

Fears come true as PSE hit by 6-5 ceiling

OTTAWA (CUP) — Two federal ministers confirmed March 8 that the government will limit transfers to the provinces for post-secondary education to the 6 and 5 formula, but will spare transfers for health care.

The announcement was widely expected, although the manner and timing came as a surprise. Finance minister Marc Lalonde broke the news during question period in the House of Commons March 8.

Secretary of state Serge Joyal would ordinarily have made the announcement. Reporters surrounded him in a scrum outside the Commons after question period, and Joyal confirmed Lalonde's statement.

Bruce Tate, a Canadian Federation of Students researcher, said Joyal does not get along with Lalonde and was apparently angry at him for pre-empting Joyal's announcement. Tate said officials

in Joyal's department are unsure how the government will cap education transfers because Lalonde's statement apparently surprised them.

Lalonde told the House that transfers for health care will not be reduced below increases planned according to the formula for Established Programs Financing. But EPF transfers are a lump sum used for both health care and education, and the federal government cannot currently tell provinces how to allocate that money.

Joyal said it is up to the provinces to determine whether cuts will be borne by universities or hospitals. "They can do whatever they want," he told reporters.

Tate said it is unclear how the government will resolve this apparent contradiction. He said they may split EPF into health care and education components, or simply ask the provinces to make the brunt of

the cuts in education.

Diane Flaherty, CFS executive officer, thinks it doesn't matter how deep the cuts are because whatever the result, education will suffer. She said Joyal told a recent meeting with provincial education ministers that the cuts will be to education and "he didn't seem to meet with a lot of opposition."

"The provincial governments have clearly expressed that their impression of public opinion is that health care is a lot more dangerous to cut," Tate said.

As with most federal-provincial dealings, all the interested parties have different sets of figures on how big the cut will be. The federal government claims it will mean a \$102 million cut in 1983-84 to the nearly \$4 billion transferred to post-secondary education; the opposition says it will be much higher.

The six and five formula in this case will actually mean seven and

six, because the government will allow for a one per cent increase in Canada's population each year.

But the cuts come as no surprise to CFS.

"Since 1976 the federal government has been making it very obvious that as part of their so-called economic program for recovery social services, with education in the forefront, will bear the brunt of their economic policies,"

Tate said.

Flaherty said the latest round of cuts will only bring further decay to a system already in trouble. She pointed to the conclusion of the 1981 Bureau report, a Parliamentary task force on post-secondary education with a Liberal majority.

"The MPs agreed unanimously there's no fat left in the post-secondary system," said Flaherty. "And they've been cutting ever since."

Fed's 6 & 5 policy will mean cutbacks at Dal

by Cathy McDonald

If the federal government's 6 and 5 program for transfer payments to the provinces translates into 6 and 5 for universities, Dalhousie will see its bad health worsen. Feeling on campus is close to despair.

Dalhousie President Andrew MacKay is disappointed by the decision to limit Established Programs Financing (EPF) payments to the provinces to a six per cent increase next year.

"The increase doesn't take into account increased expenditures in universities," he said.

Peter Kavanagh, Executive Director of the Student Unions of Nova Scotia (SUNS) had stronger words.

"They're playing a quasi-public game of negotiations, to hammer out an agreement. We're trying to tell them they're going to shatter," said Kavanagh.

He accused the federal government of limiting transfer payments, to underline its dislike of the province's handling of the money, plus the state of negotiations to establish a new funding program.

EPF was up for renegotiation last year, but has been extended until a new agreement between the feds and provinces is reached.

Kavanagh said Lalonde is fully aware of the political difficulties in cutting health care, a major program funded under the EPF program. Which leaves post-secondary education to take the larger brunt of the cutbacks implied in a six per cent increase in funding.

"Funding is already pinched," MacKay said. Dalhousie is cutting real spending 10 per cent for both this year and the next fiscal year.

Tuition will go up at least 12 per cent next year, MacKay said, and some faculties will be more than that.

Last year the Board of Governors considered a "hit list" that

included eliminating varsity sports, the Dalhousie Art Gallery, student counselling services, and other things. MacKay said he does not have a specified hit list as of yet, although cutting some of these items will be reconsidered, as well as other areas.

How 6 and 5 will eventually be transferred into education increases is impossible to tell at this stage. Financial analyst Andrew Carras, of the provincial ministry of education, explained the transfers from the federal government have no direct connection to the social services departments but go into the province's revenue pot.

A complete provincial budget will not be tabled until sometime in

the spring, he said.

The Maritime Provinces Higher Education Commission recommended in January that Nova Scotia institutions receive increases of 12.1 per cent, which it described as "minimal". The province has already indicated it cannot meet this recommendation.

Kavanagh said the original principle behind the 6 and 5 program was to exempt the most exceptional cases. Post-secondary education is an exceptional case and in dire straits. "Lalonde is acting contrary to the spirit of the program...if there's a group that is an exceptional case, in addition to welfare recipients and pensioners, it's universities," Kavanagh said.

Jobs for graduating students few and far between

by Cathy McDonald

Jobs aren't coming to graduating students any more.

