

Dwindling government support

OTTAWA (CUP) — Despite protests from student and community groups, federal funding for summer employment will probably decrease next summer.

Youth Minister Jean Charest said as long as the unemployment rate for youth keeps declining, the level of federal funding will do the same.

Since 1984, the unemployment rate for returning students has fallen two per cent. In the same period, summer job funding has decreased 12 per cent, from \$201 million in 1984 (increasing to \$205 million in 1985) to \$180 million in 1986.

The budgeted figure of \$180 million for 1987 represents a four per cent decrease.

"Youth unemployment has gone down", Charest said, "so it would be logical that the level of funding not remain the same."

Charest said the government's overall policy is to strengthen the economy and thereby improve employment conditions. "You can create all the programs in the world — the basic rule is, the economy has to go well."

The Canadian Federation of Students (CFS), on the other hand, has proposed that the government establish a base

budget for the summer Challenge programmes of \$205 million, the 1985 level, and index the budget to the rate of inflation.

While the national rate of youth unemployment has gone down, the Atlantic provinces and B.C. remain stubborn pockets of joblessness. In July, 6,000 or 25.7 per cent of young people in Newfoundland, for example, couldn't find a summer job.

Tying the level of funding to the national rate of unemployment and therefore reducing the amount of money available would force the government to

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"trade off" poor regions against one another, said CFS Executive Officer Todd Smith.

Including private companies in the summer programmes is another government policy that

disturbs CFS and community groups like the Save Our Summer coalition.

Before 1985, only non-profit organizations could take advantage of the summer programmes, but in 1987 the private sector received about 30 per cent of the wage subsidies. The government says that students make more money working in the private sector doing a wider variety of jobs.

According to CFS, the gross wage of a student participating in Challenge '87 through a private-sector job was \$2,800, compared to \$1,700 in the non-private sector.

Richmond Hotte, Ottawa representative of SOS, admits private-sector jobs pay more, but says non-profit organizations provide more valuable services, like daycare.

Hotte points out that non-profit organizations, unlike private companies, could not provide jobs without government funding.

According to a government evaluation of Challenge '86, 4,961 private sector jobs would not have been created without government funding; 26,084 non-profit jobs, on the other hand, relied entirely on Chal-

lenge '86 money.

According to a March 1987 brief by SOS, "the new result of the government's policy with regards to the private sector is mostly to reduce the wage costs of companies and corporations."

Charest said, however, that "jobs cost the government less to create in the private sector even

though the private sector offers a better return to the students."

Charest said he therefore expects the same ratio, 30 per cent private to 70 per cent non-profit, of funding next summer.

CFS said even private-sector wages through the programme are too low to get a student through a year of university.



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