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DEBATES
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PROCEEDINGS

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LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, April 20, 1979

Time: 2:30 p.m.

SUPPLY — EDUCATION

MR. CHAIRMAN, Mr. Warren Steen (Crescentwood): Prior to the noon break, the Member for St. Johns was on his feet and talking. Does he wish to continue?

Item 3.(a)—pass — the Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I wanted to ask the Minister if he could clarify some comments that he made a couple of days ago. I believe that this is certainly one of the central points that we have to clarify in this particular debate, and that is the broken election promise of moving the provincial support to 80 percent. First of all, this is obviously the position of the opposition that this has been a goal that the Minister — not just himself — his entire political party, put in the provincial election campaign. This is one of their planks, that they were going to move to an 80 percent funding and now we find out, Mr. Chairman, that we're going in reverse, that instead of moving towards this goal, we're going in exactly the opposite direction.

Now, you know, the Minister is very good at semantics, but I don't know if he's very good. If he's not that good — well, let's say that of all his various skills, he's best at semantics, and I say that he gave us a very feeble explanation the other day. Like old Mother Hubbard, he went to the cupboard and found that the poor cupboard was bare, and he says that he was so taken aback, that he immediately abandoned this particular plank which was probably the central plank in the Education portion of the Conservative platform.

Mr. Chairman, I would remind the Minister that last year, the government had available \$1.68 billion for Expenditures; that this year they have \$1.77 billion available for Expenditures. Now it's up to the government to determine the priorities, but they have at their disposal, \$1.77 billion available for General Purposes and they have chosen to pick a figure in Education, which in my judgment is too slight, inadequate, is causing hardship in the School Divisions and in the educational system. That figure, I calculate an increase over last year of 2.5 percent, and I'm going to read some figures to the Minister and also comment on the fact of how some of these cutbacks have resulted of course first of all, in the laying off of teachers and secondly, in a reduction in the quality of education in Manitoba.

Mr. Chairman, the Minister was quoted by . . . let's say that The Manitoba Teachers' Society president, Al Valentine, made some comments only a month or two ago about the Conservative spokesman's promise which had been dropped. He said that it was "clearly abandoned", and I'm talking now of the 80 percent.

And then the Minister very interestingly was quoted at the MAST education as telling a Free Press reporter they'd abandoned the 80 percent goal because they didn't realize that the deficit was so high. But then he, two days later, said that they hadn't abandoned their goal. I guess they just put it on ice. And what he really meant to say, what they should have said in their election campaign, that some day there's going to be an increase towards 80 percent, if and only if we find a surplus, a budgetary surplus are we going to move in that direction. Now that's what he means. He didn't say that. His government didn't say that, but that's what they meant, Mr. Chairman. And that's what they should have said, because I suggested they misled the taxpayers of this province, particularly people who are especially interested in education, namely the trustees and the teachers who are the professionals in the field, and after that of course the ordinary municipal tax people and tax officials. So I say that that isn't good enough. Now I want to quote to him the figures, and he can put against these figures, which are the MAST figures, his figures, because the trustees have made a number of comments on this. They have said, for example, that the increase in grants is not enough, and they said that, for instance they're looking at 7.5 and 8 percent increases for teachers in Manitoba. And they said in their press release of February 7th that to maintain the same programs as in 1978 will require a 10.5 percent increase in property taxes. And of course we know that this is what is happening, that as a province cuts back or as the province fails to live up to its commitments that the municipalities pick this up. And then the individual taxpayer picks it up. And the other bad effect, of course, is the reduction in the quality of education.

So although the Minister provided 12.9 percent more in terms of — I'm sorry, not 12.9 percent, \$12.9 million more in grants. . . First of all \$1.5 million of that was in increased aid for parochial schools. So you take that off 12.9, it means there is \$11.4 million given to the public school system and you put that against \$441 million and I calculate about 2.5 percent. Now here's the particular section I want the Minister to comment. They promised and failed to deliver on an 80 percent goal, and in 1978 government support calculated by the trustees amounted to 74.3 percent, but in '79 that support dropped to 71.2. Well, that isn't good enough. We expect, given the commitment of the government, that they would have moved in the other direction. And then, of course, come the consequences which are very severe indeed, cutbacks in programs and cutbacks in staff. So, I would be interested, Mr. Chairman, to hear the Minister provide us with his figures and then I'd like to make a comment on the consequences of those cutbacks.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I appreciate you recognizing me ahead of the Minister because I have only a short request to make. I had expected that the Minister would make a response at 2:30 to my comments, and that of the Member for Inkster. I expect to have to leave at about 3:00 o'clock, and I'm hoping that the Minister will respond. If he doesn't want to respond to tee points I made, at least I would ask him if he could respond to the statement by the trustees as to the requirement on School Boards to enter into agreements? I would not like to be absent if he's going to respond to that, if he won't respond then it's all right. But I will have to leave shortly.

MR. CHAIRMAN: The Honourable Minister of Education.

MR. COSENS: Mr. Chairman, I have not had an opportunity to study that particular statement by the MAST executive, but I would say, of course, as far as the legislation is concerned as it affects School Boards, there is no change. The School Boards are in exactly the same position regarding the shared-service legislation this year as they were a year, two years, three years ago, and this particular situation is not a new one, it is the same type of situation where a school board has the right to say yes or no to whether it signs a contract with a particular private school within its jurisdiction.

So, in that way, Mr. Chairman, we have not seen any particular change and it is quite possible that a school board would say no, if in their estimation they did not feel it was advisable for them to be sharing in such a contract. We, of course, have the primary responsibility for seeing that the requirements of the Act are met but certainly it is at the local level that the decision is made whether a contract will be signed in the first place or not. As I say, I have not had an opportunity to discuss this at any length at all with members of MAST, and I will be discussing it with them, but I also would remind the member that we have a number of agreements between the school divisions and private schools where the instruction is in fact given in the public school. And without further discussion, I'm wondering if the school boards are saying in that case that they don't want to have any particular say in the process of decision making, as to whether a contract would be signed or not as well.

So, Mr. Chairman, that basically is my position in reacting to the statement that the Member for St. Johns has read in regard to a concern expressed by — I believe it was — the president of the Trustees Association. I would be interested in discussing it with the MAST executive at greater length.

MR. CHERNIACK: Well, Mr. Chairman, I appreciate the explanation by the Minister. Clearly it's in conflict with the simple bald statement of Mr. Rouse, the President of MAST, but I suppose we'll hear more about it.

Mr. Chairman, the only other comment I want to make before I leave, is that the minister was talking about the inherited deficit. We asked him how much; he said \$214 million. He is so out of date that even his own Minister of Finance should be embarrassed to hear the minister repeating an incorrect figure. And I point that out to the minister only, because the danger is that he will leave this Chamber, where he could be checked up on and go to meetings elsewhere, where he cannot be checked on and be repeating what is admittedly an incorrect figure. I think the minister would want at least, to be giving a correct figure, rather than an imaginary one, when he goes around telling people of the terrible problem that he has and cannot manage because of the inherited deficit, which was always known about because of the combined bases of capital and current accounts and which I predict will continue, will be increased by the minister's government in this year. And I haven't seen the budget, maybe he has; I will predict, Mr. Chairman, that there will be a deficit in this year as well.

MR. COSENS: Mr. Chairman, in replying to the Member for Elmwood, who has brought forward two or three different points that he would like me to react to, let me first of all address myself to this business of the 80 percent goal. I'm glad he mentions the word "goal", and that was his wording, Mr. Chairman, and of course, it's also mine and it was the wording of our party in this regard, that certainly 80 percent support by the government of expenditures was a goal that we stated during the election. I have restated it, I have restated that and of course, at such time as our financial position warrants it, enables us to proceed towards it, we certainly will.

The Member for Elmwood finds a 2 percent increase or something, I don't know what type of arithmetic he is using in this case. From what I can see, it's a 6 percent increase in education this year, if he refers to the figures in the front of the Estimate Book. A 6 percent increase overall, so I have some problem with his particular figures. He refers to the reduction in the number of — well, he calls it lay-off of teachers. I call it a reduction in the total staff of teachers in the province. I would say that anyone, Mr. Chairman, who immediately sees this as the policy of a government is not understanding the problem to any extent at all.

The Member for Elmwood somehow ignores the fact that across this country, we are seeing a declining school population and is he suggesting that it would be his policy, that in spite of a decline of 3,000 to 4,000 students a year, that he would not expect that school boards as responsible groups of people in this province, would in turn, try to match their staff size to that declining population?

