

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**Thursday, 13 June, 1985**

**Time — 8:00 p.m.**

**CONCURRENT COMMITTEES OF SUPPLY**  
**SUPPLY - HOUSING**

**MR. CHAIRMAN, C. Santos:** We are considering Item No. 3.(1)(a) Program Delivery, Administrative Costs: Salaries; 3.(a)(2) Other Expenditures; 3.(b) Grants and Subsidies. Shall we pass the item now?

**MR. R. NORDMAN:** On the Home Energy, can we just take a fast look at that if you would, sir?

**MR. CHAIRMAN:** The Member for Assiniboia.

**MR. R. NORDMAN:** On Page 19 of the report, would you explain that to me, there's a total there of \$636,266.00? Is this a saving or is this a cost?

**HON. J. BUCKLASCHUK:** That is the cost of the construction of some conservation measures within those buildings.

**MR. R. NORDMAN:** Is there any way to relate the savings that this expenditure generates?

**HON. J. BUCKLASCHUK:** The expenditures are such that there has to be a positive pay-back or a cost recovery within a matter of probably 10-15 years. These costs are also cost-shared with Canada Mortgage and Housing Corporation.

**MR. R. NORDMAN:** The expenditures, are they are also cost-shared with CMHC?

**HON. J. BUCKLASCHUK:** Yes, the expenditures are cost-shared.

Yes, I should just add one more thing - in addition to Canada Mortgage and Housing, some of these projects are supported by the Federal Department of Energy and Mines.

**MR. R. NORDMAN:** The Mobile Home Loans, is there much action on that at the present time? I think we can go back, that was one of the original questions that I asked. Now we can go into that if you will?

**HON. J. BUCKLASCHUK:** Yes, you might recall that when I spoke on second reading on Bill 45, I had indicated that we would be asking for an amendment to remove the limit on the loan guarantee. We have at the present time, as you may know, a loan guarantee of \$5 million, which was essentially guarantee loans for mobile homes. We have reached that limit, and unfortunately, until such time as we have authorization to go beyond that, we can no longer insure mobile home loans.

**MR. R. NORDMAN:** I have a bit of a problem here, Mr. Chairman. I don't know where to go with it, either

to Hydro or Housing. There's a constituent in Wabowden has a piece of property and wants to put a mobile home on it and in order to get electricity, the Hydro says you have to have a permanent foundation.

The dilemma comes about because the bank has the mortgage on the mobile home, and from what I understand of it, the bank advised the owner not to put the home on a permanent foundation. So the Hydro then, in turn, doesn't want to give them hydro, so whose jurisdiction does a thing like this fall under? Does this come under Hydro or does it come under Housing?

**HON. J. BUCKLASCHUK:** It would seem to me that this would be something that Manitoba Hydro is responsible for.

**MR. R. NORDMAN:** I'll be speaking to the people again tomorrow morning and it runs in my mind there's a figure of \$7,000 to bring the electricity to the mobile home if it's on a permanent foundation. So I might ask your help on it - what will I do with them? - to the Minister.

**MR. CHAIRMAN:** The Minister of Mines.

**HON. W. PARASIUK:** I was reading something when you raised the problem. If you want to catch me afterwards I'll . . .

**MR. CHAIRMAN:** The Member for Assiniboia will kindly repeat the question.

**MR. R. NORDMAN:** The people have a piece of property and they're buying a mobile home and they want electricity brought to the mobile home, but the Hydro tells them that they can't have electricity unless the mobile home is on a permanent foundation. But the bank, in turn, who carries the mortgage, advise them not to put it on a permanent foundation, so they are asking what they should do.

**HON. W. PARASIUK:** Afterwards you give me the name and particulars of the case; I'll have someone look into it and then we can get the specifics back.

**MR. R. NORDMAN:** Okay, very fine. Thank you.

**MR. CHAIRMAN:** (a)(1) - the Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Chairman, on the non-profit housing, the government has a program which was initiated that they would pay 5 percent of the cost and the non-profit organization would pay 9 (sic) percent of the cost, the Federal Government would pay 90 percent of the cost and the interest rate would be written down to a manageable situation for the non-profit housing organization.

Is that non-profit program still work under the same criteria as I have mentioned? I may not be completely

accurate. As a matter of fact if the non-profit organization didn't put in any, the write-down by the Federal Government would be less. Are we still working on the same criteria?

**HON. J. BUCKLASCHUK:** Yes, we still have the program whereby we provide a matching 5 percent grant to the private non-profit sponsor.

**MR. F. JOHNSTON:** The private non-profit sponsor, is land or assets regarded as part of their 5 percent?

**HON. J. BUCKLASCHUK:** Yes, it can be. I should clarify that. The grant is in the form of a forgivable loan. It's written down over a 35-year period of the mortgage.

**MR. F. JOHNSTON:** The SAFER Program which is the elderly persons' assistance for rent, which was brought in by ourselves, I notice is still working exceptionally well because the funding seems to be, the SAFER and the SAFFR Programs seem to be the large amount of the funding. Has the program still got the same criteria for senior citizens as it has always had?

**HON. J. BUCKLASCHUK:** Yes, both the benefits paid out under the SAFER and SAFFR Programs, I believe, amount to about \$4.9 million. I believe the criteria that we have in place at the present time for eligibility under SAFER are the same as they were in about '81, that is, 55 and over and more than 50 percent of the person's income coming from pensions.

**MR. F. JOHNSTON:** The program for Shelter Allowance for families, the SAFFR Program certainly doesn't take up as much funds as the elderly Shelter Allowance program. What are the criteria on families regarding this program?

**HON. J. BUCKLASCHUK:** Basically the same criteria are in place at the present time as were in place in 1981. That is, the difference between 25 percent of the person's income and a maximum, I believe, of \$400. The benefits vary, depending on the number of dependent children.

**MR. F. JOHNSTON:** On the public housing, is the formula for assistance the same as it has always been?

**HON. J. BUCKLASCHUK:** Yes, the rent level for public housing and senior citizens' housing is still 25 percent of income.

**MR. F. JOHNSTON:** Can the Minister advise the waiting list for public housing?

**HON. J. BUCKLASCHUK:** Yes, I do have the figures as of April 30th. For the Winnipeg regional housing, it's 1,679; that's combined, elderly persons' and family housing. I believe there are somewhere between 400 and 500 applications on hand with the Winnipeg Housing Authority and roughly about 1,500 in rural Manitoba for elderly and family.

**MR. F. JOHNSTON:** I just didn't follow that, Mr. Chairman, 1,679 applications for public housing?

**HON. J. BUCKLASCHUK:** That's right, with Winnipeg Regional Housing Authority.

**MR. F. JOHNSTON:** That's Winnipeg.

**HON. J. BUCKLASCHUK:** And the Winnipeg Housing Authority would have another 400 to 500 applications. Winnipeg Regional was the first one, then Winnipeg Housing and rural Manitoba, approximately 1,500.

**MR. F. JOHNSTON:** 1,500 for family housing?

**HON. J. BUCKLASCHUK:** Family and elderly persons.

**MR. F. JOHNSTON:** With that type of a backlog, what are the intentions of the government? How many units do they feel, with their budget this year, that they can build to alleviate the problems?

I'm fully aware, Mr. Chairman, that Section 44 is not something that is being worked with at the present time, and I know that with all of these applications there'll be many of them that may or may not come to fruition. What is your budget or your intentions to alleviate the public housing situation, or what programs do you have with the Federal Government at the present time?

**HON. J. BUCKLASCHUK:** Basically, we use the federal housing programs to deliver social housing. We have about 600 units coming onstream as part of our '84 program. We're looking at about another 600 for the '85 program; so somewhere in the neighbourhood of 1,100 to 1,200 in total.

**MR. F. JOHNSTON:** So that's family and senior?

**HON. J. BUCKLASCHUK:** Yes, family and senior.

**MR. F. JOHNSTON:** What section do you do that under now?

**HON. J. BUCKLASCHUK:** In the communities of over 2,500 population, we use Section 56.1. In smaller communities, in rural and Northern Manitoba, it's Section 40.

**MR. F. JOHNSTON:** So you use the rural and northern program under certain population and the other program when you're over a certain population.

**HON. J. BUCKLASCHUK:** Yes, that's basically correct.

**MR. F. JOHNSTON:** Manitoba doesn't have that many communities that are over 2,500. How do you intend to accomplish these numbers that you're planning to build?

**HON. J. BUCKLASCHUK:** There are about 20 communities in Manitoba that have a population in excess of 2,500. Those are the communities in which we use 56.1.

**MR. F. JOHNSTON:** Can the Minister give us a rundown of the intentions for this year of where they're planning to put some of that housing?

**HON. J. BUCKLASCHUK:** I don't know if you would like me to go through the whole list, but . . .

**MR. F. JOHNSTON:** If the Minister could read them off and then possibly supply it to us later on.

**HON. J. BUCKLASCHUK:** Under the 1984 program, and we're talking about the Section 56.1 program, we're looking at 278 units of housing for families in Winnipeg; 79 for the elderly. In rural Manitoba, the communities will be Brandon with 30 units; 16 at Flin Flon; 11 at Steinbach; 9 at Swan River; 30 at St. Malo. I'm sorry, let's not deal with the 30 right now. That's for a total of 344 units of family housing.

Under the same program for the elderly, we're looking at 79 in Winnipeg and 30 in St. Malo for 109, and that's a total of 453 units as part of our '84 program under Section 56.1. These are committed and under construction or soon to be open.

Under the '85 building program, in Winnipeg we will be, hopefully, constructing 169 family units. In rural Manitoba, there'll be a small number: 4 to 6 at Altona; Brandon; Morden; Portage la Prairie and Steinbach and Winkler, for a total of 271-273 units. In addition, in rural Manitoba, we intend to build some family units at Selkirk, The Pas and a few more at Winnipeg for a total of anywhere between 367 to 372 units of family housing.

For the elderly, some more units in rural Manitoba: there'll be in Winnipeg, Brandon, Oak Bank, Swan River, Souris, The Pas and Selkirk for a total of up to 245 units.

Under Section 40 - these are much smaller projects - for the family, about a half-a-dozen or so where we have only one unit per community and then for the elderly - these are '84 projects - at Arborg, Churchill, East Selkirk, Gimli, Morris, Notre Dame, Oak Lake, Pine River, Plum Coulee, St. Adolphe, Wabowden and Winnipegosis.

Under the '85 program for family scattered, one or two units per community, we're looking at a total of 34 and up to 68 elderly units and, again, very small numbers of four and two per community in communities such as Alonsa, Binscarth, Cormorant, Grand Rapids, Hodgson, Kinosota, Komarno, Lundar, McCreary, Powerview, Sandy Lake, St. Claude, St. Eustache and Tyndall and Waterhen.

The Section 40 Program that I've just referenced has about 102 proposed units. We may be able to deliver more depending on whether there is a further allocation later on this year from Canada Mortgage and Housing, or whether is an unused allocation from some other body.

**MR. F. JOHNSTON:** The '83-84 projects that the Minister mentions, those have been tendered and are on their way. Am I correct in saying that?

**HON. J. BUCKLASCHUK:** That is correct.

**MR. F. JOHNSTON:** And the '85 programs, are they tendered and on their way, or is the program that you mentioned planned and going to go out for tender?

**HON. J. BUCKLASCHUK:** A small number have already been tendered and we hopefully will be in a process

of tendering the remainder within the next three to four months, as soon as we require land and do all the formalities.

**MR. F. JOHNSTON:** In the Winnipeg area, are the intentions for the 1984 program which is on way - or let's put it this way - were the intentions for the 1984 program that was on way and the 1985 program that is coming up, will those family and senior citizens' units be mostly in the core area?

**HON. J. BUCKLASCHUK:** No, they're scattered around the city. As a matter of fact, I'm just looking down a list of the 1984 ones. We do have quite a number in the core, but there are some - I noticed Gateway Sun Valley Drive, I believe that's in East Kildonan. We have South Park Drive, I think it's Fort Garry; Inkster Garden Drive which is the northwest part of the city; scattered units in the Boyd, McGregor, Redwood area; some on Corydon, so it's scattered. It's throughout the city.

**MR. F. JOHNSTON:** The experience with applications, historically, for public housing and for senior citizens' housing has been that the desire is to live in the core area or downtown Winnipeg, if you want to call it that, whichever you want to call it. Has the research been such that will justify the units that are going to be built in the outskirts of the city?

There's no question that there were times when there were units available in the outskirts of the city and the applicants were not interested in being too far away from the downtown area because these are people that don't have cars, etc. Is the research justifying the building of units in the outskirt areas?

**HON. J. BUCKLASCHUK:** Yes, I'm just doing a calculation of the 360 or so units that they were looking at under the 1984 program. Two hundred and sixty would be in the core or the central part of the city, and the other 100 would be in the outskirts. The Winnipeg Regional Housing has provided us with some figures on the waiting lists. Let's say, in Fort Garry we have somewhere around 75 or so applications on hand; East Kildonan, we have something like 125 on hand.

So the need I think is reasonably well demonstrated for social housing, and certainly when we were looking at the locations for these projects, we did cross-reference them to the list of applications that are on file with Winnipeg Regional, and, I presume, Winnipeg Housing.

**MR. F. JOHNSTON:** How often is the list updated? We went through an experience of taking over a list that was - to put it bluntly - a mile long and when we put a crew together to make contact with everybody on the waiting list, we found that people had moved or found accommodation, or in the case of senior citizens were not interested any more. How often do you update the lists to make sure that your list is accurate at all times?

**HON. J. BUCKLASCHUK:** We get a public housing waiting list from the authority monthly and my understanding is that the housing authority upgrades its list every six months. In other words, they make

contact with the applicant, so the information we have should be correct to within, probably on the average, three months or so.

**MR. F. JOHNSTON:** On the Critical Home Repair Program, what is the waiting list at the present time?

**HON. J. BUCKLASCHUK:** At the end of March there would have been around close to 600 applications that were in various stages of being approved.

**MR. F. JOHNSTON:** There's a waiting list of 600?

**HON. J. BUCKLASCHUK:** No, not a waiting list, but applications that are with the inspectors or on file at the Manitoba Housing for approval. Four hundred were on file, had not been inspected, at the end of March.

**MR. F. JOHNSTON:** Mr. Chairman, the new criteria for the Critical Home Repair, does that allow people that have had a benefit from the Critical Home Repair Program, they couldn't apply again or their application wouldn't be received, or do you now have a criteria where people who have had work done can apply again and qualify?

**HON. J. BUCKLASCHUK:** Yes, applications are considered after the third anniversary of the previous application.

**MR. F. JOHNSTON:** After the third anniversary of the previous application.

Mr. Chairman, reading in the Minister's remarks, in his opening statement he said, "The difference in performance is clear. Our government has been able to commit to repair almost twice as many units during the first three years as the previous administration committed," and I stress the word 'committed' from 1979 through 1981. In fact, the 1984 commitment almost equals the entire commitment over '79-81, and furthermore, the \$6.9 million is actually activity generated through a more aggressive provincial use of the federal funds." That's talking about RRAP, but the word 'commitment,' is the Minister saying that during the years from 1977-1981 that the actual commitment during that time, in other words, the applications that were committed during that time, is that what he's speaking of, the applications that came in from 1979 on? The word 'commitment' is something that I would like sort of explained in this respect. Those were new applications during that time?

**HON. J. BUCKLASCHUK:** Yes, the word 'commitment' has been used, but in fact it doesn't differ very much from the cash that has flowed. There is about a two or three month period between the commitment to the time that the cash is flowed, so I used 'commitment.' I guess I could have just as easily used 'expenditures' or 'benefits provided' and the same sort of figures would have shown up.

**MR. F. JOHNSTON:** Has the Minister looked at the record and found that in November of 1977 there was a backlog of 6,000 applications that had to be cleaned up?

**HON. J. BUCKLASCHUK:** No, I haven't, because that is not really part of my interest to go back to 1977 or '78 to see what is past history. I think what is of importance is what we are doing today.

**MR. F. JOHNSTON:** My only concern was the Minister says that there was only so much committed during a certain period, and he hasn't taken into consideration that over and above that commitment there were 6,000 applications that had to be taken care of during 1978 and '79.

When I look at the budget for Critical Home Repair I see that it's approximately \$2 million, and when I look at the report from 1984, it was approximately \$2 million and it appears as if it's approximately \$2.5 million or \$2.8 million, which is appropriated to the Critical Home Repair every year, and in my recollection there was always at least \$2 million appropriated to Critical Home Repair at all times, even with the previous government and with this government.

So when you add 6,000 applications that were in backlog that were taken care of during 1978 and 1979, plus the new ones coming in, I would suggest that the Minister's statements in his opening remarks really don't express the true experience that was happening in Critical Home Repair.

**HON. J. BUCKLASCHUK:** Well, I suppose if we really want to look at history, we should do that. The figures I used in my introductory remarks were for the period 1979-1981, as compared to the years '82 to 1984.

The following information is readily available. In 1979, 1,603 units were repaired under the Critical Home Repair Program for \$1.5 million; '80-81, 1,057 units were repaired for a total of .9 million; in '81-82, 481 units were repaired, for a total of .4.

During those three fiscal years, there were 3,141 units repaired under the Critical Home Repair Program, for a total of \$2.8 million. Now I don't recall a figure that the member had indicated was appropriated. It may well have been appropriated, but it certainly wasn't spent, as we can see, in those three years.

In contrast, in 1982-83 fiscal year, 3,560 units were repaired, for a cost of \$4.3 million. In '83-84 fiscal, 2,746 units for a cost of \$3.6 million and in '84-85 - and this is a preliminary figure - 2,150 units were repaired, for a total of 2.7. The three years '82, '83, '84, the total is 8,465 units for an expenditure of \$10.6 million. Those are the figures I used in my introductory remarks.

**MR. F. JOHNSTON:** . . . the work during that time, that's applications that came in during that time, but he doesn't seem to take - and I'm not going to worry about history either, because we're quite willing to stand on our record that there were 6,000 applications to be cleaned up when we came into office in 1977. I don't know whether people are doing it cheaper, but the appropriations for money are about the same as they have always been.

**MR. CHAIRMAN:** 3.(a)(1) - the Member for Assiniboia.

**MR. R. NORDMAN:** No, I'm sorry, in my mind, I'm down to Grants and Subsidies, which is (b).

**MR. CHAIRMAN:** 3.(a)(1)—pass.

3.(a)(2) - the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, might this be the appropriate area where we could discuss with the Minister the rural RRAP Program?

**HON. J. BUCKLASCHUK:** Yes.

**MR. D. ORCHARD:** Mr. Chairman, during the winter months, I brought to the Minister's attention an administrative oversight - for lack of better words - regarding a constituent of mine whose income tax form was sent out as an example of how to apply for assistance under rural RRAP.

The Minister dealt with the situation and I'd like to ask him what the distribution of the income tax form was within the department? Were there other people in MHRC - I'm not sure what the official position was, but basically field representatives who received that information, or was that unique that it was received by the individual in Brandon?

**HON. J. BUCKLASCHUK:** Yes, a small number of MHRC staff had been provided with that particular document and it was very quickly recovered, once we had learned of this rather unfortunate incident.

**MR. D. ORCHARD:** Mr. Chairman, could the Minister indicate to me why a document, which one would assume would have some confidentiality, would even receive limited distribution within the department to people who had, as I understand it, basically no responsibility for making a decision on the application? Why was that information distributed within the department?

**HON. J. BUCKLASCHUK:** It was intended as a training document to the field workers, as to how to calculate the incomes - farmers' incomes specifically - for purposes of the RRAP application. Since that information was brought to light we now use a different procedure in which the name of the person whose return is used - we don't even use the return as a matter of fact - we make up a dummy return, so that there is no possibility of anything like this occurring again.

**MR. D. ORCHARD:** Mr. Chairman, that's a very interesting answer, that presumably this was a training document to give field staff or employees of the department information on how to assist people, presumably in applying for RRAP - I think basically that's what the Minister is saying, he can correct me if I'm wrong. But, Mr. Chairman, the individual that applied was turned down, so does that mean that the intent of the department and the Minister was to give this kind of information to field representatives with the purpose of how to have an applicant fill out an application to be turned down, because that was the nature of the income tax form that he used?

**HON. J. BUCKLASCHUK:** Not at all. The purpose of the exercise was to acquaint field staff to develop a knowledge of how to interpret the income tax, the farmers' income tax, to take that relevant information for the application, so that the application is filled out

properly. The reason it occurred at this time was because there had been new guidelines issued by Canada Mortgage and Housing, and that was the purpose of the retraining program.

**MR. D. ORCHARD:** Mr. Chairman, surely, with the numbers of staff that this Minister has in his department, and even if he didn't have surplus staff or the necessary expertise; you sit around a Cabinet table with a Minister of Agriculture who has an Economics Division within his ministry, which, on a regular and routine basis, makes presentations to the farm community dealing with income tax and cash flow statements and everything the Minister would need.

Mr. Chairman, I just find the use of an active income tax return, even if it was completely blotted out so the person's identity was undetectable; to use an actual return as an example, by itself, is, to me, an indiscretion that is almost inexcusable, but to use one where it takes absolutely no problem to find out whose income tax form it is, leads me to question whether the Minister and the department have control over the information that's given to them and whether they exercise any degree of confidentiality and whether applications made with that kind of information submitted by Manitobans, whether that information becomes sort of coffee-break talk so we'll all have a look at somebody's income tax forms. Whose income tax form are we going to have a look at today?

You know, without using too much original thinking, the Department of Agriculture could have been phoned and asked for that kind of an interpretive income tax statement. As a matter of fact, you might have been able to go to John Doe in the income tax booklet, the information booklet that comes out routinely to show you how to make out your income tax form. To use an active file is inexcusable, and I know the Minister was very apologetic and very concerned about this lack of confidentiality within his department, and that's fine, and that is the only position the Minister could take and maintain some credibility. I want to assure you if it hadn't have been for the fact that this fellow didn't want to waste any time or money, the Minister and his department would have been in court because he was extremely upset and very, very angry at finding out that his income tax statement was sent to someone else in the province.

I had to go over and see him personally and take the thing over there, because I couldn't believe it happened. I sat down with him to ask him if he had given any permission for that to be used in such a way, because I just couldn't believe that it would be happening. He went over to his filing cabinet and his wife pulled out the original copy and it was line-for-line identical. The man was indeed embarrassed to say the least that his information was sent out, albeit, supposedly only to one individual, but finding out that it was part of an information package used within the department he found to be very, very shocking.

What it did, Mr. Minister, for your information is it destroys the credibility of government when those kinds of things happen. You might recall when the Social Security Number came out there was a great deal of concern about the confidentiality of the use of that number. There was a great deal of public discussion

about it. Governments have an obligation to keep confidential information from applicants and from citizens just that - confidential. It completely destroys the credibility, as I say, of this Minister and his department when that does not happen.

I wonder if the Minister can give us the assurance now that there was only one copy sent out to an individual Manitoban, who was thinking of applying for rural RRAP, and whether any other incidents of this nature were uncovered after this one was drawn to his attention, and any other income tax documents had to be pulled back in that were used as examples.

**HON. J. BUCKLASCHUK:** Well, there are a number of things I'd like to address in response to that comment from the Member for Pembina.

First of all, with reference to the number of staff, I believe that Manitoba Housing has about the second lowest staff in their Housing Department per capita in Canada, so we'll get that one straightened away.

Secondly, I have admitted that there was an error on the part of our staff for using that particular return during the training exercise that should not have been done. That is not normal practice within a department. That return should not have been in the hands of the field worker. Both employees were disciplined. I also want to remind the member that we do handle something like 18,000 or 19,000 confidential documents and this was a unique incident.

With respect to having staff contact MACC or whoever to get the details from the return, many government departments require the type of documentation that we did for the completion of this RRAP application. It would be ludicrous to expect a field worker to contact the income tax or MACC how to interpret the return. For the purposes of RRAP, I think this can effectively be done by training staff and then when they have access to that information, they can complete the application forms properly.

I should also indicate that the staff member who used this as an example to assist another applicant did make an effort to block out the person's name. I want to assure the member that I treat this matter of confidentiality very seriously.

With respect to the Member for Pembina, if he was concerned about his constituent, he would not have, as he did, write me a letter and then have a press conference to deal with the issue even before I got the letter. If I had been advised of this particular problem, we could have looked at it very quickly and the member's constituent's name would not have become public knowledge as it did under the circumstances used by the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, I didn't suggest to the Minister that he have his field staff contact MACC. I believe the Minister told me that the income tax document was used in a training program as an example of how to calculate farm income. What I suggested to the Minister is that he take some of his staff and ask the Department of Agriculture Economics Branch to draw them up or give them out of their files some of their example income tax forms that they use regularly at farm meetings. I wasn't suggesting to the Minister that his field staff contact MACC every application. If

it was a training document, it could have been made available from MACC or from the Economics Branch, pardon me.

Secondly, Mr. Chairman, if the Minister finds fault with me having a press conference, then maybe he should find fault with the individual because I contacted him and I told him that was the course of action which would get him some semblance of public satisfaction to expose this Minister, this department, this government for the incompetence that they're routinely noted for. He said fine because I doubt if we'll get anything else out of this government. You won't get anything other than a cursory apology if you get that.

So, Mr. Chairman, I don't apologize to anybody for having a press conference and telling the public of Manitoba that this Minister hasn't got the competence to keep confidential files confidential. I don't apologize to anybody for that.

**MR. CHAIRMAN:** 3.(a)(1)—pass; 3.(a)(2)—pass; 3.(b)—pass.

Resolution 100: Resolved that there be granted to Her Majesty, a sum not exceeding \$10,982,500 for Housing, Program Delivery, for the fiscal year ending the 31st day of March, 1986—pass.

Item No. 4, Transfer Payments to the Manitoba Housing and Renewal Corporation.

**MR. F. JOHNSTON:** Mr. Chairman, this is the Transfer of Payments to the Manitoba Housing and Renewal Corporation and of course the sections says, "Provides for the costs of operating housing authorities including . . .". That is the costs of operation for housing; I think we discussed the housing authorities, the maintenance, etc., for the corporation.

**MR. CHAIRMAN:** Shall we cut through this one - pass?

**MR. F. JOHNSTON:** No, I just say that's basically what this item is, is it?

**HON. J. BUCKLASCHUK:** I'd like to perhaps give a breakdown of that figure, if you'd like. We do have rent, rental subsidies, \$20,179,000 - I'm sorry, this year's figures - \$21,245,000; transfer payments to non-profits, \$270,000; Critical Home Repair Program - Forgiveness, \$630,000; HIMP I, Homes in Manitoba Program I, \$961,000 - that is the interest subsidy; and under HIMP II, \$1.515 million, for a total of \$24,622,000.00.

**MR. CHAIRMAN:** The Member for Assiniboia.

**MR. R. NORDMAN:** I'm just curious, Mr. Chairman, on the Logan Development and the land development and so on, there's nothing in there — (Interjection) — Why is that? We're not spending any money in those areas at all or are they someplace else?

**HON. J. BUCKLASCHUK:** Yes, the cost related to the North Logan Development will be in the next appropriation, Expenditures Related to Capital.

**MR. R. NORDMAN:** I see. Okay, fine.

**MR. F. JOHNSTON:** I have one question and I wouldn't mind if the Minister may go back because we passed

the section, but I think the Minister could give me this answer. On the Shelter Allowance for family residence, what are the criteria for incomes, etc.?

**HON. J. BUCKLASCHUK:** Yes, I believe I said it wasn't too dissimilar from what existed in 1981. The maximum income is somewhere in the neighbourhood of \$16,000.00. I believe the maximum rent that is eligible is about \$400 or \$405 and it's 90 percent of the difference between 25 percent to 27 percent of income and the maximum allowable rent.

**MR. F. JOHNSTON:** The increases that were received by the GIS, by the residents, was most of that taken away by the decrease or increase in the allowances that were for the residents?

**HON. J. BUCKLASCHUK:** It would be roughly 25 percent. It would depend on the individual situation, depending on what they were eligible. The householder received a \$50 increase in disposable income, on the average, and there was an average reduction of \$8 in a SAFER benefit; so the net disposable income of the individual increased by \$42 a month. I said 25 percent; it should have been more in the neighbourhood of around 16 percent.

**MR. CHAIRMAN:** The Leader of the Opposition.

**MR. G. FILMON:** On this very point, this is very timely, Mr. Chairman. An individual phoned me last evening to say that, of a \$50 increase received earlier this past year, his mother had had a reduction in two stages of her Shelter Allowances that resulted in about \$22 of the \$50 being reduced in terms of her Shelter Allowance payments.

**MR. CHAIRMAN:** Mr. Minister.

**HON. J. BUCKLASCHUK:** Again, one would have to know the specific income figures of that particular person and the rent paid and so on, but it should not have been that high. As I indicated, on a \$50 increase, it should have probably been around \$8.00 or \$9.00.

**MR. G. FILMON:** Is it possible that there would be some combination of income and rental that might have resulted in that?

**HON. J. BUCKLASCHUK:** Yes, I suspect there would be.

**MR. G. FILMON:** Mr. Chairman, doesn't this fly in the face of statements that are being made by this administration about wanting the elderly to have more of their disposable income and be entitled to the increases? Now we find out that when they get increases in their GIS and OAS that Shelter Allowance takes it away immediately so that they aren't being given the advantages.

**HON. J. BUCKLASCHUK:** The Leader of the Opposition, as I recall, in debate last week took credit for the SAFER Program and we're certainly not knocking the benefits of that program; but the

regulations for the program, as established by the previous administration, require that where any increases to pension source income occur, that the amount of benefit must be recalculated on the basis of that increased income with the exception of the regular quarterly Old Age Security increment. That was not a regular increment, so we are simply following through with the regulations that were put in place by the previous administration.

**MR. G. FILMON:** Does the Minister disagree with the regulations that were put in place by the previous administration?

**HON. J. BUCKLASCHUK:** Apparently, if they've been in place since this administration has taken over and we've reviewed the programs, we are not in disagreement with them. There may well be other priorities, but certainly the regulation that's in place right now is the same regulation that was in place during the previous administration.

**MR. G. FILMON:** Are the Minister's senior staff recommending that he change these regulations?

**HON. J. BUCKLASCHUK:** I think what the Minister's senior staff recommend is a matter between a Minister and the senior staff.

**MR. G. FILMON:** So the Minister is refusing to answer that question?

**HON. J. BUCKLASCHUK:** No, I'm not refusing to answer it. I'm just explaining a practice which I believe the Leader of the Opposition also supports.

**MR. G. FILMON:** Well, I just want to know whether the Minister will answer the question of whether or not his senior staff are recommending any changes to these regulations.

**HON. J. BUCKLASCHUK:** It's certainly been under review, but I can't recall either way. The fact is that we, within the Department of Housing, have a certain appropriation or allocation of funding for the year and we determine what our priorities are and the decision has been that the existing regulation stays.

**MR. G. FILMON:** The Minister supports the fact that when old age pensioners get their increases of this nature in the GIS, as occurred earlier this year, that he's not concerned about having a good portion of it taken away by this administration. He feels that's fair game.

**HON. J. BUCKLASCHUK:** As I indicated, previous experience has shown that, on the average, \$8 out of \$50 was recovered, but there was a decrease in benefits of \$8.00. I don't think that's a lion's portion of the increased benefits.

**MR. G. FILMON:** This attacks seniors directly, in the same way. It's the same thing. Mr. Chairman, I just want the record to show that in this instance that I was made aware of, \$22 of the \$50 was taken away of the \$50

increase and that this Minister supports that and feels that those guidelines are adequate.

