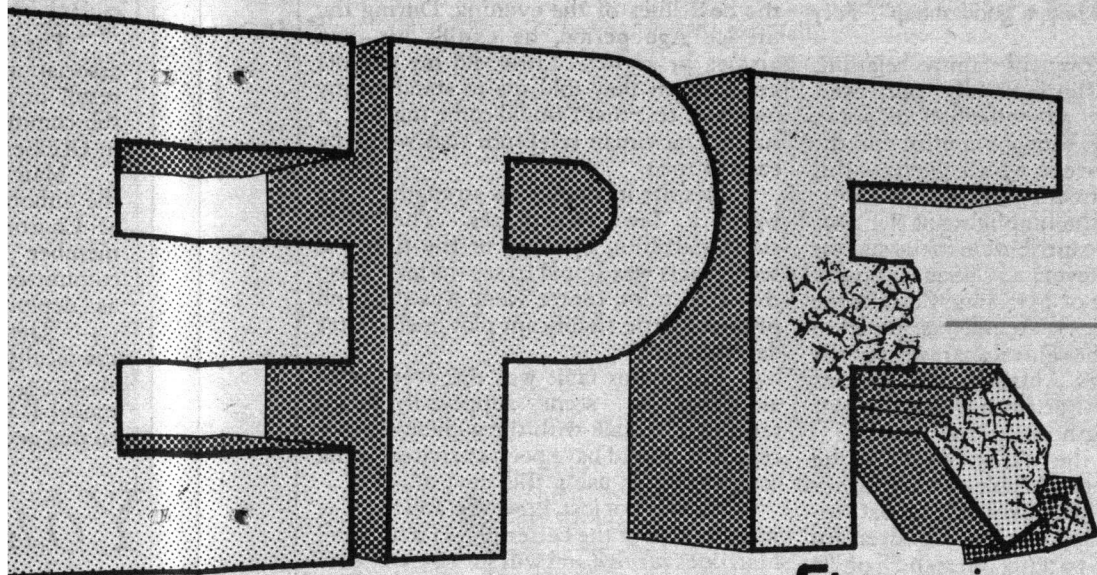


feature

ideau called the shots in 1957



Established Programs Financing

to the provinces
turn agree in
from their new
ended purpose.
red under EPF's
post-secondary
res distinguish
ors. First, the
calculated on a
a formula that

isn't tied to how much money the provinces choose to spend. That means provinces can increase or decrease their own spending on universities without affecting federal subsidies.
Second, the federal government no longer demands that the provinces provide audits that account for the destination of the federal money.
A few years ago, an analysis of the federal role in post-secondary education published in the book *Reviews of National*

Policies for Education: Canada, attempted to sum up the gathering federal disenchantment with Ottawa's role in university funding this way:
"It is fairly obvious that the massive federal support to higher education in the late 1960's was mainly motivated by faith in education as an important factor in economic growth. Present doubts about the value of continued support on this scale are not caused by any failure of the program, which has certainly produced a major

expansion of post-secondary education...
It is reasonably clear that present doubts about the continuation of financial support for post-secondary education stem from a loss of faith in education as a direct promoter of immediate economic growth, possibly reinforced by the fairly global disenchantment is established circles about the behaviour of students and intellectuals."
A report prepared for Employment Minister Lloyd Axworthy last spring and leaked to NDP MP Dave Orlikow confirms that at least some players within the federal government believe that Ottawa is not getting its money's worth from universities. The report, prepared by a task force headed by economist David Dodge, argues that university training, particularly in fields such as education, arts, pure science and social work, isn't appropriate to the economy. The Dodge report recommends that some federal money be shifted from post-secondary to vocational and technical education, and there is evidence that Axworthy is promoting that proposal.

Grumbling on the hill

Probably equally compelling in the eyes of the federal cabinet is the fact that Ottawa, and by extension the federal Liberal Party, gets no political credit for the enormous amount of spending the federal government devotes to post-secondary education. This political consideration was elevated to the status of high constitutional principle by a Parliamentary Committee of federal-provincial fiscal arrangements, which issued a report on EPF in early September.

While arguing that Ottawa shouldn't cut back its subsidies to universities and hospitals, the Committee noted that if the federal government's expenditures are invisible, there is no way for the electorate

to hold the government accountable for its policies. Ottawa should get public credit for its spending or pull out of provincially-administered programs.

A third consideration not far from the minds of the federal cabinet is the current federal deficit, which was supposed to be about \$12 billion this year (it turned out to be a little more than \$9 billion, by magic not yet fully explained).