If he's saying that he wouldn't, Mr. Chairman, then I suggest he's is being completely irresponsible. Because in fact, what we're seeing, is just that and I don't term it a lay-off, I term it a reduction in staff size, that is taking place in line with the declining enrolment. In fact, the figures that I have before me, Mr. Chairman, for this particular year indicate a decline of approximately 1.5 in staff size across the province, as opposed to a decline of 1.6 in student population across the province. That has happened this year. I don't say that that isn't a serious situation or at least one of concern to those who are in the teaching profession and who are looking for jobs. Certainly we have a shrinking staff size, but in the same vein, Mr. Chairman, what we are seeing is a declining pupil-teacher ratio across the province. The pupil-teacher ratio this year will be 16.9 pupils per teacher in the province. The lowest pupil-teacher ratio that we have had in this province — I was going to say at any time, I don't know — but going back for the last ten years.

Now if the Member for Elmwood can look at that pupil-teacher ratio and still say we have an alarming situation, if he can look at the situation in the perspective of declining enrolments and saying that the government's policy is resulting in a decline in the number of teachers who will be actively engaged in teaching in the province, then I say he does not understand the situation.

The Member for Elmwood, Mr. Chairman, also has thrown out a figure of, I believe, 71.9 percent as the percentage support of this government to the schools of this province this year. I don't know where he gets his figures. Again they are not correct. The support level this year, Mr. Chairman, is 73 percent.

MR. DOERN: Tell the trustees that.

MR. COSENS: The support level last year was at a similar percentage. Now if the Member for Elmwood can somehow provide me with statistics that would indicate to the contrary, I'd like to see them, because I am operating on the budget supplied by school boards, operating on the same type of formulas and so on as have been used for the last eight, nine, ten years in this province. And he also of course, and I think he's being strictly political, says there has been a great cutback of programs as a result of this government's policy policies. Let him tell me what those programs are. Let him tell me what those programs are. What programs have the school boards of this province had to cut out as a result of this percentage support? I'd like to hear what they are, Mr. Chairman.

MR. CHAIRMAN: The Member for Elmwood.

MR. DOERN: Well, Mr. Chairman, you know the Minister makes a great big todo about figures. I'm not inventing these figures. They are not figures that I have made up. They are figures that I take to be from a responsible source, the Trustees Association of Manitoba. If the Minister would like a copy, I can get a copy for him of their press release of February 7th and I can provide him with that. And I don't know exactly what, when he says 73 percent, whether he is giving a 73.0 figure or just exactly where he's breaking that point. But the trustees were the ones who said that the support in their judgment was dropping from 74.3 percent to 71.2 percent. So he wants to

argue with me about somewhere around a 1.8 percent difference and I'd like to hear his precise figure, if it's 73 percent on the button or whether he is rounding it off. But we are debating now about 1 to 2 percent disputation. But he doesn't dispute the fact that he's going the wrong way. I heard him say, I believe, that it was 73 percent this year and 73 percent last year. Is that right? Well, I'm just telling you that the figures that I have from the trustees which were a public statement, not released to me, released to the whole world, was 74.3 percent a year ago going down to 71.2 percent. That's their figures, that's their math; I'm reporting it and those figures are being recorded.

I think the point is this, that the minister promised, his Party promised and gave people a commitment that they were moving towards 80 percent. On his own words they're not going anywhere; on his own words, they're holding; on his own authority, they are holding but if he gives us the exact figures I think that he will confirm, Mr. Chairman, that they are going backwards. That that promise is being broken to a greater degree all the time; they have not lived up to their commitment and I think that the public can judge that.

Also in addition to that, there's been no increase in property tax rebates for the past couple of years. I have a feeling, Mr. Chairman, there's going to be some fancy footwork there this year; there's going to be some new semantics introduced, maybe no more funding, but some new semantics and some new reallocations.

The minister says, "well, don't forget that the population has been declining." Well, there has been a reduction in the birth rate; that is a serious problem, I do believe that is a very serious problem, in fact I think that whereas not too long ago, we were all concerned about the fact that there were too many babies or too many children or too many people and that we should strive for zero population growth, I think that now we are going into the negative population growth. And I think that political leaders and citizens and various groups are going to have to rethink that because I believe that that is a serious situation and we may find it necessary, Mr. Chairman, in the years ahead to rather than discourage people from having larger families or children period, that we may have to look at encouragement, because we're going too far in the other direction. Zero population growth may be a good goal; it's one that I certainly subscribe to, but I don't subscribe to negative figures.

I think that we may have to re-examine some of the fundamental assumptions in that regard. So I'm saying, okay, so there has been a decline in population; part of it, I believe, is the result of this government's economic policies and the fact that 10,000 people left this province in the past year. That's a very serious thing. I believe that the other point that the minister isn't admitting is the fact that he is supplying a certain level of funding taking into account population, taking into account the number of students in the schools, a percentage amount of money, an absolute amount of money, a percentage increase, which is inadequate in terms of meeting the costs that are being confronted by trustees, and so on. And I give him again, figures of seven to eight percent, in terms of staff contracts, and even if we accept his figures, he says a six percent increase, the trustees themselves say two and a half percent. He says six percent. But when you're confronted with seven and eight percent increases in teachers' salaries, what do you do, Mr. Chairman? What do you do? You either provide a smaller amount or you lay staff off.

And the trustees are concerned about the amount of financing, and I'll give you a couple of quotes. And the teachers are saying that the cuts that are being made are not in relation to the dollars given but it is a greater rate, and that this is something that greatly concerns them in.

Here's an ad that was placed in both papers in the month of March, and it was headlined, "How will your child be affected", and it was signed, The Manitoba Teachers' Society, and it said this: "The proposed cuts which are now real cuts in spending for public schools, may endanger your child's education." It's like a warning sign, may be injurious to your health or the health of the body politic or the educational system. And then it says this, Mr. Chairman — I'm glad I'm reading from this particular quote, and it says this in direct contradiction of the minister. It says, "Declining enrolment may be used as a convenient excuse to reduce spending without fully looking at the long-term effects on the kind and quality of education available." So the teachers themselves are answering this minister — 12,000 teachers are contradicting what he's saying. They're saying that it is a convenient excuse to simply focus upon declining enrolments. And they say that the parents should go and ask their trustees and their minister and their government about the following:

Number One — Will my child receive the necessary individual attention in a large class? —(Interjection)— Well, we'll get a breakdown of that later.

Another question is: Does my child have special education needs? Is the minister living up to that? —(Interjection)—

MR. COSENS: . . . we've had that one before.

MR. DOERN: Third — Are there programs in our school to meet the special needs of my child?

And will my child be placed in a class next year in which other grades and courses will be taught? Well, you know, if we push that one a little far, Mr. Chairman, you start winding up, logically you get into the little area of the Little Red School House, don't you? If you push it to its extreme, where you start combining courses and start combining classes eventually you wind up in the direction from whence we came, when Manitoba was dotted with some 700 little red school houses and they were a lot of fun, and there was a lot of comradeship and there was a lot of good times, and there was some very good teaching too. But all of us, I think, agree that that is not the area that we would, even for a split second, consider moving towards.

And the government of Duff Roblin did its best to demolish the little local schoolhouse, not because they weren't interested in local schools, not because they weren't interested in friendly and pleasant atmosphere, but because they believed with larger divisions, and a division of labour and specialization, by pooling assets we could provide a better education than ever before.

So I say that the minister has to answer this ad. Al Valentine, the MTS President said that again only a couple of weeks ago, quoted in the paper as saying, "That restraint in education spending has reached the critical stage." And you know, I see the minister smiling. I'm worried about him sometimes because he told us earlier that when he was a teacher he took a certain position but then when he became a minister as this poem goes, "He put away childish things."

MR. COSENS: I didn't say that.

MR. DOERN: When he was a child, he spoke as a child, he thought as a child, etc. etc. And I say that that's what he meant. That he said that his position is relative, whereas I stay by certain positions and don't change; he says, well, you change according to the circumstances.

MR. COSENS: I didn't say that either.

MR. DOERN: That's called a relative theory of ethics — situational ethics as it's commonly known as.

So, Mr. Valentine, I believe Mr. Valentine is a responsible man, with a responsible job. He's not a raging radical. He's not a Socialist spokesman. He said that at the critical stage; secondly, he said it is dishonest. Those are strong words, you know, the minister likes strong words, and here's one for him. He says it's dishonest or hypocritical to talk his language, to suggest that Budget reduction does not mean a reduction in the quality of education. Now he gives some examples:

Special Needs, he says, in particular is an area where there is a need for providing children with mental and physical handicaps, already entering public schools through a program to de-institutionalize their education. But he says the government has yet to make, "A substantial and sustained financial commitment towards providing the resources that are necessary for their education." Well, that's certainly one area. He also, and I would ask the minister and I intend to raise this specifically later, about the Summer Enrichment Program that the Winnipeg School Division is struggling with — they need more funds for programs like that. They're unable to provide that in their present Budget.

