secondary education from 1977/78 to 1981/82.

Sources: Department of Finance; Statistics Canada.

the provinces best accords with the primary responsibility of the provinces for education. The Task Force therefore recommends that

federal general support for higher education be continued on a block-funded basis but, as argued in Chapter III, that it be established as a program separate from future support for health programs.

The question of the form of federal post-secondary assistance (cash or cash plus tax point values), and its presentation or display in future arrangements, is dealt with in Chapter III.

The Task Force discussed the possibility of calculating one-half of future block-funded transfers on the basis of full-time enrolment (or registrations for post-secondary courses) in each province, and the other half as under the present arrangements, that is, an equal per capita amount for each province. Such a formula would recognize greater

need in provinces of high enrolment relative to the national average. (See Table V-5 for past and forecast future enrolments.) On the other hand, this approach would result in unequal per capita grants among the provinces—contrary to one of the original objectives of the EPF arrangements. It would, moreover, present difficulties in determining accurate full-time enrolment figures. Inevitably, the conversion of part-time registrations to full-time equivalents would be cause for debate and would tempt provinces and institutions to classify borderline courses as post-secondary. Nevertheless, some Task Force members feel that this suggestion merits consideration.

Before arriving at the conclusions set out above, we reviewed the proposals of the recently released report of the Task Force (of officials) on Labour Market Development in the 1980s, in particular, chapter 9, which discusses highly qualified manpower training. This report, written from the vantage point of labour market supply and returns on