The bottom of the job market has fallen out, and even professional fields, such as computing, accounting and managing, are feeling the recession pinch.

Dalhousie has fared better than other Nova Scotia campuses, with 60 companies recruiting here as compared to 95 last year, said Beverley Young, Manager of the Campus Employment Centre. Companies are visiting an average of seven campuses this year, down from 17 last year. Because Dalhousie is a larger campus in Nova Scotia, it is attracting a few more employers, Young said.

Those companies that do visit are hiring fewer students. Placements across the country are down 40-50 per cent, she said.

Technical Service Council, a non-profit placement agency, said a survey of 40 large and medium sized companies showed that they

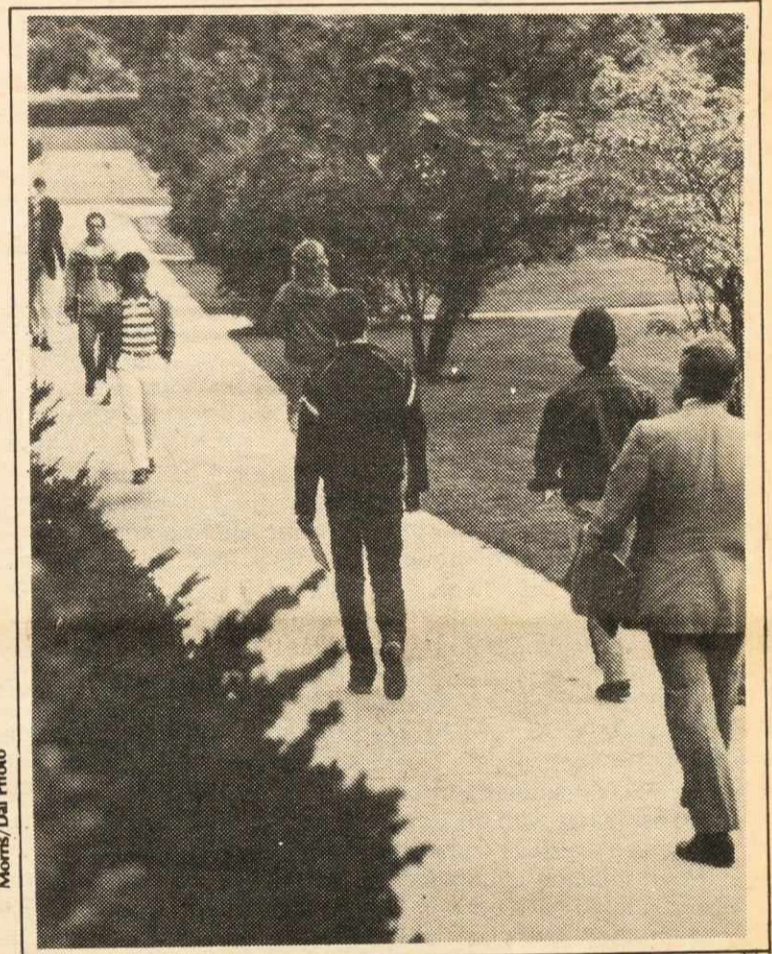
expect to hire only one-fifth as many graduates as in 1982.

"Many employers are so concerned about their survival that their layoffs have included muscle as well as fat," said Neil Macdougall, president of the Council. "When the upturn (in the economy) does come, vacancies for part-time and contract employees will improve first."

Companies that have been forced to make lay-offs are unlikely to hire students before they rehire their employees, Young said.

The Council said it is unusual for accountants to be affected by a recession, but they also are being laid off. Computer programmers and systems analysts are still in demand, although the demand is not as strong as before.

However, Young does not see any excuse for hand-wringing yet. "The situation is not disastrous, although fewer students will walk out of here with a job under their belt. I know people that have found



Students will find no Yellow Brick Road next year.

a job on their own."

Young said the key is to look harder, be imaginative, and place some faith in the "unadvertised" market. Placements do exist, she said. It's just that employers are not coming to the campuses.

For graduate students in the humanities and the sciences, who are looking to universities for employment, the fiscal restraint program at Dalhousie is a typical scene. Universities are attempting to save money by not filling openings unless absolutely necessary.

David Jolliffe, President of the Association of Graduate Students, said getting a university teaching job in the humanities is extremely difficult in Canada; in the sciences it may be slightly better.

Saudi Arabia and countries in northern Africa are offering teaching jobs in the humanities. As an English Ph.D. student, Jolliffe said he would consider such a job, although "They'll demand a minimum two year contract, even if

you don't adjust to the culture. Otherwise he will consider looking up another career and possibly retraining.

A few openings come up here and there, but the competition is tough, Jolliffe said.

It's nearly impossible to get employment in the United States universities because of strict immigration policies, and the education system in Britain is more constricted than in Canada, Jolliffe said.

Employment prospects vary from field to field. Public Administration graduates must face the reality that all levels of government are practising restraint programs.

Mike Power, an MBA student, said the only recruiters for his field have been the banks.

It is hard to get a job in geology, although it wasn't before, with considerable oil exploration activity, Jolliffe said. But he said high tech fields and oceanography were examples of "safe" areas.