

to be separated from the health portion. The financial effects of this legislation, which are summarized in Table 2.7, indicate that the total PSE transfer grew by 7.1 per cent and 6 per cent in 1983-84 and 1984-85 respectively. The health component grew by 10.5 per cent and 9.3 per cent during these years. The actual increases for post-secondary education were higher than 6 and 5 per cent because the ceiling was imposed on the per capita transfer; population growth made the total transfer increase closer to 7 and 6 per cent.

Table 2.7
EPF Transfers for Post-Secondary Education
During the "6 & 5" Program
1983-84 to 1984-85
(\$ billions)

	Cash \$	%	Tax \$	%	Total \$	%
1982-83	1.804		1.911		3.716	
1983-84	2.045	13.4	1.934	1.2	3.980	7.1
1984-85	2.170	6.1	2.050	6.0	4.219	6.0

Source: Federal Provincial Relations Division, Department of Finance.

One of the effects of the "6 & 5" program was to reduce the total post-secondary education portion of EPF from 32.1 per cent in 1982-83 to 28.7 per cent in 1984-85, where it remains today. Bill C-12 also introduced the requirement that the Secretary of State report to Parliament each year on the cash and tax transfers under the Established Programs Financing legislation in respect of post-secondary education, on expenditures by each provincial government on post-secondary education, on the relationship between federal financial contributions and education programs, and on Canada's educational goals. (The first annual report was tabled in February 1986.) Finally, the title of the Act was changed to the *Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Act, 1977*. (We will continue to refer to it as EPF.)

Changes to EPF: 1986

In June 1986, with the passages of Bill C-96, *An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary*