

*Federal-Provincial Fiscal Arrangements Act*

education. My own opinion is that, rather than cutting back its transfers to education, the Government of Canada should increase them. It should become actively involved with the provinces in devising a national strategy on education. The Johnson report also addressed this issue. He made some recommendations. He said:

It is recommended that the rates of growth of EPF/PSE fiscal transfers, and of provincial grants to universities and colleges, be harmonized. This would be achieved by:

The affirmation by the Government of Canada of its willingness to escalate its PSE transfers at the rate of increase in GNP and population (the present "escalator"), and an invitation to the provinces to follow the same course in their grants to universities and colleges.

The affirmation by the Government of Canada that, within this context, it would nonetheless respect the priorities adopted by individual provinces for PSE, by escalating its PSE transfers to them at the rates they themselves chose for increasing their grants to universities and colleges—up to the GNP rate.

● (1550)

I do not necessarily agree with that either because I think it simply perpetuates inequality. If you match the provinces dollar for dollar, you will simply be making the rich richer and the poor poorer. There are provinces which cannot keep up with others in the amount they contribute to education. I made the point earlier on that if you pass on the federal deficit to the provinces, then already weak economies have to struggle to make up the difference. I think we have to keep on funding post-secondary education on a per capita basis and I hope to see it at the level it was. I also hope to see some built-in mechanism for ensuring that the money is spent on post-secondary education. There is some fault here on the part of the provincial Governments in how the money is spent. All of the money given to the provinces for post-secondary education and health is not spent on post-secondary education and health. There are no safeguards to ensure that it is. The Government of Canada should build those safeguards in. There should be penalties which would take effect if the money allocated for education and health are not spent in those two areas.

Let me get back to the point I was making that not only should the Government of Canada be spending more money on post-secondary education, it should go farther than that. It should become actively involved in a national strategy for post-secondary education. The health of our economy and society is tied in no small way to the health of post-secondary education. We are going to need liberally-educated men and women who are at the leading edge of their discipline. In an age when one of the few constants is changed, those nations which grow and prosper are the ones that emphasize research and development and have a workforce prepared to meet rapid changes in the market-place.

We have to look at our educational systems across this country in the way the OECD did in 1976. The examiners from that organization came to the following conclusions about the state of Canadian educational policy-making:

The lack of educational policies for the future is striking.

The problem of defining goals for education that fit a vision of national interest is desirable.

There is an array of exceptionally active programs derived from no explicitly-stated overall national conception of the country's interest.

Decisions now have to be taken concerning the destination of the Canadian school system within an ordered view of the Canadian nation.

That is relevant here because we are talking about the financing of a system which needs to be redefined and reorganized. The OECD examiners also said this:

Politicians, parties and governments will not be able to avoid much longer taking some political stands, and that means also nation-wide, and not simply province-oriented positions. They need to give Canadian answers to Canadian problems. Without political leadership and responsibility—and after all neither of these is forbidden under the BNA Act—a severe backlash against future educational development in Canada may be unavoidable.

Right now we are getting into a national debate on free trade. We have tried to come to grips with an industrial strategy. We have just come out of a recession and we know the need to compete in a more integrated world. Yet in spite of this, and while education and the educational system is going to be so fundamental to the future of Canada, there is no national debate, emphasis, forum or strategy for education. No other federal state in the world is in that position and no self-respecting state should be. We purport to have a national financial strategy, trade strategy, defence strategy, transportation and immigration strategy, but we do not have a national education strategy. Surely the whole is greater than the sum of its parts. Surely we cannot simply depend on provincial education strategies in this day and age.

The fact is that higher education is financed to the extent of more than 50 per cent from money provided by the Parliament of Canada. Yet the idea still persists that post-secondary education is a purely provincial matter. There is a massive and pervasive federal presence in higher education; in basic funding, research funding, professional and training programs, scholarship bursaries, student assistance programs, northern studies, native studies, multicultural and Canadian studies, as well as international relations and military studies. All of this is education and all of it is being financed through funds voted by the Parliament of Canada.

There are legitimate and unavoidable federal interests in higher education. This covers such things as an adequate supply of highly-qualified personnel, equality of opportunity for young Canadians regardless of where they live, and the development of the knowledge base required for economic growth and national sovereignty. Instead of debating a Bill which will mean cut-backs to the provinces for post-secondary education, we should be talking about how we are going to use that money in a new national strategy. There is a need now as never before. We are on the threshold of a smaller, inter-dependent world involving tough competition. Values and beliefs are constantly being challenged. Therefore, there is a need for greater co-ordination of Canadian education.

A number of organizations in Canada have stressed this point. The Social Science Federation of Canada stressed this in 1982 in its reaction to the conclusions of the parliamentary