

Oral Questions

[English]

EDUCATION

POSSIBLE CUTBACKS IN UNIVERSITY FUNDING

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, I have a question for the Minister of Finance concerning the established programs financing legislation and reports that officials in his department have made recommendations to the cabinet social development committee which is meeting this week and next to discuss these recommendations. Will the minister confirm whether his department has made recommendations to the cabinet committee on social development which would have the effect of cutting funding for our universities by some \$1.5 billion and total over-all cuts in established programs financing of some \$2 billion? Can he simply confirm whether these discussions are taking place?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I can confirm that discussions are taking place, certainly within my department, with respect to the upcoming negotiations on the fiscal arrangements. We have not yet formulated recommendations to the cabinet. That is something which is in play but has not yet taken place. There have been no proposals agreed upon by the cabinet as of this date. What we said in the budget speech is that we intend to seek significant savings in intergovernmental transfers, but we have not carried the decision-making beyond that point.

Mr. Rae: The question is not fiscal arrangements but established programs financing. That should be clear because we are, in a sense, talking about two different animals. How does the proposal, which the minister has neither confirmed nor denied is actively being discussed, to cut some \$1.5 billion from the budget of our universities right across Canada, from Newfoundland to British Columbia, jibe with statements made by his colleague, the Minister of State for Science and Technology, that the government attaches the greatest importance to increasing Canada's research and development capacity? How does it make any sense to cut back so substantially on funding for our universities when we are told there is a shortage of skilled manpower and that the government places the greatest importance on research and development?

Mr. MacEachen: Madam Speaker, what I said about fiscal arrangements also applies to the established programs financing. The matter obviously has to be under discussion and consideration by the government, but the decision-making stage has not been reached. I think it would add to the speculation for me to begin to comment on rumours that we have reached conclusions about cutting here or there. It is part of the negotiation process. When we have made up our minds as to what we are going to do, we will put our general position before the provinces. That has not yet happened.

Mr. Rae: In light of the dramatic effect which a unilateral change of funding of this magnitude would have, not only on the provinces but on these institutions, will the minister agree

that it would be in the best interests of the country and his government to establish a parliamentary task force which would have responsibility for looking not only at the fiscal arrangements between the provinces and the federal government, but at the established programs financing legislation? We would then be in a position as a Parliament to do a review of these things and give the institutions which are going to be cut so drastically by the government an opportunity to put their cases before Parliament.

● (1125)

Mr. Clark: Where did you get that idea, Bob?

Mr. MacEachen: Madam Speaker, the fiscal arrangements expire in March, 1982 and, in accordance with custom, we will be attempting to renegotiate a new set of arrangements with the provinces. The EPF arrangements will not terminate, but if no new agreement is entered into the government can establish its own decisions, and that is the situation in respect of both these arrangements. The suggestion has been made that Parliament be given some opportunity to examine, possibly through a task force, this whole question of intergovernmental transfers, equalization and EPF. Something I want to discuss with the leader of the government and the House is whether it would be possible to put this subject before a parliamentary task force and to receive their conclusions before negotiations with the provinces would be concluded. That is a matter that is under consideration at the present time.

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HOUSE OF COMMONSPRESENCE IN GALLERY OF MINISTER OF NATURAL RESOURCES
OF SOLOMON ISLANDS

Madam Speaker: May I draw the attention of hon. members of the House to the presence in our gallery of the Hon. Paul Tovua, Minister of Natural Resources of the Solomon Islands.

Some hon. Members: Hear, hear!

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[Translation]

AGRICULTUREREQUEST FOR MARKETING OF ATMOSPHERE-CONTROLLED
APPLES

Mr. Robert Gourd (Argenteuil-Papineau): Madam Speaker, my question is for the Minister of Agriculture, but in his absence, I shall put it to his parliamentary secretary. In view of the overproduction of apples in Canada, more specifically in Quebec, Ontario and British Columbia, and in view of the brief submitted to the minister on January 5 by the Quebec Federation of Apple Growers, can the parliamentary secretary tell us whether quick action will be taken in this area to enable