

Provinces to carry burden alone

# Feds reduce financial support of universities

By PETER BIRT  
OTTAWA (CUP) — Federal financial support for post-secondary education will drop as a

result of changes introduced in the House of Commons Feb. 7 in the fiscal arrangements act (FAA.) The changes in the established

programs financing section of the act states that "under the new agreement federal contributions will grow with the growth of the economy rather than the growth of provincial expenditures."

In order to bring all the provinces to an average level, "the federal government will make levelling adjustments in cash payments so that provinces where federal contributions now are above the national average in per capita terms will be brought to the national average in five years; provinces where federal contributions are now below the national average will be brought up in the national average in three years."

The bill will transfer \$8.5 million in cash and taxing power to provincial governments and provide laws to implement some federal-provincial agreements reached by the first ministers at their December conference. It also outlines a number of regulations determined more recently.

**ACCESSIBILITY AND GROWTH**  
The long range effect of these changes according to Dan O'Connor, executive secretary of the National Union of Students (NUS) will be to "turn people away from the classroom door."

O'Connor said the changes announced by the finance department are intended as a 20-year program. He said the funding formula now has no relation to anyone's expenditures and will not match real growth. He pointed to the situation in British Columbia where enrolment is expected to grow steadily in the next 20 years. But in that same period, according to O'Connor, the actual federal contribution to post-secondary education will become even smaller.

Several other important statements were made in the an-

nouncement. For the first time it has been written into the legislation that "the secretary of state will meet regularly with provincial ministers to discuss matters of mutual interest and concern." This has been the practice in recent years but never before stipulated in the agreement.

Under the changes the new agreement will "continue indefinitely."

"Changes will require agreement on three years notice, and the government of Canada has agreed not to give such notice before April, 1979."

**HOSPITALS AND MEDICARE**

These new fiscal arrangements replace the old cost-sharing arrangements, but as with the previous agreements the programs will affect medicare, hospital insurance and post-secondary education.

The government said the new agreement is intended to "maintain national objectives and standards of services" and put financing on a more stable footing to help financial management at both levels of government. It further states it will "give provinces more flexibility in the use of their own funds." In the same way as the previous agreement, this new program will not stipulate what part of the revenues will be spent on post-secondary education rather than health programs.

The federal contributions to the provinces will be made in tax transfers (a reduction of federal taxes to allow an equivalent increase of provincial taxes) and cash payments.

O'Connor said "The implication for tuition fees is that it will double or triple the pressure to increase those fees" as a means of increasing provincial revenues.

He said there will be a natural

attempt by the provinces to increase tuition fees which now account for about 15 per cent of total reserve when the largest part of the financing for education (about 50 per cent) now comes from the federal government. The provinces will not want to increase their current 35 per cent commitment to the total cost of post-secondary education.

It is significant O'Connor said that the announcement was made by the federal government. The provincial governments maintain that there is little federal control in post-secondary education, a myth that even the federal government is not trying too hard to counter. But this federal action indicates the magnitude of its power.

**EFFECTS IN 5 YEARS**

The problems that will soon arise in the post-secondary education system, not noticeably in the next three to five years but after, will show the impact of the new financial agreement. O'Connor listed the lack of new building construction, overcrowded classrooms, and an end to talk of reforming the secondary school system as the long term effects of the program.

O'Connor said, will increase.

The day after the finance department announcement NUS sent copies of the brief and comments to provincial organizations. They plan to send information to member councils on the outcome of what O'Connor called "this closed door, cat and mouse game" that has been the federal-provincial meetings on the future of post-secondary education.

"If people think there is unequal access and bias to high income students now," O'Connor said, "wait and see the situation after five years of this established program's financing."

## Magazine is broke

• continued from page 1

York's faculty and staff associations were also approached for financial aid. YUFA made no contribution; YUSA granted \$50.

Despite the disintegration of collegiate funding this year, Breakthrough's collective published three issues with grants from CYSF (\$650) and the office of the advisor to the president on the status of women (\$750). Funds from these two sources and from Calumet College also permitted the publication of a summer edition last July.

The 1976/77 grants were not as generous as Breakthrough had expected, (\$2000 was requested from CYSF) and the latest issue put the magazine \$300 in debt. CYSF president Barry Edson told Excalibur, "It's unfortunate that Breakthrough may be liquidated but it's not our responsibility. We have a responsibility to contribute on behalf of our members alone. Non-members of CYSF should be paying for Breakthrough as well. Every Bethune student picking up a copy of Breakthrough is doing it courtesy of CYSF and the same holds true with Osgoode, Atkinson and others." (Bethune, Osgoode and Atkinson are not members of CYSF.)

