

*Business of Supply*

in unemployment that is caused by lack of skills.

I am surprised at the condemnation inherent in the motion. I welcome the recognition in the motion of the importance of the development of human resources to Canada's future. I doubt that one could find in Canada today a sizeable group of people who would contest the theory that the development of manpower resources is one of the keys to national development. We acknowledge its importance and value, and we have presented programs. We welcome this opportunity to have the programs criticized and to have ideas brought forward on how these programs can be improved.

At the same time we should recognize that there is something the Leader of the Opposition failed to mention, at least to any extent, while he dealt almost exclusively with the student aspect of manpower resources, which is an important aspect but not the only one. The Leader of the Opposition spent almost his full time talking about the necessity of development in this field which is under provincial rather than federal jurisdiction. We are being constantly reminded in this house, and frequently elsewhere, that education is a provincial responsibility and that schools and universities are under provincial jurisdiction. We recognize this, which is something that the Leader of the Opposition failed to mention, and we do not take the view that the federal government has no interest in the results produced in the provinces, nor are we unwilling to help the provinces carry out responsibilities in this field.

With regard to the student aspect of manpower development, it might be a good idea to consider exactly what the federal government is doing and what the parliament of Canada has been asked to do from time to time. One of the most important ways in which the federal government contributes to the development of our manpower resources, particularly for youth, is through fiscal transfers that it makes to the provinces of behalf of their costs of post-secondary and university education. As hon. members realize, federal support of universities has been a continuing feature of Canadian policy in the post-war period. All of us recall the difficulties of the former method of assisting the provinces or the universities and how frequently the amounts provided were criticized.

In 1967 new legislation was introduced which broadened, vastly expanded and changed the nature of the federal contribution

to post-secondary education. As hon. members know, that contribution now takes the form of a fiscal transfer to the provinces on a basis that is intended to recognize the escalating cost of post-secondary education and at the same time preserve the independence of the provinces in the field of education. Just last year the federal expenditure on this account was \$400 million. This fiscal year it amounts to about half a billion dollars, and next fiscal year it may exceed \$600 million. That seems to me to be a rather substantial provision made by the parliament of Canada for the development of manpower resources in the country, especially of the young people.

I wish to say a word also about the Canada student loan plan which is also part of the general program of development. This plan makes it possible for an increasing number of young Canadians to have access to post-secondary education. When the plan was first introduced in 1964 it was by far the largest single source of student aid in Canada. Since then provinces have added to the sources of student aid, but nevertheless the Canada student loan plan still provides a very substantial portion of the student aid available in Canada. In 1964-65, \$27 million was authorized under the Canada student loan plan, and this figure has grown to \$58 million in the last academic year. It is expected that \$70 million will be authorized in 1968-69. In fact, to meet the rapidly growing demand for loans the federal government is asking parliament to increase the allocation of the amount which provinces may authorize under the plan.

The importance of the Canada student loan plan may be seen not only from the over-all funds authorized but also from the number of students it assisted. In 1964-65 loans were authorized to some 40,000 students, and during the present academic year the number of students assisted may reach 100,000 in Canada.

The cost of this program to the federal government consists mostly of interest paid on behalf of students and also of the payments made to the province of Quebec as an alternative to the student aid program. The federal cost this year will be about \$10 million and may rise to \$15 million in two years' time.

Federal-provincial co-operation has been excellent in this field and it has provided very effective job aid throughout Canada to students who want to go to university. So in the field of post-secondary education and in