**HON. J. BUCKLASCHUK:** May I respond to that? I certainly didn't say I support it. I said that it did not seem to be the normal situation. I would be pleased to take a look at that specific situation.

I should also make reference to the fact that the \$50 increase was not related to CPI. It was simply an across-the-board increase provided by the Federal Government for whatever reason, but our regulations require that where increases to pension source income occur, excepting the regular quarterly Old Age Security increment, the amount of benefit must be recalculated.

**MR. G. FILMON:** Do the regular quarterly increases result, in the following year, in a new base calculation that results in a change in their benefits under SAFER?

**HON. J. BUCKLASCHUK:** I'm sorry, could you repeat that question, please?

**MR. G. FILMON:** Do the regularly quarterly increases accumulated each year result in a decrease in their SAFER allowances in the following year?

**HON. J. BUCKLASCHUK:** Theoretically - I shouldn't say "theoretically" - probably in practice there is no difference. While there is no increase in rent because of the quarterly increases, at the time of the increase, the increases are taken into account when the renewal of the application is made. However, at that time, in all likelihood the rent level has increased and, therefore, the benefit would also increase.

**MR. G. FILMON:** But if the rent were increased 3 percent and the increased income as the result of indexation was 5 percent, then this administration would be taking a portion of it away by reducing the Shelter Allowances.

**HON. J. BUCKLASCHUK:** One has to keep in mind that the support that is provided is for equitable payment of benefits based on income and housing costs, just as public housing tenants pay a specific portion of their income for their rent. So, in a sense, the philosophy is not unlike.

**MR. G. FILMON:** The bottom line to this situation is that this Minister and his colleagues who will jump to the fore and criticize reductions in increases to senior citizens by other levels of government will take away some of those increases, will be glad to take away some of those, in fact, will do it by policy as a result of their Shelter Allowance regulations.

**MR. CHAIRMAN:** The Minister of Tourism.

**HON. J. STORIE:** Well, Mr. Chairman, I think the analogy that the Leader of the Opposition makes with respect to the Shelter Allowance benefit system and what was a deliberate budget decision on the part of, some would say, a malicious and mean-spirited government is fallacious and spurious and silly.

Mr. Chairman, the Leader of the Opposition suggests this is a deliberate policy. If it's a deliberate policy it

was one that was inherited from an inherently incompetent administration. — (Interjection) — Mr. Chairman, . . .

**MR. CHAIRMAN:** Order please.

**HON. J. STORIE:** . . . I think the Minister has pointed out that the purpose behind this particular benefit, there has been no change. To try and draw an analogy between a system that's been in place for six years to which there has been no change and the institution of de-indexation is absolutely silly. I understand that the Leader of the Opposition has been stung by this as has been the Federal Conservative counterparts and he's trying to make an issue where none exists. It's I think a pretty transparent set of arguments and I suppose he's free to make them, but I don't think that they're going to carry much weight.

**MR. G. FILMON:** Mr. Chairman, they apparently carry weight with the individuals who are having their Shelter Allowances reduced as a result of it because people have phoned us to tell us about the hypocrisy of this administration's position on the income of senior citizens.

**MR. CHAIRMAN:** Item 4.- the Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Chairman, I've listened to the Minister of Business Development and Tourism, of course, defending a position that he took when he was Minister. He continually talks about history and the Minister has mentioned a couple of times that history is history and it happened in previous times.

There is no question that the guidelines were there for a long time. Nobody's argued that. This government has been here for close to four years and this is the government that says that we are going to take a look at the circumstances which are going to be harmful to people and we're going to correct them. The reason why they're not corrected is because the Minister likes to say that they were there before. That's his excuse. They were there before but he does nothing to correct them.

I think all of us could go through life saying well we can't do anything because it wasn't done five years ago or 10 years ago or 50 years ago. I think most of us go through life looking at circumstances the way they are at the present time and doing something about them. This Minister, his excuse for not doing anything about a situation that is bad is because the guidelines were written previously.

Mr. Chairman, I really can't understand that type of an attitude from a government that says they're progressive, from a government that says we are going to create different situations, we are going to help people and their excuse for not doing it is because the guidelines were written several years ago. That, to me, is the greatest point of hypocrisy that I've ever heard in my life.

**HON. J. STORIE:** Mr. Chairperson, the arguments again, the position put forward by the Member for Sturgeon Creek would be, I suppose, somewhat



accurate if it were not for the fact that this government certainly has not let its Housing policy rest with two programs SAFFR AND SAFER. The suggestion that has been the sole attempt to deal with what were some pretty serious housing problems is inaccurate and wrong. We are now in a period of rent controls which the members did everything in their power to eliminate.

So, we're not having seniors faced with the kinds of rent increases that they're currently facing in provinces like British Columbia. Let's not pretend that Shelter Allowance is the be-all and end-all of housing policy. It may have been under the previous administration but I think that the Minister of Housing has outlined a pretty broad array of housing programs that have been instituted to deal with a pretty broad array of housing problems from the seniors to the working poor. I certainly don't accept, and I don't think the committee members should accept or the public should accept that kind of accusation and suggestion. It flies in the face of the fact and a pretty substantial record of achievement in the housing policy area.

**HON. J. BUCKLASCHUK:** Just on this, I'm somewhat surprised at this discussion that is taking place. I don't want to put it as a question, but I'd be interested in hearing the views of the Member for Assiniboia. I indicated that the SAFER Program, the purpose of the program is to assist tenants so that a given percentage of their income is spent on rent, specifically persons who are on pension.

At the same time, we have some 9,000 or so, tenants in our social housing, who also contribute 25 percent of their incomes towards their rent; and equally when their agreement comes up for renewal, the increases in their pensions are taken into account and the rent is adjusted upward.

I'd be interested in knowing whether the Member for Assiniboia feels that we should also peg or disallow or disregard the increases of some 9,000 tenants living in our social housing?

**MR. CHAIRMAN:** The Member for Assiniboia.

**MR. R. NORDMAN:** Mr. Chairman, I agree with the statement that either the Leader of the Opposition or the Member for Sturgeon Creek made, that just because the program was there at the time that you became government, it does not necessarily have to remain the same. It was a good program, yes, but maybe it can be improved, and that's all I would suggest or offer to the Minister. Take a look at it, and if you think if the senior citizen is in that dire straits, then give them the benefit.

**MR. CHAIRMAN:** The Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Chairman, we just had a situation which can be related to the Minister who just spoke, when cornered, don't talk about the situation, talk about something else. I would only refer to what I have in front of me, the SAFER Program that he mentioned and the SAFFR Program that he mentioned; that we live on that particular situation from the point of view that we're very proud of it and we are very proud, and obviously this government's very proud of

it. Because the appropriations that I have in front of me show that those two particular programs are taking the major portions of the money that is listed here for assistance to people.

When the Minister talks about his Home Program, he was very proud to stand up and say, "There were more homes built in Manitoba when he was Minister, and did you know that there wouldn't even have been one-quarter or one-eighth of those homes built, if it hadn't been for the federal program that was put in to support the housing situation."

**MR. CHAIRMAN:** 4.—pass.

Resolution No. 101: Resolved that there be granted to Her Majesty, a sum not exceeding \$24,622,600 for Housing, Transfer Payments to the Manitoba Housing and Renewal Corporation, for the fiscal year ending the 31st day of March, 1986—pass.

Item No. 5.(a) Expenditures Related to Capital, Capital Grants; 5.(b)(1) Canada-Manitoba Winnipeg Core Area Agreement, Core Area Home Ownership Assistance Program; 5.(b)(2) Logan Redevelopment Program; 5.(b)(3) Less: Recoverable From Urban Affairs.

**MR. R. NORDMAN:** There are just in-and-out items anyhow, so pass.

**MR. CHAIRMAN:** 5.(a)—pass; 5.(b)(1)—pass; 5.(b)(2)—pass; 5.(b)(3)—pass.

Resolution No. 102: Resolved that there be granted to Her Majesty, a sum not exceeding \$2 million for Housing, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1986—pass.

Back to the Minister's Salary, Item No. 1.(a).  
The Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Chairman, I see a situation here where the Housing Department is - or seems to be operating in a much better situation and basically operating that way because of the guidelines and programs and the excellent board that was put in under the Conservative Party to clear up a drastic situation that was presented to us when we came into government that was a complete mess, and obviously the influence that the four years of the Conservative Government had on the Housing Department is one that seems to have put it into a better operating condition. We would hope that we don't go back to the days when we would arrive in government and find 6,000 backlog of critical home repair and interior and exterior painting programs.

Of course, that all happened during election year when the Housing Department between August and the 1977 election in the fall hired between 30 and 35 people on term employment to go out and just distribute all of these programs just like they were going out of style. We had to clean all that up.

We had a situation where we have the Minister saying if we have applications for three, we build for one. We had situations where there was signs put in the ground, "We'll build 48" and there was only 24 applications that we had to contend with. We had situations where they blankety in Cabinet expropriated a bunch of land in the City of Winnipeg and didn't even know what the land was going to cost and were prepared to build on them.

We had a situation where there was a sign in Brandon to build a new home and we didn't even own the land. We had the Minister running around the province during that time with a sign and shovel in his car dropping a stake anywhere he could, saying we will build here. We took over that situation and we found that there were \$67 million worth of projects presented and the Federal Government in Section 44 only had \$22 million to be put there.

We had a situation where right in the act it says that if it's approved by the Federal Government, they will pay 90 percent and when the Federal Government wouldn't approve the price of the land, etc., the Provincial Government would end up maybe having to pay 15 or 20 percent. There was all kinds of those.

Mr. Chairman, then we had, as I said, the 67 million, which we had to cut down, but we took the 22 million and in this report in the paper that was presented, we built 809 units and we used the money, we did what we had to do as far as housing is concerned and we did it on the basis of having a fine board that analyzed everything thoroughly and did it.

As far as the waiting lists for public housing were concerned, it was something like 2,000, so we took the trouble of phoning everybody and we found that we were down to about 625. Nobody had ever bothered to find out really what was going on in the housing situation at that time.

The houses for sale, I read today - this is what I read today, a memo from Mr. Gordon, who I said came from Leaf Rapids and was a supporter of the NDP Party, ridiculing the policies of the previous government and that's what we took over in 1977.

Mr. Chairman, I wouldn't probably be saying what I am tonight except that I listened to the Minister read from a 42-page statement, where he was taking the time and the privilege of being critical of previous governments as far as the housing is concerned, and we had a good housing corporation going for us. I'm rather surprised that I see that type of political nonsense read into a statement that is that long.

Then we had the Minister saying, we had a home building program. They had a home building program because the Federal Government jumped into the home building program. Yet, we have that situation coming before us.

We had a situation when we took over, and if the Minister who was the Minister then wants to answer it, answer the letter from Gordon on the complete mess that the Housing Department was in when we took over.

Mr. Chairman, I would hope sincerely that the good situation that we've built up over the four years that this government has followed and added new programs to will continue, because of the board that was in position at that time. We kept Mr. Ben Carson on the board, who was put on the board by the NDP, because he was a fine person and knew the housing industry and he worked well with all the people we put on the board and we structured a board, we structured a housing corporation that was going to have a regard for people's money.

One of the other areas when we took over, they were going to build a brand new senior citizens' accommodation at Smith Street the same size as was at Smith Street at that time. Do you know, Mr. Chairman,

that the Minister of Health of the NDP Government of 1976 wrote and recommended that should not be built and yet the Housing Corporation was still going to go ahead with it.

Mr. Chairman, I never did see such a mess and we cleaned it up and it's obvious that the influence that we've left has done some good. It doesn't look that bad. But for the Minister to be critical of the previous administration as far as housing is concerned, when it's in writing what we did; we used every cent we could get from the Federal Government on Section 44, until it dried up, and we didn't go around saying that we would build unnecessarily. We had the analysis done by the department to build when it was necessary and when it was warranted, so if this government thinks that they are the ones that put the Housing Corporation into a good situation, I'll tell you this. They left it in a lousy situation which had to be cleaned up and put into a good situation and that's what was done by the Conservative Government, and I sincerely hope when we take over not more than a year from now that it won't be in the mess it was in 1977.

**MR. CHAIRMAN:** The Minister of Employment Services and Economic Security.

**HON. L. EVANS:** Mr. Chairman, I really didn't want to get into this debate, but since the Member for Sturgeon Creek wants to rehash history, I just want to make a point, and that is, when we became government in 1969, the housing corporation had a grand total of three staff and there were a set of programs that virtually didn't exist, with a budget of practically zilch. It was under the New Democratic Party Government, in an eight-year period, that we developed the Manitoba Housing and Renewal Corporation to an active, living, thriving corporation that put in place thousands of housing units for low-income families in this province and thousands of units for senior citizens in this province. Today these people are still benefiting from that, continuing to benefit, being protected from the ravages of inflation and high rates.

I'll only use one example and that's my own constituency, to make a point. Mr. Chairman, the Member for Sturgeon Creek came to Brandon to cut a ribbon. He was Minister responsible for Housing in '78 - it was the Lawson Lodge, he may have forgotten it - and he talks about the fact that we were going to put up a building for which we didn't have the land. That is not correct. The land was made available by the City Council of Brandon and records are there. In fact, when you were Minister, the land was turned back to the city.

Before building, we had meetings and consultations with people in the community, including local alderman, the local aldermen of the area; we met with various groups and the people of the City of Brandon understood that they were going to have one in the south end of the City of Brandon. It wasn't something that was dreamt up over night.

Mr. Chairman, when the Member for Sturgeon Creek came to cut the ribbon of Lawson Lodge, he then took the City Council of Brandon aside to tell them that they weren't going to go ahead with this one that everyone expected to have in the south end of the City of

Brandon. You know, Mr. Chairman, for four years the Conservative Government didn't put up one single stick of senior citizens' housing in the City of Brandon and that's why the Conservatives are not going to win in the City of Brandon in the next election, because the people there know that if they vote Conservative, they'll get no senior citizens' accommodation.

What's happened since we've been in office? We've had two buildings go up and a third one about to go up.

**A MEMBER:** At the cost of the rest of the province, too.

**HON. L. EVANS:** At the cost of the people of Manitoba, the people of Canada. The programs that the Member for Sturgeon Creek talked about and explained a little while ago, programs that are available to the entire province, programs that are being put in place by this present Minister, the City of Winnipeg, Dauphin and throughout the Province of Manitoba.

As a matter of fact, I'll tell the Member for Portage that I had occasion to be in his riding a couple of times where we started senior citizens' building, that beautiful one you have right down on your main street was built by the Schreyer NDP Government. If it wasn't for that government, you wouldn't have it today, so if you want to criticize, go and talk to the seniors in that building and tell them you're a little unhappy about spending taxpayers' money for senior citizens' apartment.

I say, Mr. Chairman, the record of the Conservative Government when they were in for four years is bloody abysmal and the people of the City of Brandon will never forget that Frank Johnston . . .

**MR. J. DOWNEY:** They won't forget McKenzie Seeds either. They won't forget you and McKenzie Seeds either and your friend, Bill Moore, and your messing around.

**HON. L. EVANS:** Mr. Chairman, the people of Brandon will never forget how the Tories, Mr. Lyon, was going to protect McKenzie Seeds and then within two months of being elected, he advertised it from coast to coast to sell it.

I'd like the honourable member to make some statements, so we can deal with that in courts.

Mr. Chairman, the people of Brandon will never forget the betrayal of the Lyon Government. They advertised that company from coast to coast. They were going to protect it. There's a front page headline, "The Conservatives Will Protect McKenzie Seeds." Within months they were selling it.

The point being that the record of the Conservatives from 1977 to '81 were abysmal. Not one stick was put in place for the senior citizens and they won't forget that.

**MR. J. DOWNEY:** They won't forget you and McKenzie Seeds either.

**HON. L. EVANS:** They won't forget Jim Downey either.

**MR. CHAIRMAN:** The Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Chairman, I don't want to get into McKenzie Seeds, other than to say that . . .