And Mr. Rouse, who is a very Conservative spokesman, small "c" Conservative, the Head of the Trustees' Association, and I'm sure well known to the minister, well known to me since he was a very prominent citizen in the East Kildonan area and of course in the Law Courts of the Province. He says that . . . and he speaks the most conservatively of all and says that, "School Divisions are still putting out a fair product for the amount of money we get, but much more belt-tightening could create serious problems." And then we get some of the specifics again where we find out that in some divisions you're starting to get an elimination of what were once considered standard courses in the curriculum. Turtle Mountain is going to eliminate French. There's also talk in other divisions. For instance, Mr. Valentine again says, "That programs being considered to be cut are not frills but include important academic subjects." He mentions French, he mentions it in one case we're going to have students from Grade 10 and Grade 11 University Entrance Physics and students from Grade 10 and Grade 11 General Program Physics, lumped together in one class. It's the good old days where you had four different kinds of classes in the same room all studying four different kinds of physics. Well, that's a version, that isn't the little red school house, it's the little red classroom and that is a serious problem. Then again he reiterates that divisions are planning to cut teaching staff by a greater percentage than the decline in their student populations. Well, he's saying that they don't have the money. It's the money, he says that is the problem. Now you know in other articles, in other bits of information, there will be a reduction of the German Program in Killarney.

There will be possibly a cut in Home Economics and Shops and so on.

Well, Mr. Chairman, it would be very interesting to here the Minister's views on this and particularly in regard to French. You know all of us have our pet projects and all of us have our pet courses. I am more attune to history and english, like the Minister, than perhaps certain other courses if our biases were all being shown. But, when it comes to French, given the makeup of the country, given the fact that there is some concern about bilingualism and biculturalism, and I seem to recall a statement made by the government, somewhere in the past year, where the Premier and maybe the Minister, made a strong commitment to the teaching of French and reassured the French community in Manitoba that all is well under the Conservative Party.

And then another point, again, that Killarney and Boissevain and Cartwright, and it's too bad that some of those bedrock, hardrock southwestern Tories aren't here to listen to this, but some of these students who will want to continue taking courses that were formerly taught in their local schools will of course have to pursue their education through correspondence. Well, you know, I guess it's better than nothing but correspondence surely must be rated as the least preferred method of instruction compared to a live teacher in a classroom.

So, Mr. Speaker, I think that those are some areas that the Minister should comment on. Surely he is not telling me that he is providing the exact amount of money in relation to the precise number of students, that they have worked this all out and they now have some kind of a magic formula by which they are ensuring that the quality of education is remaining constant. Because if for no other reason, Mr. Chairman, we know that inflation has ravaged government expenditures and public needs. We're aware of that. And if they are not keeping up with inflation and if they are not keeping up with — let us hold this constant, he student population I'm prepared to hold that as a constant — but holding that, bearing in mind reductions in student population which I would concede is a major factor, I say that then you have to relate to the fact that there is severe inflation and you have to consider commitments given by the government in terms of general programs, their basic curriculum, and then the fact that any government in office should also make some advances if possible — the Minister and I are talking partly about special needs and so are other people. But if we are to have the same quality of education, we will have to have an adequate number of teachers and we'll have to have a bottom line assurance that we're not going to have basic courses cut. We don't want to see French eliminated in schools. We don't want to see Physics taught — 30-40 students in one classroom from a whole variety of physics programs — taught by one teacher. We don't want to see students taking correspondence whereas before they were taught by a particular individual in the classroom.

So I say that part of what I am saying comes directly from me and I am responsible for that but I am also quoting to the Minister statements made by trustees, organizations, saying that funding is inadequate and the teachers saying it's inadequate and spelling out some of the reductions which amount to a reduction in the quality of education in this province.

MR. COSENS: Mr. Chairman, I felt that I had answered in part some of the matters that the Member for Elmwood had brought forward. I'll have to repeat them I see and perhaps expand a little bit for his particular edification. He seems to choose to ignore the declining enrolment factor which is a very real factor, Mr. Chairman, in our whole provincial situation today as it is across this country. Every province, every school division practically in this country with few exceptions is struggling with that particular problem. And the reality of the school situation is, and particularly in smaller schools and in rural schools and rural high schools, that there does arise a certain situation where, in option subjects particularly and the Member for Elmwood mentions Physics and French which are treated as option subjects in the high school curriculum, that there can arise a situation — and I happened to have experienced one of these where the number of students in Grade 11 French happened to be 8, and the number of students in Grade 12 French happened to be 4 — that the administration of the school in consultation with the teacher of French decided that the best way, the most sound economical and educational way of treating this situation was to combine the two classes together.

That's rather interesting, Mr. Chairman, because you know how long ago that was? It was four years ago that I experienced that particular situation in a small rural high school and of course I don't know what the Member for Elmwood would have attributed that to at that time, but it did take place. It was part of the reality of the situation. I don't think that he is advocating a school system where we can find teacher time for four students in a particular subject area. If he is I would like to hear it and I'd like to hear where he can find the particular dollars that would ever support that type of system. But I tell him that's a reality that is being faced and it hasn't happened this year. I mentioned experiencing it some four years ago and when he speaks about certain rural divisions where this is happening, yes it is happening, yes it has been happening for some time, yes it will keep happening particularly in those option subject areas where the enrolment is never

too high.

So this is certainly a by-product, a direct spin-off, from the declining population that we are seeing in our schools today and it is going to necessitate in many cases combination of classes, a combination of grades in certain subject areas in smaller schools, in smaller districts. The alternative as our population shrinks is either to take this type of strategy, or then to try to consolidate further. In other words, we were talking about busing, moving students from their home location to another location in order to reach that optimum size, where you don't have to take that type of particular action. That is not an action that in some cases parents or students wish to see taken, they would rather take the other strategy of combining a class. I am again speaking about the rural locale here but I could see that it could happen, I suppose, in some small schools in the urban areas as well.

Well, the member of course seemed to choose to ignore my mention of the pupil-teacher ratio in the province this year, the 16.9 figure, which I say is the lowest figure we have had in this province for years and years. He likes to ignore that one because it doesn't fit in with his general thesis of trying to attribute declining enrolment, almost, to this particular government. And of course his true social mechanic stands up and says that he thinks government should be doing something about declining populations and it would be interesting if we had a great deal of time to hear what his solutions would be to declining populations in our schools. He certainly would solve that, I suppose he would decree that each family should have so many children or something along that particular line. But, as I say, we won't get into the ridiculous aspects of that suggestion that he brought forward.

So I suggest to him, Mr. Chairman, that if he chooses to ignore the real figures, the hard figures based on school board budgets across this province, if he wants to deal with the preliminary figures that may have been used by the Teacher's Society in coming up with their data, or perhaps the preliminary figures that may have been used by the Manitoba Association of School Trustees in coming up with their figures, that is fine. I am giving him the actual figures. When I tell him that on the basis of the school board budgets across this province, the indication is, and it's the hard facts, that we are going to see a 1.5 reduction in the teaching staff but a 1.6 reduction in the total student population. Those are hard facts, Mr. Chairman, based on school boards budgets, not based on preliminary figures or guesstimates last December, or last November.

MR. DOERN: The Minister proceeded to ignore many of the comments that I made but I just want to ask him this: Is he telling me that this is how he is going to arrive at his budget from now on? Because this is what he is suggesting, to take the number of students, compare it to the previous year and then use that as the base. Then he is going to consider the inflation factor, add in the necessary amount of money and then he is going to add in any improvements that he has given commitments toward. I would like to know if that's what we are going to do from now on. If there is a 1 or 2 percent reduction in the number of students, he will make a 1 or 2 percent reduction, I suppose, in the comparative cost of education the previous year, take 1 or 2 percent off the total budget, then consider the inflation factor, add 8 or 10 percent on and then add in a few special things and that will be the way we arrive at the budget. Offhand I don't see anything too wrong with that, but I suspect that the Minister isn't doing that at all, that he is not providing money to keep apace, even though he is prepared to make allowances for declining student population, as are we. We're not going to ignore that fact either, but is he going to keep apace with inflation and keep apace with making some improvements in the educational system? Are we locked in forever? Is it the case that when the New Democratic Party left power in 1977, that throughout their administration, they will never change the programs and the approach of the previous government, because they are locked in forever? Because if they do, Mr. Chairman, it is going to cost more money and they certainly don't want that. So is that your approach?

