In his answer to my question the minister said that Pitney Bowes has a vested interest in selling meter dies. I hardly think that is a definition of the stand taken by the minister, yet he was unable to explain why, at the expense of the taxpayers of Canada, on the letterhead of the Government of Canada, he was promoting the sale of this die which would presumably result in profit to an ordinary business corporation, namely, Pitney Bowes of Canada.

Mr. Paul E. McRae (Parliamentary Secretary to Postmaster General): Mr. Speaker, although the Postmaster General (Mr. Mackasey) responded to the hon. member's question of April 13 last, there is additional information I would like to bring to the attention of the hon. member for Vancouver Quadra (Mr. Clarke). The question relates to the sale by Pitney Bowes of Olympic postage meter dies, and asks what portion of the $150 price is retained by Pitney Bowes, and further, why Canadian taxpayers are asked to pay for the minister's solicitations on behalf of that company.

To answer the second part of the question first, there is no cost whatsoever to the Canadian public. The cost of the sales letter signed by the minister, together with all other administrative costs, is deducted from revenues accruing to the Post Offfice from the sale of the dies. I think that is very important.

The Post Office negotiated a price with Pitney Bowes which is the same, or less, than that company's normal charge for producing a meter die. The company then quoted a price equivalent to their production costs—between $20 and $25, depending on the model. The price is less than a customer would have to pay for a die of his own. After the Post Office has paid for the die and for the administration and production costs, whatever is left from the $150 collected from the customer becomes part of the revenues of the Olympic stamp program.

The sales promotion has been a co-operative effort between the Canada Post Office and Pitney Bowes. The company arranged for its 500 service representatives to make calls on customers, offering the special Olympic postage meter dies. All the costs of the sales calls are borne by the company.

We have gone into some detail in answering this question because we believe this is a worth-while venture for a worth-while cause, support for the Olympic stamp program and, of course, for Canada's own athletes.

EDUCATION—ALLEGED INADEQUACY OF PAYMENTS TO WESTERN PROVINCES FOR POST-SECONDARY EDUCATION—GOVERNMENT POSITION

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, on May 14 I asked the Secretary of State (Mr. Faulkner) about his disposition with respect to renegotiating the 1972 federal-provincial Fiscal Arrangements Act whereby the federal government provides 50 per cent of the moneys for the operating costs of post-secondary institutions. I asked the Secretary of State to look again at the anomalies in that act. I was referring to the provision for the 15 per cent increment which is included in that act.

At first glance, when we consider the increase of cost resulting from inflation, that provision looks generous. But on closer examination, if one considers the disparities in the growth of post-secondary educational institutions across this country, it becomes evident that great inequities exist in this legislation. The 15 per cent increment provision is fine for those post-secondary institutions in provinces where there has been stable education growth; I am thinking of provinces in which a plateau in growth was reached some time ago, perhaps decades ago. When applied to British Columbia, where there is a bourgeoning growth in education and where new regional colleges are being established almost every year, the 15 per cent increment provision does nothing but heighten the obvious inequity of the legislation.

Answering my question on May 14 the minister said, as reported at page 13520 of *Hansard*:

> ... that is a subject on which I have received some representation and of course it is being considered.

I hope, Mr. Speaker, that we can take the minister's word at face value, because the present arrangement is creating no small hardship for many of the newer institutions in British Columbia.

I realize that the federal government, which is accustomed to dealing with astronomical sums of money, might consider the few hundreds of thousands of dollars which would be involved if the act were adjusted as a matter of no consequence. But I assure you, Mr. Speaker, that to the small institutions of British Columbia, those hundreds of thousands of dollars, if they can get them, mean the difference between life and death. For example, I am thinking of Douglas College, in Surrey-White Rock; of Trinity Western College, in Fraser Valley West; of Fraser Valley College, a brand new college in Fraser Valley East, and of Northern Lights College, which was established this year at Dawson Creek. Here we are talking about brand new institutions which must meet not only extremely large capital costs and start-up costs, but carry the extra burden of high operating costs.

Under the 1972 arrangement, Mr. Speaker, there was provision for a fixed rate to be granted, plus a 15 per cent increment. The present arrangement means, in the face of the growth which has taken place in the province, that there is nothing left in the kitty for those colleges which come on stream last.

I am particularly acquainted with Trinity Western College, since I served on faculty and staff for about 12 years. It is a small private college with an enrolment of about 400. It has not cost the taxpayer one red cent. Everything that has been brought to fruition in that college has been through sacrificial gifts on the part of people interested in that kind of an education. All donations and tuition have brought that college to where it is today. In the past 13 years that one institution has saved the taxpayers hundreds of thousands of dollars. In addition, it has in a sense been subsidizing other post-secondary institutions across Canada.

● (2220)

Since 1972 Trinity Western College has repeatedly tried to get help under the provisions of the act. The provincial government as well as the federal government have in good faith said they would like to help, but under the provisions of the act that was not possible. Even with the