**MR. CHAIRMAN:** it's not relevant.

**MR. F. JOHNSTON:** You're quite right, it's not relevant. You're quite right, Mr. Chairman, and it shouldn't have been mentioned and we probably shouldn't mention that the Minister that was just speaking was going to sell it as well, and that's on the record.

Mr. Chairman, the Lawson Home was built while we were government and do you know why we had that stick on that land to build the Assiniboia property of housing when we didn't even know we owned the land, it hadn't been turned over to us, because in Brandon, at the time, there was a surplus of accommodation in Brandon. We couldn't even get people into co-op homes in Brandon at that particular time, there was a surplus, and that Minister was still planting stakes in the ground saying, we're going to build.

Mr. Chairman, I would just ask for the Research Department of the Housing Corporation to give the Minister some information, because unless I was given wrong information by the department, the Conservative Government built more public housing and senior citizen housing in the Core Area of Winnipeg in four years than the NDP did in eight and that's fact. That is fact.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, I will start my remarks by saying, . . .

**MR. CHAIRMAN:** The honourable member should be relevant.

**MR. D. ORCHARD:** . . . as everybody says, I didn't intend to get into this Minister's debate until the Member for Brandon East started talking.

Mr. Chairman, it's interesting, the Member for Brandon East talks about a record of a government and how the Conservatives will never be elected this time around at Brandon because of our record from '77-'81, but I want to tell this Minister that his record of housing in Brandon isn't very good right now, because this government is taking 25 personal care homes out of the City of Brandon; and talk to the senior citizens about that one, because we intend to, and I don't think they've been getting the right information, as usual, from the Member for Brandon East.

Mr. Chairman, I don't know whether he had very much to do with it during the Schreyer years, but from 1969 to 1977, when he talks about this great expansion of Manitoba Housing and Renewal Corporation into a vibrant, dynamic department that was very active, one of the very first things I did outside of this Legislature, when I was first elected in 1977, was take a trip as the legislative assistant of the Minister of Education to The Pas.

Whilst the Minister was at the college in The Pas, I had the opportunity to do a little touring of the town. One of the things that they showed me as one of the NDP jokes in The Pas was the Bell Avenue Housing project, 49 houses, nicely laid out, landscaped lawns, curbed sidewalks and streets, pavement, full services.

There was only one problem with those 49 houses in that beautiful subdivision and that was that there was not a soul - not one single home was occupied.

This government virtually did everything they could to try to buy that seat for the New Democrats, and they did, and that document that's before the Minister of Tourism indicates that the loss on Bell Avenue alone on that housing development would have been a half million dollars in 1977 - a half million dollars. That's what the current Deputy Minister of Northern Affairs cost this province to get four more years in opposition, because that's the price the New Democratic Party was willing to pay to save seats for their members, \$500,000 on 49 homes that no one lived in.

Now, Mr. Chairman, if that's the record that this Member from Brandon East wants to talk about as being a good record for the people of Manitoba, I want to tell this Minister not to repeat it, because it was one of the main reasons the Schreyer Government went down to defeat, is because they wasted money simply to save their political hides.

This Minister is threatening to do that in some of the areas he's involved with and other Ministers in this government are doing the same thing, and the people of Manitoba remember all too well the waste of money during the Schreyer years - in this department and in other departments - and they won't allow this government another term because of that.

So, Mr. Chairman, don't ever let the record lay unchallenged when the Member for Brandon East starts talking about the wonderful job they did in Housing during the Schreyer years, because I saw first-hand the waste that they perpetrated with taxpayer dollars in the Province of Manitoba, solely to save a few political hides. It was abysmal; it was disgraceful, and it was the reason for their defeat in 1977.

**HON. J. BUCKLASCHUK:** I find this discussion tonight rather interesting. It seems to me we are refighting the election of 1977 and we've entered some sort of a time warp. I just wanted to make a few remarks.

The Member for Sturgeon Creek made some reference to our wonderful — (Interjection) — Oh do we? - to our wonderful housing program. Don't take my word for it. Take it from the Manitoba Home Builders' Association, who have nationally said that it's probably the best housing program in Canada. — (Interjection) — Yes there was some assistance from the Federal Government but only for the first HIMP Program.

We have assisted hundreds of homeowners through programs since that time. We haven't talked about RentalStart. That's a program delivered by Manitoba Housing. It's rather interesting to hear the Member for Sturgeon Creek talk about how well the corporation is being run or the department is being run as a result of their efforts in four years of government. I don't recall that the previous administration had a Rent Regulation Bureau. As a matter of fact that was probably one of the major reasons why that administration was defeated.

Talking about efficiency, I listened with interest to the Member for Pembina talking about Bell Avenue subdivision. Perhaps we should refer to the 1981 platform program of providing interest rate relief, which would have cost Manitoba probably \$50 million instead of the 2.5 that this administration paid out. — (Interjection) — Giving away money? Great. Any fool can give away money, but you have to be responsible.

A rather interesting reference to the Brandon Housing Co-op and what terrible shape it was in. Having been the Minister of Co-op Development, I can tell all members here, that for all intent and purposes, the Co-op movement was dead in Manitoba by the time this administration took over. It's only during the past year, the past couple of years - and particularly the last year in Housing Co-operatives - that we have established a record which is leading in Canada.

The best housing programs. One other one, women's shelters. We have such a wide variety of programming and I want to assure members that most of those programs are as a result of this administration, not some legacy left behind by the Honourable Member for Sturgeon Creek.

**MR. CHAIRMAN:** 1.(a)—pass.

**MR. F. JOHNSTON:** Mr. Chairman, there's only one thing that I would say. The Minister, when his staff came in he introduced them, and he introduced all of this staff. In the last paragraph, he says, "The reason I stall on some of the names is these staff members are so versatile, it's sometimes hard to remember what they are doing."

I would suggest that the Minister start to take a look at his department and start to remember what his staff is doing from here on in.

**MR. CHAIRMAN:** 1.(a)—pass.

Resolution No. 98: Resolved that there be granted to Her Majesty, a sum not exceeding \$3,500,500 for Housing, General Administration, for the fiscal year ending the 31st day of March, 1986—pass.

What is the pleasure of the committee?

Committee rise.

## SUPPLY - EDUCATION

**MR. CHAIRMAN, P. EYLER:** Committee come to order. We are considering the Estimates of the Department of Education, Item 3.(a) School Grants and Other Assistance.

The Member for Morris.

**MR. C. MANNES:** Mr. Chairman, when we broke at 4:30 we were discussing some transportation matters. This time I would propose that we discuss in that same listing we were looking at previously under Support Programs, the compensatory grant of \$3 million for 1985. I would just like to have the Minister provide to me the criteria used to select those school divisions that qualify under this grant.

**MR. CHAIRMAN:** Madam Minister.

**HON. M. HEMPHILL:** Yes, Mr. Chairman, first of all, the grant is for programs that are outside of the traditional education support program or government support program and it is to meet the needs of what we call high-risk, disadvantaged children and to address those needs and provide money to schools that are coping with large concentrations or large numbers of those children.

The high-risk criteria are unemployment, transience, single parent, poverty, low education level of parent. These are factors that we know put together do cause some problems with children's ability to learn. A number of our schools right across the province are coping with larger and larger numbers of these children. We used to think it was an inner city problem. We now know it isn't just an inner city problem. We're getting calls from all across the province, rural school divisions, saying that they too are finding increasingly large numbers of these children.

The proposals are developed by the schools, developed by the teachers and the schools to address their particular problem, and they range. The problem can be one of migrancy and one of kids not attending school. It can be one related to transience. It's not unusual to have some children move four or five times in a year and have four or five different schools. In some cases, it's counselling; it could be nutrition; curriculum.

There are programs for work between the home and school. Their early school years' language development programs are a very important part of it. So the criteria are not so defined that school divisions and schools aren't able to determine what their own greatest needs are. They submit the proposals. They're reviewed by the department and then we approve them and fund them. The money goes directly to the school for the project that they have developed. I have a list of all the schools receiving the program and what the programs are, if the member is interested in them.

**MR. C. MANNES:** Mr. Chairman, the Minister indicated that there were some objective criteria factors. I don't know who collected them although she indicated in the final portion of her answer that school divisions seem to apply or schools seem to apply on an individual basis and that they can develop proposals on the basis of their estimate, I suppose, of a turnover in population or a turnover in student numbers or transient student population. Am I correct in saying that many of these school developments are on the basis of information they develop within their own schools or is it checked with other material that the Minister has with respect to school divisions? I have before me some material developed by the Planning and Research Branch which indicates the number of single-parent families within a school division. How does all this material come together and all this information come together to allow the government to make a determination as to which schools, I take it - not schools division but which schools - receive support?

**HON. M. HEMPHILL:** Mr. Chairman, first of all, we use data from the schools and we do use data from other areas. We use data from the Department of Research and Planning; we use Statistics Canada; we use information from Health and Welfare. That helps us understand what the needs are overall but the numbers can change a great deal in a school catchment area. For instance, you might have one school catchment area that has unemployment of 60 percent to 65 percent; they might have migrancy of 50 percent; there be single parents, 60 percent; the ones below the poverty line might be 50 percent; low unemployment

might be 65 percent. There are schools that have tremendously high populations of all of those factors; clearly, schools like that are going to have the greatest need.

While it's true that the schools develop the proposals, they must submit them to their board first. They actually are passed on to the department from the school division, not from the school. Although they are school developed and initiated and designed, the school board has to do some judging prior to passing them on to the Department of Education for approval. The schools make their own individual case. The school divisions make an assessment of the needs across the division and the quality of the programs and submit them to the Department of Education and then we fund.

When we fund, we are funding on both an individual school basis and a geographical basis. We have been attempting, I think, to make sure that there is money available in every school division and in every region of the province.

**MR. C. MANNES:** When school divisions on behalf of individual schools submit applications, do they prioritize them beforehand? If they do, does the department accept the priority listing that has been placed upon them by school divisions, or does the department allow itself the luxury, I suppose, of picking among those cases within a school division that are supported again by the board for extra support?

**HON. M. HEMPHILL:** We largely accept, Mr. Chairman, the prioritization of the school division, although when the proposals come in there is then some further consultation and discussion between the school division and the Department of Education. It is possible, for instance, that the project might not seem to fit the criteria, although it's rather loose. The one thing it isn't loose about is that it cannot be used to do those things which they are already doing. As they're getting used to the program, we found that in the first year they may have had some programs like, let's say, guidance counsellors in the elementary schools, where they may have had one or two and they submitted guidance counsellor applications for a compensatory program, maybe to get four more guidance counsellors in the schools.

Well, that really wasn't the intention because that's something they get funding for through the other program and they're sort of traditional, regular professional people that are in the school division. It's a combination of accepting pretty well what they send forward, but in some cases the project might seem to need to have a little bit more beefing up or a little bit more expansion or a little bit of a change and that's done through discussions and consultation with the school division.

When you bring a new program in like this, it takes a little while. We found this with our Small Schools Program. The first year or so, people weren't sure what it was and what to do with the grant and what it was for and what the criteria were. As the program has been in place in subsequent years, we found that the proposals, the pilot projects are much stronger, the quality of the proposals, and it's much clearer.

We're going through the same thing now with compensatory. They're sort of establishing getting

familiar with what the program is for and what it is supposed to do.

**MR. C. MANNESS:** Is there some per-pupil basis by which a school could develop a program? I mean, what would stop a school from asking for \$100,000 on its own, regardless of what program it's trying to develop? Are there any guidelines at all to the programs? If they're considered in a successful light by the department, does it always mean the hiring of additional resources than otherwise would have been hired? I guess the question after that is, who watches and accounts for the proper expenditure of sums that are directed toward the cause in question?

**HON. M. HEMPHILL:** Mr. Chairman, I'll try to cover all the questions that were asked. First of all, schools can submit more than one proposal and in some cases they have. Where the proposals are good and the need is there, there has been funding for more than one proposal, but the program is flexible enough to allow that.

For instance, one proposal might be approved and it might be a \$50,000 proposal; it might be a rather big one. Another school division like - I'm looking at Turtle River School Division, for instance, which has two proposals, one \$43,000 and one at \$17,000.00. As I recall, last year we actually had one school division that had three proposals, but they were all small, \$10,000, \$8,000 or something, so that it is possible for them to submit, but it has to then stand the light of day between school division and the review of the Department of Education.

We do monitor all the programs and the funds. We've monitored every program that was put in place and we have built in also evaluation into these programs so that what we said is, just because we're starting them, some of them are going to be successful or appear to be addressing the problems and some of them may not and that's one of the things I think we have to be prepared for when we're bringing in a new program. Not all of the proposals and things that we try - when you're dealing with very difficult issues like this - are going to turn out to be as useful as the others. We don't want to get caught doing them year after year after year if they're not meeting the need. There will be an evaluation and if they don't seem to be having much effect or being as successful as we thought, then we will take a good look at them and they may not be funded in the subsequent year.

**MR. C. MANNESS:** Mr. Chairman, I'm having difficulty projecting the Minister's answer to a situation where these programs will tie in always, or come under a general situation where the school division or the school in question is suffering because of the socio-economic disadvantages within that area.

It seems to me, I can understand if there were additional programs for providing extra dietary support. I can understand that. That would be a direct solution, or in part, to the difficulty. But what happens when programs are developed in any other areas unrelated to those shortcomings? Are the decisions always made with the underlying premise that those areas are disadvantaged, particularly through socio-economic factors?

**HON. M. HEMPHILL:** The socio-economic factor is one of the factors and a large factor, but there are also other factors like Immigrant or Native language understanding is certainly a factor, and language development, understanding of the English language. We have some schools where you have more than half of your population where English is not their mother tongue; it's a second language and when that's the case it's very important that kids have a better mastery of English before they can handle their other subjects.

So it is not always socio-economic. Some of them are nutrition. Some of them do provide nutrition. Some of them are literacy programs for older students, because we all know that we have some kids in our schools who have passed through a number of grades, but may not yet have mastered reading as well as they should. Some of them are corrective.

There are a wide range of activities, everything from early school years, language development to reading programs for older kids, counselling. Curriculum development is an important one, where they have to modify and change curriculum to meet the changing population of the students. As I said, migrancy programs.

**MR. C. MANNESS:** Mr. Chairman, we've just discussed appropriations that cover a large portion of those, particularly English as a second language. We have two different breakouts: one for Natives and one for immigrants. Is this a supplemental program to those, in a few instances, and do they come under then this heading of compensatory?

I guess what I'm getting at, Mr. Chairman, I see some potential here for the Minister to have this "semi-slush fund" if she wishes, and direct it where her discretion leads her in the area of some of these problems. Under the main heading of socio-economic problems, that can of course bring in everything, every conceivable problem.

I'm wondering, given the Minister's answers to my questions, whether or not this is just sort of a discretionary fund for her purposes, to be directed toward problems that she considers important, indeed, the community considers important, and should have solutions immediately.

**HON. M. HEMPHILL:** No it isn't a "slush fund" for the Minister. It's a very legitimate program, although it's a new one. I think what the Member for Morris would like is a neat and tidy formula that sort of assigns money to everybody on an equal basis and then he wouldn't have any trouble understanding where it was going and what the basis for giving it to different schools would be because it would all be done sort of equally.

For two reasons, it can't be done that way: (1) the needs are very wide-ranging and if you're going to bring in a program like compensatory program that addresses specific needs, then the money is not going to be distributed on an equal basis across the province to all schools and all school divisions; (2) it's possible that after we've had some experience with this program for two or three years, we will be able to develop a formula and some criteria that would apply on a more regular basis. I think in its developmental stage what we're doing is establishing basic criteria that they follow and then distributing on that basis.

I have to make the final decision but I do not make the initial decisions and, in fact, by the time it gets to my desk it has been through such an examination and such an overview that I generally just approve those that are recommended to me from the other places.