MR. COSENS: Mr. Chairman, I am absolutely appalled at the total lack of understanding of the Member for Elmwood as to how this government or any government arrives at their decision as to financial support for the schools of the province. Certainly it is based on the total, the gross expenditures of school boards across the province, and that is determined, and determined quite accurately, and on the basis of that gross expenditure, the decisions are made as to what level of support will be provided. At the same time, I'm sure if the member doesn't understand, I'll tell him that we have things like equalization grants, declining enrolment grants, and grants for this and grants for that to try to compensate for discrepancies in the ability to finance the education in different sectors of the province. In fact, the equalization grant covers all schools in the province. And I can tell him that in the area of the declining enrolment grant, for instance, we are looking at a figure — and I would like to give him that particular figure, last year this government under the declining enrolment grant, paid out some \$506,450; this year it will amount to slightly over \$1

million under the declining enrolment grant. I would throw those figures out to him, Mr. Chairman,

so that he might better realize that in fact we are not operating on some type of ad hoc loose arrangement, looking at the number of students and saying that this is the number of dollars that we will provide in this particular instance.

MR. DOERN: I'll make my final comment and my colleague for Seven Oaks wants to ask some questions.

Again, on the 80 percent, the Minister, from now on, when he ever talks about that again, he is going to, I think, clearly state what he means by that. When he goes out campaigning, first of all against his own colleague, the Minister of Highways, and then against one of the mighty Schreyer clan they are after, he is not going to say that they are going to provide 80 percent educational funding, he is going to say that it is a goal, it is a long-term goal, it is only something that we may move in the direction of some day, providing and then he will set out the conditions, he is able to stand up to his colleagues in Cabinet — providing he is able to get his fair share of the total provincial budget, and different things like that. And providing, last and not least, Mr. Chairman, that there is a surplus. When the government rolls up a big surplus, then there will be more money for education.

But until all of those conditions are met, I hope he is not going to go out and start staying how they are going to have this plank in their platform, because it sure was a hollow, sheer hypocritical statement to suggest to people that 80 percent funding was going to be attained. If he only meant to say that some day they would provide 80 percent funding, he should have gone further, Mr. Chairman, and said some day they will provide 100 percent funding, providing that there is a great big surplus, providing he lives long enough, providing the government isn't defeated in two years, and a whole lot of other special conditions. So I wish that he would be more careful in his statements in the future.

MR. COSENS: Mr. Chairman, let me say to the Member for Elmwood, I have no problems with that statement. I think we have certainly qualified it and I think that is rather clearly understood by the people of this province, and to try to masquerade it as a broken promise, I would suggest, Mr. Chairman, is the shallowest of ploys indeed. I would also suggest to the Member for Elmwood, and I am quite confident, that we are seeing an upswing in the economy of this province and along with that upswing, I am sure that the revenues of the province will increase and as a result, that we will be able to move towards that particular goal. I am confident of it, Mr. Chairman, and I say to the Member for Elmwood, you just sit back and wait and we'll see what situation we are at next year and the following year he will have the opportunity in both those situations, of saying to me, you are right or you are wrong; you were overly optimistic or you weren't. I am quite optimistic, I am quite confident, Mr. Chairman, that he will eat his words in the next two or three years.

MR. CHAIRMAN: The Member for Seven Oaks.

MR. SAUL MILLER: Thank you, Mr. Chairman, the last few remarks by the Minister really tempted me but I'm going to refrain because other of my colleagues are really carrying the ball here.

I wanted a clarification. I believe the Minister, and I just seek clarification, did he say that the support level for education is 73 percent, the financial support is 73 percent, by his figuring?

MR. COSENS: Yes.

MR. MILLER: When he talks about 73 percent, is that 73 percent of the total cost of education, the total expenditures both by school divisions and the provincial government?

MR. COSENS: I am using the same type of calculations, Mr. Chairman, in this regard in arriving at the percentage that I am sure were used by the honourable members opposite in arriving at their percentage calculations over the last few years. In fact, I am sure they would be disappointed if they thought I had been using any other comparison.

MR. MILLER: Mr. Chairman, I wish the Minister would answer my question — I don't know about the questions posed by my colleagues. He made the statement that the support level for education funding is 73 percent. Does that 73 percent represent the total amount spent on education by the school divisions and the Province of Manitoba?

MR. COSENS: Mr. Chairman, I always have this problem with the Member for Seven Oaks until

we establish that we are both talking on the same particular wavelength. I have assured him that we use exactly the same type of calculation that he was accustomed to use when he was Minister of Education. The percentage is the total amount of government support, including the tax rebates and the support for senior citizens; it comes to some 73 percent and of course based on the total expenditures of school boards in this province.

MR. MILLER: That's what I want to clarify. You are saying that's the total expenditures for education in Manitoba both by school divisions and the province. It is not the Foundation Program he is referring to. In other words, the 73 percent is more than what the Foundation Program calls for, that's what you are saying. So if \$100.00 in total is spent by everyone, the school divisions and the province, the provincial input through the Tax Credit Program, the Foundation Program, etc., is 73 percent, of which of course 20 percent comes from property taxes through the foundation levy. —(Interjection)— No, no, but you are saying 73 percent includes the Rebate Program, the 73 percent includes the Tax Credit Program, the Property School Tax Credit Program . . .

MR. COSENS: But it doesn't include the 20 percent.

MR. MILLER: The 20 percent which is a levy on property.

MR. COSENS: The Foundation Levy is not included in that percent.

MR. CHAIRMAN: Perhaps if the Member for Seven Oaks would ask his full question and then allow the Minister to stand up, the people with the recording equipment would get the answer and the question.

MR. MILLER: My apology, Mr. Chairman. I'm just trying to get this straight.

The Foundation Levy which the Minister refers to is the levy imposed by the province on property; that money flows into the School Board Finance Board and becomes the funds to which the province then adds a certain amount of money and becomes the Foundation Program itself. So that the Foundation Program moneys, the moneys that are shown here in the vote, do they include the 20 percent?

MR. COSENS: No.

MR. MILLER: They don't . Fine. So at the top of the money here, there is 20 percent coming from property, which is the amount flowing to the school divisions, and the 73 percent, as he puts it, or my colleague claiming 71.2 in accordance with the MAST figures, that that represents 71.2 percent or 73 percent, whichever argument is correct, I don't know, of the total expenditures, of the special levy, the general levy, everything, and the provincial input. That is what you are saying. I wanted that clarified.

MR. CHAIAN: Does the Minister of Education want to answer that, for the tape purposes at least?

MR. COSENS: Mr. Chairman, if I follow the Member for Seven Oaks clearly, he was concerned about the 20 percent of the Foundation Program that is paid by Foundation Levy and he wondered if that particular amount derived from that 20 percent was included in arriving at the 73 percent and my answer was no, it is not included in that.

MR. MILLER: And the General?

MR. COSENS: No, the General Levy is not included in the 73 percent.

MR. MILLER: Well, if you say the General Levy is not included in the 73 percent, then are you saying that the support level of 73 percent is really towards the Foundation Program? I want to get that straight.

MR. COSENS: No, I think the Member for Seven Oaks realizes that the percent of support of the Foundation Program is 80 percent. We have talked about the 20. So 80 percent of the Foundation Program is supported by the government. The other figures that comes in here is the Other Grants section, which is a considerable sum of money, and then we also include again, comparing on the same basis as has been done for a number of years, the rebate programs, the aid to senior citizens

living in their own homes as well.

MR. CHAIRMAN: The Member for St. Vital.

MR. D. JAMES WALDING: Mr. Chairman, further to the last point that was being made, I was rather surprised to hear the Minister accept the principle that these figures have been derived on the same basis as the previous government did. I recall very clearly that his colleagues, when they were in opposition, were highly critical of the Property Tax Credit and claimed that it had nothing to do with education and should not have been included in the calculation for those purposes. I am very glad that now the Minister has seen the light and agrees with the previous government's bringing in of that program.

I would like to ask the Minister, when he is including the property tax credits, how much of the \$140 million voted for this coming year for the two tax credit programs is involved in this calculation?

MR. COSENS: Mr. Chairman, the figure that I have, based of course on last year's formula in this regard, is some \$117 million.

MR. WALDING: Thank you, Mr. Chairman. In view of the fact that the Minister of Finance has had his research people drawing up a White Paper on tax credits and similar taxation measures and that he has now indicated that that research is now completed and that the government is considering new programs, can the Minister give the House an assurance that the entire \$117 million that he is speaking of will be used for education purposes this year?