In his October 1980 budget speech, Finance Minister Allan MacEachan warned that one of the ways the government proposes to trim the deficit is by reducing its spending on programs which do not fall within federal jurisdiction by \$1.5 billion. Health and Welfare Minister Monique Begin quickly added that federal funding of the health system was not on the chopping block; if she gets her way, that leaves the post-secondary sector as the candidate for cutbacks when EPF expires next April.

Cost/benefit analysis, political calculation, and the federal deficit are all components of the thinking which seems to be leading Ottawa to a withdrawal from university funding. For different reasons, the government of Prime Minister Trudeau is coming to the same conclusions about Ottawa's role in the post-secondary system that labour lawyer Trudeau came to in 1957; the Federal role should be non-existent.

But 1981 federal thinking is coming into line with 1957 Pierre Trudeau thinking - with one significant difference; in *Cite Libre*, Trudeau wrote,

"The federal government must contrive to change its fiscal practices so that provinces and municipalities have at their disposal sufficient tax revenue to fulfill their obligations."

There is no talk of transferring any tax room to the provinces in Ottawa these days.

MARKETING GRADS

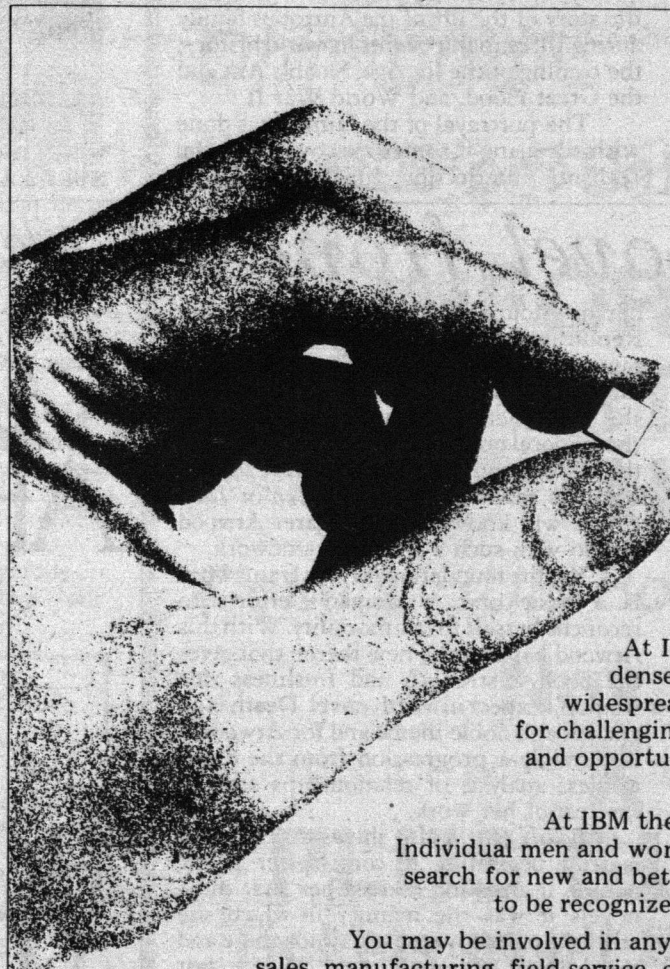
An excellent opportunity for a bright & aggressive graduate. This Printing Co. is offering a unique & exciting career as their Marketing Representative. For more information call:

482-4451

GUARDIAN CONSULTING

the peoples pub THIS WEEK'S ENTERTAINMENT

CARMEL WATTERS BAND Renford Inns
• Cover • Dress Restrictions • For Info. Phone 433 9411 10620 - 82 (Whyte) Ave.



The future in your grasp

At IBM, innovation, such as this densely packed memory chip, is a widespread process. If you're looking for challenging work, professional growth and opportunity for advancement, you'll find them at IBM.

At IBM the key to innovation is people. Individual men and women with the opportunity to search for new and better ways of doing things and to be recognized for their accomplishments.

You may be involved in any one of a number of areas - sales, manufacturing, field service, engineering, systems analysis, administration, research, finance and many more.

You could be part of our team at IBM, innovating in the 80's - and beyond. Your next step is to contact the local IBM office or campus placement office ... we're interested in your future.

Resumes required by Nov. 3

We're here interviewing Nov. 23, 24, 27

Dec. 3, 4.



IBM Canada Ltd.

*Registered trademark of International Business Machines Corporation IBM Canada Ltd. registered user