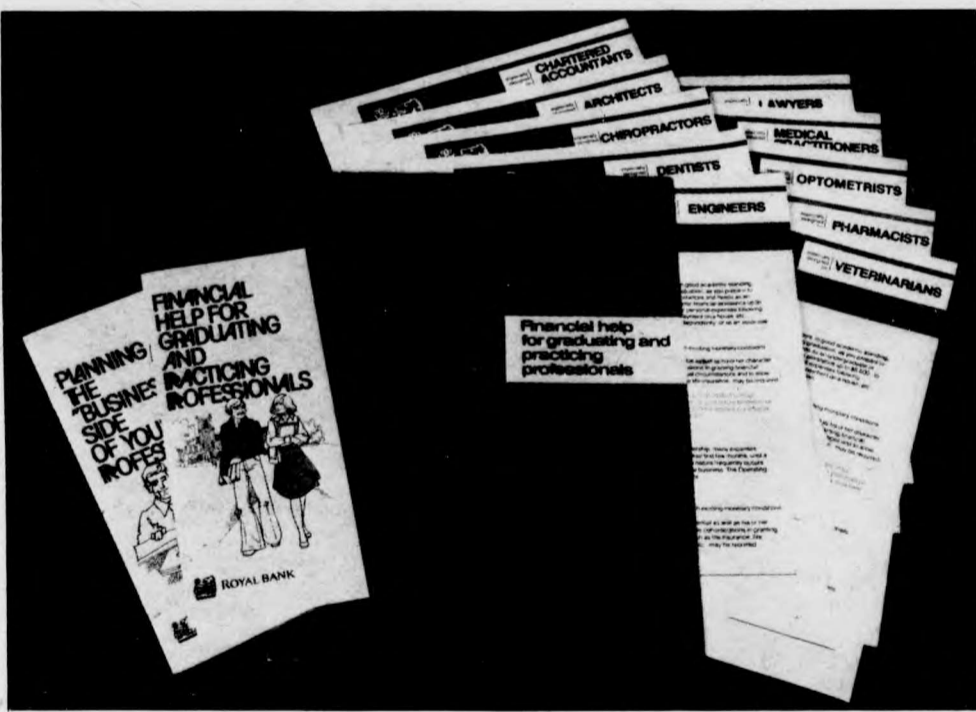
The Breakthrough collective has considered other methods of financing their effort, but have found them to be not viable. According to Lynn McFadgen, who is one of Breakthrough's prime movers, and business manager of Canadian Theatre Review, the soliciting of advertising from en-

terprises that are not specifically women-oriented would undermine the magazine's integrity. And from her experience with CTR, she feels that, "Either selling Breakthrough directly or through subscriptions demands a massive workload that we cannot cope with."

Of all the women at Breakthrough, McFadgen in particular is feeling the magazine's financial crunch. Her name is the one on the outstanding bill from the printer's and "I don't want to pay it myself... We can't go on from issue to issue without guaranteed funding. It's very frustrating to have all the material ready, to do all the work, and then not be able to print it."

Virginia Rock, Master of Stong College and founder of the Women's Studies Resource Centre in that college, told Excalibur that Breakthrough deserves, "some guaranteed financial support. There should be an equitable arrangement such as the one that has been worked out for Waves" (a York literary journal).

Jane Banfield Haynes, advisor to the president on the status of women, told Excalibur, "One of the things that has concerned me has been that the response of the colleges has been zero." She added that the plight of Breakthrough had entered her discussions with President MacDonald, but before her office could consider the provision of more funds, "I'm sure the university will want to know why the colleges are not forthcoming."



## PROFESSIONALS SOMETIMES NEED TO SEEK MORE THAN JUST ADVICE.

All the good advice in the world won't pay the rent on office space, or keep the cash flow of an expanding practice running smoothly.

If you're a graduate, or have already started your career, the Royal Bank can help you to either get established, or progress further in the professional world. Your Royal Bank manager is qualified to give you good financial advice, and assistance in a more tangible form—up to \$50,000 where the circumstances warrant.

Speak to your Royal Bank manager about our Business Program for Professionals. Whether you're just starting out, or on your

way up, he can help you plan your future with practical solutions to your financial problems.



**ROYAL BANK**  
the helpful bank

Eligible professions include: Accounting—Chartered Accountant—C.A., Architecture—B. ARCH., Chiropractic—Doctor in Chiropractic—D.C., Dentistry—D.D.S., Engineering—B. ENG., Law—B.C.L., LL.B., Medicine—M.D., Optometry—O.D., Pharmacy—B. Sc., PHARM., Veterinary Medicine—D.V.M. ... and others.

# BRACK'S LTD. ELECTRONICS

**1/2 1976 MODELS PRICE SALE**



RX254 **ROTEL**

We find the T.H. Distortion to run typically —.02% to —.09% throughout the audible range. With 20/20 watts per channel this unit truly delivers premium value and features at this incredible 1/2 price sale.

**5 year warranty parts & labour. Mfg. Sugg. List \$569.95**

**Now 1/2 Price \$284.95**

**Shure M95ED Cartridge Mfg. Sugg. List \$65.00 Now 1/2 Price \$32.50**

**Plus Hundreds of Similar in Store Specials**

**212 KING ST. WEST**

Entrance at 86 SIMCOE ST

**366-9761**

Store Hours 9-6 Thurs. & Fri. 9-9 Sat. till 6:00 p.m.

We Are Not Associated With Any Other Retail Store