MR. COSENS: Mr. Speaker, this particular formula on rebates, of course, as the member stated in his opening remarks, includes school taxes and some portion of municipal tax. This is a reality of the situation that I'm sure he realizes and I realize. However, it has been customary, I understand over the past number of years, to use this in the school percentage calculation.

MR. WALDING: Thank you, Mr. Chairman. I realize that what the Minister says is true but that wasn't the question that I asked him. I asked for an assurance that all of that \$117 million would be used as a tax credit for the people of this province.

MR. COSENS: Mr. Chairman, let me repeat once again, as close as I can calculate at this time, based on last year's formula on rebates and so on, this would be the figure, 117.

MR. WALDING: Will that \$117 million go back to the people of this province?

MR. COSENS: Mr. Chairman, it is my understanding that that's what happens with rebates.

MR. WALDING: Can the Minister give the committee an assurance that that will happen again this year?

MR. COSENS: Well, of course, Mr. Chairman, we will be clear on this point when the Minister of Finance brings down his Budget. Perhaps the figure will be even larger than this.

MR. WALDING: Further to the figures that had been bandied about earlier this afternoon, Mr. Chairman, about the 71 or 73 percent, the figures that I had indicated that it was down this year to 72.3 percent, which is down a couple of percentage points from last year, which in itself was down a couple of percentage points than the year before. Maybe the Minister has other figures on those two years as well but it would seem to indicate that the province's share of the total education burden was in fact declining and that the burden placed upon the local taxpayer was increasing. He can confirm this or deny it as according to his figures.

I would like to ask him, going back to the Conservative election pledges of 80 percent provincial support for education costs, how he or the Conservative Party arrived at the figure of 80 percent? Why not 70 or 90 or 100 or 50 percent; why the figure of 80 percent?

MR. COSENS: Mr. Chairman, to the Member for St. Vital, he makes two points that he is particularly interested in. Let me give him the percentages for the last four or five years of provincial support and they are as follows. He may be quite interested in jotting these particular figures down. In 1975, the figure, and again this is the percent of the net expenditures of school divisions across the province, the percent of government support, 74 percent in 1975. In 1976, 73.4 percent — to repeat,

Mr. Chairman, 73.4 percent. In 1977 we see an increase to 75 percent. Now there may be some coincidence there, Mr. Chairman, that happened to be an election year and I wouldn't like to impute any particular reasons for that jump in that particular year but we do see it happening there. Last year we provided support at a 73.5 percent level and this year, support at a 73.1 percent level.

MR. CHAIRMAN: (3)(a)—pass — the Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I had asked the Minister two questions, the second one being how had his Party arrived at the figure of 80 percent for the proposed or the goal of provincial funding for the total education cost?

MR. COSENS: Mr. Chairman, it is my understanding that there has been ongoing study, of course, by the Manitoba Association of Trustees and other educational groups in this province as to what they would consider to be an optimum level of funding, a reasonable level that would involve the government to an extent that would be feasible and at the same time allow the local option of a certain amount of financial responsibility as well and that the figure that had been arrived at by these groups, not by any particular government party, was an 80-20 split, with the government at an 80 percent support level and allowing the remaining 20 percent to be raised by the local people.

MR. WALDING: Mr. Chairman, I have no great quarrel with the figure at all. I assume that the Conservative Party has also adopted that as being a reasonable figure, perhaps deriving from the fact that the Foundation Program was split 80-20. I have no quarrel with that at all.

Perhaps I can ask the Minister, in view of the fact that the province's percentage is declining, does he have any estimate of a time when this 80-20 split might be achieved?

MR. COSENS: Mr. Chairman, I think, as I have mentioned before, that we would hope to be able to move towards this as the economy in the province improves. There is every indication that it is, so I would hope that we will be seeing that type of an upswing, an increase in percentage support that coincides with the improvement in the economic conditions in this province. When, the actual date, I am certainly not in a position at this time to state. I would say, and I am certainly not saying facetiously at all, soon, and in fact I would hope the sooner the better.

MR. WALDING: Mr. Chairman, when the Honourable Minister's Party was in opposition for some eight years they had a good deal to say about the Foundation Program, possibly because they had brought it in or had a lot to do with it if they didn't actually bring it in in the first place, and I don't recall the year it first came in.

One of the criticisms from their front bench, and particularly as I recall from the Minister of Finance, who was a previous Minister of Education, was that the government of the day was neglecting the Foundation Program, and that its salary levels had become hopelessly out of date, in fact only covered perhaps 50 percent of the actual salary costs. We were being pressed very strongly by the opposition front bench at that time, to increase the Foundation Program.

I would like to ask the minister what his policy is in this regard. Does he see an upgrading of the Foundation Program, especially as far as the salary grid is concerned, and I mentioned this to him at the beginning. He told me then that it was the same and had been the same since 1967. Would this not have been more in keeping with his colleagues previous remarks on this subject? And does he see that being upgraded, perhaps next year or in the very near future?

MR. COSENS: Mr. Chairman, we, of course, have this whole area under constant study trying to find where we can provide the best support possible to the school divisions, and the Teachers' Salary Grant area is one that we have under consideration as well. I believe he will have noted that this year we have increased the pupil grant area rather considerably in the whole program of support to the schools of the province. I believe that in total it has increased some \$47.00 per pupil.

MR. WALDING: Mr. Chairman, the minister mentioned that he was in possession of all or most of the school divisions budgets for this year, and I understand there is a statutory time limit when they have to be in to the department. I wonder if his staff have calculated the percentage increase in the total of those budgets for the next year, and if so what is it?

MR. COSENS: I can probably get that information for the Honourable Member for St. Vital, Mr.

Chairman. I should have mentioned when he was asking me questions in connection with the school finance and the Foundation Program that we do have a committee, an Inter-Organizational Committee, made up of representatives from the different educational organizations in the province, that meets during the year, studies the whole school finance area, and makes recommendations to the minister in that regard. And I can assure him that some of the areas that he has mentioned are under continual review by that committee. The information that he has requested, as far as School Board budgets are concerned, will take some time for me to find, but I will give it to him as soon as I have it available.

MR. WALDING: Yes, Mr. Chairman, the minister has promised us from yesterday and the day before, certain information that he was taking as notice, including a couple of research studies that he said he would share with this side. I wonder if he has those now. I hope he hasn't forgotten about them anyway.

MR. COSENS: Mr. Chairman, of course, I seem to have a lot of material that I am providing to my honourable friend, I'm sure he appreciates that gesture on my part. I have some of it here today; I will certainly endeavour to have it all here as we move along. Some take a little longer to gather than others. I believe he had asked for the composition of the Discipline Committee — I have that for him. A question had been requested, or information had been requested rather, on the number of teachers, by salary grant classification. I have that information, and also a breakdown of computer usage in certain parts of the department so I will forward that information to him now. Some of the research reports that he had requested I certainly will have available for him in our next Session.

MR. WALDING: Thank you, Mr. Chairman. I thank the minister for being so prompt on that information. Yes, on behalf of my colleagues, we do appreciate the minister's co-operation. We are very grateful to him for providing this. We note that it's a co-operation that is not shared by all members of the government front bench, and there have been other occasions where some of the ministers have been rather reluctant to provide us with information that we have asked for.

I'd like to get down to the specifics if I may, Mr. Chairman, on this particular appropriation. I noted \$204 million. I'd like to ask the minister first of all the total amount of the Foundation Program for the coming year?

MR. COSENS: Mr. Chairman, the total amount under the Foundation Program this year is some \$204,158,721.00. I'll repeat the sum, \$204,158,721.00.

MR. WALDING: Thank you, Mr. Chairman. I have a breakdown from last year of the different parts of the Foundation Program and the amounts that were approved last year for each of them. I wonder if the minister would read down the appropriate or equivalent grants this year, slowly so that we can write it down and compare them.

MR. COSENS: Mr. Chairman, these are the figures for this year for the Foundation Program under the different headings: Under Salary — \$80,858,290; Transportation — \$14,655,422; under the Capital heading, sub-heading Buses — \$2,721,868, and still under the Capital heading, Debt Servicing — \$29,388,341, and still under the Capital heading, under Other — \$3,467,930; Vocational Equipment, still under Capital — \$750,000; the Print and Non-Print Grant — \$3,372,256; the Vocational per Pupil Grant — \$3,321,625; the Per Pupil Grant — \$62,384,549; the Library per Pupil Grant — \$1,216,235.00; the Small Schools Grant has been rolled into the Per Pupil Grant, Mr. Chairman, and I can tell the Member for St. Vital the Per Pupil Grant has been increased by some \$47.00 per pupil, and the Small Schools Grant — I would anticipate his question — would amount to about \$2.00, slightly over \$2.00 per pupil. The Declining Enrolment Grant — \$1,008,000; Transfers — \$8,405.00.