First of all, the school principal and the staff have to agree at the school level. It can't just be up to a couple of teachers. They have to agree on the priority and agree on the proposal going in. The school division reviews it and has to agree to send it on, agree to the need and agree to the program and the proposal and they send it on. When it goes to the department, we have a committee that is made up of teachers and parents and representatives of the department who review every proposal and the criteria and then make recommendations to me on that basis. That's how the approval goes.

I think if the member saw the distribution and where it's going he might be a little less nervous about the fairness of the distribution and what it's being used for.

**MR. C. MANNES:** I apologize, Maureen, for casting any shadow of a doubt on your . . .

**MR. CHAIRMAN:** The Member for Kirkfield Park.

**MRS. G. HAMMOND:** I think I'm going to cast another shadow.

Mr. Chairman, I've known people over the years who have become very proficient at getting grants; they know how to work the system. There are divisions, there are people in divisions who know how to work and how to get a grant. If there's any leeway there to get extra money, they're going to get it. I've seen the same person in our division who deals with special needs and he gets money from the feds every year. It's a very good cause but he knows how to do it. I thank him in our community for having this particular need.

But to suggest that you have money out there and you have these special little places and schools come up with it. Well, the divisions will be coming up with these programs. In more than enough cases, they will be the ones that will say, this is what we want to see and maybe the principal will sign his name to it but I doubt very much if the principal does more than suggest a few things in his own school.

When I hear the Minister mentioning that somebody has two counsellors in the school so they can't get more, that may be the crying need in that school. I don't see why because it's not - what is that word? - innovative, that's the big word. Because it's not innovative if somebody hasn't thought of something that's fairly far out or they haven't got all the buzz words down pat, they just need these counsellors because that school has a crying need for it, and yet they get turned down for a very sensible proposition.

I have great problems with the compensatory grants. I don't doubt that there's some good works done with it and all over the place, but to suggest that it's anything but a slush fund for the department to pick and choose and say, here, we'll do something here, rather than suggest that a division probably doesn't know the needs in their own area, in parts of their schools, and give

them the extra money and say, look, this is an area that needs to be, that if you've got areas that there's need, let them decide, not to come up with some far out thing that's going to take a lot of time. A lot of people in the department must spend a lot of time on these grants, and the Minister's shaking her head saying, no. Well, if they're not, how is the criteria really looked at well? Who decides what money and who decides what's worthwhile?

I really find that this type of a grant, when there's so many areas in divisions, and I recognize that there are. There's a lot of things that are falling on school divisions these days, but to come out with a grant, and I didn't hear the total amounts of money - \$3 million, which I guess, in overall terms, is not a lot of money. It's bits and pieces here and there in considering how many divisions are there, if every division gets something.

I think that the Department of Education or Manitoba Education would be far better spending their time giving the divisions the extra bucks, letting them decide what monies they need to spend, instead of the department getting involved in all these little areas that I don't think they need to be involved in. I don't think the Minister needs to be involved in it at all.

Another indication is when you have the Minister, what was it, February, March, out crying for coats for inner city children. Now if you need coats for inner city children, you've got \$3 million in there and I would suggest this money might have been better spent possibly doing that, if that's what you're doing. I find there's sort of an outrageous outlook in the department when they're trying to do all these social needs. Then you have another Minister who's doing social needs all over the place and everybody seems to be crossing the borders and yet we have got divisions all over this province, where we have elected officials, where we have competent people in most cases running the divisions, and I think better than to give the extra money there where they can spend it without having to dream up all these little projects, that some are needed and some are not, but if the money's there they'll go after it.

That's the nature of people, and certainly it's what the Minister is saying, I've got this kind of money sitting here. You come up with something that I think is great and boy, we'll give you some money, and everybody is scrambling to get that money. I really question this type of a grant. I wouldn't mind some comments from the Minister on it.

**HON. M. HEMPHILL:** I think basically it's clear that the Member for Kirkfield Park doesn't like the program. I'm not sure that she's saying the need is not there. I gather that she wants the money to go to the school divisions and let them decide.

The fact is that the money that goes to school divisions, first of all, they're getting about 75 percent of their funding in block grants, so that the large part of what they're getting is a block grant where they can decide exactly what the high priority needs are. The fact is, that if this special grant were not there - and it is a special grant for special programs - they wouldn't be doing the things that they are doing, because there is no money that they can make available through the

traditional funding pattern, of either the old ESP or the new GSE, that would allow them to divert - if you want to put it that way - or allocate money into the kinds of programs that are coming through compensatory because they're too tied down.

They're tied down to the traditional programs; the traditional teaching and professional people. So that if these things are going to be addressed and if they're going to be addressed with innovative programs - and innovative is not a bad word - innovative just means that you try some new ways to meet some problems that are there because the old ways haven't done it so well. We know that we have lots of problems in meeting some of these extraordinary problems, either through traditional teaching methods or teaching programs.

So the purpose of the categorical grants are to say, that while boards can have the large amount of money as a block grant to do with as they wish, where we identify a top priority and is identified as categorical grant, then the money must go for that purpose. I really have to tell you I don't believe these things would be done if the grant were not there directed for that purpose.

I think the suggestion that they're just applying for it because it's there, instead of believing that in most - maybe not 100 percent - but most cases they're applying for it because the need is there and they have some ideas about what to do with it, but they can't do anything with the funding and the staffing patterns that they have, I think is doing a discredit really to the hundreds of teachers and the school boards that are instituting and approving these programs.

In rural Western Manitoba, you've got Turtle River, Brandon, Birdtail River, Pine Creek, Dauphin, Ochre, Swan Valley, Duck Mountain, Souris Valley, Rolling River, Beautiful Plains, Intermountain, and Turtle Mountain School Division. Are you really saying that all these proposals of all these school divisions and all these schools are really only there to get slush money because there's extra money available, instead of believing that they have designed good programs that they believe - and are probably in a better position than you and I to know - are going to meet some of the needs of their students that they are having trouble meeting in the traditional patterns?

So if we had made a major shift in the proportion of block funding and categorical, so that we were taking them to 50 percent block and we were taking over 50 percent control, then there might be something to your point. But when it's staying at 75, 25, I see nothing wrong with identifying where top priority programming will be for that portion of the money. They still have lots of option and lots of control over the rest of it.

**MRS. G. HAMMOND:** Well I thank the Minister for that answer. I think her point - and I guess we'll have to agree to disagree - proved mine. Certainly everybody is in there developing programs and they'll all be put to good use. I know that. But I'm just suggesting that when you say, here's some money. There's not anyone that's not going to try and get a portion of it and that's the way it will be and I'm sure that's the way the department finds it. How many divisions have you got sitting back and saying, well I don't think we'll bother,

even though we may not have the greatest need. I don't think that's going to happen.

I'd like to get onto something that you may well have been discussing before is the Special Needs Program. That comes under this area of funding, does it? The funding, I understand, is sitting at two-thirds of the costs and the Minister can correct me if I'm wrong. But what I understand in the St. James area, in any case, that it's not increasing in the proportion of need.

What is happening is that more people, more and more families, have an expectation that comes, from what I understand, probably from the department to have their children mainstreamed and this is fine because I think most divisions are wanting to try this. But to meet the demands, very often they need full-time aides; they have small classes, as you know six to eight sometimes on a one-to-one basis, because parents are wanting their children to mainstream, to be in class with everyone else. But the more this happens in a division, even with the funding which the Minister, I am sure, considers adequate and will probably say would like to be more but they can't do it, it's not enough. It's causing a hardship in some divisions.

I understand that in the Nicholls Report that there was a recommendation that there should be - what is there, low incidence I, II, and they recommended a category of III, which is one-on-one, which there are many children in that position right now, where you need one staff for one child. But instead, I guess that recommendation hasn't been realized and there's still the low incidence I and II, but there's more and more children, more and more parents demanding, and divisions - certainly our division - are accepting them, but the funding isn't coming close to covering the extra needs.

So at the same time that the Minister has got a small amount in the compensatory grants, we see this as an area where we have handicapped, where we have children in special needs, where certainly these funds would be utilized if they were given to most divisions. Because these are costs that they're bearing and I know St. James has been in the forefront of streamlining, mainstreaming and - what do they say - normalize children, but it's a cost to divisions. I think that one of the problems that the division is finding is that parents are coming down and talking - maybe not to the Minister but to somebody in the department - and they are coming back and saying, we are told to put more pressure on the division to accept our children into classes, not special classes, but into regular, everyday classes, which means a lot more expense.

While I realize that special needs is a concern to the Minister, it's growing to be a bigger concern in divisions, because they're having more and more pressure because of higher and higher expectations which are given to them.

**HON. M. HEMPHILL:** I don't disagree with the point and you were right in that we would like to have more money there. I know that there are two things that are increasing: the expectations and the demands, and the ability to identify. So that there were kids before who were never identified as having learning disabilities or problems and we're much better, I suppose, at that.



We have not brought in the low incidence III, but we are, in the Department of Education, bringing in a program for multi-handicapped children because there are a fair number - and I don't have the numbers with me - but there are an increasing number of multi-handicapped children that do require one-to-one. They are very costly and we're taking that as a top initiative in special needs. I would say that this coming year one of the things that we're moving on is programs for the multi-handicapped children.

In 1985 we have an estimated nearly \$3 million or a 4 percent increase in special education funding, not as much as we would like but some of the areas had no increase at all.

So, we've done a few things. We've given some increase in the Budget. We're moving on the programs for multi-handicapped children and we've said that the special needs programs will be funded at 100-cent dollars instead of 60-cent dollars, which gives more money to the school divisions for their categorical grant. While St. James does have a fair number of programs, they are being funded, I think, at a higher percentage than the province as a whole. I think they're getting 67 percent and the percentage for the province is 52 percent.

The fourth thing we're doing is monitoring the programs because there's a wide variety of activities and programs happening across the province. We're not sure, haven't been able to monitor or evaluate what is being done in the different school divisions to give us some idea of what is working the most successfully and what value we're getting for the money and what the deficiencies are other than numbers. The one deficiency we know is that there are larger numbers there than school divisions are able to identify and put into their programs with the amount of money they get from the province.

We recognize and agree with that point and have taken a number of steps to meet the problems this year.

**MRS. G. HAMMOND:** I knew that our division was getting that percentage but, at the same time, because of the high expectations they're having a lot more people wanting their children in the classes. There's just more funding needed in the division all the time or it comes to the local taxpayer.

No division today, not trustees or anyone, wants to be in a position of saying no to parents who would like their children in these. I say to the department, unless they're going to fund sufficiently, then I think maybe they should be a little more careful about the type of expectation they give to parents, too. It's a terrible thing to want something desperately for your children and not be able to have it, or to find maybe one division that will take more as was the autism program a few years ago where parents were moving into St. James so that their children could have the program.

I'd just like to ask a couple of questions about transportation, urban versus rural, that the Member for Morris has probably more than covered. I guess in the urban divisions, and it came with the ruling on French Immersion, some of the divisions had taken a step where, if the parents wanted their children in that program - it's not like the handicapped or schools

closing where parents didn't have any choice so they were being bused - they decided that this was the program of choice and that there should be some payment. Well, of course, the Supreme Court said that if one got transportation, everybody did.

This was another big cost because although they're not going out of area, we don't have schools on every corner, so you have children being bused all over the division. The costs in urban areas, I'm sure it's not only St. James, that's just the division I happen to know something about, but there's a lot of busing going on. The urban areas are starting to feel the pinch because of this. I think that there's got to be certainly a better balance, because if the department is going to say that you have to put in a program but it's not going to be everywhere in the division - I sometimes feel that it would have been cheaper to ship them out of the division by bus and have everybody crossing lines than to end up putting some of these programs in.

This is really turning out to be a significant cost to divisions and especially to ours where we're closing schools and so we're busing more of the younger children because people are still looking to neighbourhood schools, so you can't at the same time take away their schools then ask their child to walk another half-mile to school when they're in kindergarten, say, to Grade 3 or 4.

**HON. M. HEMPHILL:** Yes, we did cover transportation earlier and I have a bit of additional information for the Member for Morris.

Only one division, Pelly Trail, has all contracted buses, the one division in the province. Winnipeg, St. James-Assiniboia, Assiniboine South, Fort Garry, St. Vital have a combination of owned and contracted, and 24 percent of the money for transportation is urban and 76 percent is rural. There is a real difference there and we talked about it earlier and why it was there and indicated that there's a study under way with Dr. Nicholls, an expanded transportation study that we expect to be done at the end of the summer.

We're studying six school divisions, urban and rural, and studying their exact transportation costs. We're looking at the difference between private and leased, and we're looking at urban city bus transportation two in the city to see if there's any way of taking a transportation system that exists within the city and having them add some additional service at much less expense than setting up a major service of our own. We're examining all of those things to see if there's a way of improving the service, I guess, and making the equity a little better without ending up with a \$25 million price tag that was at the bottom of the recommendation for transportation.

When we see all the needs - and you just raised some of them - about needing more money to take in the additional low-incidence children that have been identified, but whom they haven't been able to get into programs. I know that we all would rather have the money go there than have an increase from \$7 million to \$25 million in transportation to bus them to their programs. So clearly, there has to be some way of trying to get a handle on them and trying to get some control on busing expenditures.

**MR. C. MANNES:** Mr. Chairman, I'd just like to ask a final question with respect to special needs in the

Incidence III development area. The Minister seemed to indicate that there was a program in the works and maybe forthcoming. I would ask whether there are more identifiable multi-handicapped children not in the public school system now, who will be coming? Is that the reason that this program is coming or is it for those that are in the public school system?

**HON. M. HEMPHILL:** Yes, a little bit of both. Some of the children have not had access to programs or were seen to be so handicapped that they weren't brought into the school system and they weren't able to accommodate them and, in other cases, it's for children that are there but may not be getting adequate attention. For instance, they may be in another class where they don't get the amount of help they need and they are a drain on the rest of the class because they require so much help. It's a combination of a better program for those that are there with less strain on a regular class and some children who didn't have access to programs before.

**MR. C. MANNES:** Mr. Chairman, I choose my words carefully now, but with respect to this whole system of mainstreaming and deinstitutionalizing, bringing into the public school system children with varying degrees of handicap, does the Minister see some time ahead when we're going to have to assess this - I'll still call it a new thrust? I think we're in a relatively early part of its infancy. Can she see when the powers that be are going to have to assess the public school system and how it's been able to react and accept those individuals in our society who are obviously handicapped to some degree? Can she see a time forward when we're going to have to assess that impact or does she believe that this system will be with us for many, many years?

**HON. M. HEMPHILL:** I'm assuming, Mr. Chairman, that the Member for Morris means assess the impact of mainstreaming of handicapped and special needs kids. Oh, absolutely. Of course it has to be assessed for a number of reasons. One is that when you're making a major change like that, you can't make it without assessing how the new program is going. Also, divisions are handling it in very different ways. They do the structure and the organization and the setting up of programming themselves and they have quite a wide variety of different ways of handling the mainstreaming of children. So you certainly have to look at it and assess it and see how it's going.

I don't want any misunderstandings, although we're moving toward mainstreaming and the policy is that we should move toward, I think they call it the least restrictive environment for a child. That does not mean that every child is to be plucked up immediately and put into a regular classroom where they sink or swim and that they're just in it because it's good for them to be with all the other kids. It doesn't mean that at all.

In some cases, it means moving them right into a classroom; in other cases, it means moving them in for some activities. I know that some schools have a class where children might be fairly handicapped where they move them in slowly. They move them in and start

them out with one or two programs until they can adjust and then they see how they're doing and then they move them into other programs.

It should never be done immediately; it should never be done for all children overnight; it really shouldn't be done without consultation and discussion with parents, because they need to know how the children are going to be handled and give some thoughts about the child's needs too because they're very knowledgeable about that. We're not moving in an extreme way toward forcing teachers or school divisions to have all children mainstreamed in a regular classroom.

Those that can be, should be, and those that have some difficulties can move forward in a slow manner, that both the child and the classroom can adjust to.

