

# QUEST FOR FUNDS

## Govt's approach fork

Halifax (CUP) - The federal government and the provinces have reached a "Crossroads" over their joint funding of social services, according to Secretary of State Gerald Regan. And if the current transfer funding negotiations are not handled delicately, he told an audience at St. Mary's University, the disputes could become a crisis.

Regan's remarks followed the failure of the First Minister's Conference on the economy in early February, where the provincial and federal government found themselves at odds over the renegotiation of federal fiscal arrangements. The existing Established Programs Financing plan provides federal funds for

health services and post-secondary education to each of the provinces. The five-year agreement will expire in March and Ottawa says it wants a more visible role for the money it provides.

Regan says federal government funding accounts for about 82 per cent of the costs of universities, with tuition covering an average of 15 per cent. He said federal contributions to higher education increased from \$46 million in 1977 to \$113.5 million in 1981. Federal money covered 58 per cent of total costs in 1981, he said, while provincial contributions have declined in the five years, from 32 to around 26

per cent. "We cannot blindly pay all those dollars without the provinces contributing their share," said Regan.

He said the government wants two commitments for its dollars: accountability and visibility.

Under the current EPF agreement, he said, the federal shares have grown but the provinces have contributed to a "fuzzing of the situation," directing some of the funds they receive into other uses. "It's not a position that I accept, and it's not a position I think is healthy." The provinces, claimed Regan, are "cheating the system and cheating post-secondary education in this country."

Provincial governments are getting all the credit for the financing of colleges and universities, Regan said, while not contributing to their share in an area that is clearly under their jurisdiction.

Post-secondary education is administered by provincial governments. The federal ministry of state operates the national student assistance program.

Regan said the government wants to tell Canadians what their federal tax dollars are being used for, and feels Ottawa is not getting the recognition it deserves for the role.

He promised the new federal agreements will result in more funds, not less, to institutions.

Student organizations and university administrations alike have condemned the federal plan for funding transfers outlined in the November 1981 federal budget, claiming the five-year projections of finance minister Allan MacEachen mean net declines in funding during that period.

looking backward...

### EPF and bitter memories

EPF is not just another acronym.

If the Trudeau government stops transferring funds to the provinces via the Established Programs Financing (EPF) agreement of 1976, universities could lose millions.

Established programs are Education, Social Services, and Health and Hospitals.

and Welfare Monique Begin said in an interview last year that post-secondary education "is very elitist. This is an candidate for savings."

Liberal minister of Communications Francis Fox said at a conference, "There will be cuts in post-secondary education funding through EPF."

The EPF agreement does not

*"There will be cuts in post-secondary education funding through EPF" - Francis Fox*

Last year, Alberta received \$305,702,000 through EPF. Some of that went to universities, some of it to the University of Alberta.

The Alberta government has protested the federal cuts.

Their position is that they will not acknowledge the federal contribution through tax credit transfers as part of EPF, which makes up 49 per cent. They refuse to be accountable for funds received. They call for no cuts in federal transfers.

On the other hand, the federal government complains that the provincial governments do not share the credit with the central government for funding, and the provinces are not accountable for the funds received.

EPF transfers are calculated on a formula that takes a set percentage of the Gross National Product, and an equalization factor, cash entitlements, and tax point transfers - all from federal coffers handed over to the provinces.

Although the transfers are explicitly unconditional, the federal government has claimed the provinces understood in 1976 that 'rough percentages' of the transfers would go toward education, social services and health care.

However, in some provinces, including Alberta, the feds complain EPF transfers have been used to make up a greater percentage of total funding in those programs, saving the provincial governments millions of dollars.

Proposed cuts in EPF were first announced in the House of Commons in October 1980 by finance minister Allan MacEachen.

MacEachen predicted savings of \$1.5 billion in the next two years to the Parliamentary Task Force on federal provincial transfer arrangements.

Liberal minister of Health

expire at any set date, although the federal government has the power to make unilateral changes - suspensions of the agreement takes three year's notice.

The 1976 EPF agreement is now being renegotiated between the federal and provincial governments.

### Japanese Student Scholarships

Peat, Marwick, Mitchell & Co. (Canada) announce a scholarship program to enhance opportunities for Japanese students to study in Canada.

The scholarships are open to any Japanese citizen admitted to a course of full-time study in Business or Economics at a Canadian university at either the undergraduate or graduate level.

#### SCHOLARSHIP PROVISIONS

Cash amounts up to a total of \$2500 annually may be awarded to an individual or individuals.

The scholarships are tenable for one full academic year. Individuals may re-apply in subsequent years, whether or not they have previously been awarded a scholarship.

#### SELECTION

A selection committee to be named by Peat, Marwick will review applications and decide the number of scholarships to be awarded in any year and the amount(s) of them.

The Consul General of Japan, in Canada, will act as advisor to the committee.

#### APPLICATIONS

Applications should be addressed to Mr. R. Michael Howard, C.A.

Applications will be received until April 15, 1982 for enrollment in a 1982/83 program of studies beginning September 1, 1982 or later.



Peat, Marwick, Mitchell & Co.

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### THE LOUISE MCKINNEY POST SECONDARY SCHOLARSHIPS AT THE UNIVERSITY OF ALBERTA

Louise McKinney Scholarships, valued at \$3,000. each, are awarded on the basis of outstanding academic attainment (top 1.5 - 2% of Faculty standing) to students at the University of Alberta who are also Alberta residents. Successful candidates will be nominated for the award by the Undergraduate Scholarship Committee of the University of Alberta.

Students planning to enrol in professional Faculties after completion of their degree or returning in another undergraduate program must make application for the award through the Student Awards Office by June 1st.

Hillel and Network Presents  
Special Guest Speaker:

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TOPIC:  
Christian Critique  
on Zionism  
3:00 pm,  
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HCL4

TOPIC:  
Israel: From Exodus to Today  
7:30 pm, March 10  
TL12

**EVERYONE IS WELCOME!**