Under the heading Administration: Finance Board Salaries and Expenses — \$356,000.00. Interest Charges — \$850,000.00.

The Special Needs Equipment has been moved into the, I believe it is 4.(j)Appropriation, Mr. Chairman, and does not appear in this particular Estimate under the Foundation Program.

Those figures, Mr. Chairman, total \$204,158,721.00.

MR. WALDING: And can the minister tell us what the Foundation levy is to save me the arithmetic?

MR. COSENS: The Foundation Levy, this is the 20 percent, amounts to \$40,831,744.00.

MR. WALDING: Can the minister tell us what the amount under Other Grants is, please?

MR. COSENS: The total under Other Grants, Mr. Chairman, is \$37,994,394.00.

MR. CHAIRMAN: 3.(a)—pass. . .

MR. WALDING: Mr. Chairman, I would like to ask the minister if he would give us the same breakdown of the Other Grants as slowly as he did these so that we can make a note of those, please.

MR. COSENS: Under Other Grants, Mr. Chairman, provide the following figures: Under the Equalization Grant — \$21,151,500; under the Special Revenue Grant — \$136,134; under Special Levy Reduction — \$5,881,131; Tuition Fees Indian — \$3,093,638; Tuition Fees Non-Indian — \$1,165,528; Special Grants — \$250,000; Northern Cost of Living Grant — \$704,808; School Nutrition — \$185,100.00; The Bilingualism Grants: first under Francais — \$2,222,115; and under French — \$377,885; the Winnipeg Special Grant — \$1,000,000; St. Boniface College — \$128,155; Private School Agreements and this is for instruction in public schools — \$21,591; under the Non-Resident heading — \$174,500; Special Needs — \$500,000; Native Para-Professionals — \$474,478; Sacre Coeur Grant — \$67,251; the Term Grant — \$40,000; English as a second language, the ESL — \$215,600; English as a Second Language: \$215,600.00.

I would just mention for the benefit of the Member for St. Vital, that may be confusing him somewhat, the English as a Second Language Grant and the Evening School Grant were included as one last year. I've broken them down this year, so we will come to the Evening School Grant in a minute. School Tax Rebate, \$23,000.00. The Evening School Grant, \$181,980 and the total, \$34,994,394.00.

MR. HANUSCHAK: Yes, Mr. Chairman, as I was listening to the Minister give the breakdown of the grants, could he indicate in which appropriation he has the support for those school divisions which will be offering a program using Ukrainian as the language of instruction?

MR. COSENS: This will be under the program section, Mr. Chairman.

MR. HANUSCHAK: So there are no funds for that program under Item 3.

MR. COSENS: Mr. Chairman, those funds will be provided under the program section.

MR. CHAIRMAN: 3.(a)—pass; Pass. Member for St. Vital.

MR. WALDING: Mr. Chairman, the Minister told us that under Private Schools Arrangement, there was an amount of \$21,905 for instruction in public schools. Can I ask him where we will find the amount that is to go to private schools under their arrangement with the public school?

MR. COSENS: Yes, that figure, Mr. Chairman, is \$2,982,025.00.

MR. WALDING: Which heading is that included in, Mr. Chairman?

MR. COSENS: It also is included under Other Grants, Mr. Chairman.

MR. WALDING: In that case, Mr. Chairman, are we to add 2.9 million to the 37 million, or is it included in one of the other headings?

MR. COSENS: Mr. Chairman, the Member for St. Vital, can do it either way. He can have his choice. If he wishes to include it then the figure in Other Grants is \$40,976,419.00. If he wishes to exclude it the figure is \$37,994,394.00.

MR. CHAIRMAN: 3.(a)—pass. The Member for St. Vital.

MR. WALDING: Maybe, Mr. Chairman, the Minister rattled it off a little too quickly for me. He said that it's included in Other Grants but he gave us the some dozen or so headings. Now, is there another heading in there for this 2.9 or is it in with one of these other grants that he read

out?

MR. COSENS: In this particular year, Mr. Chairman, I have divided the two for clarity between private school agreements where the instruction is in public schools and private school agreements where the instruction is in private schools. Both headings of course found under the Other Grants category.

MR. CHAIRMAN: 3.(a)—pass. The Member for St. Vital.

MR. WALDING: I'm sorry, Mr. Chairman, I'm still having difficulty reconciling these figures that we have here. Could the Minister tell me again where I will find this 2.9 million dollars?

MR. COSENS: Under the Other Grants heading, Mr. Chairman.

MR. WALDING: So the total for Other Grants is not 37.9 it's approximately 40.8. Would that be correct? —(Interjection)— 40.9. The 40.9 plus 100 and . . . oh, I understand now, thank you.

MR. CHAIRMAN: 3.(a)—pass. The Member for Winnipeg Centre.

MR. BOYCE: It's going to take us a couple of minutes to digest this, Mr. Chairman, I had asked the Minister if he could give us a reconciliation of the transfers of funds and staff man years in this appropriation, and I wonder if the Minister had had that? Under the reconciliation when he first started his estimates on Page 29, it showed several transfers and I had asked the question as to where the money had gone and how many staff man years had gone and the time that they had gone. I wonder if the Minister had that information?

MR. COSENS: Mr. Chairman, I believe I forwarded that information. It may have been to the Member for Seven Oaks, the reconciliation statement.

MR. BOYCE: I'll have to read that. I am sorry I haven't seen that. But, Mr. Speaker, while my colleagues are looking at these figures, as the Minister was presenting his arguments and responding to members on this side, I was listening to his presentation and it came to mind one of his statements last year when we were talking about this particular appropriation, and he said something to the effect that we arrived at this appropriation in rather an odd unorthodox way and I was just wondering, in listening to him insist that a 6 percent increase is an increase, in general terms we had become used to last year the concept of zero-base budgeting and we haven't heard that this year. But one of the things that has gone by the board, Mr. Chairman, also is the fact that in presenting budgets across the country the Ministers of Finance and Ministers presenting their Estimates used to use the term of constant dollar so that people could see the net effect of what was being proposed and by no stretch of the imagination is 6 percent increase an actual increase. The inflation rate at the moment, we are advised, is running very close to 9 percent, 8.9 percent, so that in overall this is actually a decrease and I think it is irresponsible on the government in all of their Estimates this year to not bring into the conversations and arguments the net effect of inflation and what is being proposed.

For example, Mr. Chairman, the Library Association made a presentation to caucus here recently and they advised us that the inflation on books is about 22 percent so that in going down the Estimates, the lines that the Minister just gave us, it became rather obvious that this was another unorthodox way in presenting a budget because we will have to go through it more or less line by line because I don't know if the dollar figures represent an increase or a decrease, because of inflation, relative to any one of the items.

For example, in speaking of transportation, last year's voted was \$14,325,729 and there is about a \$300,000 increase this year, and taking into consideration the increase in gasoline alone and anticipated increases in gasoline and other costs, how does the Minister expect to provide the same level of service that they told the taxpayers of the Province of Manitoba that they were going to be able to provide with the efficiency of management that they were going to bring to play on the total government.

We go down line by line and more of this becomes obvious, that there is some new, unorthodox manner in presenting these budgets when taking into consideration that the Minister insists that he is performing at the same level. I'm not going to get into this argument of declining enrolment because that is a reality and we have to face it, but nevertheless the costs relative to students in the declining situation, to maintain the same level of educational services, have to go up.

Mr. Chairman, in this country, one of the reasons that we established a finance system for

which kind of removed it from the political scene in one sense, was that we established separate school boards, school boards which had some autonomy in the sense that they passed on their recommendations as far as taxing levels to the municipal authorities who in turn had no choice but to collect those taxes. It was done to protect the educational system because all of us in Manitoba felt that one of our highest priorities was to have a proper level of education in the province and that the first thing that we should tax ourselves for, regardless of anything else, was our educational system.

In 1967 when we established the financing program which we have today, which served us up to a point in time, but the Minister himself has said that it — I don't know whether it is his words, I hate to attribute words to him — but someone said over the past couple of years, in one of the organizations, that it was in chaos and the Minister had mentioned something about establishment a group to take a look at the total financing situation in education.