**MR. C. MANNES:** The Minister's answer has caused two questions to come to my mind. In my view, the question isn't just the impact or the situation whereby a multi-handicapped student may or may not end up in the regular classroom. Quite obviously, if that student comes to a school and is part of the general exercises or part of some aspect of the daily school activities, then there's going to be some impact on the school unless, as the Minister says, we'll work toward a situation where we have one-on-one.

I've talked to clinicians who just have the warmest feelings, having come from those types of situations and unquestionably feel that these programs are a great benefit to underprivileged young kids. Yet I sense, in some other areas, that there's a semi-backlash developing because there are the general parents who feel that the system and the quality of education their children are receiving are being compromised to some degree.

The Minister says, yes, we'll have to monitor and we'll have to assess, somewhere down the path. I ask her how she would intend to do that, how would she visualize that we could assess the impact of mainstreaming on the whole system? Is it through objective measurement of some means or other? Is it talking to parents? I hesitate to use the words, on both sides of the issue, because it isn't that - but how do we assess? Do we assess in an objective or a subjective fashion? Because I can see, and the Member for Kirkfield Park alluded to it, boards of the day, and that's one of the reasons they're asking for some directions as to what the goals and objectives should be, of public high schools. They want to know if they now are going to have to deal, with their very limited budgets, with all society's shortcomings and with all society's disadvantaged people, those that are young.

The Minister says we have to assess the program, but will we be assessing it in a fashion that will attempt to determine whether there have or might be some negative impact on the vast number of general students? I guess I'm just trying to seek out some information, Mr. Chairman. I'd like to get a better understanding of how the Minister believes we can make this assessment in time.

**HON. M. HEMPHILL:** Mr. Chairman, first of all, I think the assessment would have to be a little bit of both. I wouldn't like to see an assessment that just went in

and did a research study and did some sort of evaluation on how the children were doing, without having both subjective and objective evaluation. It's going to be important to talk to teachers and parents and students.

I think that test results are one measurement. They're a reasonable measurement and a reasonable tool, but they're only one; and I'm not sure that what we're measuring would be negative. He's sort of suggesting that we would want to measure to see if there was a negative impact on the large number of children who weren't handicapped, in special need - and I don't mean to put words in his mouth - but he was suggesting that we measure the negative impact on the broad school population. That suggests to me that there's a feeling that the general population of a school which is not special needs or handicapped children would be disadvantaged by having the special needs handicapped children in.

My guess is - and this is subjective - that there are benefits to it too. First of all, we don't have a society, I believe, that believes in segregation and that other is a segregation of sorts. I think that in many cases where there have been children brought into a regular classroom, there's been as much a feeling that the general population of children have benefited, as have the learning disabled or the handicapped child, and their benefit has been exposure to children or people who are less than perfect physically perhaps and yet who they can see have a great deal to contribute and are sort of real people and real individuals with characters and things to respect and appreciate, so certainly the benefits come both ways.

We don't want it to be that it's handled in such a way that the regular program and the regular students are at a disadvantage, but I've heard nothing. While I've heard some reservations or concerns about how to do it and some concerns about - I would say how to do it is probably the biggest concern that I have heard. I've heard very little, from anywhere, that suggests to me there is a concern that this is dragging down the education system for the general student population.

**MR. C. MANNES:** Mr. Chairman, I would not make that allegation either and I have no quarrel with the Minister's answer. Integration, in that sense, obviously would have benefit to the vast majority.

My greater concern was funding. If one believes, if one listens to universities and school boards, and they say that quality of education is going to suffer because there are fewer dollars - and I am generalizing - fewer dollars to direct towards regular programs, and if, through the advent of the new program there's a greater burden on local school divisions - in other words, if the government, provincially, isn't totally prepared to underwrite the costs of the new programs, quite obviously then local school boards are going to have to find their share and, of course, if their share comes out of regular programming then, by definition, if one believes that quality is dollars, then the quality for the vast number is going to drop.

I draw no conclusions with respect to the fact that the vast majority are going to suffer socially or any other way because children less fortunate are in their midst. Absolutely not. I would want to be very specific

on that, Mr. Chairman. My greater concern is school divisions are not provided with the total costs associated with mainstreaming, and quite obviously their only source of resources are going to be those that now exist in support of regular programming.

That was the intent of my remark, Mr. Chairman, and it was on that basis that I asked the Minister how assessment was to come, at least as envisaged by herself.

**HON. M. HEMPHILL:** Mr. Chairman, one of the characteristics of our schools today, I suppose, is that we have programs that we didn't have before for all kinds of students. We just had to have one program before, because we eliminated anybody who didn't fit and anybody who couldn't handle the sort of regular programs. So although we had universal education, by law from 1915, it's only been in the last decade or so that I believe we're moving towards achieving universal education for the children of Manitoba; and we're achieving that by being willing to open up both our schools and the distribution of the money that we have to develop programs for the wide variety of children that are in the schools.

That means that we've got vocational programs we didn't have before that we are using - we're talking about all the money available to educate kids - and the special needs is an additional program that is taking from the whole pot and the money that is there, but it's not the only one.

We have a wide variety of programs now that are in place for children. I mentioned vocational was one, and special needs is another. I think we recognize that the money that is there is there to share and to develop programs for all of our kids, because the right that they have, each one as an individual, is that they have the right to learn and grow and develop to their full potential, whatever that potential is.

I don't think it's up to us to - or that we would want to say - because some of their needs are costly and they take away from just ordinary traditional regular programs, that we can't have them because we need them for use of the bulk of children, who have, by the way, been serviced quite well by the education system for years. It isn't the large numbers of kids that have not had access or have not had the opportunities. It's disadvantaged, or at-risk kids, or poor kids or immigrant kids or those that - for any number of reasons - didn't have a chance to go to school or were kept out of school. We're just now developing programs to keep them in place and to give them a chance. If it means that the money that's there, in a time when money is limited, has to be shared for those programs, then I guess that's the case.

The range in support for school divisions is not all that bad. It goes from a low, I guess of about \$2,500, to a high of up over \$5,000 per pupil, which means that - I mean even in today's money that is not a small amount of money and that basic block money is there to educate. They get that for each child. So if they're getting \$3,500 per child, they're getting it for each child and each child is entitled to have some programming that suits their special needs, if that's what they need, with not only the additional money, special needs money which is on top of it, but with the basic money that's going for the education of that child.

What they get really, that we often forget to talk about, because you talk about special needs money and they're only getting this amount of money for special needs, but let's not forget that every one of those children is included in their basic enrolment and they get the block grant of whatever it is - \$3,000 or \$3,500, whatever their school division gets - for each child, plus the additional money for the special needs program.

**MRS. G. HAMMOND:** I was agreeing with everything the Minister was saying in the first part because certainly all these children deserve to have a good education. I guess the real question because the special needs children, I understand, do get the basic; but the need is much greater, and, in this particular case, because of the children's problems and the problems that are created in classrooms, so that everyone can accommodate this and I think it is good for kids to integrate - I think it's great for them to be a part; I think it's great for children with handicaps to see how other children manage to get along, and I think it's much better for children who have no handicaps, just but for the grace of God, to be around children who have handicaps and to see just how much they can do. So in future life, when they see this, that very often then they're not looked on as different.

But one of the things I think in education - and I would hope that this is something that they're working towards - while the general funding is 75 percent, supposedly, special needs, certainly in our division is 66 percent, and I think you mentioned it was 52, that these children certainly, to accommodate them, I think the funding should be brought up to the general funding for these particular children. I know there's lots of needs out there, but this is a particular one and if this is the way the government wants to go, then it's got to be funded because you cannot have the expectations - and I'm sorry to be repeating it - but you can't create expectations and then not fund. It's not right and not fair.

**HON. M. HEMPHILL:** Mr. Chairman, in the course of the back and forth discussion, I don't think anybody is disagreeing with each other, and if we all had a perfect world or a better economy, we'd have all the money we wanted for special needs children and all the other children. But we had both statements where it's as difficult to respond to increased funding for special needs and not to have the regular student suffer. At the same time you were making both points in your discussions, is that there was some concern that the regular students were going to suffer because of the emphasis and the amount of money going into the special needs and, on the other hand, a feeling that there wasn't enough money going into the special needs program, so I guess it's a balancing act that we're doing all the time.

I don't mean to be facetious, but I have to wonder if the Member for Morris would have been willing to have another \$10 million put on the deficit to cover additional money for special needs funding. Since he's raised that as a major concern in the level of funding for education, I wonder what would justify, in his mind, education being given, for instance, another \$10 million for special needs.

**MR. C. MANNES:** Mr. Chairman, I have to smile a little bit. The Minister says if the economy was better, I'll remind her what she said in Estimates in 1983. She made an announcement on January 13th, I believe it was 1984, a year and a half ago. She said, "The difficult economic period we've all come through." I'll remind Dr. Nicholls what he said in his speech, I believe, to Ukrainian Professional Business Federation on May 22, 1983 that the corner has been turned on the road to economic recovery. The recession has bottomed out.

Mr. Chairman, I ask the Minister is she indicating now that we're not out of the recession or does she know something that I do not?

**HON. M. HEMPHILL:** The problems with this business, Mr. Chairman, is that your words always come back to haunt you and if they don't, somebody makes sure that they resurrect them so they will haunt you.

I do remember saying that or having that in a press release. I think it was raised before. I said — (Interjection) — immediately that we were not through it, nor are we yet. We know that the economy was difficult last year and this year and we don't see an immediate change.

I just wanted to say that in special needs support we've gone from 25 million in '82 to 34 million in '85. It's an increase of 8.9 million in that period.

**MR. C. MANNES:** Mr. Chairman, I'll give the Minister her due regard for that increase. As I said in my introductory remarks, there have been some 180 press releases over the last three years and, I dare say, close to 100 of them - well maybe I'm exaggerating - 50 of them, I think, covered increased expenditures within the special needs area. Not only have they provided a good support for those less fortunate of our people who require it, but it's also helped staff from the Communications Branch to write.

Mr. Chairman, moving on. We're dealing with 300-and-some-million dollars here. I don't ever want to feel pressured to pass an item like this. — (Interjection) — Mr. Chairman . . .

**MR. DEPUTY CHAIRMAN, D. Scott:** I call the member to order. He just stated and said moving on and I had anticipated that you're winding down on 3.(a) and ready to move on to 3.(b). If the member wants to continue on 3.(a) there's no problem with continuing with 3.(a).

**MR. C. MANNES:** Mr. Chairman, I have been going through following a sheet in front of me where all the the break-out is involved on some 300-and-some-million dollars. I've been going from item to item without any difficulty I don't believe. That was my reason for becoming a little excited when I thought I was being forced to pass an item.

**MR. DEPUTY CHAIRMAN:** You're not forced to pass an item.

Does the Member for Morris any other commentary?

**MR. C. MANNES:** Mr. Chairman, I'd ask the Minister, Small Schools, there's an allocation of \$1.83 million. Last year that figure was around 1.9 as I can see from last year's break-out. I'm wondering if the Minister can

tell me if the Minister can tell me if the criteria has changed at all or whether there's been fewer dollars just directed towards the program.

**HON. M. HEMPHILL:** Mr. Chairman, no there has not been any change in the criteria. I think that one of the things that happens to small schools is that some of them go out of being in the criteria of a small school and some others come in, so there's a little bit of flux as to the numbers. It's just in take-up not in criteria or funding available.

**MR. C. MANNESS:** Mr. Chairman, the equalization number I think we've covered before although I will ask some additional questions a little later on when we move into some of the formula considerations.

The Bilingualism Program at 5.1 million, Mr. Chairman, represents a very modest increase from .05 million of the year previous, and I would ask the Minister and she may want to save this data for discussion when we consider the bureau, but what are the numbers of people that are taking the various French Programs through the province this year? How have they changed over the year?

**HON. M. HEMPHILL:** I do have it in here. It would take a bit of searching since I think if we get to the bureau, that's where the programming is delivered and perhaps we can deal with the numbers in the various programs when we're on that appropriation.

**MR. C. MANNESS:** I have no questions, Mr. Chairman, with respect to Early Identification, Heritage Language, however, there have been a number of articles over the last half year written in the paper with respect to the lack of support from the perspective of some of the divisions, particularly, the urban divisions that feel that the government has developed a program, created great expectation in the community and then refused to provide sufficient funding. I realize the funding under this program is quite similar to that within the Bilingualism Programs. I would ask the Minister what it is that she expects school divisions and how it is that she would expect school divisions to support these Heritage Language Programs, that a fair number of not only individuals but a fair number of ethnic communities within the larger community wish to see come forward?

**HON. M. HEMPHILL:** Mr. Chairman, first of all, I suppose the positive thing to say, as if it's fair to say a positive thing, when you're dealing with some of the difficulties is that there is for the first time a funding for Heritage Language Programs delivered in the schools. That was never the case before and when we instituted that last year, that was a first for Manitoba where they could receive some funding for Heritage Language Programs.

Because we had experience with delivering language programs in the French Language Programs for a number of years, we based the formula as you said on exactly the same level of funding as we did for the French Programs. It's 100 per full time equivalent student for students in the Core, sort of basic program, and \$250 per full time equivalent student for the Bilingual Program.

I would have to say that I don't think there's very much trouble with the Bilingual Program for funding. That seems to be fairly acceptable and an acceptable level and working out all right. The problem seems to be and the concern seems to be with the Heritage Language Program. Some of the school divisions, for instance, it's a 40-minute class and some of them are only teaching 20 minutes. What happens is when they cut it down to 20 minutes, that they further reduce the grant that they get because it takes more to make a full time equivalent student. While the level is not as high as some of them want, in some cases, it's lower than it could be because they themselves have reduced the period.

We are prepared, I think, and although an announcement hasn't gone out on this we've been looking at the length of time of the class and have agreed with many of the representations that a 30-minute class can be eligible for the same amount of funding as the 40-minute that we had before. Because they have made representation to us to say that they are much more able to work in a 30-minute period than they are the 40; it's easier for them. They would like to be able to do that and not lose out on the funding, so I think, come September, we're going to be prepared to do that. However, I think it's going a bit far to suggest that 20 minutes is also acceptable for the same level of funding.

The Department provides more - and remember too that this is money in addition to what they are already getting for the students. However, we agree that the question of funding for the Core Program is one where the most concern has been raised and I think it's a matter of not just looking at the funding but how they're delivering, and we're preparing over the summer and the early fall to meet with school divisions and talk to them about how they're organizing the programs, how they're delivering them, what problems they're having, to see if we can sort some of the difficulties out, co-operatively.

Some school divisions are handling the programs without much difficulty at all and others are having difficulty. I think it's a matter of looking at those places where it's successful and finding out why, and looking at those places that are having some problems and finding out why. It is something that we're willing to sit down and talk to the schools and the school divisions about.

We also give additional resources from the department, in terms of developing curriculum and developing of resource materials. Of course, the multicultural library that we opened is a great help for them too. When you look at a program that didn't exist a couple of years ago, and even though it may have some deficiencies, it certainly has gone a fair way, although it may not be meeting all the needs and there may still be some problems attached to it.

**MR. C. MANNESS:** Mr. Chairman, a check of the Winnipeg School Division said that the division would need five or six full-time teachers at the cost of \$180,000 to run the Heritage Language Program properly in the Winnipeg School Division where I believe there are some eight languages offered to, roughly, 1,500 students who wish to take those courses.

Would the Minister dispute that figure? Will the change to a 30-minute class period of time which would allow, obviously, better scheduling, will that in itself alleviate the problem and allow these 1,500 students in this division, and I believe Seven Oaks School Division also has a major problem in this area, would it allow the proper scheduling and proper education to be received in these language training areas?

**HON. M. HEMPHILL:** Scheduling can and I think will help, although it may not be the total solution; but one of the first things you look at is scheduling because it can be a great inhibitor and cause great problems and those problems can lead to additional financial requirements so that scheduling is an important item to look at, I think, first.