But, Mr. Chairman, what is coming through in this Minister's Estimates, as well as the other Ministers, is the fact that the government is trying to put up a facade that everything is well, that they are maintaining the level of service, and that also they are using a new technique in presenting their information to the public. They are using words in a different context. There was no one who would construe what the Conservative candidates in the province were saying in the hustings when they said that they were going to have an 80 percent provincial input into education, but now we hear that this is just a goal. So the government has come up with a group of words or phrases that says that they are not going to do anything. When I was listening to the Minister — this is a new one, they set a goal which they really don't intend to fulfill, no compulsion on themselves to realize that goal. Not to do anything is to set a goal, to monitor, to re-evaluate, to assess, and to reorganize. And that's only halfway through the session and we have five new words which mean that they are not going to do anything.

But, Mr. Chairman, as we go through these Estimates, we'll have an opportunity to question the Minister on just exactly how he can say that the transportation component of the Foundation Program can be operated at the same level with an increase of only \$300,000 over the \$14,325,000 last year.

Perhaps one of my colleagues has a question, Mr. Chairman, while I digest this information on the staff man years that the Minister provided me.

MR. CHAIRMAN: The Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, I note that a little better than a year ago, reported on the 21st of February, 1978, in the Winnipeg Tribune, there is a story titled, "Cosens May Review School Tax System," and then the story goes on to state: "The provincial government is prepared to study the feasibility of removing the school tax burden from homeowners, Education Minister Keith Cosens said Monday. At this point, Mr. Cosens said, the government is prepared to study a proposal to see if there is some other way to raise the more than \$100 million needed to finance schools but he said nothing could be done this year toward lifting the school tax burden from real property. He added that school budgets are to be approved by Cabinet within a week."

This comment by the Minister, I gather, was pursuant to a meeting between him and the Union of Manitoba Municipalities, which had occurred on that day or the day prior. So my question to the minister is: Has the minister undertaken this study, which he had promised to do, a study of the feasibility of removing the school tax burden from homeowners? I believe I heard the minister say from his seat that he did from the senior citizen home owners, but this story, as you may have detected, Mr. Chairman, makes no reference to any particular age group — it speaks of homeowners in general. So my question is: Has the minister undertaken this study, it is now over a year since he made this promise, 14 months, and if he has, has the study been completed and if it has been completed, what are the studies recommendations?

MR. COSENS: Mr. Chairman, let me first of all respond to the Member for Winnipeg Centre, who was concerned about the Transportation Grant this year. He points out that it has increased some \$300,000, and he is quite correct. He doesn't see that as a large increase. I would point out to the honourable member that we have increased the Transportation Grant per pupil from \$240.00 to \$255.00 this year, and the reason that he does not see a large increase in dollars there is that we are transporting some 2,088 students less than we were the year previous. Some 2,088 less students being transported.

I might mention that the increase in the Transportation Grant, Mr. Chairman, now means that instead of 26 school divisions having over 80 percent of their transportation costs paid for by the province, that we now have 30 divisions that have over 80 percent of their transportation costs paid for by the grant.

And the member, of course, is talking about declining enrolment, and he has no doubt noticed that the declining enrolment grant has increased quite considerably, in fact almost doubled.

The Member for Burrows mentions the matter of studying the tax system in this province. He's quite right, I've had this under study. The Minister of Municipal and Urban Affairs and myself have met on several occasions. We have had our respective staffs looking at this particular problem, and I can report to the Member for Burrows, that we are still in the process of studying.

MR. CHAIRMAN: The Member for Seven Oaks.

MR. MILLER: Mr. Chairman, just a few questions on the figures supplied by the minister. As I take it, the figures originally read out, the Foundation Program, the Other Grants, total about \$201 million, and then the \$3 million to private schools, whether in the public schools or outside of the schools, amount to another \$3 million, which would then be comparable to the \$204 million we see in the print itself. That's how you arrive at the \$204 million.

Looking at the figures then, eliminating for the moment the \$3 million to the private schools or to the independent schools — call them what you will — the minister earlier said the increase, or has announced publicly, the increase of 6 percent. But if one were to set aside the money to the private schools, \$2.9 or \$3 million, then wouldn't the actual increase to the public schools themselves be more like 4.5 percent rather than 6 percent? Because to include in the bulk figure the \$3 million paid to the independent schools and claiming that as the money voted for the public school system, and that therefore there's a 6 percent increase, is somewhat unclear, I'll put it that way. That if one is to try to evaluate or figure out what is the increase year over year to the public school system, that one would have to take last year's figure over this year's figure excluding the private schools and come up to a figure of something like 4.5 percent. Now, my arithmetic isn't very rapid here, I haven't really had the chance to use my mini-computer on this, and so I may be out, and I'm seeking clarification. Is it more like 4.5 percent increase to the public school system?

MR. COSENS: Mr. Chairman, I haven't figured that particular amount out. I think it's over 5 percent if he uses that type of calculation.

MR. MILLER: So it isn't 6, as has been publicly announced but even though I say 4.5, the minister says it may be over 5. I admit my computations may not be correct, and apparently the minister hasn't got those computations either.

So, Mr. Chairman, what we are faced with here is, even using the minister's figures of somewhat over 5, my guess at 4.5, there's no question at all but that the amount made available to the public school system is not keeping pace with the actual increase in costs. The teachers salaries, although they're still being negotiated and many are in arbitration, they will end up at 7.5 percent, approximately, you know, give or take. They represent, these teachers salaries, salaries to bus drivers where transportation systems are the order of the day, maintenance staff, clerical staff — there's no way they can get away with the 4.5 or 5 percent increase, and it's going to rise beyond 7. So if you have 7 to 7.5 percent increases and maybe 8 percent in salaries, and those are uncontrollable costs, you have increases in the cost of heating the buildings, the utilities, which we know has gone up very, very drastically — whether it's heated by gas or by oil, or what have you — those costs have gone up.

Then, I really can't see how the minister can stand here and make the claim that in fact they are keeping pace with the increased costs to the school divisions. They're certainly not meeting inflationary costs, just normal growth, the normal costs of operating a school division.

And this whole business of the numbers game of the declining enrolment. Of course there's a declining enrolment, but I wonder how long we can continue on this declining enrolment bit. A school exists, a bus operates, and there may be six students less on that bus, and there may be 20 students less in that school, but the cost of operating that school, the overhead costs remains the same. And isn't it about time that we got away from counting, we use to count the number of teachers, the teachers being a factor derived at by dividing the enrolment by a certain number of pupils, whether elementary or secondary. Now we're doing it on a somewhat different basis, I understand. But in any case, we're still using a numbers game. We're saying if you lose a student or five students, well then your grant shrinks accordingly and you're going to have to adjust to it. How long can we keep doing that? Isn't it time that we have to really seriously realize that enrolments are going to continue to drop, and that we can't simply hide behind dropping enrolments and say, well, there's less students being transported? There is eight plus students on this bus, and five other buses, and therefore, there'll be a drop in the number of students being transported. There are less students, and therefore there's going to be less dollars flowing to the school

Do we have to start looking at it somewhat differently and start thinking in terms of what payments should be made to school divisions to maintain a level of programming, whether there be 30 students in that classroom or 18 students in that classroom? Because we can get ourselves caught in a very terrible dilemma here, where certain school divisions or certain schools, because of the area where they are located, where there's a movement out of those school districts and out of those school divisions, into let us say, suburbia, where in some cases they are growing like Topsy and they're overflowing their schools, as the minister knows, and new schools have to be built; in others, there is declining enrolment.

Isn't it perhaps time that we start thinking in terms of to finance programs rather than students, rather than using a head count; and that there's a standard, a basic program, and when I talk "basic", I'm not talking about reading, writing, or arithmetic as the minister knows I'm talking about a rounded-out program so you deal with the individual and his self-development, his self-esteem, his image in his own eyes rather than just preparing him for the world of work. I pose that question in all seriousness, because I think this business of the numbers game which may have worked, and I guess did work, when there was constant growth and it's a very simple way of arriving at it, you know. There's nothing simpler than when you have a man in front of you who is a genius at that using numbers and saying "so many numbers equals a teacher" and it kept growing all the time. And on that basis, there was always more dollars coming in. But we're at a slow growth, generally, in the province in new construction, new family formations, and a declining growth in the number of pupils, and it's going to continue to decline for many reasons.

So can we not start thinking in terms of a new approach to financing education, recognizing that there is certain, fixed overhead costs? A secretary-treasurer will be there whether that enrolment drops by 50 or 100 or 200; clerical staff will be there; the School Board offices have to be continued to be run and operated; the buildings have to be heated; they'll be there, they'll continue to be there; and the programs have to be offered in the schools and I'm sure that the minister would want more than just a basic 3R education. I believe that, so to continue on the enrolment figures and using as the minister did today, he talked about 6.9 pupils per teacher-pupil ratio and isn't that terrific. You know I've used those figures before, they're nonsense because in that you use an awful lot of odies which have nothing to do with the classroom, and you know it and I know it, and they sound good, but let's put that aside. That's rhetoric in this House and maybe for the newspapers.