I wouldn't dispute the figures in the article, but the basis of it suggests that the Heritage Language Programs be funded totally. In other words, the entire cost of the program be funded and that was never the intent of funding for languages programs, either Heritage Language Programs or Francais Programs. The funding that's been established, the purpose of it has always been to cover those additional costs required for the teaching of language that wouldn't normally be covered by the regular grants and money that's available, so it's the additional materials and there may be some additional staffing. Materials is a big item when you're teaching language and they have to buy those and it's to cover that; but the intention was never to take a program - in fact, we don't do it with a lot of other programs - where you take the program and you take all the teachers and take all the costs of the program and say that's what you need for Heritage Language Program.

It's purpose has always been to cover the extraordinary costs, over and above the regular teaching program. While there may be some argument about the amount of the basic program, whether it's adequate to cover the additional costs, that's a reasonable presentation to make if that's what they believe. It is not open for discussion really, at this point, of covering all the costs of Heritage Language Program, including all of the teachers that are teaching and all of the costs.

**MR. C. MANNES:** I take it the Minister would agree that if these divisions considered these subjects, these language courses worthy, which obviously they do, that they could supply or increase special levies in support of them.

**HON. M. HEMPHILL:** The special levy isn't the only way that they get additional money. I mentioned before the block funding, and the block funding certainly gives school divisions options on programs because we have school divisions offering everything from an outdoor education program that may be unique. One of the school divisions - I think it's River East - has a very extensive outdoor education program and others have other programs that are unique that they have developed.

In fact, there's was so unique I think they were willing to spend one mill, the equivalent of one mill, as I recall, funding this special program, or maybe another division

and another special program. Special levy is one way of getting money for programs like that; basic block funding is another. The supplemental program is a very good example where the poorer school divisions, in fact, most school divisions in the province benefited, but \$54 million was distributed to school divisions through the supplemental program that, in some cases, offset as many as 30 or 40 mills and gave thousands, and in some cases hundreds of thousands of dollars, for them to do with as they wished. So there is money available for them to decide what their priorities are and in a case where there's a large number of immigrant children, they may choose to make it Heritage Language, and in another case like River East, they may choose to concentrate on a fairly big, expensive outdoor education program.

**MR. C. MANNES:** Mr. Chairman, we'll flip now to the final page of detail associated with the grants to public schools and it's titled, Other Support. Rather than question every item, I'm wondering if the Minister would, at whatever pace suits her best, go through the items and sort of give me a two- or three-sentence review on each of them. If I have any questions, I'll interrupt her and ask them then.

**HON. M. HEMPHILL:** Some of them, I may need a bit of information from the material that staff has. The Small Schools Program, I think, Manitoba Exchange is the program that we brought in a year or two ago that allowed children to travel, not for the purpose of travel but for the purpose of social studies, through their social studies program, Grades 4, 5 and 6 to travel throughout the province so that children from the North could come down to the city, children from the city could go out into the country. While they were travelling, they were learning through their social studies program about their province and their country. That has been reduced in money. I think we started out with about \$50,000 and have made that one of the areas that we've reduced.

Special Revenue Districts, like Whiteshell and they are districts that get the greater part of their support other than the Provincial Government and property taxation and they're districts like Pine Falls, Camp Shilo, Whiteshell, so that's Special Revenue Districts, and it's \$147,495.00.

The Special Levy Reduction, \$493,000.00, is special support provided to one division and one district, both of which have low assessment and high per-pupil costs and it's Frontier and Gypsumville. Those are two school divisions that have no tax base and they get a special grant through other support.

The tuition fees - non-Indian - is \$1.5 million and that's fees for non-Indian pupils attending Indian schools and Frontier School Division negotiates the net operating cost per pupil for the division and reimburses the Federal Government for the children and claims the cost from the Provincial Government.

Special support is the support provided for special and miscellaneous projects and we can give you a list of those, but it's basically the same as it was I think in previous years. It's the grant that we use for the Home and School Association, the Manitoba Association - no, that's not it, that's miscellaneous

grants. It's miscellaneous projects but not the miscellaneous ones that I was listing. That's another group of miscellaneous projects. I'll give them to you in a moment.

There's three projects in the special grants. Kelsey Bus Lines, \$24,000; Little Ones Transportation, which is a grant to the Indian and Metis Friendship Centre for a preschool program for preschool children; and curriculum consultant is the curriculum consultant for computer education with the Brandon School Division. That's where we've been decentralizing some of our curriculum consultants and that person services not only Brandon, but I think the entire western region for computer education and computer development.

The eligible expenditure supplement and the equalization supplement are final payments for 1983 and 1984. The Winnipeg Special is the \$2 million special grant to a Winnipeg School Division. The Private School agreements is support for school divisions for the cost of sharing their education services with private school pupils who attend public schools. Seventeen private schools have entered agreements for this purpose, covering approximately 837 children.

Non-resident, \$177,000 is Rolling River and Brandon and that's the grant paid to divisions for fees paid by the division to the Canadian Forces, Shilo, for dependants of the civilians employed on the base but who live in the division. If the pupils did not attend the Canadian Forces Base Shilo Schools, they would attend school divisions and be covered by the Education Support Program, the GSE.

So the non-resident fees are Rolling River, Kelsey, non-resident; transportation for non-resident pupils; and transportation for pupils from Big Eddy settlement. The special needs of \$739,000 is funding for multi-sensory handicapped, not included in low incidence I or II; Rossbrook House Schizophrenic Programs; and \$19,000 that goes to the MACLD organization and it also goes to blind and deaf programming and divisions.

Then that special needs funding also includes the cost of providing clinician services to the private schools through the school divisions. Sacre-Coeur is support that we provide to Winnipeg School Division for running Sacre-Coeur School. I think it's for rental of the school and it's an agreement that we had with the Winnipeg School Division for a number of years.

The school tax rebate of \$23,000 is 50 percent of school taxes are rebated up to a maximum of \$50 in the Whiteshell School District only. We have transferred evening schools to PACE, put it under Adult Education and Continuing Education.

The institutional programs of \$2,341,600.00. This grant provides for continuing institutional services in four divisions; the Adolescent Treatment Centre in Winnipeg School Division No. 1 and Respite Care Program.

The private school agreement is the grant to private schools, \$4,802,000, based on the new grant that I announced yesterday; and private schools, print, non-print, is the money that the private schools get, \$40 per pupil to be provided through the Manitoba Text Book Bureau for the buying of textbooks. That's \$347,000 and 59 private schools receive print, non-print support for approximately 8,171 students, and I think that's it.

**MR. C. MANNES:** Mr. Chairman, I thank the Minister for that review. I have only one question. It's with respect

to the very first item, Small Schools of Manitoba Exchange. I don't know how long this program has been in effect, but I'm wondering if the Minister has had any negative feedback and whether she's contemplating removing this program?

I can tell her that I've had two or three calls from parents who had children involved and are not happy the way the program is structured. I question to the Minister as to whether that's a widespread sentiment or whether those calls would be isolated, and whether or not the department is at all reconsidering the benefits associated with this program?

**HON. M. HEMPHILL:** Mr. Chairman, I would be quite happy to receive information, if the Member for Morris has other information than what I have. To my knowledge there has been a bit of concern raised by a few parents, but I don't think it was related to the program or the purpose of the program. In other words, having children move from one climate or one area where they live, to another one for sort of the personal learning experience and the educational learning experience.

My understanding is that there was some parental concern by a small number of parents about having their children go to a "strange place", a strange home to stay. If that is the concern, then I would imagine those parents that feel that way would be well to not have their children included in the program, because the fact is that children and students are on exchanges all the time. They're on athletic exchanges and social exchanges and educational exchanges and I think, by and large, these seem to be very good experiences, either between say the North and the rural area and the country, or between provinces, or even opportunities for our students to - in a way that we never had when we were going to school - even travel to other countries and have educational exchange opportunities there.

So, by and large, these programs are highly regarded and well received and if a few individual parents don't want their children staying in a strange home, then they should not have their children included because their concern does not relate to the basic principles of the program, but to the fact that they do not want their children leaving home and staying with people they don't know.

I suppose there is one way of solving that, or it might be for the parents, and that is to determine ahead of time where the child will be staying and to set up some opportunities for communication between the two parents or the two homes, to see if there's any concerns that the parents raise that could be dealt with through direct communication between the host family or the host parent.

Other than that, I don't know what else to suggest, but I certainly don't think the program should be scuttled because of that kind of concern by a few parents.

**MR. C. MANNES:** Mr. Chairman, I'm through with specific questions as related to the whole series of cost breakouts for 1985 Financial Support for Public Schools; however I'd like to ask just one final one with respect to the share of block versus categorical grants. The Minister again has said it's 75 to 25. That's what

it was a year ago. Is it dropping at all or is it still at those co-ordinates at this time?

**HON. M. HEMPHILL:** It's slightly higher for block. it's about the same but it's very slightly higher; 76 maybe.

**MR. C. MANNES:** Mr. Chairman, the Minister indicated it's 76 which represents some increase from last year. I would ask her whether or not this number will stay locked in around this area or whether the new formula that's in place gives some opportunity for that number to erode. I'm talking number, I'm talking about the block share.

The Minister has had briefs and I have two. I have one in front of me coming from the Hanover School Division, No. 15. This brief was presented to the Association of School Trustees and if I flip to Page 4 of it it says and I quote, "We believe that block grants must be preserved in order to ensure our local autonomy." As the Minister is a former trustee, I guess I will pose the question, to what level in her mind can the share of block grants drop before local autonomy is compromised? Her formula, is it that open-ended or is it constructed in such a fashion that block grants could conceivably drop below 70 percent?

**HON. M. HEMPHILL:** No, Mr. Chairman, I don't see even with the move towards the GSE, there isn't anything in there that has on a sliding scale the reduction of the block grant or the proportion of block and categorical. I think it's a reasonable level now and it's been around 75-25, give or take a percentage or two for some time. When we brought in the programs and looked at the categorical and block, we were trying not to move too far away. I think what I've always said is that while I continue as I did as a school trustee to support the principle of block grants to school divisions and I wouldn't like to see them drop too low, where there are provincial needs established like small schools and like early identification, we will identify them as categorical grants to make sure that the money goes for the purpose for which it was intended, at least until the need is reduced and isn't as high as it is when the programs are first instituted.

I don't think there's anything wrong with 75-25 and I don't think that any concern that's raised by any individual school division that there is an erosion is borne out by the funding formulas that we have had for the last three or four years. I think what they're more worried about is somewhere down the road - what if? They're worried about possibilities but there's no reason to because in practice there has been no erosion of school board autonomy either through taking over of any of their authority or by the level of funding and block funding that they've received.

**MR. C. MANNES:** Mr. Chairman, the Minister, and I've heard on other occasions talk about 60-cent dollars and 40-cent dollars. I'm wondering if she can indicate to me what is meant in a general fashion - I know there were some major criticisms when the new program came out. I don't know if that was a carryover from the old program or whether they were all directed towards her new program. She has claimed on a couple of occasions over the last few days to say that she's

resolved that by moving it back to full dollar coverage. Specifically, what is being talked about?

**HON. M. HEMPHILL:** Mr. Chairman, there's a fairly complicated explanation for what happened under the old education support program. I think I'll deal with the consequence and not the formula and the complicated explanation. Under the old program, because of the way they handled categorical grants and operating and extra-operating, the money that they got for special needs programs turned out to be 60-cent dollars instead of 100-cent dollars. In other words, they were 40-cent dollars instead of 100-cent dollars.

**MR. C. MANNES:** What does that mean?

**HON. M. HEMPHILL:** If they weren't spend for the intended purpose he's saying.

What it meant was that although they were entitled on the books through the criteria to get a certain amount of money, they actually only got 40 percent of that money in actual dollars. There was a lot of criticism and I'm not dumping the criticism just on the old program, but one of the big criticisms in terms of special needs funding is that it was 40-cent dollars when they got it, although it sounded like it was much better in terms of the criteria.

What we did with the new program was put it in such a way that it became 100-cent dollars, put it in the program in such a way that they did not have the reduction and it's 100-cent dollars.

There was an additional concern about our program, about the new program we brought in. They believed that there was going to be a limitation on new programs, that although the programs they had in place were going to get 100-cent dollars, that any new programs they brought in were not going to get funded at all. That was a misinterpretation and a misunderstanding and there was a fair amount of concern about that, so if you heard some generation of some indication of concerns about special needs funding when we brought in the new program, that was it.

When we heard about it, we communicated with school divisions immediately and told them that all new programs that were acceptable programs or under the criteria would be accepted for full funding including the new programs. So, we have taken away that concern.

**MR. C. MANNES:** Mr. Chairman, the Minister provided to me as to my request a view of the new formula. I would like to ask a few questions, so I won't have to ask them again, and I would ask the Minister if she'd have the document in front of me. I take it it's a case study and the school division is Horizons OO or whatever that means. — (Interjection) —

**HON. M. HEMPHILL:** it's a perfect school division.

**MR. C. MANNES:** Perfect! I'm sure the Member for Elmwood would love to know more about it when it has that name. As a matter of fact, I may tell him about that. He may want to pose some questions about this perfect school division called Horizons.

Mr. Chairman, on the very first page about four or five lines down, I see within the formula this percent



greater than or equal to 50 percent and then there's a factor of 1.5 percent - a weighting, pardon me - and then percent greater than or equal to 40 percent and less than 50 percent, another weighting. What is the import of that particular breakout? Obviously it's leading to a major weighting, I understand that, but what is the purpose of it?

**HON. M. HEMPHILL:** Mr. Chairman, school divisions with declining enrolment tend to have older teaching staff and we weight them. For that reason there's a weighting.

**MR. C. MANNES:** Well, is this a new concept? Is this just a new weighting factor that's been introduced into the Minister's new program? Has it always been in existence? Again, I understand the principle now, but I'm curious as to whether there is more information required other than the various breakouts. I guess I can't understand what the weighting 1.5 percent would mean in this case study and 1 percent and things of that nature.

**HON. M. HEMPHILL:** Mr. Chairman, we were just saying, I suppose they're arbitrary weightings. I suppose all of the things that are there are chosen, but based on some rationale and reasoning. In this case, it's to give recognition to school divisions that have a large number of teachers who would be at the high end of the scale and for whom their classifications and their salaries would be quite a bit higher than others, so that they take into consideration the numbers they have in those categories. St. James would be a good example of a school division that would benefit from that weighting, where they have a high number of teachers in that category.

**MR. C. MANNES:** The two factors then are weightings to apply toward some cumulative effect of declining enrolment. What is the bottom on the economies of scale? Is that also a declining enrolment factor?

**HON. M. HEMPHILL:** That's for small school division who would have higher administration costs and higher purchasing costs, everything that isn't related to the economy is scaled, that some of the larger divisions get.

**MR. C. MANNES:** Flipping the page, Mr. Chairman, the Northern Allowance, I have no difficulty with that, but then we have another declining enrolment category. I take it then it just deals with numbers and has quite obviously nothing to do then with teachers.

**HON. M. HEMPHILL:** Mr. Chairman, there was a declining enrolment factor that had been built into the Education Support Program, but it wasn't quite as large and didn't give quite as much protection as this. It was built in previously for one year and what we've done with this is we've protected, over a period of time, at 70 percent, 60 percent, 30 percent and then 10 percent - 60, 30, 10, so that they're protected, not at a 100 percent level but protected at a reducing level over a period of time.

If I can just give you an example, St. James, as the Member for Kirkfield Park was mentioning St. James'

declining enrolment, who happen to have been hit harder than almost any other school division in the province, but the protection that's been built in has been quite considerable for St. James. You've lost 189 students between 1981 and 1985 - 1,800, sorry, I'm looking at . . . I was going to say it's nearly 2,000 students, 1,895 students or 13.3 percent of the student population between '81 and '85, which is a really incredible population loss.

However, they have been given, in that period of time, a 42.9 percent increase and if you look at the province, the province suffered a 3.8 percent loss in students, compared to their 13.3 percent loss, the province had a 41 percent increase overall in that time and St. James-Assiniboia had a 42.9 percent. For instance, I think this year they're suffering something like 485 students and we're funding them as if those students were still there, so there's been a lot of protection built in for divisions with declining enrolment and that figure will reduce in the subsequent years to the 70, the 60, the 30, the 10.