But we're coming down to the crunch — we're coming to the point now where we have to think in terms of what's happening in the classroom? What's happening to the students? What are they getting in the way of education? Are we at the point today in this country, or this province, where all we can do is say "look, we have so many kids, let's teach them very simple basics, let's put them out in the world and then they'll learn what it's all about when they get out there." Or is education, with my opinion, is it an instrument of change? That's what it should be; not just some system which spews out at the end of the line so many bodies so that they can fit into the work force, and hope for the best.

If education is going to continue as an instrument of change as the impetus for changing society for the next generation, because the students going to school today, you know the minister's not going to see the product of his ideas, that's one of the frustrations in education, it's a twelve year process, you start something and you have to wait 10-12 years till you see what happens to the graduate at the end of the line and you know whether the right thing has been done by that student or not, you really don't know.

So, I ask the minister, is he giving consideration to a new approach to the entire financing of education to get away from numbers, to get away from the simplistic numbers of so many pupils, or so many teachers, and saying "well, if your enrollment increases, you'll get more dollars. If your enrolment decreases, you'll get less dollars." Because there's a point at which the viability of that institution, that school, can be hurt. As the number of students enroll, as the number of options, therefore, have to be cut back at the high schools, and those options are important, they're important to the students, many of the students, the better students as a matter of fact who get totally fed up with the standard curriculum, they've had it, they can breeze through it.

They have to be challenged. In order to challenge them, you must have options in the schools, but those options are costly and, while you had an increasing enrolment you could deliver those options but as your enrolment drops, then it's more and more difficult because the school divisions, the school Boards are hampered by the inflow of dollars from the provincial government. As well, many community school programs, Seven Oaks has a particularly good one, but I know that they were able to do it as the enrolment increased and they were able to siphon off certain dollars, I was involved in that, so I know. But the pinch is starting to be felt and it will affect not only, as I say, the Community Schools Program but will affect the actual programs that are in the schools themselves.

And so, I put to the Honourable Minister whether it's a 5 percent increase or a 4.5 percent increase or a 6 percent increase, can we not get away from that numbers game year after year and start addressing ourselves to the needs of the students as future adults, as somebody who has to take over from us? Equip them now, properly, and not hide behind declining enrolments, declining birth rates, or outmigration or anything else that may be the cause of it.

The cause is not important. The solution to a problem is important; and just White Papers on taxation don't really mean very much, either.

Is time up, Mr. Chairman? I'm sorry. We'll continue.

MR. CHAIRMAN: The hour is 4.30 p.m. Committee rise. Call in the Speaker.

The Chairman reported upon the Committees' deliberations to Mr. Speaker and requested leave to sit again.

IN SESSION

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I move, seconded by the Honourable Minister for Swan River, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Government House Leader.

MR. JORGENSON: I wonder if I may ask leave of the House to revert to ministerial statements to enable the Minister of Labour to make a statement?

MR. SPEAKER: Member for St. Johns.

MR. CHERNIACK: Mr. Speaker, in view of the fact that the government assumed that it would have the concurrence by bringing in the TV cameras and the press, we will not stand in their way.

MR. SPEAKER: Leave granted? (Agreed.) The Minister of Labour.

MINISTERIAL STATEMENT

MR. MacMASTER: I wish to inform the House that the Minimum Wage of Manitoba will undergo a two-stage increase between now and next January 1st. On July 1st of this year the Minimum Wage will be increased by 10 cents an hour from the present \$2.95 to \$3.05. A further 10 cent increase by next January 1st will bring the level to \$3.15 per hour. Members should be made aware of the fact that the increase on July 1st will make Manitoba's Minimum Wage rate the third highest in Canada. Similarly, the \$3.15 rate next January 1st will help Manitoba maintain her position as third highest.

I want to mention two special categories where the present rate will be maintained and for special reasons. The \$2.95 will be maintained as a minimum for liquor servers. This reflects the same special approach that is given this category of worker in two major jurisdictions, Ontario and Quebec. In fact, the \$2.95 minimum rate for liquor servers in Manitoba is higher than in the two provinces I have mentioned. These jurisdictions recognize that liquor servers are in a position to receive gratuities.

The second special category concerns young people under 18 years of age. The minimum wage for this group remains at \$2.70, and as such is the third highest among the provinces despite the recent increases in this category in Ontario and Quebec.

We wanted to help ensure that no step was made that would impair job opportunities for students and young people coming into the labour market at this time. But more importantly, it must be remembered that the present rate is still third highest in the nation.

In our two-stage increase in the minimum wage for adults we have made adjustments that recognize basic requirements, while still recognizing the constraints under which Manitoba must operate to maintain a reasonably competitive position.

We are aware the minimum wage is just that, a minimum wage, which provides a basic benchmark. We recognize that even our present minimum wage of \$2.95 is higher than that set by the Canadian government for employees in job under federal labour jurisdiction. Indeed the federal rate established by the rich, industrialized nation to the south of us is just \$2.90 in the United States and was only

raised to that level on January 1 of this year. I note that in North Dakota the minimum wage ranges from \$2.10 to \$2.30 an hour, and is \$2.30 in Minnesota.

So, Mr. Speaker, the adjustments we are making in the minimum wage represent a solid increase in comparison with most other jurisdictions around us and at the same time represent a judicious rate level that should not alter Manitoba's competitive position to any significant degree.

MR. SPEAKER: The Member for St. Johns.

MR. CHERNIACK: Thank you, Mr. Speaker. I note with some sense of amusement the enthusiasm with which the government side has greeted the information that for the balance of this year, the minimum wage will be increased — rather for half of the balance of this year — the minimum wage will have been increased by 10 cents.

Mr. Speaker, I also draw to your attention that it took the government until the dying moments of this week to honour the commitment of the Minister of Labour to make their announcement and it so happens that they asked that the whole procedure of the House be changed in order to accommodate the Minister for what must have been a horrendous experience of having to prepare himself and the Cabinet to announce this increase which, Mr. Speaker, was announced to the radio before we gave our consent to this announcement. It was on radio, TV cameras were brought in, the press was notified and they were all set to go with this grand announcement.

Mr. Speaker, the applause that greeted the announcement that this makes Manitoba the third-highest in Canada is only a recognition of the lateness with which the government has recognized the needs of the people in the lowest income bracket. They were quick to announce reductions in personal income tax in the higher brackets; they were quick to remove other taxes which affected those who were in the higher income brackets; and they dragged their feet until this very last second in order to announce a very small increase of 10 cents an hour until next January, from July 1.

In doing that, Mr. Speaker, they made sure that liquor servers would not have the benefit of that, the idea being given that the tip would make up the difference. If that is the way the Conservatives rely on paying proper wages to people, then one has to be subject to the benevolent interest of the people whom they serve.

Mr. Speaker, the increase of 10 cents is the equivalent of a 3.34 percent increase. Mr. Speaker, a 3.34 increase, the Conservatives applauded knowing full well as they should, that since the last increase in the minimum wage, the Consumer Price Index rose for all items by 22.74 percent and food, which is the basic necessity of people in the lowest income groups, the Consumer Price Index rose by 34.76 percent, 10 times what the Conservatives have now gleefully brought to the low-income earners of Manitoba, that is, a 10 cent increase at 3.3 percent. By January it will have gone up to the tremendous amount of 6.78 percent increase, and the Conservatives are proud that they are able to announce that.

Mr. Speaker, the amount that was suggested of 25 cents was rejected by the Conservatives as being excessive. The entire statement, as I read it, is an apology to the Chamber of Commerce for having gone as high as they did. Mr. Speaker, there is no doubt that we have pressed them into this position; we brought our resolution of private members on March 20. It has been debated every week. At the recommendation of one of the Conservatives, it was proposed at 25 cents, that was rejected, and now we are being called, almost in special session, to appear to hear this grand announcement of 10 cents for this year and 20 cents starting July 1.

Mr. Speaker, the Premier says next time we'll announce it without notifying us — that's exactly what they did and we consented, Mr. Speaker, let the First Minister know we consented because we knew their tactics were such that they went out of the House and announced it before they did it here and we thought that was the only opportunity we would have to really show the techniques they used and the methods they used and the shame they ought to feel for this very small increase in minimum wage.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, I move, seconded by the Minister of Highways, that the House do now adjourn.

MOTION presented and carried, and the House accordingly adjourned until 2:30 Monday afternoon.