**MR. DEPUTY CHAIRMAN:** The Member for Kirkfield Park.

**MRS. G. HAMMOND:** I just have one question. Does that make up a lot of the difference in the fact that the - and I'm not trying to get into the area of the bill - teaching population in St. James is aging and not having the new teachers? Does that funding cover that fairly adequately?

**HON. M. HEMPHILL:** They have two protections built in. They have a weighting factor that's built in, that helps those school divisions that have a large number of teachers that are older who are on the top end of the salary scale, a larger proportion, so there's a weighting factor to give more money to them. Apart from that, they have the declining enrolment, which is based on the eligible enrolment and which is weighted and takes in the declining enrolment and protects them, not just for one year, but for subsequent years.

What I was saying is that with St. James, for instance, there are 485 students they're losing this year. It's as if they had them. In other words, they are getting the money as if they had those students, because of the protection in the declining enrolment program. If you just look at the two figures that I gave you, the 13 percent loss and the nearly 2,000 students, that their increase in their percentage increase has been greater than it has been for the province as a whole, so it's quite incredible that a division like St. James which is losing the largest number of kids, almost 2,000 kids, is still being funded to such a level, that they're getting a higher percentage increase than the province as a whole, which is only coping with a 3.8 percent declining enrolment, overall. St. James is doing quite well under the formula.

**MR. DEPUTY CHAIRMAN:** The Member for Morris.

**MR. C. MANNES:** Mr. Chairman, I only have one comment. It seems that the weighting factors that are in place would seem to be in an opposite direction than the intent of Bill 26. Those divisions that are saying

they're suffering and stand to have some saving if they begin to hire younger teachers because of the bill, then they'll receive less support. Is that correct?

**HON. M. HEMPHILL:** To some degree, but it wouldn't totally make up the difference in the salary scale between the low end and the high end. There's some protection at the end, but not total.

**MR. C. MANNES:** I realize there's a lag effect, but nevertheless they're working in two different directions. The savings that the Minister's talked about previously isn't all there, because of course that school division will receive less support as it hires teachers with less experience. So there isn't a direct saving by the amount and I guess I'm not criticizing the formula at all. Don't get me wrong, and I realize lags have a great impact on this, but nevertheless at times they are working in opposite directions.

Mr. Chairman, I would move to the third page, in the last statement, says that 1985 Supportable Expenditures is greater of (a) or (b). Is this the grandfathering clause to which the Minister has made mention before?

**HON. M. HEMPHILL:** It allows them to choose between (a) and (b) for increased enrolment. It gives them an advantage if they have an increased enrolment. Their supportable expenditures increase according to their increased enrolment.

**MR. C. MANNES:** Well, the Minister says this is a factor built in obviously for those school divisions experiencing increases in enrolment.

Moving on to the next page, Mr. Chairman, I have no questions there. The page after that talks about the 1985 block grant. I have no difficulty with this other than the seventh line down. I see a percentage, 66.1 percent. Now obviously, that's come from some combination of factors or is that a constant that's applied against all school divisions? I'd like to know a little more about that.

**HON. M. HEMPHILL:** Yes, it's against all all school divisions, Mr. Chairman.

**MR. C. MANNES:** Moving on to the next page. I see a term, the second line from the bottom. It says, "Special levy for equalization." I have to ask the Minister what is meant by that?

**HON. M. HEMPHILL:** That's the total supportable expenditures, Mr. Chairman, categorical and block, less categorical.

**MR. C. MANNES:** Excuse me, Mr. Chairman, I ask the Minister if she could repeat that?

**HON. M. HEMPHILL:** I'm not sure that I can.

Yes, Mr. Chairman, we take their supportable expenditures, less their categorical, less the eligible block grant and that is the amount that we equalize; the special levy for equalization.

**MR. C. MANNES:** Well, that's very clear, Mr. Chairman.

**HON. M. HEMPHILL:** I'm glad you think so.

**MR. C. MANNES:** I think I'll bring this to a close quickly. I thank the Minister. I'm glad to have seen the formula in this form. I don't believe I have before. I don't know what I'm going to do with it but at least it's on the record. I guess it begs the question, all the superintendents and executive officers through the school divisions in this province, do they all understand this?

**HON. M. HEMPHILL:** I might just say that perfect school division that shall be nameless is one that the staff mocked up to explain to the school divisions the new formula. What they did was take them through this. Every single school division was taken through workshops and using this first as a base and then their own, they had the entire program explained.

I do not expect that I can say that they all understood it perfectly on the first round but they're beginning to understand it more as the time goes on. There was a lot of positive feedback about the workshops and the explanation and taking them through and giving them the information. That had never been done before and that helped them a lot.

**MR. C. MANNES:** Mr. Chairman, I really only have one concern. It's not with the difficulty of understanding the formula. I'm sure if somebody worked with it day in and day out for a number of months, they'd become somewhat familiar with it. With the new frame system of accounting, obviously, this formula will be in place for every school division. My only concern might be that some school divisions would rely on the formula in the computer and, of course, would not really understand it other than having access to it and plugging in some change in variables and waiting for an answer to be kicked out. Does she share that concern, or is that where technology is taking us?

**HON. M. HEMPHILL:** No, Mr. Chairman, we don't rely totally on computers. We rely on the people that we've always relied on. There's a lot of communication between the Department of Education and the school divisions and between secretary-treasurers and the staff in the Department of Finance, not only when there's a new program going in, but anytime there are questions there's often a lot of talk and discussion and explanation about how it's applied and what it means. I doubt very much if any of them are running figures through the computer that they don't understand, because if they don't understand them they come back to the department and find out.

**MR. C. MANNES:** Mr. Chairman, January 4, 1985, the Minister in a press release No. 158 . . .

**HON. M. HEMPHILL:** He loved the numbers.

**MR. C. MANNES:** . . . said, on Page 2, "One mill of special levy will raise the same amount per pupil regardless of the wealth of the division."

I have before me, because the Minister provided it for me, special levy mill rates through the Province of Manitoba through all the school divisions. They range

from Dauphin which has Dauphin-Ochre River School Division which has a levy in 1985 of 32.7 mills to Flin Flon which has one of 90. Mr. Chairman, I ask the Minister to reconcile those two different facts, firstly, the statement made many times that equalization is now totally in place and, secondly, the fact that there's such a range in mill rates.

**HON. M. HEMPHILL:** Mr. Chairman, there are a number of factors that make up the range and the difference. First of all, we equalize up to their supportable expenditures only. They may spend considerably more than they are being supported for, so that's one factor. It depends on how much they go beyond their supportable expenditures. So one factor that affects the range is that.

The other one is that the mill rate is both school board and municipal, and it might be surprising since we hear — (Interjection) — Okay, he's just doing education, okay, all right then I'll bring that in at another point.

The other major factor, I think that there are several factors that influence. No. 1 is the amount of money the province puts in as an influence; No. 2 is the question of how much is supportable. We equalize to supportable levels; and No. 3 would be board expenditures. The board expenditures are ranging considerably and this year they probably go from - the average I think is 4 percent - but they go from about 1 percent to about 8 or 9 percent.

So you can tell that if boards are going to have their budgets ranging in an increase from 0 or 1 percent at the low, to 8 or 9 percent at the high, that's going to have a significant effect on mill rate range. The supplemental program is designed to correct low expenditures and low balanced assessment, but it certainly doesn't deal with the issue of range of expenditures of board budgets or over-expenditure of supported programs.

**MR. C. MANNES:** Mr. Chairman, when the Minister talks about equalization then, she's talking about it just to a figure of supportable expenditures, by way of the formula, and those school divisions that then decide to expend beyond that point, of course, are free to do so and to levy locally in support of that.

I guess then that means to me that the difference in mill rates that exist should then be a direct reflection of the decision that those school divisions take to spend beyond, or not to spend beyond the supportable expenditures. Otherwise what does true equalization mean?

The Minister said that equalization means that one - what are her words - ". . . one mill of special levy will raise the same amount per pupil, regardless of the wealth of the division." If that's not the case, do we have true equalization?

**HON. M. HEMPHILL:** Mr. Chairman, I'm not sure if I understand the question he was raising, but we would not put ourselves in the position of saying that we would equalize up to the level of board expenditures, but whatever they wanted to spend they could spend, and we would equalize up to that level. — (Interjection) — No, I was saying that would not be acceptable, so our

equalization is based on those things that we say we are willing to support.

**MR. C. MANNES:** That's what I said.

**HON. M. HEMPHILL:** What was the question then?

**MR. C. MANNES:** Mr. Chairman, I understand that. I guess what I'm saying is, if no division spent less or more than that supportable figure, then, by definition, wouldn't the special mill rate within every school division be the same?

**HON. M. HEMPHILL:** We're having a great discussion about the point you're making.

Mr. Chairman, we're having a little difficulty understanding. If we understand his question, and understanding what we think the answer is, can we talk it over and get back to him?

**MR. C. MANNES:** Mr. Chairman, yes, certainly. I guess I'm just trying to, rather than going through the formulas and have that understanding of equalization, I'm trying to develop just a basic understanding of it; relating the fact that the government is prepared to support education up to some level, you've said so; and on the other hand, saying that the mill rates that are applied should be equal. Because, of course, under the assessment rules, that's the very nature of equality. If you have more wealth in the form of property, naturally you will pay more if the mill rate is the same as if you have less, or if your neighbour has less in the value of property. So I accept the Minister's word. She'll try, and staff will attempt to find a further explanation.

Mr. Chairman, how many school divisions, after having seen the new formula, have come to the Minister and asked for additional support, beyond what the new program - either the grandfather part of it under the variable block or the new program properly - has offered?

**HON. M. HEMPHILL:** Mr. Chairman, no more than six school divisions out of the 56 - five or six school divisions. Actually, Mr. Chairman, in terms of the specific question of how many asked specifically for more money, there were four school divisions that asked for more money. In most cases they thought they had something very unique to their school division that justified consideration over and above the regular formulas and regular granting. In Lakeshore, it's a very special transportation problem and they had received special funding for transportation. In Selkirk they had a particular carry-over of a deficit from the year before, so there were a variety of issues that were raised with these school divisions.

**MR. C. MANNES:** I know Winnipeg School Division - at least I think they were one of the ones that asked for more and received. Did Brandon also receive additional funding?

**HON. M. HEMPHILL:** No, Brandon did not ask for additional funding. I did have a meeting with them and I did think they were going to ask for additional funding, but incredibly, their main point was, if I can remember

because I'm meeting with a lot of boards, but if I recall Brandon's main point was that they thought that low spending divisions - and they are one of the lowest spending divisions in the province - who in their words are good managers and manage well, and that's how they're able to keep their expenditures low, are being penalized because the increases are based on expenditures and therefore when they spend low and don't spend as much, they're not getting as much of an increase, and their point is that boards that are spending more were encouraging boards to spend more, and boards that are spending more are getting more, and good administrative boards like theirs are getting less.

However, that's the same point that was made about the 1980 base. They were caught in 1980 as a low spending board, and they were caught again in 1984 as a low spending board, because we moved the year, but we didn't change the basis of funding.

They actually wanted - their recommendation to me, and it's in writing in a proposal, I found quite an incredible one and I told them so - but what they wanted me to do was to determine what an acceptable level of funding was per pupil and what an acceptable amount was, and if they went over they would not get the additional amount, and if they went under, they would get an average amount.

In other words, they wanted me to bring in a formula that would take away money from boards who had existing programs, and I said, are you really serious? I can remember saying, are you really serious? You want me to bring in a program where I arbitrarily - oh, and then what they wanted me to do was to give everybody the same amount of money and if they spent more they had to come to me and tell me, justify why they spent more and why they should get more, and I should consider it on an individual basis whether any school division was allowed to get more than the average rate that was given. I mean I found their - if we think we have problems now . . .

**MR. C. MANNES:** I thought you would jump at something like that.

**HON. M. HEMPHILL:** What?

**MR. C. MANNES:** I thought you would jump at something like that.

**HON. M. HEMPHILL:** With four school divisions, you know, saying that they have some problems with the funding, can you imagine what would happen if you set a median range and then took the money away from them and made them defend and explain why they should get it. I mean if you want all hell to break loose, that's a good way to do it.

They also did not ask for money, and that surprised me, but in fact I can remember one of the trustees saying, "By the way, Madam Minister, we are not asking for more money. We can get by quite nicely, thank you, with what we've got, and we can live with the mill rate that we are applying to our taxpayers. We can defend it and live with it." They did not ask for money, but they wanted a change in the formula and while I accepted the concerns that they were raising about

low spending divisions, I sure did not accept their solution.

**MR. C. MANNES:** Well, Mr. Chairman, I have nothing more to ask in this special mill rate area, other than again an explanation, maybe tomorrow, from the Minister with respect to equalization.

However, Mr. Chairman, before we rise tonight, the Minister has to explain to me how in this January 4th News Service, second paragraph from the bottom, and she says this, she's talking about the 2 percent increase for Education, ". . . and that there be less reliance on property taxes to fund education." Well, I better add a bit more. "The principles that are following are that all children should have equal access to education; that all children are guaranteed an adequate education regardless of the wealth of the division in which they live; that all divisions, despite the size of their local tax base, receive the funding they require to maintain programs, and that there be less reliance on property taxes to fund education."

Mr. Chairman, today the Minister admitted that over four years the government taxpayers or ratepayers, property owners were paid \$83 million more by way of property tax in support of education. How can the Minister say in that press release that there's less reliance on property taxes to fund education?

**HON. M. HEMPHILL:** Well, I suppose one of the ways that we try to reduce this year is to maintain the no mill rate increase on the Education Support Levy for a third year in a row. No, it's not perfect and it doesn't solve all the problems, and it doesn't reduce the reliance on property tax to the level that we want, and it doesn't move toward the 90 percent, but we also said very clearly when we announced the funding, that we were going to move towards it when revenues and resources were better.

We have, I think, taken more of the money, through the years that we have been funding, through the Consolidated Revenues than we have through the Education Support Levy, the special levy taxation. That, I think, has had an effect on the property tax base.

**MR. C. MANNES:** Mr. Chairman, we discussed that earlier this afternoon. Is the Minister then saying, when she uses the terms that there would be less reliance on property taxes, she's actually talking about share, she's talking about proportion, or does she admit that could be construed as saying that the total tax bill, in terms of dollars, dollars of the day, will be less on property tax? Quite obviously that isn't true, they've gone up. So then is she saying that really what is meant is that the total share that will be applied towards property in the form of taxation in support of education will be less than it was previous, or does she care if people know the difference?

**HON. M. HEMPHILL:** Well, Mr. Chairman, obviously what we would like is that what is reduced, when we're talking about reduction and reliance on the property tax base and moving towards the 90 percent, is that it be a total reduction of all taxes.

We've been very open this year that when money is tight we are not able to provide as much as we want,

and we're not able to move towards that reduction, that it was going to require some additional money from the province, keeping the Education Support Levy at the same range and controlling of expenditures by school divisions to keep that level reduced.

The range in special levy mill rates has been getting lower and from 1983 the range has been 60 in 1983; 43 in 1984; and 39.5 in 1985, so there has been a reduction in the special levy mill rates range over those years.

**MR. C. MANNES:** Mr. Chairman, I'm prepared to rise.

**MR. DEPUTY CHAIRMAN:** Committee rise. Call in the Speaker.

## IN SESSION

**MR. DEPUTY SPEAKER, P. EYLER:** The Honourable Government House Leader.

**HON. A. ANSTETT:** Thank you, Mr. Speaker.

I'd like to move, seconded by the Honourable Minister of Environment, Workplace Safety and Health, that the House do now adjourn.

**MOTION presented and carried** and the House accordingly adjourned and will stand adjourned until 10:00 a.m. (Friday).